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**registration document**

**2014**

2014 2015 2016

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Ambition 2016

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# Atos

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## registration document 2014

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including **Annual Financial Report**



This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail. The original document has been filed with the Autorité des Marchés Financiers (AMF) on April 1, 2015, in accordance with article 212-13 of the AMF's General Regulations. This document can be used for a specific financial operation, if completed by a prospectus approved by the AMF. This document has been issued by the Company and commits its signatories.





# A

## Group overview

# A

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## A.1 Business profile

[G4-3] and [G4-4]

Atos SE (Societas Europaea) is a global digital services leader with 2014 pro forma annual revenue of circa € 10 billion and 86,000 employees in 66 countries. Serving a global client base, the Group provides Consulting & Systems Integration services, Managed Services & BPO, Cloud operations, Big Data & Cyber-security solutions, as well as transactional services through Worldline, the European leader in the payments and transactional services industry. With its deep technology expertise and industry knowledge, the Group works with clients across different business sectors: Defense, Financial Services, Health, Manufacturing, Media, Utilities, Public Sector, Retail, Telecommunications, and Transportation. Atos is focused on business technology that powers progress and helps organizations to create their firm of the future. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and is listed on the Euronext Paris market. Atos operates under the brands Atos, Atos Consulting, Atos Worldgrid, Bull, Canopy, and Worldline.

Thanks to its large portfolio of product offers and services, the Group is ready to meet the challenges of the digital transformation of its main clients:

- **Reinvent business model:** how to move from traditional business models to new, agile digital networks, enhancing your company from the inside out?
- **Improve the customer experience:** how can you ensure satisfaction across the entire journey, predict desires and respond to them in such a way that every customer is a social advocate for your organization?
- **Ensure trust and compliance:** how to ensure your infrastructures, personnel, and customers are secure and compliant? But more importantly, how can you make security and the trust it fosters a primary lever for innovation and growth?
- **Reinforce operational excellence:** how to ensure agile, flexible and scalable operations, to compete successfully in the digital age?

The Group offers tailor-made and innovative solutions such as mobile apps, social media, Big Data and Cloud that enable the transformation of organizations of its clients and to support the transition of their businesses safely to the digital age.

### Atos' expertise covers a wide range of specialties and is always seeking new opportunities and innovations

#### Managed Services and data: transforming today's enterprise IT to future hybrid IT landscapes

Atos is at the forefront of transforming its clients to the new world of hybrid IT landscapes. This is built on Atos' expertise in delivering IT outsourcing for many years, strengthened by vertical industry knowledge, and now enhanced by the new Cloud venture Canopy. Atos Adaptive Workplace has been recognized several times by independent analysts, as the most visionary workplace services provider in Europe, and as a leader in European and North American datacenter outsourcing and utility services as well as European help desk and desktop outsourcing. Finally, Atos delivers Business Process Outsourcing services in Medical and Financial areas.

#### Systems Integration: delivering high value end-to-end business systems

Atos has a strong portfolio of Systems Integration offerings to provide increased added value for clients to drive their growth and profitability. Its enhanced global delivery model adds quality, scalability, predictability and flexibility at a competitive price point, and benefits from a strong global presence. Atos continues to adapt its existing portfolio to cater for the increasing demand for SAP-based solutions and industry-specific Business Intelligence, Analytics and Smart Mobility solutions. The Atos Global Delivery Platform is based on industry best practices for the governance, management and delivery of the project base business or application management services.

#### Consulting: transforming business through innovative business technologies

Atos helps its clients to deliver innovation to their customers, reduce costs and improve effectiveness by leveraging business technologies. Much more than just a product implementation, Atos Consulting's comprehensive Digital Transformation solutions transition organizations to be able to connect and collaborate both within and outside the organization, much more effectively.

#### Big Data & Cyber-security: Big Data as a business differentiator

Atos works with organizations in the private and public sectors, including defense, manufacturing, telecommunications and Financial Services, to generate value from their growing volumes of data, while maintaining the highest levels of security of our clients' information assets. Atos through its Bull technologies develops high performance computing platforms, security solutions, software appliances and services allowing its customers to monetize and protect their information assets.



## Worldline: ePayment services

Worldline is the European leader and a global player in the payments and transactional services industry. Worldline delivers new-generation services, enabling its customers to offer smooth and state of the art solutions to the end consumer. Key actor for B2B2C industries, with 40 years of experience, Worldline supports and contributes to the success of all businesses and administrative services in a perpetually evolving market. Worldline offers a unique and flexible business model built around a global and growing portfolio, thus enabling end-to-end support. Worldline activities are organized around three axes: Merchant Services & Terminals, Mobility & e-Transactional Services, Financial Processing Services & Software Licensing.

## Atos industry expertise

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Atos forges long-term partnerships with both large groups and multinational companies and SME's. Its high technological expertise and industry knowledge allow the Group to work with clients in the following sectors:

### Manufacturing, Retail & Transportation

Atos helps enterprises to transform and optimize their business processes and support infrastructure in the digital economy. In the manufacturing sector we design, build and run solutions covering the entire value chain for an integrated enterprise so that our customers can run their businesses at anytime and anywhere. Our business enabling IT solutions include strong focus on Enterprise Resource Planning and Manufacturing Execution Systems and drive improvements in Product Lifecycle Management and CRM. We enable our Retail customers to meet the challenges presented by the increasingly empowered consumer. Our omnichannel and payment solutions help our clients to understand and address their customers via all available channels (Online, Store, Call Desk) in the most efficient manner. Across the Manufacturing, Retail & Services sectors, Atos offers the entire solution portfolio as a Cloud service and enable the mobile users with enterprise mobility services.

### Public & Health

Atos is an active partner in business improvement and technology for governments, defense, healthcare, and education. Secure Cloud Computing, effective application modernization, shared services and securing systems have become pivotal as cultural changes and new streamlined processes become the norm. Big Data and open data are also highly relevant for our clients to improve their operational excellence.

### Telcos, Media & Utilities

Across telecommunications, media, energy and utilities sectors, operators face the challenges of increased competition, deregulation, consolidation and disruptive technologies. Within this context, the pressure is on to establish new business models to maintain leading market positions or increase market share. Using IT to transform customers' operations, Atos helps them to increase their agility while reducing their costs. Atos powers progress for its clients by accelerating and securing the adoption of transformational technologies, such as data-centric approaches in telecommunications, multi-channel and interactive media delivery, and smart grid systems for utilities.

## Cloud & Enterprise software

Cloud Computing is generating major changes in the way enterprises define and consume services with a corresponding shift in the way technology service providers organize themselves and structure their go-to-market approach. In response to customers' growing requirements for IT as a service, the Cloud & Enterprise Software service line is proposed by the Group to support the further development of Cloud activities.

### Financial Services

Atos supports the world's leading Financial Services organizations globally. Our mission is to help our clients make distinctive, lasting, and substantial improvements in their performance; delivering this through sharpening our clients operational performance now, and continuously improving their IT performance and agility into the future; enabling them to manage risk and ensuring compliancy with changing regulations, across multiple geographies. In the world of the connected customer, we provide the banking and insurance sectors with end-to-end smart solutions to attract and engage customers across multiple channels understand them more intimately and respond quicker, thereby building reputation and loyalty.

### Defense

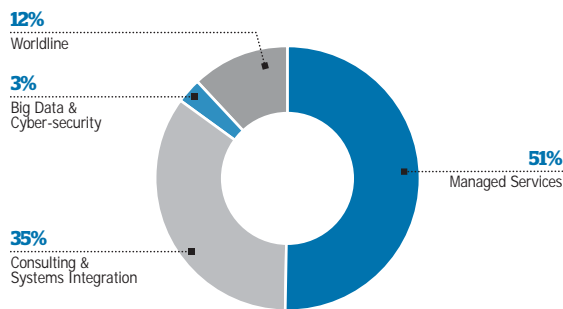
An expert in powerful, secure and mission-critical systems, infrastructures and applications, products and commercial solutions under the Bull brand help defense and homeland security authorities and organizations take new risks into account, interoperate securely and react more quickly to fulfill their missions. From services (engineering and integration of complex hardware/software systems) to solutions, Atos helps leading players build the new defense technologies of tomorrow. The Company has been involved in projects as diverse as the largest European supercomputers for nuclear simulations, warship information systems, mobile tactical systems, remote processing of military devices and radar interceptors, among others.



## A.2 Revenue profile [G4-8] and [G4-EC1]

### A.2.1 By Service Lines

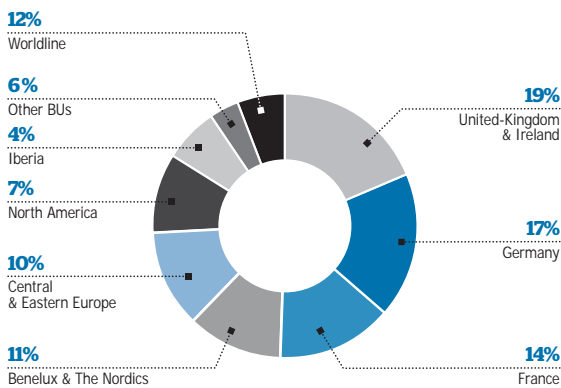
In 2014, 72% of the revenue base was generated by multi-year contracts, deriving from multi-year Managed Services contracts (51% of total revenue including BPO), Worldline transactional services (12%), and Application Management contracts and Atos Worldgrid (respectively 7% and 2% included in Consulting & Systems Integration).



In € million	2014
Managed Services	4,577
Consulting & Systems Integration	3,136
Big Data & Cyber-security	240
<b>Total IT Services</b>	<b>7,952</b>
Worldline	1,099
<b>TOTAL GROUP</b>	<b>9,051</b>

### A.2.2 By Business Unit [G4-6]

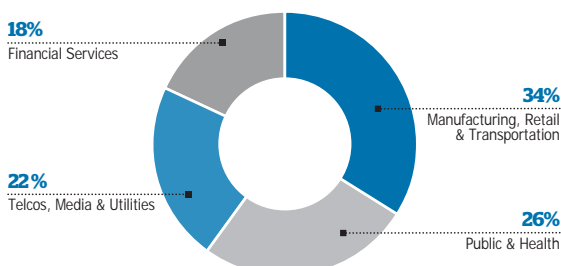
Europe remained the Group's main operational base, generating 86% of total revenue in 2014 at constant scope and exchange rates.



In € million	2014
United-Kingdom & Ireland	1,707
Germany	1,587
France	1,305
Benelux & The Nordics	1,038
Central & Eastern Europe	877
North America	597
Iberia	330
Other BUs	511
<b>Total IT Services</b>	<b>7,952</b>
Worldline	1,099
<b>TOTAL GROUP</b>	<b>9,051</b>

### A.2.3 By Market

The Group provides IT services and solutions to many industry sectors. Customers are addressed through four global markets which are Manufacturing, Retail & Transportation, Public & Health, Telcos, Media & Utilities, and Financial Services.



In € million	2014
Manufacturing, Retail & Transportation	3,041
Public & Health	2,390
Telcos, Media & Utilities	1,970
Financial Services	1,649
<b>TOTAL GROUP</b>	<b>9,051</b>



## A.3 Interview with Thierry Breton

[G4-1]



**Thierry Breton**

Chief Executive Officer  
and Chairman, Atos

### How would you summarize Atos' progress in 2014?

#### **Thierry Breton, Atos Chief Executive Officer and Chairman:**

In 2014 we reported revenue growth of +5.1% year-on-year and an operating margin of 7.8% of revenue, with a free cash flow reaching € 367 million, a net income rising by +8.8% to € 283 million and a net cash position of € 989 million at the end of 2014.

2014 was the first year of our Ambition 2016 3-year strategic plan. It was a year of accelerated transformation for Atos, notably through the completion of the Worldline IPO as planned, and the completion of the integration of Bull operations and technologies. The project to acquire Xerox ITO that was announced at the end of 2014 will significantly increase our footprint in North America. I am proud that all these strategic acquisitions will position Atos in 2015 in the Top 5 global IT services providers, with almost 100,000 employees present in 72 countries and worldwide annual revenue of roughly € 11 billion on a pro forma basis.

### How does acquiring Bull and Xerox IT Outsourcing change the picture?

Bull has now been integrated into Atos and is already making an important contribution to our performance. The Bull brand is enhancing our leading position in Cloud services, Big Data and Cyber-security in Europe, with over 2,000 dedicated experts, and is anchoring our global leadership in Managed Services and Service Integration. It also increases our business impact as well as the scope of our technological assets and offerings with products such as the Bullion servers.

Regarding the planned acquisition of Xerox ITO, it is due to close in the second quarter of 2015 and will be a major milestone in the history of Atos, tripling our footprint in the world's largest market for IT services and adding nearly 10,000 business technologists to our workforce. It is all the more important that the US market is an early adopter of high growth innovative technologies and, as such, a potential major driver of our future expansion.

**Do you see Big Data as a growing source of revenue?**

In Atos we are convinced that data is the black gold of tomorrow. In the last 18 months, our world has generated more data than mankind has ever done before. In this context, data analytics will be a growing source of wealth and innovation in the years to come.

To unlock the power of Big Data, Business intelligence solutions from Atos leverage the Cloud and the latest improvements of “in-memory” technology, virtualization, processing power and storage, helping clients create value out of the volume, velocity and variety of the data generated in their organization. Atos is thus helping its clients to transform data and information into strategic assets that they can monetize and use for differentiation.

**How did Atos develop new offerings and enhance its competitiveness in 2014?**

Thanks to our global positioning, the dynamic transformation implemented in 2014 and the Bull integration, we are now better placed than ever to accompany the digital transformation of our clients on a global basis, including in strategic and high growth markets such as Cloud, Big data and Cybersecurity.

In particular, we see a very strong interest from our clients for our secured Cloud services. In Cloud, we registered +37% revenue growth in 2014 for Canopy stand alone, while the Big Data and Cybersecurity activity within the Group represents roughly € 550 million combined annual revenue thanks to the successful integration of Bull.

We also continued to strengthen our very strong culture of business alliances in 2014. Thanks to a network of global partnerships with industry leaders such as Siemens, EMC<sup>2</sup>, VMware, SAP, Samsung, Microsoft and Yonyou among many others, we are continuously investing in new offerings and innovations for our clients.

At the same time, we continue to improve our productivity as part of our Tier One program to better serve our clients and further increase our competitiveness in all markets.

**What is the role of corporate responsibility in the overall scheme of things at Atos?**

I would describe it as part of our DNA. For example, our Wellbeing@work program continues to create a stimulating environment for our Business Technologists to collaborate and to build communities, based on our Zéro email<sup>TM</sup> initiative. These initiatives form part of our overall commitment to corporate responsibility. For the fourth consecutive year, Atos fulfilled the GRI requirement of application level A+ for its Corporate Responsibility Integrated Report. Atos has produced its 2014 Corporate Responsibility Integrated Report in accordance with GRI-G4 Comprehensive option. The overall process is assured by an external auditor. Atos aims to demonstrate that the extra financial performance disclosures are accurate and exhaustive in line with the GRI-G4 requirements. I am extremely proud as our Business Technologists have made tremendous efforts for the Company to reach a leading position in these areas.

For a company like Atos which relies on the talent of its people, these achievements are excellent benchmarks for our future performance as we are committed to attracting and retaining the people who will drive our continuing outperformance.

**What are your targets for Atos in the next two years?**

As stated in our Ambition 2016 strategic plan approved by 99.6% of our shareholders in December 2013, our goal is to become the preferred European global IT brand worldwide in digital and IT services, as well as in Cloud, Big Data, Cybersecurity and payment solutions.

Our priority is to deliver profitable growth and to increase our operating margin by +100 bps to +200 bps between 2013 and 2016 while generating a free cash flow between € 450-500 million in 2016. Our solid 2014 results, our permanent investment in innovation and in our people as well as our accelerated transformation demonstrate that the Group has the track record and the financial means to deliver its 2016 strategic plan.

On behalf of you, dear shareholders, and of the Board of Directors that I chair, I would like to thank our employees and all those who are helping us to develop Atos and to prepare for the future, thereby creating value for the Group as a whole.



## A.4 Persons responsible

### A.4.1 For the Reference Document

**Thierry Breton**

Chairman and Chief Executive Officer, Atos

### A.4.2 For the accuracy of the document

I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Reference Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation, and that the management report (here attached) gives a fair description of the material events, results and financial position of the Company and all the other companies

included in the scope of consolidation, as well as a description of the main risks and contingencies with which the Company may be confronted.

I obtained a statement from the statutory auditors at the end of their engagement affirming that they have read the whole of the Reference Document and examined the information in respect of the financial position and the accounts contained herein.

**Thierry Breton**

Chairman and Chief Executive Officer, Atos  
Bezons, April 1, 2015

### A.4.3 For the audit

#### APPOINTMENT AND TERM OF OFFICES

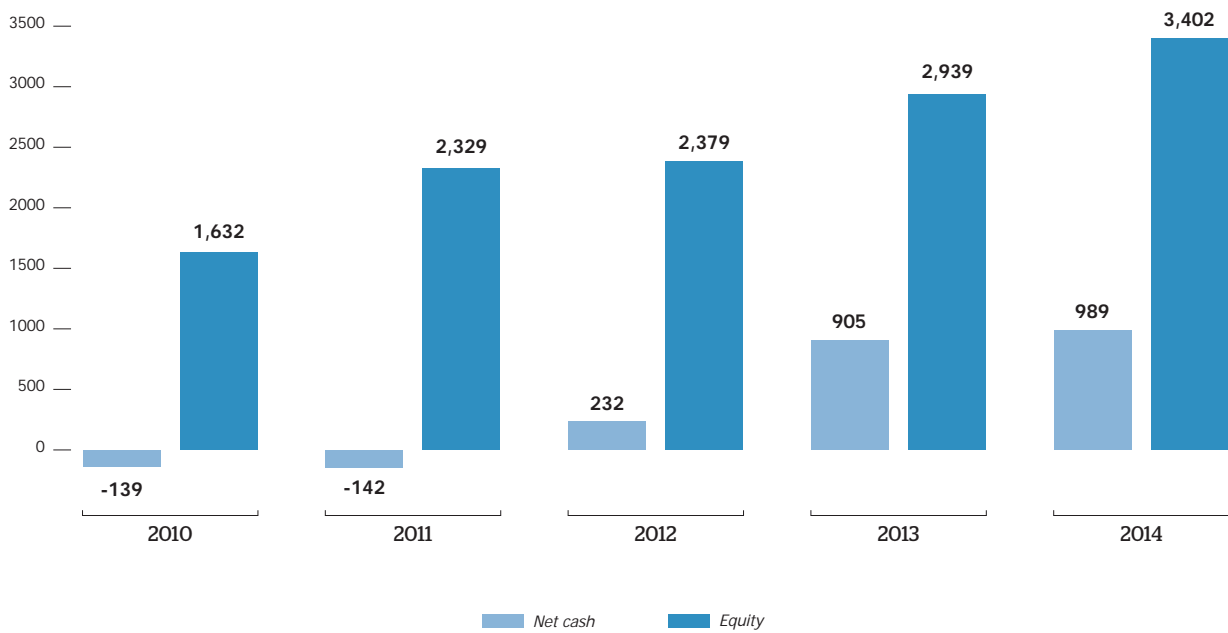
Statutory auditors	Substitute auditors
<p><b>Grant Thornton</b> Victor Amselem</p> <ul style="list-style-type: none"> <li>Appointed on: May 27, 2014 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2019 financial statements</li> </ul>	<p><b>Cabinet IGEC</b></p> <ul style="list-style-type: none"> <li>Appointed on: May 27, 2014 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2019 financial statements</li> </ul>
<p><b>Deloitte &amp; Associés</b> Christophe Patrier</p> <ul style="list-style-type: none"> <li>Appointed on: May 30, 2012 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2017 financial statements</li> </ul>	<p><b>Cabinet B.E.A.S.</b></p> <ul style="list-style-type: none"> <li>Appointed on: May 30, 2012 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2017 financial statements</li> </ul>

## A.5 Atos in 2014

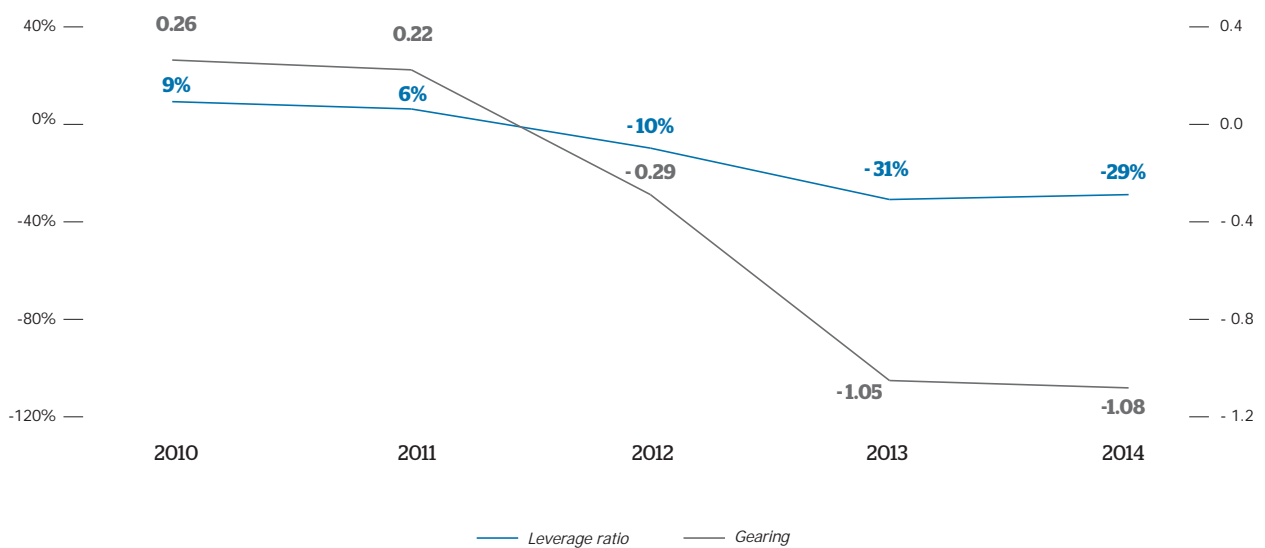
[G4-9]

### A.5.1 Key graphs

#### NET CASH AND EQUITY



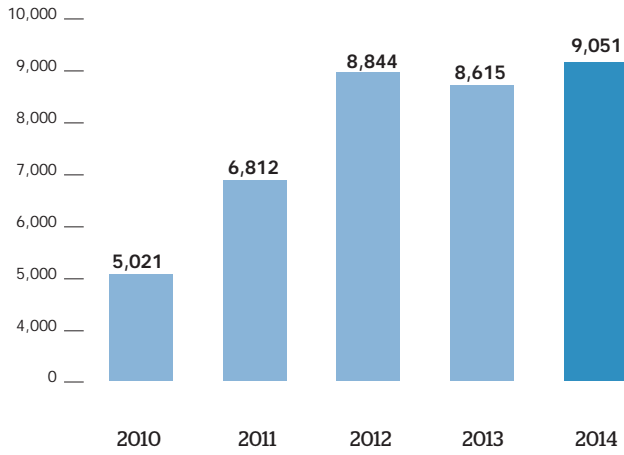
#### NET DEBT / OMDA AND NET DEBT / EQUITY



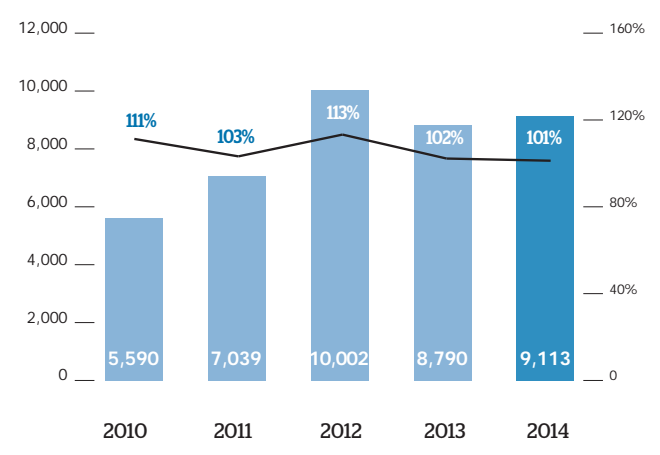
2010 & 2014 figures: statutory.



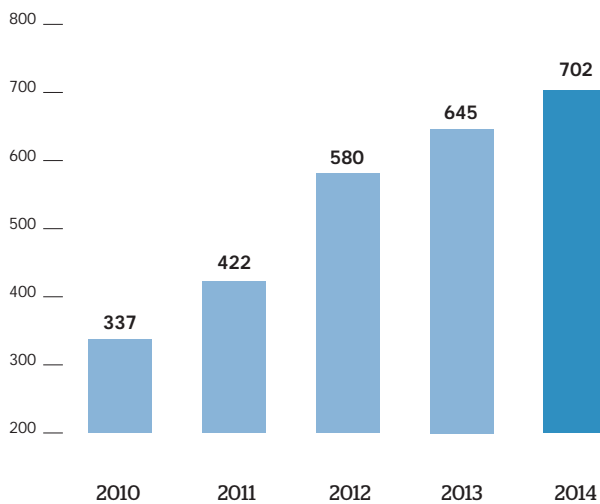
**5-YEAR REVENUE PERFORMANCE**  
(in € million)



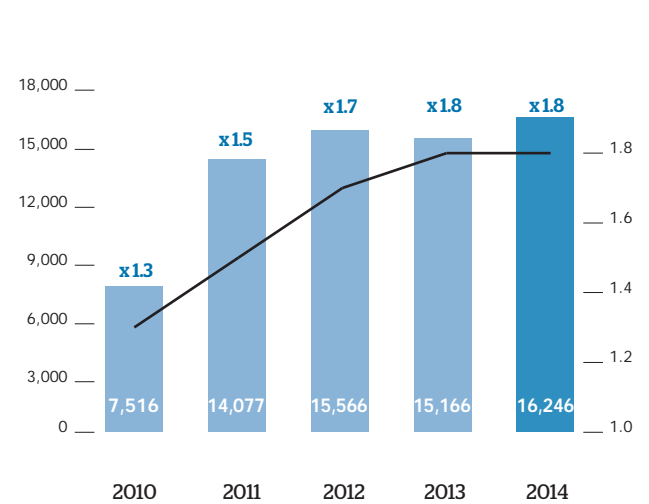
**ORDER ENTRY** (in € million)  
— Book-to-bill in %



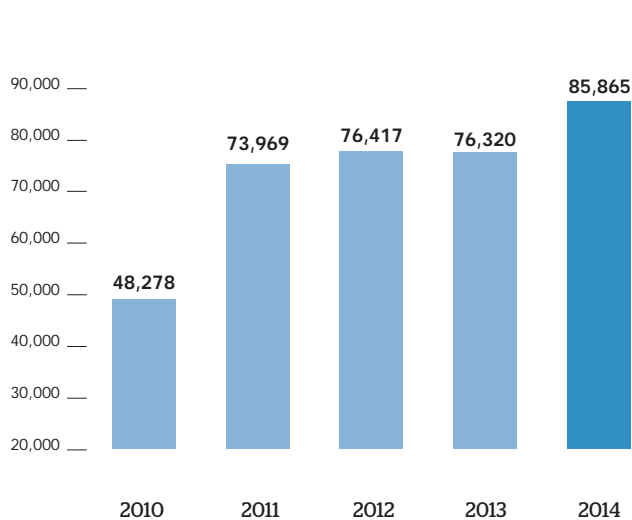
**5-YEAR OPERATING MARGIN**  
(in € million)



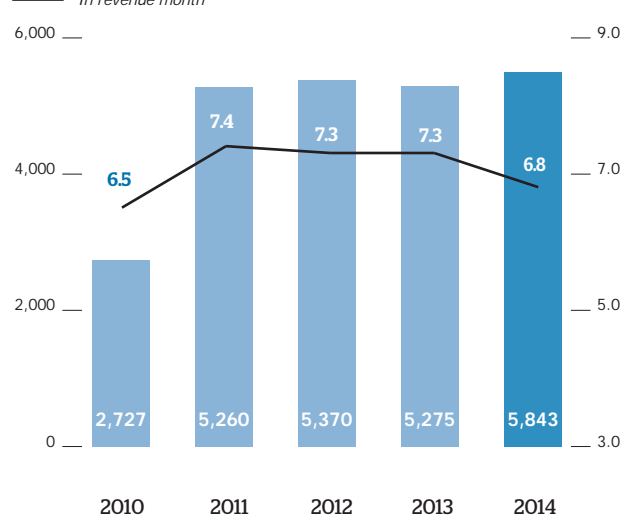
**FULL BACKLOG** (in € million)  
— In revenue year



**5-YEAR EMPLOYEE EVOLUTION**



**FULL PIPELINE** (in € million)  
— In revenue month



2010 & 2014 figures: statutory.



## A.5.2 Key achievements

### January

Worldline, Atos subsidiary in e-payment and transactional services, has been selected by McDonald's in France to accompany its new digital strategy. Online ordering, now possible via all terminals, mobile or otherwise, is based on Worldline's Omni-commerce solution. Worldline has developed a mobile and web-based application for McDonald's in France incorporating its electronic payment solution.

### February

Atos published its 2013 annual results with a record profit and net cash at € 905 million, powering Atos 2014-2016 development plan. In 2014, Atos has planned increase of operating margin and free cash flow and ambition to complete IPO of Worldline.

- operating margin: € 645 million, a strong improvement up +100 bps to 7.5% of revenue;
- revenue: € 8,615 million, nearly stable at constant exchange rates; -0.9%;
- free cash flow: € 365 million;
- net cash: € 905 million;
- record net income: € 262 million; up +17% year-on-year;
- earning per share (EPS adjusted, non-diluted and based on December 2011 number of shares) was € 4.80 in 2013, up +50% compared to 2011 statutory.

### March

Atos has won a new five-year global data center transformation contract with Huntsman Corporation, a global manufacturer and marketer of differentiated chemicals. Global operations are to be consolidated in North America to help manage costs, increase efficiency and improve services.

It will be built on a standardized platform based on an OPEX capacity utilization model provided by Canopy, an Atos company and a one-stop shop for Cloud computing.

### April

Atos announced its revenue for the first quarter of 2014. Revenue was € 2,064 million, representing an organic evolution of -1.8% compared to the first quarter of 2013. Order entry was € 1,671 million leading to a book to bill ratio of 81%. Net cash position stood at € 830 million at the end of March 2014.

All 2014 objectives were confirmed and the Group announced that Worldline was fully mobilized to complete its IPO on schedule, depending on market conditions and after consultation of the appropriate employee representative organization.

Volkswagen Bank extended and expanded the collaboration with Worldline, for an additional five years. The focus of this contract is on Worldline's role to process services for more than 230,000 credit cards as well as exclusive services for the premium credit card "Volkswagen VISA Card mobile". These include services such as installment payment by SMS, the direct rebate program SMS service or a requested PIN.

### May

Atos and Bull, the trusted partner for enterprise data, together announced on May 26, 2014 the intended public offer in cash by Atos for all the issued and outstanding shares in the capital of Bull. The offer values the fully diluted share capital of Bull Group at approximately € 620 million. Atos offer is set at € 4.90 per Bull's share in cash and at € 5.55 per outstanding Bull OCEANES.

With 2013 revenue of € 1,262 million and operations across more than 50 countries, Bull is a leading player in Cloud, Cybersecurity, and Big Data, and the European global leader in High-Performance Computing. The combination will create the number 1 European player in Cloud operations and a leading Cybersecurity solutions provider. Bull will bring critical and complementary capabilities in Big Data which, combined with Atos solutions will create a unique offering in this high growth segment. € 80 million of annual cost synergies are expected after 24 months.

Atos has won together it with blueKiwi Software the Forrester Groundswell Award for Excellence in Social Collaboration for its Zéro email™ program in the Business-To-Employee: Employee Collaboration category.

### June

Atos acquired Cambridge Technology Partners (Cambridge), a leading IT consulting firm in the Swiss market. With 300 employees, the acquisition accelerate the growth of Atos and strengthen its position as a leading provider of IT consulting and services bringing digital marketing expertise in the Consumer Goods, Luxury, Pharma and Financial Market sectors. Cambridge reported revenues of CHF 40 million in 2013 (€ 35 million). Cambridge has developed a strong reputation in the areas of digital marketing, Identity & Access Management (IAM) and Digital Work Place, in addition to traditional business and technology consulting.



Worldline announced on June 26, 2014 the success of its initial public offering on the regulated market of Euronext Paris (Compartment A; ISIN code: FR0011981968; ticker: WLN).

Offering price was € 16.40 per share, corresponding to a market capitalization of approximately € 2,161 million. Worldline raised approximately € 255 million through the sale of newly-issued shares. Following the global offering and with an over-allotment option exercised of 75%, Atos remains Worldline's main shareholder, with circa 70% of the outstanding shares.

The European Agency for Large-Scale IT Systems (EU-LISA) has awarded a consortium of Atos, Accenture and HP a framework contract to maintain and enhance the second-generation Schengen Information System (SIS II). The contract is for three years with a possible one-year extension. As consortium leader, Atos will manage SIS II from defining requirements through to validating the adapted software.

## July

Atos published its results for the first half of 2014:

- strong commercial activity in Q2 with 127% book to bill ratio;
- revenue: € 4,176 million;
- operating margin: € 275 million, increased by +20bps to 6.6%;
- net income Group share: € 76 million;
- free cash flow: € 124 million.

Main highlights were the € 500 million of new significant contracts were won in June 2014; the Worldline IPO successfully completed according to initial planning and the offer on Bull still running until July 31, 2014.

## August

Atos and Bull together declared the successful completion of the tender offer launched by Atos for all the issued and outstanding shares in the capital of Bull. As of the settlement date set on August 18, 2014, Atos consequently hold 84.25% of Bull's share capital and voting rights based on the total number of shares outstanding on July 31, 2014, and 18.41% of the Company's OCEANes in circulation. The transaction represents a key milestone in the creation in Europe of a world leader in Cloud, Cyber security, and Big Data.

Atos, partner of the Olympic and Paralympic Games, had successfully delivered critical Games Management Systems and Games Information Systems for the Commonwealth Games in Glasgow to enable athletes, officials, spectators, volunteers and media from all over the world to access the Games and receive results in real-time. With a dedicated team of 60 business technologists working behind the scenes in Glasgow, supported by a team in the Atos Major Events headquarters in Barcelona and Madrid, Atos has – for a Commonwealth Games – delivered an unprecedented level of technical support to the Glasgow 2014 Organizing Committee.

## September

On September 18, 2014, for the third year in a row, Atos has been selected as an index component of the Dow Jones Sustainability Indices (DJSI). In 2014, Atos has once again been awarded membership of the DJSI World, scoring 6 points higher for its company score than in the previous year. This recognition is an important milestone for Atos, demonstrating its leadership in corporate responsibility in the global ICT Services industry.

Atos announced that for the second year in a row it has been positioned by Gartner, Inc. in the leaders' quadrant of the "Magic Quadrant for End User Outsourcing Services, North America 2014".

Atos completes its first major technology milestone for the Rio 2016 Olympic and Paralympic Games. Atos provides the technologies for the volunteer portal – 85,000 applications already processed. From now to the end of the Rio 2016 Games, Atos will lead and integrate the contributions of all technology partners and suppliers to deliver seamless and secure technology operations and services that provide instant communications to athletes, spectators, organizers, officials, media, television viewers and Internet users worldwide.

## October

For the second consecutive year, Atos has been recognized by the CDP for its high score in climate performance. Atos is once again listed on the A List of the CDP Climate Performance Leadership Index 2014, and as such is recognized as a global leader within the IT sector for its actions to reduce carbon emissions and mitigate the business risks of climate change. Atos demonstrates again its commitment to tackle climate change.

## November

On November 4, 2014, Atos has obtained the approval by the European Data Protection Authorities of its Binding Corporate Rules (BCR) for processing personal data on behalf of its clients and for itself; this means that the processing of customer personal data by Atos benefits from the protection at the level of the European Union's Directive, all Atos entities worldwide being bound by the same obligations and processes, whatever the country they are located in. The BCR approval is the recognition and validation by the European Data Protection Authorities of Atos' global and stringent approach to data protection.

Atos published its revenue for the third quarter of 2014. Revenue was € 2,209 million, up +5.9% year-on-year and down -0.9% organically compared to the third quarter of 2013. Order entry was € 2,222 million, representing a book to bill ratio of 101%. At the end of September 2014 the Group backlog was € 16.3 billion and the full weighted pipeline was € 5.4 billion. The Group generated € 2 million free cash flow in the third quarter of 2014. Net cash position was € 762 million at the end of September 2014. With revenue expected to be circa +5% in 2014 (nearly stable organically), full year objectives were reaffirmed by Atos.





Bull, an Atos company, took the lead in the extreme computing race unveiling its exascale program. The main ambition of this program is to design and develop in Europe the next generation of supercomputers – a thousand times more powerful than current systems – that will contribute to producing world-class solutions for both research and industrial purposes. Exascale will increase the competitiveness and innovation capabilities of industries and address the industrial, scientific and societal challenges of the 2020s, from nanoscience and genomics to climatology, aeronautics and energy.

### December

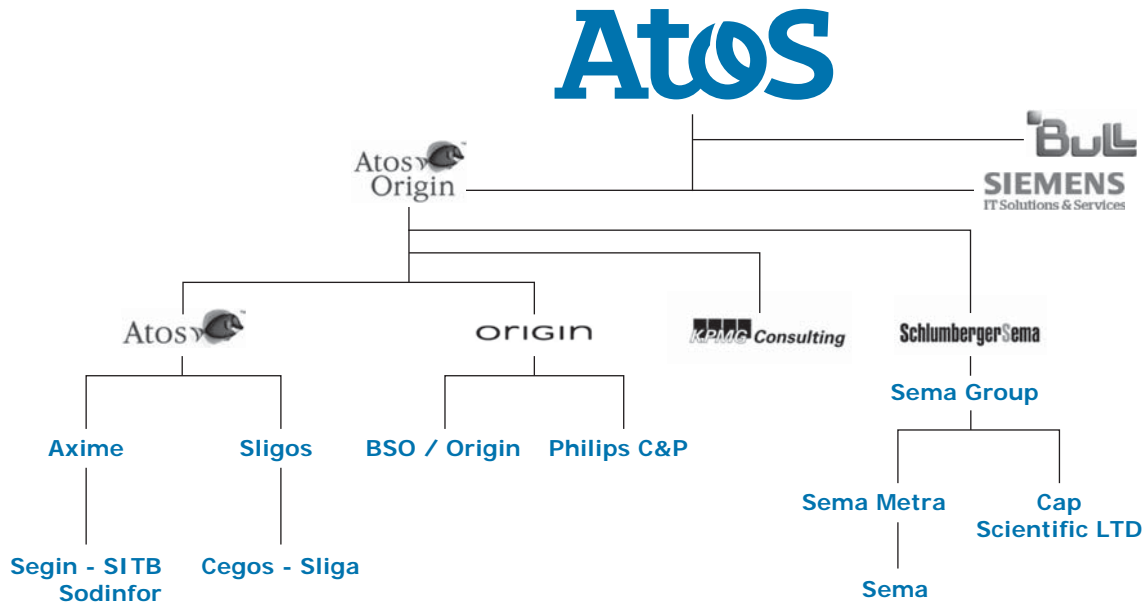
Atos has announced that it would acquire Xerox's ITO business to nearly triple its size in the US which would represent its largest operating geography. Atos would become one of Xerox's primary IT services providers

Atos moves to a new high-performance data center in Frankfurt am Main to serve its European and US American mainframe customers. With a total computing power of over 50,000 MIPS the European Mainframe Hub (EMH) is among the largest mainframe data centers in Europe.

## A.6 Group presentation

### A.6.1 Formation of the Group

Atos is a leading international IT services company created through series of mergers and acquisitions, starting in 1997.



**Atos** was formed from the merger in 1997 of two French-based IT services companies – **Axime** and **Sligos** – each of which had been established out of earlier mergers. By 2000, Atos employed 11,000 staff and generated annual revenues of approximately € 1.1 billion.

**Origin** was a subsidiary of Royal Philips Electronics, which had been formed in 1996 from the merger of BSO/Origin and Philips Communications. At the time of the merger with Atos in October 2000, Origin employed more than 16,000 staff in 30 countries worldwide and generated annual revenues of approximately € 1.6 billion.

**KPMG Consulting**'s businesses in the United Kingdom and The Netherlands were acquired in August 2002 to establish Atos Consulting. This transaction provided the Group with a major presence in the Consulting segment of the IT services market.

**Sema Group** was acquired from Schlumberger in January 2004, thereby creating one of the leading European IT services companies. At the time of the acquisition, Sema Group employed 20,000 staff and generated annual revenues of approximately € 2.4 billion. Atos Origin employed 26,500 staff, generating annual revenues of more than € 3 billion.

On July 1, 2011, Atos announced that it has completed the acquisition of **Siemens IT Solutions and Services** – to become a new IT champion. The deal created a new company with pro forma 2011 annual revenues of € 8.5 billion and 74,000 employees across 48 countries. Ranked in the top ten global IT services providers; number five in Managed Services worldwide and the number one European player in Europe, the new company is a powerful combination of two highly complementary organizations. Together as Atos, they create a leader in foundation and business critical IT services that will accelerate growth.

On August 11, 2014, Atos announced the successful completion of the tender offer launched by Atos for all the issued and outstanding shares in the capital of **Bull**. The transaction represented a key milestone in the creation in Europe of a world leader in Cloud, Cyber-security, and Big Data. The deal created a new company annual revenue of circa € 10 billion and 86,000 employees in 66 countries.

## A.6.2 Management and organization

Atos is incorporated in France as a “Société Européenne” (European Company) with a Board of Directors.

### A.6.2.1 Group General Management Committee (GMC)

The General Management is composed of a Chairman and Chief Executive Officer and three Senior Executive Vice-Presidents, chaired by Thierry Breton, Chairman and CEO. They form the General Management Committee (GMC). The Group Chief Financial Officer (CFO), the Group Chief Commercial Officer (CCO), the Group Chief Technology Officer (CTO) and the Group Head of M&A and Investor Relations report to the General Management Committee.

Name	Title	Responsibility
<b>Thierry Breton</b>	Chairman and Chief Executive Officer; Worldline Chairman	
<b>Charles Dehelly</b>	Senior Executive Vice President coordinating Global Operations	Global Operations, responsible for coordinating Global Service Lines and Geographic Business Units*, TOP Program and Global Purchasing
<b>Gilles Grapinet</b>	Senior Executive Vice President coordinating Global Functions; Worldline CEO	Support functions, responsible for coordinating Global Support Functions** and Worldline
<b>Michel-Alain Proch</b>	Senior Executive Vice President coordinating United States, IT and Security	Senior Executive Vice President coordinating United States, the integration of Xerox ITO, IT and Security

\* Excluding Worldline that is under the responsibility of Gilles Grapinet and United States that are under the responsibility of Michel-Alain Proch.

\*\* Excluding the Group CFO, the Group Head of M&A and Investor Relations and the Group Chief Commercial Officer directly reporting to the General Management Committee, and Security and IT reporting to Michel-Alain Proch.

#### **Thierry Breton, Atos SE Chairman & Chief Executive Officer and Worldline Chairman**

Former French Minister of Economy, Finances and Industry, Thierry Breton was Chairman and CEO of France Telecom, the second European leader telecommunications operator, and CEO of Thomson. He was previously Executive Managing Director and then Vice Chairman of the Bull Group. Thierry Breton taught leadership and corporate governance at Harvard Business School. He is graduated of the École Supérieure d'Électricité “Supelec” of Paris and of the Institut des Hautes Études de Défense Nationale. He has been honored with the prestigious awards of “Officier de la Légion d'Honneur” and “Grand Officier de l'Ordre National du Mérite.” He is Chairman and Chief Executive Office and since the creation of Worldline through the carve-out in July 2013, he is in addition Chairman of Worldline.

#### **Charles Dehelly, Senior Executive Vice President, coordinating Global Operations**

Charles Dehelly began this career at the Thomson Group where in 1981 he was CEO of Home Appliance divisions and later CEO of Television division. Joining the Bull Group in 1992 as Group Chief Operating Officer, he returned to Thomson in 1998 as Chief Operating Officer then as Chief Executive Officer. In 2005 he became CEO of the Equant Group, then CEO of the Arjowiggins Group. He is Senior Executive Vice President in charge of Global Operations, Responsible for Global Systems Integration, Global Managed Services, TOP Program, Global Purchasing and Geographic Business Unit.

#### **Gilles Grapinet, Atos Senior Executive Vice President, coordinating Global Functions & Worldline Chief Executive Officer**

A graduate of the École Nationale d'Administration, Gilles Grapinet's previous roles include financial auditor, Head of Strategy & Information System of the French tax directorate, Director of the nation-wide Copernicus program for IT transformation of the tax administrations and Executive Committee member at Credit Agricole SA, in charge of Strategy and, then, Payments systems & Services. He served as advisor for Economic and Financial Affairs of the French Prime Minister and as Chief of Staff for two French Ministers of Economy and Finance. He is Senior Executive Vice President in charge of Global Functions, Responsible for Global Support Functions, Global Sales and Markets, Siemens Strategic Partnership, Global Consulting & Technology Services, and Hi-Tech Transactional Services. In addition to his role and since the creation of Worldline through the carve-out in July 2013, he is Worldline Chief Executive Officer. He received the French Légion d'Honneur (Chevalier) in 2011.

#### **Michel-Alain Proch, Senior Executive Vice President, coordinating United States, the integration of Xerox ITO, IT and Security**

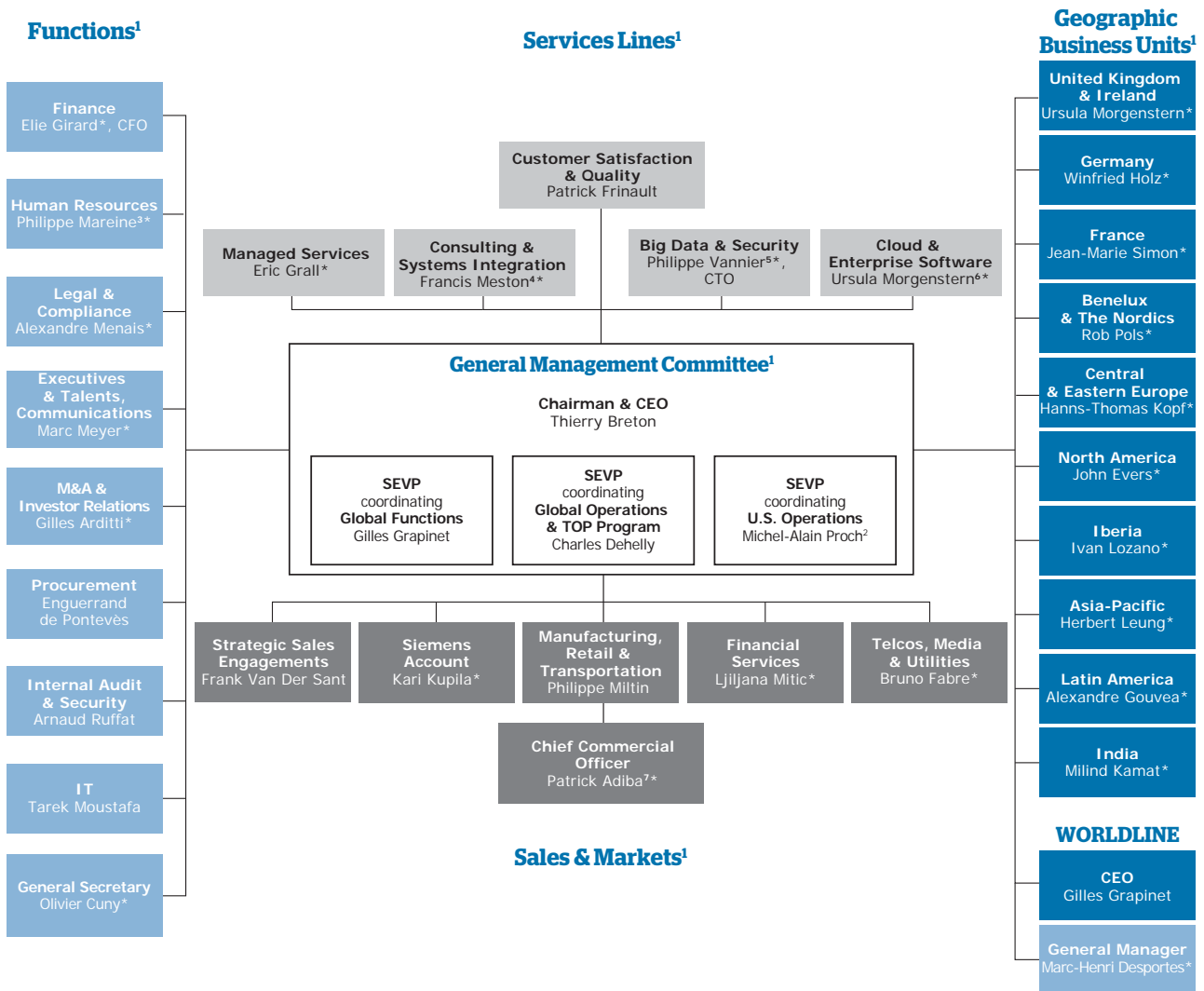
Michel-Alain Proch, 45, a graduate of Toulouse Business School and a French CPA, started his career in 1991 at Deloitte & Touche, in the Audit division in Paris. He was later on transferred in Transaction Services based in London. In 1998, he joined



Hermès, first as Director of Internal Audit, then as Group Financial Controller in charge of the Watch Division and Americas. He was promoted in 2002 Chief Financial Officer for the Americas, based in New York, supervising Finance, IT, Logistics and Store Planning. In 2006, he joined Atos as Senior Vice-President Internal Audit & Risk Management. He is appointed Group Chief Financial Officer in 2007, Executive Committee member. In 2009, he is promoted Executive Vice-President supervising

Finance, IT & Processes, Real Estate, Pensions, Operational Risk Management, Bid Control and Security. In 2015 he becomes Senior Executive Vice President and a member of the newly created General Management Committee, next to Charles Dehelly and Gilles Grapinet and led by Thierry Breton, Chairman and CEO. Michel-Alain Proch is coordinating United States, the integration of Xerox ITO, IT and Security.

### A.6.2.2 Organization chart



<sup>1</sup> The CFO, the CCO, the CTO, M&A and Investor Relations are reporting to the General Management Committee  
<sup>2</sup> Also coordinating Xerox ITO integration, IT & Security  
<sup>3</sup> Also Head of Siemens Global Alliance, logistics & housing  
<sup>4</sup> Also Head of GBU India, Middle East & Africa  
<sup>5</sup> Also Bull General Manager  
<sup>6</sup> Integrating Canopy, Yunano, blueKiwi  
<sup>7</sup> Also Head of Major Events

\* Group Executive Committee Member

## A.6.2.3 The Executive Committee

The role of the Executive Committee is to develop and execute the Group strategy and to ensure value is delivered to clients, shareholders and employees; it is also to improve interaction and cooperation between the Specialized and Global Business Units, the Global Service Lines, the Global Markets and the Global Functions.

The Atos Executive Committee is composed of the General Management Committee and of:

### Group Functions

#### Elie Girard, Group Chief Financial Officer

Elie Girard is a graduate of the École Centrale de Paris and of Harvard University. He began his career as auditor at Andersen, before joining the Ministry of the Economy, Finance and Industry in the Treasury department. Between 2004 and 2007, Elie Girard worked for the Office of Thierry Breton, the Minister for the Economy, Finance and Industry in France. He joined Orange in 2007 and was appointed Chief of Staff to the Chairman and Chief Executive Officer. Since September 2010, he was Senior Executive Vice President in charge of Strategy & Development of the Orange Group, member of the Group Executive Committee. In April 2014, Elie joined Atos as Deputy Chief Financial Officer of Atos Group and since February 2015 he has been appointed Group Chief Financial Officer.

#### Patrick Adiba, Chief Commercial Officer and CEO Olympics & Major events

Prior to this position, he served as Group EVP Human Resources, CEO of Iberia and Major Events, Group EVP Global Sales & Markets, CEO of APAC (Asia Pacific), NAM (North America), Major Events, Vice President Human Resources of Schlumberger Sema, and Vice President and General Manager of its Latin America Branch, for five years. Patrick Adiba holds a degree in Electronic and Telecommunications Engineering from INSA, Lyon and did an Executive MBA at Stanford University in 2001. Since mid-April 2014, he has been appointed Executive Vice President, Chief Commercial Officer.

#### Philippe Mareine, Human Resources & Head of Siemens Global Partnership

Prior to this position, he was Deputy Manager in the French Treasury department's Inspection Générale des Finances unit and, previously, he was in charge of Human Resources in the Public Accounts department of the French Ministry for the Budget. From 2005 to 2007, he was technical adviser in charge of employee relations and reform in the office of the French Minister of the Economy, Finance and Industry. He held several managerial positions at the French Tax Administration. He joined Atos in 2009 as General Secretary of the Board of Directors, in charge of legal functions, Compliance, Audit, Security, Social Responsibility policy. In 2014 he was appointed head of Human Resources and Head of Siemens Global Partnership. He is a graduate from the École Polytechnique and École Nationale d'Administration.

#### Marc Meyer, Head of Executive Management, Talents & Communications

Marc Meyer comes from Dexia where he served as Head of Group Communications. Marc joined Bull Group in 1986, where he held several senior positions in corporate and marketing communications. In 1997, he joined Thomson, a consumer electronics firm and in 2001 was promoted to the company Executive Committee. Then, he joined the France Telecom/Orange Group as Executive Vice President for Communications. He is a graduate from the Sorbonne University in Paris. He received the French Légion d'Honneur (Chevalier).

#### Alexandre Menais, Executive Vice-President, Legal, Compliance, & Contract Management

Head of Legal, Compliance officer and in charge of Contract Management, Alexandre Menais has joined Atos in 2011. Before Atos, Alexandre Menais used to work as Senior Associate at Hogan Lovells in Paris and London. In 2006, he became General Counsel at eBay France (eBay, Paypal and Skype) before being promoted as Europe Legal Director of eBay. In 2009, he joined Accenture as General Counsel France and Benelux. Alexandre holds a LLM in Business law from the University of Strasbourg and an MBA from HEC.

#### Gilles Arditti, Executive Vice-President, Group Head of Mergers & Acquisitions and Investor Relations & Financial Communication

After six years at Bull and four years at KPMG, Gilles Arditti joined Atos in 1990, where until 2006 he was, successively, Director of Mergers and Acquisitions, Director of Finance and Human Resources for Atos Origin in France, and CFO for France, Germany and Central Europe. In 2007, Gilles Arditti became head of Investor Relations & Financial Communication for the Atos Group, a position he is still holding. In March 2014, he was appointed Group head of M&A and member of the Executive Committee. Since June 2014, Gilles Arditti is member of the Board of Directors of Worldline. Holding a master degree in Finance from the University Paris-Dauphine and a master degree in International Finance from HEC Paris, Gilles Arditti is also graduated from the engineer school École Nationale Supérieure de Techniques Industrielles et des Mines d'Alès (ENSTIMA) and is a Certified Public Accountant (CPA).

#### Olivier Cuny, General Secretary of the Group

Olivier Cuny joined Atos in July 2012. He had been Chief of Staff to the Chairman of the French National Assembly since 2009. He previously worked in the French Treasury Department (Direction du Trésor) and in the French Debt Agency (Agence France Trésor). He was Alternate Executive Director for France at the International Monetary Fund in Washington DC from 2003 to 2006. He then became Economic Adviser to the Prime Minister before being appointed Chief of Staff to the Governor and Secretary of the Executive Committee of the Council of Europe Development Bank in 2007. Since 2012, he joined Atos in 2012 as Chief of staff of the Chairman and CEO. Since 2014 he is in charge of corporate responsibility and Secretary of the Board of Directors, and has been promoted General Secretary of the Group in 2015. Olivier holds an engineer degree from the École Polytechnique and is a graduate from the École Nationale d'Administration and the Institut d'Études Politiques in Paris.



## Service Lines

### Eric Grall, Head of Managed Services

Eric Grall was President and General Manager at Hewlett-Packard with responsibility for Atos' sourcing activities in Europe, Middle East and Africa. Eric Grall has spent his professional Career at HP in a number of roles related to outsourcing. In 2008 he was appointed as Head of Outsourcing activities in EMEA for Hewlett-Packard. He is a graduate from ENSIED Grenoble and from the University of Brest.

### Francis Meston, Head of Consulting & Systems Integration

Francis Meston joined Atos from the E.D.S French subsidiary where he has been appointed CEO since January 2002. In 1996, he joined AT Kearney as Vice President in charge of EMEA business transformation and strategy practices as well as MIA Global practice. He was previously Vice President of Capgemini Consulting where he led the French operations, the EMEA Telecommunication practice and the EMEA business reengineering practice. Francis Meston is a graduate of École Centrale Marseille and holds a MBA in Finance from Purdue (Indiana). Francis Meston is also "maître de conférences" in HEC Business School.

### Philippe Vannier, Head of Big Data & Cyber-security, Group Chief Technology Officer (CTO)

Philippe Vannier is a graduate of ESPCI ParisTech. He began his career at Michelin North America in 1984, as a Quality Manager and, subsequently, Production Manager. Between 1996 and 2004, Philippe Vannier was Director of Chelton Telecom & Microwave (part of the Cobham Group). From 1988 to 1996, he had various Director-level roles at Saft, the subsidiary of Alcatel specializing in energy storage. In 2004, he founded Crescendo Industries, as I2E company bought the same year. In May 2010, Philippe Vannier is CEO of Bull. Since August 2014, Bull has joined the Atos Group. Philippe Vannier is now head of Big Data & Cyber-security Service Line and is appointed Chief Technology Officer. He received the French Légion d'Honneur (Chevalier).

## Global Business Units

### Winfried Holz, Head of Germany

Winfried Holz has more than 20 years of experience in the IT sector. He began his career in 1984 at Siemens AG Germany, where he held a variety of management positions, including Vice President of Siemens Nixdorf Information system and President of International Operations at Siemens Medical Solutions. Following his position of Managing Director of Fujitsu Services GmbH, he was appointed CEO of TDS in November 2007. Winfried Holz has a degree in industrial engineering.

### Ursula Morgenstern, Head of UK & Ireland, Head of Cloud & Enterprise Software

Ursula Morgenstern joined Atos in 2002 through the acquisition of KPMG Consulting. Before assuming the role of UK Chief Operating Officer earlier this year, from 2009 Ursula Morgenstern

was Senior Vice President responsible for Private Sector Markets, and from 2007 she was Senior Vice President responsible for Systems Integration. Prior to that, she held a variety of roles in Systems Integration including management roles for sectors, custom practices, and package solution business units. Since September 2013, she is managing the recently created Cloud and Enterprise Software unit in addition to her role as UK & Ireland CEO.

### Jean-Marie Simon, Head of France

Jean-Marie Simon held various R&D and Production positions within Schlumberger, first in Clamart in France then in Oslo in Norway. He worked in Indonesia as Operations Technical Director for Asia. He was CIO for Schlumberger Oilfield Services during three years. He moved to Schlumberger Sema following the acquisition of Sema group and then Atos developing, Consulting and Integration Systems practice around Human Resources. He was previously HR Director for France, Germany, Italy and Spain from 2005 to 2007 and Group HR Executive Vice President from 2007 to 2013. He is now Atos France CEO.

### Marc-Henri Desportes, General Manager of Worldline

Marc-Henri Desportes is a graduate from École Polytechnique and École des Mines de Paris. From 2006 to 2009, he was CIO in BNL, Italian subsidiary of BNP Paribas. From 2005 to 2006, he was in charge of control coordination at BNP Paribas. From 2000 to 2005 he was Deputy Program Director of Copernic at the French Ministry of Finance. In 2009, he joined Atos where he was Head of Global Innovation Business Development & Strategy, and then he was Executive Vice President of Hi-Tech Transactional Services & Specialized Business. In July 2013, he was appointed General Manager of Worldline.

### Rob Pols, Head of Benelux & The Nordics

Rob Pols has built a considerable track record in the IT services and consultancy market place. Between 2003 and 2005 he was general manager of Adresco BV, an organization specialized in interim management services. Previously, he was a Member of the Board of Directors at Syntegra – part of BT – and Director of Syntegra/KPMG Consulting in France. In 2005 he held the position of general manager and COO at Fujitsu Services in the Netherlands. Since 2007 he is CEO of Atos Benelux and as from July 2013 he is responsible for Benelux & The Nordics.

### Hanns-Thomas Kopf, Head of Central & Eastern Europe

Born in Austria and studied in Vienna (AT), Erlangen (GER), Boston-Wellesley (USA Massachusetts) and Innsbruck (AT). He started the professional career as SW-engineer and Operator in different IT companies. 1989 he joined Nixdorf Computer which has been renamed to Siemens Nixdorf one year later. After eight years in the marketing management he changed in the function as Sales Director for nine South Eastern European countries. Previously, he held various management level positions within the company (President Service and Operations in CEE of Siemens AG, Chief Operating Officer for Siemens IT Solutions and Services CEE as Country Manager for Austria and the Southeast European countries).

### **John Evers, Head of North America**

Prior to his appointment, John Evers served as the Chief Executive Officer of Siemens IT Solutions and Services, Inc. where he was responsible for leading the organization into the High Value Service market leveraging Siemens' capabilities in Data Center, Application Services and Consulting. Previous to Siemens, John Evers was the Vice President of Worldwide Outsourcing Sales at Hewlett-Packard and served a 19 year career with the IBM Corporation, in a series of progressively responsible sales, business development and executive roles. John Evers holds a Bachelor of Science degree with an emphasis in Marketing from the Pamplin School of Business at Virginia Tech.

### **Iván Lozano, Head of Iberia**

Iván Lozano Rodríguez has developed most of his career in Atos, after joining the Group in June 1994 as a Consultant in the Telecom Unit. There he held different positions from 1995 to 2008, among them Operations Manager and Operations Business Unit Manager. In April 2008, he was appointed Head of Systems Integration. Iván Lozano's task, already as a member of Atos Iberia Executive Committee, was to design, build and deploy the new Business Unit. In November 2010, Iván Lozano was appointed as Chief Operations Officer at Atos Iberia. Iván Lozano is an Engineer in Telecommunications from the Universidad Politécnica in Madrid, and a Postgraduate in International Leadership Capability from the Glasgow Caledonian University (UK).

### **Herbert Leung, Head of Asia Pacific**

Herbert Leung (also known as Herbie) was previously COO in the same region. Prior to this, he was the Senior Vice President of Managed Services for the UK, Americas and Asia Pacific since 2004. Before joining Atos, Herbie was the Vice President of Global Service Delivery with SchlumbergerSema. He started his career with Schlumberger and has worked as country manager for China and Canada, Worldwide Technical Director and Vice President for Europe, Africa and CIS. Graduated from the University of Dundee, Scotland, UK, Herbie completed his Bachelor of Science in Electronics with a first class honours.

### **Alexandre Gouvêa, Head of Latin America**

Alexandre Gouvêa is an Electrical engineer with a Master degree in Business administration, has been the CEO of Atos Latin America for two years. Alexandre Gouvêa has over 30 years of experience, of which 15 were in international positions. Alexandre Gouvêa worked for five years for Orange Business Services, a company of the France Telecom Group, where he served as Senior Vice President of Operations. He had previously worked for 20 years as an Executive in Equant and Embratel, including responsibility for Global Network Operations in over 220 countries.

### **Milind Kamat, Head of India**

Milind Kamat comes from CMC a TCS group of company where he was leading Financial Services Business for national and international clients. Milind Kamat is an electrical Engineering

Graduate from Mumbai University. He completed his MBA in Financial Management from Jamnalal Bajaj Institute of Management of Mumbai. After 16 years in Financial Services with CMC (TCS group company), he joined Origin. He worked in different roles from Service Practice Management to Sales and Marketing of Global Sourcing in Atos Origin. Milind Kamat has 31 years of experience in IT services Industry in India. He took over as Chief Executive Officer of Atos Origin in 2007.

## **Markets**

### **Dr. Ljiljana Mitic, Head of Financial Services**

After studying international business at the Fachhochschule Dortmund, she accomplished her PhD at the University of Plymouth. She began her career in 1992 as a consultant at MBP Software & Systems GmbH. In 1993 Dr Ljiljana Mitic moved to EDS Electronic Data Systems Deutschland GmbH, where she held different responsibilities from consulting to business management. Between 1999 and end 2004 she was responsible for the IT Infrastructure organization globally, at WestLB Systems GmbH. In 2005, she joined Hewlett-Packard GmbH as Sales Director Financial Services Germany. Since October 2010, Dr. Ljiljana Mitic was appointed as Global Head of Financial Services being responsible for key customers for Siemens IT Solutions and Services GmbH.

### **Bruno Fabre, Head of Telcos, Media & Utilities**

Bruno Fabre joined Atos Origin in 2010 and he was previously Thomson Telecom CEO and Member of the Thomson Executive Committee. Prior to that role, Bruno Fabre was CEO at ATLINKS, an Alcatel Thomson joint venture; Vice-President Sales, Supply Chain and Customer Care at Alcatel Mobile Phones, Sales Director Europe & South America at Alcatel Radiotelephone. He has also held senior positions at Afrique Métaux and SAGEM. He is a graduate from IDRAC, CNAM and Stanford SEP. Since July 2013 and the creation of the new market through the consolidation of the Telcos, Media and Technology and the Energy & Utilities markets, Bruno Fabre is Head of Telcos, Media & Utilities.

### **Kari Kupila, Head of Siemens Account**

Kari Kupila began his career with Siemens Osakeyhtiö, Espoo in 1986 holding various management-level positions within the company in Germany, notably Head of Equipment Financing, Head of Corporate Finance, Head of Regions and Sales Management. In 2010, he was appointed CEO Cluster for South West Europe and CEO SIS Verwaltungsgesellschaft GmbH, in 2011 he was appointed GBU Head North South West Europe. Kari Kupila is graduate of Master of Science, Economics, Helsingin kaupakorkeakoulu, focus: law and finance. He is currently managing the Siemens Account.







# B

## Atos positioning and strategy

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# B

## B.1 Market trends

In 2014, the market has continued to evolve in line with Atos analysis, “digital transformation” being now the umbrella name given to the increasing role of IT in the society. Clients are developing digital strategies to embrace the promised benefits or IT-driven innovation to support business growth and develop new business models, leveraging the various facets of IT technology in their current and future business. They are willing to take the best of the new technologies as fast as possible. On one hand companies aim to strengthen and sustain their operations in order to be best in class, and on the other hand to better serve their clients and entering in the digital economy, taking benefit of the huge amount of available data, shifting from their product-based business models to service driven ones, digital enabled.

- **IT Services** market is therefore significantly changing as customers’ shift to the Cloud and the deployment of mobility is transforming this business. Mobility is affecting the way companies communicate with its customers, employees and stakeholders, but also in the Company’s internal processes and culture. Cloud is changing the way companies are consuming IT.

The activities to support and improve the back office functions, HR, Finance, Accounting still remain, but with an increasing adoption of Cloud. Investments are shifting into IT as a mean to improve core operations in R&D, product design, manufacturing, and especially into new application fields, which extend the existing range of usage. The most important applications of these trends are known as Big Data and Internet of Things;

- **Payments and merchant transactional** business is similarly being turned around by the “business-to-customers” (B2C) revolution, mobile explosion, and the emergence of a merchant-centric ecosystem;
- **Cyber-security:** with the further proliferation of IT, partly into completely new areas, the privacy and location of user data is becoming more and more important, with security issues massively increasing. Cyber-attacks are reported almost every day. The demand for security solutions is growing for a dual reason, i) protecting assets as dependency from IT is massively increasing and ii) solving security challenges being a prerequisite to get trust from customers and to ease adoption of new services.

In the following sections are described the most important challenges and source of investment of the market and of Atos’s clients: Operational Excellence, Client Experience, Big Data & Internet of things, Security. That combined with the continuous pressure on the IT industry defines the new digital world in which Atos operates.

As it will be described below, the decision center of the IT budget to address these challenges is evolving, being not any more the CIOs, but more and more the business line owners (CFO, CSO, CMO, head of Products), and requesting from IT Services providers a change in the way they engage their clients at different positions within their organizations.

### B.1.1 IT services to strengthen operations and reach business excellence

Clients continue to be very demanding towards IT Services providers to help them decreasing cost of operations, providing quality, becoming sustainable and environmentally friendly, and in some cases to take over full responsibility of non-critical processes.

- **Digitalization of internal processes** has accelerated and for most of large enterprises, the support functions are now streamlined to be delivered with less and less staff and an increase use of IT, and handled from an end-to-end perspective. Human Resources, from recruitment to payroll, Finance, from budget planning to control, Procurement, from RFP to vendor selection, Legal, any administrative task is nowadays executed with a significant use of state of art software’s enabling paperless processes and lean approach;
- **IT/OT Convergence:** back office improvement is accompanied with core production process improvement, with further integration. Clients are looking at integrating production environments with IT to improve time to market and flexibility. More and more assets of the production environment contain standard IT components or even migrate to standard IT systems. On the other hand, customers are forced to shorten time to market and to be able to flexibly transfer production between different sites. This can be

accomplished by integrating the IT and OT systems (e.g. PLM-MES integration), which is the trend that industry analysts are calling IT/ OT Convergence. In certain industries, Supply Chain Management is being redesigned to better cope with these challenges;

- **Globalization and Industrialization of IT:** the need for lower costs and higher quality drives Services providers like Atos to deploy standardized and optimized global delivery network. Improvement methodologies, like Lean and Six Sigma, are used to further optimize services delivery and reduce overhead as well as cost of non-quality. Globalization of standardized processes across multiple delivery sites, countries, and regions allows for larger economy of scale, use of low cost resources/offshoring, as well as flexible assignment. At the same time, it supports the customers’ growth and globalization ambitions;
- **Data Center Transformation:** The adoption of Big Data technologies is also leading to a restructuring of data centers, including the move to more converged IT infrastructures, and changes in the basic economics of storage. Virtualized Infrastructures will allow companies to build future Cloud-based mode of operations, delivering IT as Service, while reducing the cost of the infrastructure;

- **Growth of Business Process Outsourcing (BPO) IT enabled:** more and more high value and even industry-specific processes are now handed over to services providers, e.g. in healthcare, insurance, Financial Services. They are so called Business Process Utilities (BPU), i.e. highly automated facilities to serve multiple customers, mostly based on a pay-per-use model;
- **IT for environment leverage IT to implement sustainability beyond Green IT:** As IT represents about 3% only of the overall energy consumption, a far bigger lever is to make use of IT to improve sustainability in other areas. Driven by cost savings, regulation changes as well as stakeholders and public pressure, customers are looking for IT solutions for sustainability reporting, building energy efficiency, waste reduction, smart grids, traffic and fleet management, etc.;
- **Workplace Services:** The deep impact that social & collaboration, consumerization, and mobile are having on Atos clients operational environments requests solutions for a full range of work scenarios, which includes, mixing home-based and site-based activities or making bring-your-own device a practical reality. IT Services providers need to take these forces and to industrialize their offerings to the maximum, driving-out cost and applying industry best practices to every aspects of planning, provisioning, and support.

## B.1.2 IT services delivered from the Cloud

### Cloud Computing: offer IT in a pay-per-use delivery model, yet secure and reliable

For Atos, Cloud Services refer to any service delivered to clients over the Internet on a pay-per-use basis. Cloud Services are a continuum of existing services, classified in four functional layers:

- **Infrastructure as a Service (IaaS):** processing, storage, and networking on-demand;
- **Software as a Service (SaaS):** e.g. ERP applications, or Industry specific software;
- **Platform as a Service (PaaS):** middleware including database and transaction processing platforms, on-demand development environments;
- **Business Process as a Service (BPaaS):** e.g. helpdesk, CRM, and card management.

Cloud services are offered through two delivery modes:

- **Public Cloud:** highly standardized services are offered to an extremely large set of customers, even to consumers on shared infrastructure;
- **Private Cloud, for large enterprises and administrations:** services are offered only to a single client or to a controlled set of clients (Community Cloud) based on a dedicated Cloud environment. In this delivery mode, security, service levels, and customization can be better addressed. Private Cloud can be implemented within a company or organization environment by its IT department, still on client premises. It can be partly outsourced, i.e. managed and run by an external provider (Managed private Cloud). Last, private Cloud can be fully provided by an external provider who is in charge of providing and operating a dedicated Cloud architecture (hosted private Cloud), this being Atos positioning with its Canopy brand.

Cloud for service providers is not only to provide to clients this new computing means with more agility, but the source of large transformation programs to move from the former delivery model to the Cloud. SaaS is becoming a standard for buying new applications and is already cannibalizing over traditional IT

licensing model. As an example, 40% of CRM solutions were sold as SaaS in 2014, and HR SaaS solutions are now well adopted. Large multiyear ERP implementations have disappeared, Consulting and Systems Integration services providers being asked to provide expertise to deploy and integrate SaaS with short term cycles. New development methods appear, such Devops, where the interactions between the building of the solutions and its handover to operations is shortened, having significant impacts in the way services providers have to work.

For Atos IT Services providers will have to provide **Hybrid Clouds** to their clients, where clients will have a mix of multiple public Clouds, private Clouds and legacy systems, requiring services orchestration and providing high level of security. Cloud Computing, in its different and complex forms, will be another way to deliver IT services that will need integration with legacy systems and management of the resulting quality of services, security or interoperability, thus creating new business opportunities for IT services companies.

The Cloud market represents business volume that analysts estimate to be above € 100 billion in 2015. A significant growth rate of around 30% per year is predicted by industry analysts in all segments over the next 5 years with a considerably higher growth of Private Cloud services and IaaS.

New market segments are opening or strengthening, with Cloud computing adoption rates increasing in all vertical markets, including Public administrations. Governments and other public agencies that were initially reluctant, are finally embracing Cloud Computing. However still significant differences are observed by regions: US leads adoption, major vendors and consumers concentrating on public Cloud. EMEA follows, bridging the gap, but Asia Pacific is still lagging behind.

Cloud Computing is also likely to become a game changer in terms of competitive landscape, as it blends together parts of different IT markets, like hardware, software and services. Coming from the mass market to the enterprise, the Cloud players offer massive savings for any organization that can live with a one-size-fits-all approach, and are now broadening the scope of their Cloud offerings.

## B.1.3 Mobility & Client experience

### More interactions from anywhere and at any time to better serve clients

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Forrester estimates there were more than 2 billion smartphones in the world by 2014, but the growing number of other devices such as tablets or wearable devices also needs to be considered in this game-changer trend. Moreover, nowadays smartphones include different sensors, GPS and, most specially, Near Field Communication (NFC) features that expand their possibilities beyond the early concept of being just a mobile internet connection. Besides the proliferation of smartphones, tablet PCs continued their market success in 2014 with more than 250 million tablet PCs sold worldwide. According to IDC, in 2015 tablets will outsell PCs.

Some of the most promising valuable mobile applications are in the area of mobile payments. An NFC-enabled phone is provisioned with a version of the payments application (i.e., credit, debit card or prepaid card) issued by the consumer's financial institution. The phone uses the built-in NFC technology to communicate with the merchant's contactless payments-capable Point of Sales (POS) system. Advantages of this method are speed, convenience, and the fact that NFC payments use the existing financial payments processing infrastructure.

Therefore, under this wave of mobile computing, both large enterprises and administrations have launched broad program to leverage the mobile enablement in the way they drive the client engagement. Chief marketing officer are owner of these programs, with in certain cases Chief Experience officers appointed.

The Company is now driven by the development of mobility which leads to rethink the "client" engagement, which can be a citizen, a consumer, a student, a patient, depending the time of the day. Bringing a new client experience will drive significant spending in IT services in this field.

As one of the most important aspects of mobile applications is context awareness, new ways of engaging with clients are developed. The value derived from an isolated web or mobile application will fall short compared to the possibilities of one that is integrated and harmonized with the CRM and other business systems. Mobile devices can be the perfect channel to communicate with clients but only if the Company is prepared to deliver in the right time. To allow the real time context analysis, companies need the analysis of past data to cast powerful insights that will improve customer relationship in different ways, from smarter app design to customized customer care. Important as well is to deliver clients a seamless experience during its journey, accessing from a PC, a smartphone, a tablet, from home or at work.

The opportunities for IT service providers are numerous but will differ among industries, as for instance:

- in retail, the shopping experience is enriched prior the consumer get into the shop and after he performed his act of payment, proposing the targeted loyalty offers and discounts;
- in healthcare, patients are remotely in contact with their doctors and can have online diagnosis;
- in insurance, the ability to provide pay as you drive insurance is high on the agenda;
- in automotive, providing numerous services to the "connected drivers" is getting the norm;
- in transportation, providing to passengers real time information on their journey.

## B.1.4 Business digitalization, Big Data & Internet of Things

### Digital data as the new business advantage

Business Digitalization has emerged as part of the strategy of every business functions, which are extending and supporting electronic channels, content and transactions to transform their business capabilities, creating new sources of customer value and competitive differentiation.

Digital business is not anymore the simple fact to sell products online and the digitization of business is now happening across the entire value chain and in all industry sectors. Maximizing data assets (digitization of business transactions) will be a key lever to grow businesses. The use of analytics will improve decision-making and outcomes.

While even the data assets within an enterprise grow tremendously, the amount of global data is even more exploding, due to three key factors: personal data economy, Internet of Things, and open data. The term Big Data is referring to the extension of the data that are used within the enterprise today in several dimensions.

Nonetheless, to unlock the full value that it promises, companies need to democratize the consumption of data for business purposes. Infrastructures have evolved quickly towards this goal, becoming hubs of centralized storage that seamlessly integrate diverse data types, sources, and software tools for every stage of the data life-cycle, from ingestion to visualization and analysis. These architectures are bundles of open and proprietary softwares that promise to end with information siloes and allow for a more flexible and cost-effective way of answering business needs whether they are fast-data insights, real time event responses, or deep knowledge extraction from huge data sets.

The objective being pursued is to be able to manage, store and make use of all the data available to the enterprise, regardless of its origin, format, or generation speed. Mastering the underlying techniques, such as data mining, predictive analytics, or natural language interpretation as well as acquiring expertise in the new emerging technologies will be a prerequisite to address the full value of Big Data. Further development of these skills and talent recruitment are perceived as main challenges by many organizations.

Each industry have its own use-cases, many are focused at improving customer experience or optimizing the customer's digital journey, others consist in detecting fraud and managing risk or advanced forecasting and planning; all of them having a huge potential impact. For example, industrial data generated from the connection of millions of machines that deliver and share information, also referred as Internet of Things, will also enhance business value (i.e. drive efficiencies in Industrial machine operations), and has the potential to create even greater value in contributing to the efficiencies of second-order industrial networks or to create new disruptive business models.

Some Big Data approaches require extremely powerful engines to be able to compute these huge volumes in a shorter time. A new opportunity is to provide the ability to access this new technology to clients requesting from time to time high computing power as a Service, but not enough to justify dedicated systems such weather forecast agencies such as banks which need a permanent systems.

The companies that achieve great results are the ones capable of framing their Big Data projects into a strategic initiative with clear business goals, thus aligning technology, skills, and management into cycles of continuous business improvement.

In 2015 the IT market will continue to see the rise of Big Data solutions, with new successful implementations in the market and a clear trend towards easier to use Big Data tools and enhanced integration with legacy systems. According to industry analyst firms, Big Data will drive more than € 135 billion of worldwide IT spending in 2015, and is expected to grow at around 50% rate from previous year.

The concept of the Internet of Things (IoT) is a trend that refers to the blending of digital and physical worlds by creating a network of connected objects that communicate to one another or with computers and other devices. By 2020, Cisco expects over 30 billion intelligent things will be connected to the Internet. This hyper-connectivity is leading to increasing opportunities in the IT market, making concepts like smart cities, connected cars, predictive maintenance (predicting failure by analyzing the data from in-machine sensors) or smart grids to become a reality.

Atos believes the market benefits here of what the economists have named "two sided market", where companies will enjoy significant opportunities through the usage of a platform to create information that holds value; and while end user access to services and consume via an almost free access to the platform of services sponsored by the first ones. Such an approach requires a capability to crunch, analyze, store and extract large amounts of data, sometimes in real time. The Scientific Community of Atos has developed several programs on these themes.

## B.1.5 Security

Security has been early identified by Atos as a very promising segment of the IT product and services business, in a world where all business processes are more and more dependent from IT and where the volume of information collected on customers and citizens is nearly doubling each year.

Cyber-criminality had cost more than US\$ 100 billion every year. Risk and compliance issues increasingly make security central to the new digital world. New forms of cyber-criminals rise: organized gangs, industrial spies, cyber-terrorists... Numerous corporations, governments and individuals are being victim every day of massive fraud, sabotage, espionage and blackmail. This trend is accelerating. With digitalization, it is not only every year billions of new processes, devices and objects that are connected to the cyber-world, making cyber-security an increasingly pressing challenge for both users and companies. This is also the very nature of security that is evolving as we move in a world where previously internal information systems are now distributed in the Cloud, embedded within partners supply chains, or dependent on the proper protection of billions of customer or third party devices (phones but also cars, utility smart meters, healthcare sensors, connected industrial machines...).

As a result, the time when fortress security was possible is going away. We enter a digital continuum where security must be embedded deeply at the heart of every digital solution. What is at stake: reliability of vital business process, regulation compliance, customer trust and privacy... Organizations must answer these challenges with new defense measures. They must set up holistic, end-to-end, in-depth security solutions, covering the whole IT/OT chain, from back-office infrastructures and applications to end-devices and users. They must also deploy reactive security strategies that enable to constantly monitor and react to threats and attacks. Security is now entering the Big Data era, with the need to protect fast-growing volumes of data, but also to leverage Big Data technologies to rapidly identify threats and detect fraud, in real time or in a predictive way, and take appropriate counter measures.

To be at the forefront of this mutation, leading IT Services providers have to master these challenges for their clients across all the sectors they operate in, from manufacturing to healthcare, from finance to utilities, from retail to transports, from public sector to medias, all are demanding security at the heart of their activities, and to deliver advanced services and solutions in security governance, in depth-protection, and supervision. With the acquisition of Bull, Atos has strongly strengthened its capacity to combine information and operational technology security (IT/OT convergence) and to ensure unified protection across all value chains. Leveraging advanced R&D, Atos has also enriched its solutions portfolio with leading innovative technologies (mobility & IOT security, Cloud security, Big Data security, defense-grade encryption technologies, data leak protection, security for embedded systems...) to undoubtedly position the Group as the European leader in cyber-security. Last but not least, market is looking for advanced expertise in security operations and Security Information & Event Management (SIEM), capabilities in design, build and run of Security Operation Centers for the new digital world.

These holistic cyber-security solutions make security not just a protective mechanism but a primary tool for business growth. Therefore, Atos is uniquely positioned as a trusted partner for digital business strategies. A partner that can help corporations and public organizations to fully leverage all the benefits of digital transformation while ensuring complete trust for all stakeholders such as employees, partners, and customers.

## B.2 Market sizing and competitive landscape

[G4-8] and [G4-13]

### B.2.1 Overall market size

According to Gartner's forecast published in early January 2015, End-user spending on IT Product and Services in 2014 is estimated to be worth € 2.8 trillion, out of which Telecom Services is 43.5%, Devices is 18.6%, Enterprise Software 8.5%, Data Center Systems 3.8%, and overall IT Services Market 25.6%. At constant exchange rate US dollars, IT spending grew at +1.9% in 2014.

Spending on IT services was 2.7% with consulting services lead IT services for all areas of IT. The 2014 growth in devices 3.8%, whereas basic tablets decline in mature and emerging markets. Enterprise software spending growth continues to be the strongest throughout the forecast period, at 5.8% annual growth rate: small and midsize business adoption driving

Customer Relationship Management (CRM SaaS) and database management system (DBMS) market still strong. Telecom Services' increased competition, new regulations and lower demand for the devices brings down average spend by end users (-0.1% growth in 2014). Data Center systems (0.8%) recovered from the negative growth in 2013 driven by changes in software and service delivery.

Spending in IT Services reached approximately € 725.3 billion in 2014, of which direct hardware and software support activities are € 111.6 billion. Therefore the size of IT services market where Atos is active is sized at € 613.7 billion (often reported as "business professional services"), of around 35% is in Europe (West/East), i.e. € 187.5 billion, the Group's principal market today.

Market by region - 2014	Total (in € billion)
North America	264.7
Latin America	25.0
Western Europe	179.3
Eastern Europe	8.1
Middle East and Africa	11.6
Asia Pacific	125
<b>TOTAL</b>	<b>613.7</b>

Source: Atos estimates and Gartner for Professional Services (consulting, development and integration, IT management, process management). Currency rate of € 0.75 per US\$ in 2014.

### B.2.2 Competitive landscape and new expected position of Atos

Looking at 2014 market, with the inclusion of Bull, Atos was ranked number 8 in the world and second largest IT Business services company in Europe with a market share of around 4%. Atos is the number 1 European IT Service provider in Europe just behind IBM.

With its scale, Atos is one of the few companies able to cover all the European geographies. In the largest European

countries, the main competitors of Atos are IBM, HP, Accenture, Capgemini, CGI and some local champions with strong regional footprint like Capita (UK), Fujitsu (UK), T-Systems (Germany) and Indra (Spain).

In Cloud, Atos via Canopy is the European leader in Europe with regards to the private Cloud market.

#### B.2.3 Market size and Atos market share in Europe

According to Gartner and based on 2014 estimated figures for external IT spending for Business Professional Services, Atos market shares in each main country and service line are presented below, reflecting the positioning of Atos as a true European champion.

(in € billion)	Market size		Atos	
	2014	Weight	2014	Market share (%)
United Kingdom & Ireland	62.0	33%	1.8	3%
Germany	28.5	15%	1.7	6%
France	22.0	12%	1.7	8%
Benelux & The Nordics	35.4	17%	1.4	4%
Iberia	12.0	6%	0.4	3%
Central Eastern Europe	26.0	14%	0.9	3%
Rest of Europe	1.6	3%	0.0	2%
<b>Europe</b>	<b>187.5</b>	<b>100%</b>	<b>7.9</b>	<b>5%</b>
IT management/Infrastructure*	71.5	38%	3.3	5%
Consulting & Implementation**	89.0	47%	3.4	3%
Process Management***	27.0	14%	1.5	5%

Based on 2014 statutory revenue.

\* Managed Services Service Line excluding BPO.

\*\* Consulting & Systems Integration and Big Data & Cybersecurity Service Lines.

\*\*\*Include BPO & Worldline.

Source: Gartner 2014 for Professional Services (consulting, development and integration, IT management, process management). 2014 Currency rate of € 0.75 per US\$.

#### B.2.4 Mid-term perspectives

Global activity and trade in the first half of 2014 were weaker than expected. The growth forecast for the world economy has been revised downward to 3.3 percent for 2014. The global growth projection for 2015 was lowered to 3.8% largely due to a number of negative surprises like a harsh winter in the United States, the fallout in Russia and neighboring countries from conflict in Ukraine, and slower growth in Latin America. A stagnant euro area growth, with an output contraction in Italy, no growth in France, and unexpected weakness in Germany in the second quarter, as well as weaker activity in China and Japan are further indicators for the decline. (Source: International Monetary Fund, World Economic Outlook, October 2014).

In the future, according to the latest forecasts provided by the International Monetary Fund, Europe's economy will continue to grow in 2015 at around 1.3%, with an almost flat CAGR over the next 3 years. (Source: World Economic Outlook Database, October 2014) Over the medium term, growth is expected to hover around 1.5%. Within this weak outlook, prospects are uneven across the region—stronger in Germany and Spain, weaker in France and Italy. The United Kingdom's economy is expected to continue to grow strongly. Demand is becoming more balanced, with stronger business investment.

The tensions between Russia and Ukraine and the associated economic sanctions, the possibility of prolonged stagnation in the Euro Area, and sustained commodity price declines remain key downside risks for the region. Long-term growth is held back by structural impediments, including weak business environments and institutions and fragile banking systems.

Consequently, the forecast for worldwide IT spending growth in 2015 has been updated to 3.7% in constant currency, in which IT services will grow at 4%. A significant source of the growth is driven by Internet of Things proliferation: by 2020, the installed base of the IoT devices will exceed 26 billion units worldwide, globally there will be 15 billion networked devices in 2015, an increase from 7 billion in 2010. This gives now real opportunities in the field of Big Data and analytics, which can be deployed in most of the industries: finance, retail, utilities, and telecommunications.

By 2016, the use of Cloud services, including SaaS, for business processes will have accelerated past current forecasts by 30%. Cloud will become key component of the trend towards Digital businesses, providing needed agility and scalability. The move to Cloud computing is driving a new wave of services that are displacing traditional business processes owned and staffed by organizations. This opens numerous possibilities for growth and innovation for the IT services providers in this domain.



In this context, data security and protection, data management and privacy will become critical elements to address and will lead to new regulations and best practices. Since regional differences in the adoption of Cloud-based security are pronounced, with privacy issues and legislation affecting uptake in parts of Europe, EU data protection regulation will accelerate usage of Cloud services "Made in Europe", industry analyst predict. As an example, in 2014 Regulatory Compliance was a key area of spend on security that is expected to further grow in 2015 and 2016.

In total, the Information Security market for 2015 is around € 56 billion with an 8% CAGR over the next 3 years, with the data loss prevention segment recording the fastest growth — (19%-. Organizations' top three Cloud priorities remain Email security, Web security and IAM (identity access management), and this benefits Cloud-based security offers, especially encryption. Cloud-based security models will deliver roughly 10% of overall IT security enterprise product capabilities by 2015. Growth in Cloud-based security will remain strong, at about 20% through 2017.

## B.3 Strategy and 2016 Ambition

### B.3.1 Business context

Atos is operating in the Information Technologies (IT) services market in a very competitive landscape subject to some price pressure. On one hand, players are facing large global companies, such as US based groups (IBM, HP, Accenture), and on the other hand competing against companies coming from low cost countries. These mainly are Indian companies which are willing to expand their operations after having first served English speaking countries, but also Latin American and soon Chinese players. Furthermore, Atos is also facing national champions with strong relationships established with local public authorities.

Moreover, Atos operates in a market meeting significant changes where innovation is extending the role of IT, which was traditionally used to support operations of large organizations. A first extension of the market entering in 2000 was the use of IT as a growth enabler by introducing technology in the business

processes to drive growth, followed by a fast maturation of more recent trends around Cloud, mobility, internet of things and Big Data, which are opening new opportunities for the Group. Starting 2010, social networks have taken a new dimension moving from consumer to enterprises generating further development areas to the IT services market. In those areas, Atos is facing the competition of new players coming from the Web.

As a European champion, Atos considers that in Europe, clients are ready to pay a premium for services with embedded added-value and innovation, or if they answer to regulatory compliances, trust and security issues. Reciprocally, in fast growing countries, local competition is strong and the Group is developing its position either by accompanying its European clients or by addressing the local markets with highly differentiated offerings and strong support of established local partners.

### B.3.2 2016 Ambition

Over the period 2011–2013, the Group focused on the integration and turnaround of SIS to become a leading European player in the IT business services industry. At the same time, Atos started and completed the carve-out of Worldline in June 2013 with the objective to provide strategic and financial flexibility for its own development. As a result, the Group has been deeply transformed and was ready for the next strategic move.

In that context, the Group presented at the occasion of an Analyst Day held in its Headquarters in Bezons (France) in November 2013, its new 3-year plan for the period 2014–2016

designed in order to become a Tier 1 company and THE preferred European IT Brand. This strategic plan is named "2016 Ambition".

2014, the first year of the 3-year plan has been very dynamic for Atos. While meeting its operational and financial targets, the Group also accelerated its transformation, notably through the completion of Worldline IPO, the integration of Bull operations and technologies, and the announcement of the project to acquire Xerox ITO to increase significantly our footprint in North America. As a result, Atos position as a global leader in digital

services were reinforced with a offerings portfolio repositioned on higher value and faster growing IT segments, in particular on Cloud, Big Data, mobility, and security in order to help Atos' clients to transform their business globally through the use of digital technologies. These achievements resulted as early as the beginning of 2015 in a more powerful Group with a new structure and fully geared towards achieving its 2016 Ambition.

For Atos Group, the ambition is the following at the horizon 2016:

- organic revenue growth: +2% to +3% CAGR over the 2014-2016 period;
- operating margin improvement between +100bp and +200bp compared to 2013;
- free cash flow of € 450 million to € 500 million in 2016.

6 levers were defined to reach the 2016 Ambition:

- anchor Atos global leadership in Managed Services;
- reinforce growth and profitability in Systems Integration;
- bring to market disruptive and innovative offerings and pursue strategic partnerships with technology leaders;
- enhance number one position in Cloud services in Europe;
- further expand its foothold in the US and accelerate growth in emerging markets;
- provide strategic flexibility to its Worldline subsidiary, to consolidate its leadership in Payments.

Corporate responsibility and sustainable performance is essential to achieve business objectives. Incorporating social, environmental and responsible governance factors in strategic and day-to-day business decisions contribute to secure a sustainable growth.

This strategy is supported by several programs ensuring that the execution will enable strong financial results, and employee satisfaction:

- **TOP Tier 1** efficiency program, is the third wave of TOP further to TOP launched in 2009 and TOP<sup>2</sup> in 2011: it is securing the Group's operational and financial performance, margin, cash generation. TOP covers as well numerous initiatives aiming at improving the overall cost of operations (offices, purchasing, travel) and G&A's cost structure improvement. After the successful execution of previous programs (one, aimed at restoring profitability in line with the Industry; and another one to properly integrate SIS business), Atos is now starting the third phase of the journey toward excellence with the "Tier 1 Program". This new program focuses on customer satisfaction, business mix improvement and cost improvement to create more value from everything Atos is doing. TOP Tier 1 has been strengthened with new very focused initiatives:

- End-to-end process management in Managed Services,
- META, a Global Delivery initiative in Systems Integration,
- TEAM, a transformation Program in Worldline,
- the further consolidation of suppliers, as an efficient purchasing strategy will contribute to reach Group's targets.

- all these programs were extended to the Bull acquired perimeter and the combination will improve operational effectiveness by reducing SG&A including real estate, and decreasing purchasing costs by leveraging the combined higher scale. These costs synergies are backed by the well identified and planned integration strategy within Atos' operations, based on already experienced transformation programs in previous large transactions;

- **Wellbeing@work** is contributing to the wellbeing of Atos' staff, and powering progress to transform the Firm of the Future. The aim of this Program is to transform the Company, setting new standards for the Group workplaces and the way the Group collaborate with one another, which support a better work/balance for employees and make the Company more efficient. Driven by this transformation program, Atos has the ambition to enter the Great Place to Work rankings. Atos Corporate Social Responsibility (CSR) program is also part of this initiative in order for Atos to become a Tier 1 sustainability leader.

### B.3.2.1 Anchor Atos global leadership in Managed Services

In Managed Services, at the time of the launch of the new 3-year plan, Atos had already reached the scale, business mix and coverage to follow the clients across the globe, and built its credibility which is recognized in the market for large deals. Over 2014-2016, Managed Services is expected to evolve towards higher value added services, increasing win rate and profitability. The priority in this journey is to increase customer satisfaction. The Group envisages enhancing its programs of industrialization ("End-to-end" and "Lean") and automation while developing its "Carbon Neutral Data Centers".

Through the acquisition of Bull completed in August 2014, Atos Managed Services were complemented by circa € 500 million revenue. This enriched Atos' offerings as Bull's expertise in Mission Critical Maintenance services and Mainframe Migration services enabled Atos to address new verticals with an increased scale. Bull brought new mainframe migration capabilities and solidified further the strategic partnership with EMC<sup>2</sup>.

The intended acquisition of Xerox ITO which is developed herein below represents a new step to anchor Atos global leadership in Managed Services. It would further anchor its global leadership position in Managed Services with annual revenue over € 6 billion with reinforced offerings in infrastructure outsourcing and workplace services.

### B.3.2.2 Reinforce growth and profitability in Systems Integration

2016 Ambition includes the strengthening of a more centralized global organization in Systems Integration with a strong vertical market dimension and differentiated offerings. The Service Line plans a significant increase in offshore capability. To improve its operating margin, Systems Integration implemented End-to-end processes optimization programs.

After achieving increased sales and efficiencies, Atos Systems Integration leverages the three global practices (Application Management, SAP, Solutions) and key sustainability differentiators to become even more global.

META is the code name of the Systems Integration improvement program. A key Global Delivery initiative is to bring Systems Integration offshore capability from 33% of its direct workforce at the end of 2013 to 50% in 2016, putting Atos in the full range of its competitors. Expectation for this Global Delivery work force is to reach 15,000 out of a total 29,000. In parallel,

Systems Integration expects to continue reinforcing the process integration of the delivery centers in Poland, Russia, Thailand, China, Morocco as well as South America. This will help to address customer specific needs such as language, time zone and regulatory requirement such as data protection.

At the end of 2014, the offshore ratio Systems Integration already represented 38%, well on track to reach the 50% target in 2016.

The contribution of circa € 300 million yearly Systems Integration revenue from Bull increased Atos' scale in that business and the extension of the customer base allows cross-selling of Atos' offers, especially in Manufacturing, Banking, Defense, and Public Sectors. The alignment of Bull's scope on Atos best practices through an operational improvement program is expected to generate higher project margin in line with Atos three-year plan.

### B.3.2.3 Bring to market disruptive and innovative offerings and pursue strategic partnerships with technology leaders

Over the last few years, the Group has developed innovative offerings (Cloud, Big Data, Mobility, Cyber-security, Application Maintenance...) and will continue to invest in innovation to anticipate new trends. At the end of 2013, Atos already generated around 40 percent of its revenue on these offerings which higher growth rates enable to offset potential price pressure and volume declines in other segments. Social and environmental challenges open new opportunities for Innovation. Innovation in these fields is undertaken as a collaborative and participative process in order to develop IT solutions that fulfill clients' and stakeholders' expectations.

The Group innovation strategy mainly relies on the Scientific Community. Its mission is to help the Group anticipate and craft Atos' vision regarding upcoming technology disruptions and the new challenges faced by the industry. By sharing this vision with its clients and investing on the related findings, Atos intends to help them make critical choices regarding the future of their business solutions.

The acquisition of Bull enabled the creation of a leader in Big Data & Cybersecurity by leveraging Atos global reach and existing operations in those segments with Bull unique expertise in Cybersecurity and in High Performance Computing (HPC). A significant part of Big Data requires HPC technology and Bull

is the European leader in this market. Atos' vertical market knowledge, large customer base, and Systems Integration capabilities combined with Bull expertise in HPC infrastructure, expanded Atos' service offering and brought HPC business at scale. This allowed Atos to further develop analytics solutions and propose Big Data services to establish its position in this fast growth market.

In the highly fragmented Cybersecurity market where niche players co-exist, the combination of Bull and Atos' Cybersecurity capabilities created a leading provider of products and services with a distinctive size. The new Group benefits from in-house R&D, patented technologies, specifically designed hardware and software products in selected segments, such as Cybersecurity and Cloud Security. All Service Lines of the Group benefit from this unique set of assets in order to win large deals as security has become critical to build trust in all digital environments.

A push of the vertical portfolio, focusing more on high value and growth areas, and moving away from commodity services, will be also a new source for growth.

Alliances and partnerships are key in the Group's strategy to further grow its market share in specific services and markets that can fully benefit from combining and leveraging specific

skills, resources or local knowledge for innovations around Cloud, mobility, Internet of things, social networks, and Big Data.

Among others, with EMC<sup>2</sup> and VMware, Atos has formed a strong alliance in Canopy to provide Private and Public enterprises' journey to the Cloud thanks to a leading one-stop-enterprise shop for Cloud professional services (consulting & Systems Integration), and Cloud operations (Infrastructure Management). With Microsoft, Atos has developed several initiatives among which providing innovative Cloud based solutions for workplace embedding collaboration and communications services (A3C) is one leading offering in the market. With SAP, the Company has continued to develop new solutions including in memory computing (SAP Hana), mobility and sustainability. With Oracle, Big Data has been an interesting opportunity to introduce new services around Exadata set of products, leveraging Oracle platform EPCE. The partnership with Siemens, the largest shareholder of the Company, is

unique in the IT services market in its threefold approach: Siemens is not only Atos' largest client, there is also a joint go to market strategy in circa twenty identified fields (Manufacturing, Healthcare, Energy, Mobility...) to address new opportunities. Samsung alliance relies on an agreement defining joint offerings in end-to-end retail technology, digital signage, connected vehicles, end user Cloud computing and mobility solutions, leveraging on Samsung technology. With Bolloré Group, Atos collaborates on My Car project, the electric connected fleet car of Atos. The development of new services by Atos will benefit all businesses customers of Bolloré group wishing to deploy a similar fleet solution. Besides, Atos and Bolloré decided to apply the technology of augmented reality to the Blue Car in order to promote Atos and the Bolloré technologies.

The Group expects continued strategic partnerships with technology leaders to enhance its skills and know-hows in areas related to innovative and disruptive offerings.

#### B.3.2.4 Enhance number one position in Cloud services in Europe

Atos is already today the leading European platform in Cloud services based, leveraging the significant investments made over the past years. Through Canopy, the Group has the ambition to generate € 700 million revenue in Cloud in 2016 and then to maintain its leadership in Europe.

Canopy generated € 383 million of revenue in 2014. Canopy benefits from competitive advantages versus competition, either infrastructure providers or pure Cloud players. The Company provides services to its clients with a much higher quality than those provided in public Cloud. Its customers are

large companies whose demands require particularly high service level agreements. Finally, in archiving and processing of data, Canopy offers the required security and responsible environmental footprint for large companies and organizations.

The acquisition of Bull reinforced Atos' number 1 European position in Cloud operations. This substantially enhanced the Group's operations in Cloud infrastructure solutions as Bull brought new technical capabilities and technologies that Canopy already had in its R&D roadmap, accelerating time-to-market for specific blocks relevant to Cloud.

#### B.3.2.5 Further expand its foothold in the US and accelerate growth in emerging markets

In the last years, Atos worked to improve the geographical profile of Atos in Europe, with around 80% of IT Services revenue generated in the northern part of the continent.

On one side, as the Group was generating around 7 percent of its 2013 revenue in the USA, a key lever of the 2016 Ambition strategic plan was to expand the Company's foothold in the US, which is the largest IT Services market in the world, an early adopter of high growth innovative technologies, and a pool of talented and highly skilled technologists. The ambition to double revenue in the USA in order to reach € 1.2 billion in 2016 was based on the development of the current customer base by intensifying commercial efforts, leveraging on existing contracts with US corporates, reinforcing partnerships and accelerating external growth while maintaining the Group strict financial discipline in acquisitions.

In this context, Atos announced in December 2014 its intention to enter a worldwide strategic collaboration in IT Services and BPO with Xerox, a global business services, technology, and document management company and to acquire Xerox's Information Technology Outsourcing (ITO) business. The intended transaction is expected to close in the second quarter of 2015. It would allow Atos to move from its European foothold to a global leading position. With estimated 2014 revenue of \$ 1.5 billion and 8% operating margin rate, Xerox ITO business employs approximately 9,800 employees in 45 countries of which 4,500 are located in the US and more than 3,800 are in global delivery countries such as India, the Philippines, and Mexico. With more than 90% of Xerox ITO revenue deriving from the US market, Atos would almost triple its revenue in the USA, exceeding its 2016 Ambition objective to double its revenue in

the USA. The share of Atos' global revenue generated in the USA would increase from 6% to 17% which will ensure access a pool of talented and highly skilled technologists thanks to a better visibility. The Xerox ITO business is led by a strong and experienced management team which will reinforce Atos' talents in the USA. Atos would become one Xerox IT services suppliers. Xerox's existing ITO clients comprise blue chip companies in the USA, in attractive verticals such as Retail and Healthcare, that Atos would add to its customer base in order to accompany them on their digital transformation journey.

Atos and Xerox would enter into a worldwide strategic collaboration under which both companies would team up on joint innovation projects and would jointly go to market in order to maximize IT services opportunities for Atos and BPO opportunities for Xerox in Europe and North America. The aim of the collaboration is to accelerate growth and innovation, to generate incremental beneficial business for both companies and to better serve their customers both in the US and in Europe.

On the other side, Atos expects to increase its emerging markets position in two specific regions: First, in Asia Pacific, where it will leverage on existing global clients in key countries such as China, Malaysia and Australia leverage on Yonyou partnership mainly in Mainland China on software and Systems Integration; and focus on new markets such as Indonesia and Philippines.

In the emerging markets, Asia Pacific is the priority with the ambition to grow at around 10% CAGR over the 2014-2016 period. In India, Middle East and Africa, taking into account the existing customer base and its industry expertise to address the strong demand, Atos ambitions to grow at 15% to 20% CAGR throughout the period.

In both developed and emerging geographical expansion Atos works on incorporating local stakeholders' expectations in order to guarantee a responsible environmental and social impact in the communities where it operates.

### B.3.2.6 Provide strategic flexibility to its Worldline subsidiary, to consolidate its leadership in payments

The launch of Worldline in July 2013 corresponds to the Group ambition to allow its subsidiary getting the financial flexibility to ensure its development. Regarding this objective, the Group completed the initial public offering of Worldline in June 27, 2014. The purpose of the Initial Public Offering was primarily to accelerate the development of Worldline and to strengthen its position as an electronic payments and transactional services industry consolidator. The Company will continue to work on industrialization and innovation, while reinforcing partnerships.

The strategy of Worldline is focused around the following priorities:

- reinforce its technological leadership on new payment means (mobile, internet, NFC...);
- contribute to the digital transformation of its clients particularly with the roll out of its technologies and innovative payment solutions, allowing the adoption of new usage;
- increase partnerships to enrich offerings and services delivery;
- develop and consolidate a global organization with its highly skilled staff;
- accelerate the industrialization of platforms and technical operations;
- succeed in strategic acquisitions in new geographies and/or bringing new offerings portfolio;
- continuous embedding of sustainability in the core processes an operations.

TEAM is the code name of the Worldline improvement program. TEAM objective is to deliver new levels of efficiency. This Global Drive will help going toward more integration in Worldline, with the ambition to go beyond all that has already been done with the current Atos global initiatives to get specific cost base and bottom line benefit. Starting with infrastructure and Global Factory, it will follow a renewed focus and selectivity on Portfolio innovations, market offers targeted where scale effect can be achieved and a greater Optimization through tighter control and more shared service centers in local delivery.

# B

## Atos positioning and strategy



# C

## Sales and delivery

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## C.1 Sales and business development approach

### C.1.1 New Go-To-Market model

In second half 2014, Atos has implemented a new Go-To-Market model with some major innovations. This new Go-To-Market is a key driver for Atos to deliver the organic growth that we target over the 2014-2016 period.

#### C.1.1.1 Two different business development engines

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New Go-To-Market is differentiating among three types of customer accounts, articulating two different Sales engines.

##### Growth engine

The growth engine is expected to deliver an average growth well above 3% year-on-year through new contracts and customers:

The growth engine is addressing two customer segments:

- Atos largest 250 Top accounts with significant share of wallet increase potential. These selected customers account for 70% of Atos External Revenue;
- new targeted customers selected based on their Transformation needs and alignment with Atos core capabilities.

These accounts will be managed by the five Global Markets (Financial Services, Manufacturing Retail & Transportation, Telco Media & Utilities, Public & Health, Siemens account). Their role is to ensure customer intimacy and satisfaction, as well as revenue growth for these accounts.

##### Cross-selling engine

Other Atos customers will be managed by the Service Lines with the objective of contributing to growth through renewals and cross-selling of existing contracts.

#### C.1.1.2 A customer driven model empowering Sales

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The new model is empowering the 200 Account Executives in charge of Top accounts to help them deliver growth:

- Local Market Leader role has been deleted, except for Public Sector, as the Public Sector Business remains local;
- Account Executives now report directly to Global Markets, except for Public Sector;
- Client Executives have the full authority on all the Sales and pre-sales resources necessary to manage the account;
- Client Executives have the ownership of the Account plan which is considered as an internal contract ensuring full alignment across the Service Lines, GBUs and Markets, regarding both the top line ambition and the necessary resources to achieve this ambition;
- The account plan, updated every 6 months, is the basis for the budget and forecast process, ensuring full accountability of all stakeholders.

Major focus changes have been implemented to provide much more focus and accountability in Sales:

- at Group level, the role of Chief Commercial Officer has been created with the responsibility of steering the overall sales effort, driving Global market heads, Global Service Lines sales heads, Global Strategic Sales Engagement, Global Alliances, Marketing and eXpand;
- the Service Lines Sales role has been reinforced by transferring part of Atos Sales force to the Service Lines to ensure coverage of all local accounts, and implementing Service Lines Sales Director both at local and Global level;
- sales people have been transferred to Service Lines to ensure account fertilization;
- a rapid Growth Board has been created to anticipate the demand in emerging trends and ensuring readiness of capabilities and sales to target new growth sources;
- alliance as a Sales channel has been created to ensure that Atos is fully leveraging partnership with key technology providers to generate incremental new Business;
- the eXpand program has been refocused on change management and sales monitoring.



## C.1.2 Marketing approach

### C.1.2.1 Context

The Global Marketing function has been created with two primary missions:

- **Sales enablement:** providing the Sales force with the Sales tools (presentations, customer cases, references, and other materials) to ease customer interactions, to increase the number of touch points with clients and prospects and to raise time to customer;
- **Demand generation:** through the creation and the management of Global Sales campaigns focused on selected customer value propositions.

A number of new channels and initiatives have been established, extending the initial scope of the function:

- the Business Technology and Innovation Center (BTIC) network consisting of in total six centers, hosting more than 1,000 client workshops – many of them full day innovation workshops – with clients and partners;
- to accelerate forwards digital marketing, a SaaS marketing automation platform has been set up and connected to the Group's websites, to the CRM and to various other SaaS tools; this platform allows efficient lead generation and lead management;
- an inside sales team has been set up to qualify leads and opportunities generated by marketing as well as to push internal initiatives to the sales force – for instance the new offerings provided by Bull, reducing the time to market for new offerings and initiatives, enabling the sales force and helping to monitor client feedback;

The Marketing organization is fully aligned with the sales organization, with field teams reporting directly into the Group Chief Marketing Officer. All marketers of the Group are measured against sales targets like number of generated leads, pipeline created and order entry achieved.

### C.1.2.2 What's new?

In 2014, marketing continued to contribute to the topline of the Group by being instrumental to generate € 500 million of order entry and by supporting over € 2 billion of order entry.

The BTIC channel remains a strong contributor to the top line generated by marketing but also the inside sales team started to contribute significantly by generating new business opportunities and handing them over to the sales teams.

A number of new initiatives have been launched over the second semester of 2014, such as a new client newsletter and an internal 'Sales TV' channel as a new element of the sales enablement program.

### C.1.2.3 Atos Ambitions

For the year 2015, marketing will go through a major transformation alongside of the transformation of the sales force:

- all field marketing resources will be allocated to existing accounts as well as to named new logos the Group aims to grow into in the coming years;
- marketing will create account based marketing plans for each top client and named new logo supporting the account plan;
- the corporate marketing team will be transformed to deliver marketing services to the account based marketing managers in the field in an efficient, as-a-service mode.

The main benefits of the model will be:

- further increase of marketing efficiency through a customization of the marketing approach, i.e. by targeting named decision makers and influencers;
- full alignment between sales and marketing through the account based marketing plan for top clients and new logos;
- further industrialization of the provisioning of marketing services in an "as-a-service" model.

Content-wise, customer transformation challenges have been defined to better align the marketing messaging to client needs and to simplify the go to market of the Group.



## C.1.3 Strategic Sales Engagement

### C.1.3.1 Context

Companies have always been trying to manage their IT Budget while simultaneously gaining flexibility and innovation. During the financial crisis they had to control their IT Budget even more than ever. Now, moving slowly away from the financial crisis of the last few years, Atos sees new trends in the market emerging. First, like in the early days of Outsourcing Atos see now a trend to hybrid deals: an award of an outsourcing contract combined with the full or partial takeover of the captive IT provider. These hybrid deals also tend to have longer contract duration than standard outsourcing deals, due to the initial asset and people takeover. Second, Atos sees a trend moving partially away from large single-source transaction to global but smaller multi-source transactions in which a bundle of global services is awarded to multiple providers, all with global capabilities; in some cases also introducing an outsourced Service Integration Layer. In the past, cost reductions were achieved by industrialization, standardization, and by using a mix of near-shore and off-shore resources, today there is also an increasing focus on innovation, virtualization and automation topics such as Cloud computing or Atos' Virtual Desktop Initiative, Workplace of the Future themes, etc. Many of these require flexibility on demand or, at the least, "Pay as you use" business model providing high flexibility for the customers if their volumes are moving.

Therefore, today's large projects, even if they come in more phases or segments than in the past, are more complex in terms of the required technical and commercial solution, more global, more strategic and long-term oriented. Instead of having one full-scope partner per country or region, very often customers now require multiple partners servicing all of the customers' geographies for selected services. In some cases the customer even requires services that are universally available, regardless of geographical presence of the respective service provider. The successful partner needs to fit well into the customers' Eco System including other service providers, his global stretch and different local cultures. In some case, the service provider while being the Service Integrator even takes on responsibility to manage the other service providers. The success of today's large deals is measured by its direct added value for the customer's operations and its associated costs. However, this also requires changes at the customer level as he must implement a professional Demand Organization to manage multi service partners in several geographies.

Thus, large, multi-country or even global deals represent a high level of complexity for which a dedicated team of internationally proven experts is required. Atos, being one of the leading innovative IT Services providers, has got the answers.

### C.1.3.2 What's new?

"Strategic Sales Engagements" (SSE) is a well-established unit within Atos targeting to pursue and win large, multinational and global deals.

Bid Teams are staffed from a mix of multicultural resources such as:

- Deal Makers (Customer focus; Strategy Development, Relationship Manager and overall coordination);
- Bid Directors (Pursuit Project Management, Strategy Execution, Bid Budget Development and Controlling as well as end-to-end Management of the entire bid team);
- Financial Architects (designing innovative, commercially attractive and tax proven financial models, etc.);
- Solution Managers (designing innovative solutions meeting/ exceeding our clients' requirements).

Other team members are involved during and prior to the bid phase as experts from GBUs and Global Service Lines, for example, Solution Managers, Solution Design Architects, Transition and Transformation Managers: Subject Matter Experts like HR, Legal, M&A, or Tax.

The deals in focus cover all geographies and all Service Lines of Atos.

### C.1.3.3 Atos ambitions

Atos' ambition is to reap a significant share of the large deal market by leveraging its size and expertise and successfully selling Atos' horizontal and vertical portfolios to current and new, large, international customers.

## C.2 Markets

[G4-8]

### C.2.1 Manufacturing, Retail & Transportation

#### C.2.1.1 Context

In 2014 the manufacturing and retail sectors continued their evolution on the patterns set in the past few years.

In many geographies stagnation was still present and growth was generally very low.

Many multinational customers were anyhow in the position of posting excellent bottom line results, mainly due to the big efficiency and productivity programs started and completed in the recent past.

The transportation market saw a further increase of competition, while pressure on costs kept rising, as a key way to protect the profitability.

In this overall scenario, IT investments are expected to grow in the next future not only in the area of IT consolidation

and productivity programs, but also on IT as key element for enabling growth.

Commitment to sustainability and ethical behavior remained strong, thanks in part to the recognition in all sectors that these are intrinsic to continued business success, not only in terms of cost and operational efficiency, but also in terms of brand and reputation.

Globalization should continue to be a driving force, and the ability to serve diverse markets and to optimize extended supply chains with real agility was regarded as a high priority throughout the year. There is a clear trend evolving which shows that the companies who established their global presence early enough are benefiting from the globally balanced setup.

#### C.2.1.2 What's new?

For Atos' clients, business priorities remained largely stable in 2014. The key focus on improving business processes and on reducing enterprise costs continued to be strong recurrent themes.

However we saw a growth in terms of attention and investment of our customers in new areas where IT plays an important role in supporting the growth plans.

Social Networks and enabled collaboration is becoming more and more a way to avoid waste of time and resources, effectively manage teams around projects and to attract the best resources today belonging already to the digital native generation

Integrated Manufacturing is the key element of what can indeed be considered as a new upcoming new industrial revolution. Link of ERP, PLM, MES and Controlling of the production machines is enabling a huge increase in utilization of production plants, increase in flexibility to manage variations in demand, supporting the huge increase in product variations and in shortening the time to market.

Digital Transformation is reshaping the way companies do business: from e-Business expanding into digitalization of processes and through the internet of Things shaping totally new Business Models.

All the above is obviously strongly characterized for each industry in which those changes are taking place.

Atos is well set to respond to these demands in the respective specialist sub-sectors with a dedicated and focused portfolio:

- aerospace and Transport Equipment;
- automotive;
- chemicals, Metal & Mining;
- consumer Packaged Goods (Food and Beverage);
- high-Tech and Engineering;
- machinery and Plant;
- pharmaceutical;
- pulp, Paper and Wood;
- retail;
- transportation.



### C.2.13 Atos Ambitions

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In 2014 Atos managed to consolidate the PLM and MES activities into a new single view on Integrated Manufacturing. This is expected to build the core for our customers for engaging in the upcoming Industry 4.0 paradigm shift. Here we can rely on our Industry based DNA which is reflected in more than 10,000 specialists in manufacturing

Big steps forward were also made in the area of Internet of Things: important projects have been realized for our customers and in some cases together with our customers as new endeavors on the market. Here we see the basis set to play a leading role in the area of digital transformation.

Also in the area of infrastructure services 2014 saw Atos playing a key role on a highly competitive market. We continue to see in the future a competitive advantage for Atos coming from our global presence, globally industrialized delivery centers and our strategic partners. Our integration capabilities are also key for differentiating us in this market: We provide our customers with an orchestrated landscape, integrating different Cloud based solutions and legacy infrastructure, fully brand independent.

Together with the new capabilities coming from the integration of Bull, we could reinforce our offerings in the area of High speed computing.

### C.2.14 Industry-specific expertise

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In each of the Sub-sectors Atos can count on specific skills and vertical service offerings.

Most of the market leaders can be found in our customer base.

In almost every sub-market in 2014 we have acquired very relevant new logos and were able to expand our share of wallet at the existing key customers.

Our Global Management approach for the key customers has been well estimated by our customers and indeed the revenues

with our global accounts grew over proportionally. Continuing in this sense, we expanded the list of the Accounts Globally managed to a much larger number. This in order to answer to a clear request of our customers: Shake hands in one place and govern globally.

Those trends were in the last years mainly visible only in the areas of infrastructure and ERP systems. In 2014 we saw the need growing also in the areas of MES and PLM systems.

## C.2.2 Public & Health

### C.2.2.1 Context

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2014 has been a year full of events creating additional pressure on Governments and Public services:

- the Ebola virus epidemic in West Africa infected over 20,000 people and killed at least 8,000;
- the World Health Organization identifies the spread of poliomyelitis in at least 10 countries as a major worldwide health emergency;
- the Intergovernmental Panel on Climate Change (IPCC) released its fifth assessment report, stating that the planet faces "severe, pervasive and irreversible" damages from global CO<sub>2</sub> emissions;
- several hundreds of people were killed in flights crashes around the globe;
- political and security risks have not diminished with the annexation of Crimea by the Russian Federation and many terrorist outbreaks like Boko Haram killing 300 people in one night attack.

Everywhere, Governments are faced with the challenge of doing more with less. On one hand, citizens are expecting end-to-

end seamless services with reliability, speed, flexibility, security, transparency and customer focus, especially in the areas of Healthcare, Education, Security and Public Transportation.

On the other hand, most Governments have to reduce public debt, and hence public spending. To improve services while reducing costs, Governments obviously have to achieve step changes in effectiveness.

Governments and Public Services engaged in projects aiming at deeply transforming the way they operate, have to face several major challenges:

- the electoral cycle makes long term Transformation projects difficult to manage;
- a yearly budget process is a barrier to manage multi-year payback projects and embeds an incremental approach to change;
- fragmented stakeholders with conflicting objectives;
- a deeply regulated workforce with some misalignment in skills or willingness to change.

In spite of these obstacles, Government and Public Services are delivering breakthrough performance improvement through the digitalization of their processes and citizens relationships. Information Technologies are the driving force behind these

effectiveness improvements and as a result, Public & Health is a major growth opportunity Market for Atos and a core component of our strategy.

### C.2.2.2 What's new?

In February 2014, the XXII Olympic Winter Games are held in Sochi, Russia. Atos was responsible for leading the consortium of technology partners to design, build and operate the massive, mission-critical IT infrastructure and solutions that supported the Olympic Games.

Atos has been the Worldwide IT Partner for the Olympic Games since Salt Lake City in 2002 and, over the last 10 years, has been integral to making every Winter and Summer Olympic Games a success. Atos will be delivering the technology for the Olympic Games until 2024.

In Sochi, Atos:

- provided real-time information to 9,500 accredited media and broadcasters and over 200,000 accreditations;
- delivered results in real-time from every venue and every event to 8 billion devices around the world, ensuring that people could interact with the Games via their TVs, mobile devices and online at any time;
- collected and processed data for each of the 5,500 athletes eligible to compete in the Games;
- collected and filtered more than 5 million IT security events each day;
- played a key role in supporting the Sochi 2014 Organizing Committee for the recruitment of the 25,000 volunteers needed for the Olympic and Paralympic Games through a digital process and a dedicated portal developed by Atos.

During Sochi 2014, Atos unveiled many innovations:

- results were delivered to the Games website over the Cloud;
- for the first time at an Olympic Games, Atos implemented full virtualization in all its Games Data Centers, helping to reduce the number of servers by 40%, compared to Vancouver 2010;
- the Olympic intranet was delivered over a mobile platform and results were delivered to the Games website over the Cloud.

Leveraging the Olympic Games, Atos executed a digital marketing campaign "Today for the Games, tomorrow for you" which highlighted five core business technology solutions that are integral to the Games: security, Big Data, Cloud, social collaboration and mobility.

Another major event of 2014 was Atos' acquisition of Bull which has a strong position in Public Sector.

44% of Bull revenues are from Public & Health, mostly in France, Spain, Benelux, Poland, UK, Brazil and the United States. Bull with strong vertical expertise and customer references in Critical Systems, Smart City, Citizen Relationship management, Big Data, Cybersecurity, Information Cycle Management, Fraud Management, Transaction security, is a perfect match to Atos' existing Public and Health expertise and portfolio of expertise.

In 2014, Atos has been working with major Cities around the Globe to help them leverage Information Technologies:

- **Vienna (Austria):** Atos designed and developed an epidemics management solution which was awarded by Microsoft as the most innovative care support solution. The solution deals with vaccination programs and provides information to (health) care organizations to control outbreak of potential diseases like measles, Ebola or SARS;
- **Birmingham (UK):** Atos helped city of Birmingham to define their Smart City Strategy which was adopted by the British Standards Institute to provide a blue print for other cities;
- **Lee County (US):** Atos implemented a digital city cockpit;
- **Eindhoven (The Netherlands):** Atos ran a Proof of Concept to showcase the ability to spot incidents before they happen to trigger direct response like adjusting streetlight settings to reduce risks. The solution is leveraging Social Media Analytics in combination with analysis of Internet of Things gathered information (Camera's, Sound detection) and domain information (retail information from pubs – like amount of beer delivered, etc.).

In 2014, the European Agency for Large-Scale IT Systems (EU-LISA) has awarded a consortium of Atos, Accenture and HP, with a framework contract to maintain and enhance the second-generation Schengen Information System (SIS II). As consortium leader, Atos is managing SIS II from defining requirements through to validating the adapted software. Atos developed and supported the running of the previous systems – SIS 1, which was in use until 2013. SIS II is the largest information system for public security in Europe, allowing for information exchanges between national border controls, customs and police authorities, while ensuring the free movement of people into and within the EU happens in a safe environment.



Another major project signed by Atos in 2014 is the IT service management for the integrated and consolidated IT desktop environment for the Directorate General for Informatics (DIGIT) of the European Commission.

Some other major won deals are:

- for Disclosure Scotland (UK), Atos will provision Managed Services to support the Protection of Vulnerable Groups (PVG) applications;
- for Flemish Government's Viaamse Overheid Atos will manage Application landscape for the coming 7 years;
- for Eurocontrol, the management of Office Automation (Personal Computing Communication & Collaborative Services).

In 2014, Atos announced a new Enterprise Content Management for Healthcare offering specifically designed to help healthcare organizations and national health systems consolidate access, share and manage medical documents and images (x-rays, MRIs, etc.) from multiple departments into an interoperable, open vendor-neutral archive. Atos Enterprise Content Management for Healthcare offering is based on EMC<sup>2</sup> Documentum<sup>®</sup> Integrated Patient Record (IPR) solutions, providing a service to enable a single view of patient medical documents and images linked with the patient record, regardless of modality, location or format. It also supports common Healthcare standards and features a product driven solution for all requirements coming out of e-health topics.

### C.2.2.3 Atos ambitions

Atos' ambitions for the Public & Health will continue to focus on areas in which expertise creates value cost efficiency and differentiation.

Atos has three major areas of ambition in Public and Health:

#### Cloud

Foundation IT services will remain an essential element in Atos' engagements in these sectors: managing the infrastructure and applications on which the Group clients rely, and providing the support that their workforces need to work productively, safely and securely.

Leveraging Canopy, Atos wants to become the leader Cloud provider for government in Europe, helping Atos' customers on their journey to the Cloud.

One of Atos' major ambitions is to bring the Olympic Games to the Cloud. With Rio 2016 Olympic Games, for the first time in a Summer Games, the core planning systems will be delivered over the Cloud including the systems for accreditation, sport entries & qualification and workforce management as well as the volunteer portal, which was launched in August this year. The Rio 2016 Cloud computing solution will be delivered by Atos in partnership with Cisco, EMC<sup>2</sup> and VMWare.

Following the new contract signed in 2013 between Atos and the IOC, the two organizations are working together to transition all IT services for the Olympic Games by 2018 to Canopy, the Atos Cloud, in time for the PyeongChang 2018 Olympic Winter Games.

#### Big Data and Security

In the area of Big Data, Atos is providing Governments and Public Services with a full range on end-to-end services:

- Advisory Services, Strategy & Architecture Services;
- Data Analysis/Information Management Services & Solutions in the Cloud and on-premise;

- Plan, Built, Run Services for Data Warehouses, Business Intelligence solutions and Enterprise Information Management solutions.

With Bullion, Bull is bringing Atos additional Big Data capabilities. Bullion has been described as "the most powerful Intel x86 server in the market" by the SPECint<sup>®</sup>\_rate2006 (test published on October 22, 2014), with a new benchmark record, leaving the other hardware providers far behind.

Bullion can scale from 48 to 24,000 gigabytes of memory, is the only server scaling from 2 CPU to 16 CPU and has the largest memory for x 86 servers with 24 terabytes.

In Security, Atos' ambition is to help Public services build digital trust through:

- implementation of Security Governance;
- protection of infrastructures and systems;
- data integrity and confidentiality;
- physical security.

Atos is actively involved in national security initiatives, with identity management, border control solutions, risk management and secure communications. Atos is also increasingly involved in the development of the strategic approaches needed to counter cyber security challenges.

#### Digital Transformation

Atos ambition is to be the leading partner of Governments and Public Services for their digital Transformation projects, with best-in-class capabilities focusing on seven areas:

- Security: creating safer environments through digital solutions that engage and involve citizens;
- Connection: digital and mobile technology, which supports more efficient yet people-centered services;

- **Mobility and Public Transportation:** technology-driven solutions that make transport more efficient and help citizens remain mobile;
- **Education:** digital services that support lifetime personal development and transition from education to work and vocations, nurturing human capital through more relevant collaborative and social learning;
- **Healthcare:** connecting hospitals to General Practitioners and to home caregivers with more flexible digital tools and platforms, enabling effective self-care;

- **Citizen relationship management:** digital platforms for service delivery and citizen engagement;
- **Sustainability:** effective ways to use resources to improved quality of life and reduce waste.

Another area is Battlefield digitalization through digital OODA (Observation-Oriented-Decision-Action) with embedded real time combat management system, Sensors & Weapons management, Tactical Situation Awareness management.

### C.2.2.4 Industry-specific expertise

In the Defense sector, the acquisition of Bull is bringing major new capabilities with proven dedicated solutions:

- **COMINT** (Communications Intelligence) Solution is enabling Government to reduce potential terrorist threats by tracking suspect individuals via their communication devices. COMINT provides listening and analysis capabilities, covering mobile networks, line of sight radio and satellites;
- **ELINT** (Electronic Intelligence) is a fast aircraft identification for quick decision making, intercepting radar emissions, enabling in-depth understanding of an area of confrontation;
- **SHADOW** is a smart reactive jammer against remote-controlled improvised explosive devices (RC-IED) and directive jamming;
- **GLOBULL** is a solution to help Ministries of Defense ensure the protection of critical data on the move giving mobile officers total confidence about data protection;
- **HOOX SMARTPHONE** offers encrypted voice, SMS and data communications;
- **TRUSTWAY VPN** enable fully secured Virtual Private Networks.

These capabilities are enhancing Atos existing solutions in the security area:

- **Civil & National Security**, a full-spectrum solution and service approach that helps clients to detect, prevent, respond and recover in a network-centric environment. This comprehensive suite of answers from mission planning and border management to data fusion and emergency response will deliver more integrated and more agile information performance;
- **Cybersecurity** deeply interconnected to Civil and national security, cyber security is a new domain that supersedes previous technologies since it can affect a whole society at once, with attacks launched from any location, at any time and using any level of complexity. Atos has created the Three 'must-do's customer should apply to protect their citizens, partners and own network from cyber threats.

Other key Atos' capabilities for Public and Health are:

- **eGovernment:** helping public sector agencies to seamlessly integrate end-to-end services securely and efficiently, including the most advanced analytics for massive data management;
- **eHealth** solutions: exploiting the best in communication and collaboration technologies to inform and educate the patient;
- **MyCity solutions:** a broad variety of solutions to provide an integrated approach for local governments around the world, in the fields of safety, health, MyCity portfolio is a range of solutions, guided by deep understanding and strategic insight, which enables governments and empowers citizens to work together. With this integrated approach Atos achieves long-term improvement that transforms the city both in terms of efficient services and more rewarding experiences for people.



## C.2.3 Telcos, Medias & Utilities

### C.2.3.1 Context

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The Telcos, Media & Utilities sectors are all distinct markets and each faces its own particular business and technology challenges. However before considering their specific challenges and contexts, it is worth noting the commonalities between them.

During 2014, Telcos, Media & Utilities companies all experienced both the continuing changes in regulation, the emergence of new business models and aggressive competition. In Telecommunications, for example, increasing organic activities complementing wireless and fixnet/cable assets with new added value services for new bundled offerings as well as non-organic M&A activities are reshaping the competitive landscape. Meanwhile, the Energy and Utility sectors face continuing change with regard to the use of nuclear, new energy sources such as shale gas and the balance of renewables.

Facing of regulatory change and increased competition, companies in all three sectors were under pressure to improve and indeed transform existing business models. This imperative is in part driven by the need to optimize operational efficiency, and in part by the need to win and retain customers in an environment in which it is increasingly easy to switch suppliers and service providers.

Notably, across all three sectors, there is also a common need to turn technological turbulence to advantage. This is true for all aspects of business technology, the domain in which Atos specializes. It is equally true for the disruptive industry technologies such as 4G in telecommunications, user-generated content in media, or the advances in shale gas extraction so much in the news for energy and utility companies.

In addition to these common challenges, each sector has its own specific focus, often with different specificities in different geographies, with better conditions in emerging countries:

- **Telcos:** Tougher competition leads to a decrease in Annual Revenues per User, with profit further eroded by the need to invest in network capacity, and the emergence of new pure internet and Cloud players for new data centric services. Erosion of traditional voice and messaging revenue streams pushed telecommunications companies increasingly towards new earners – Cloud for enterprise and consumer markets, along with increased interest in machine-to-machine communication as part of a wider Digital Ecosystem that is interconnected, integrated and enriched by the operator network;
- **Media:** The passage from analog to digital is relentless. Audiences become increasingly fragmented and media services more personalized as a result. The challenge of managing monetization is acute and increases in complexity as the choice of platform expands. For press-based publishers, the need to carry content through to online and digital media remains an unavoidable imperative with its associated monetization;
- **Energy & Utilities:** The need to modernize the generation, transmission and distribution assets and upgrade to Smart Utilities, Grid and Metering demands staggering levels of investment in the context of flat or reduced demand. In Oil & Gas, the downwards price fluctuation of the crude and the ever increasing cost and complexity of exploration & production projects impose similar challenges. Across the industry progress has been slower than anticipated and is expected to accelerate and become more data driven using digital transformation as an enabler.

### C.2.3.2 What's new?

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In 2014, Atos grouped its focus on Telcos, Media & Utilities further together – in recognition of the common challenges faced across these sectors in transforming to data-driven business models. The challenge, for example, of turning real-time usage information to applied business intelligence is as much a requirement for a Telecom company, as it is for a Media or Utility company.

During the last year, Atos continued to invest in and develop its capabilities in both Cloud delivery and Big Data, and both of these are set to become critical to Telcos, Media & Utilities clients. They will be particularly valuable in helping clients manage and exploit the new opportunities associated with machine-to-machine communication, in which there are already joint opportunities developing between Telecoms and utility service providers. This cross-sector collaboration is also emerging in the area of the Personal Data Economy.



### C.2.3.3 Atos ambitions

Atos ambitions can be summarized as a three-point strategy:

- **innovation:** maintain the focus on innovation, as evidenced by propositions including consumer Cloud services in telecommunications, multi-device management in media, and smart grid in utilities;
- **IT Outsourcing as well as Harmonization and Consolidation:** position the Group as the ideal IT outsourcing as well as Harmonization and Consolidation partner, especially in Europe where this focus extends to include selected Business Process Outsourcing;
- **transformation:** as business technologists understand the business requirement to increasingly make key assets available to customers in real-time and on-demand while also mastering the transformation of the existing IT landscape towards a real-time enterprise that can access key assets of the enterprise instantaneous and on demand.

Note that, IT outsourcing has become far more sophisticated than the simpler historical focus on desktop, network, datacenter and application management. Atos continues to provide all of these essential services, but today, the sector-

specific knowledge in Telcos, Media & Utilities adds entirely new levels of business value. When for example, the Group provides the facilities for full Cloud delivery, the ability to scale the service can be exploited clearly driven by dynamic changes in client's business demand.

The ambitions shared across the sector Group are further enhanced with numerous sector-specific objectives, including:

- in Telcos, to help clients transform from voice-centric to data centric by adding added value data services in both consumer and business markets;
- in Media, to continue to expand capabilities as a provider of extended media operations outsourcing;
- in Energy & Utilities, to continue to focus on the Group clients' transformation to smart energy models and to strengthen our presence at global Oil and Gas groups.

Atos and Siemens collaborate closely across these sectors, and will continue to work together to maximize the combined value of their respective market-specific business technology and engineering skills.

### C.2.3.4 Industry-specific expertise

As business technologists, Atos continues to develop and extend the solutions and services its Telcos, Media & Utilities clients require both to optimize their operations and to serve their customers. With many of the Group specialists recruited directly from the sectors Atos serves ensures that its solutions respond accurately to these fast-evolving markets. As expert system integrators with a deep knowledge of the technologies favored by clients, the Group is continually engaged in helping clients to succeed in their individual journeys to transformation. The greatest shared benefits, however, are delivered when Atos formalizes and industrializes the approach as illustrated by the following examples.

#### Telcos

- **Cloud:** Cloud delivery has become essential both as a means for Telcos to manage their own massive distributed data resources and as solutions for offer to both consumer and business customers. Atos' Cloud solutions respond to both requirements, and are also designed to allow near instant scalability, allowing Telcos to rapidly trial and market new products and services;
- **NGIN:** Atos' Next Generation Intelligent Networks are one of the few commercialized solutions on the market which allow mobile operators to fully exploit fixed/mobile convergence. This is particularly useful in the enterprise space, and allows operators to offer genuinely integrated contracts and services across fixed and mobile devices, even in hybrid 3G and 4G environments;
- **B2B and M2M:** as Telcos come to recognize the business opportunities presented by machine-to-machine communications, Atos is ready to help them manage and monitor these vast new data volumes, delivering essential real-time intelligence;
- **Next Generation BSS:** as the Telcos mix gets richer, so the demands increase for the systems used to manage billing, mediation and customer relationships increase. Next Generation BSS solutions are ready for the future, whether fixed, mobile, 4G or beyond;
- **OSS Transformation:** every Telecom company needs to manage increasingly complex operational landscapes and Atos does not only help to transform the traditional OSS perimeter orchestrating the important network assets but also ensures that the OSS layer can be seamlessly embedded in and incorporated in a wider end-to-end delivery of digital services with external parties in a growing digital Ecosystem;
- **Big Data:** with focus on a new processing foundation for Telecoms; analyzing exponentially growing data is key, data that is flowing through the network in real-time enriched by contextual data for new bottom and topline initiatives (advanced data optimization and monetization).



## Media

- **Media Facility Creation and transformation:** Atos has helped forward-thinking broadcasters design, build, transform and operate the fully integrated digital facilities needed to feed 24x7 multi-channel media consumption;
- **Media Operations Outsourcing:** Media companies are under pressure to generate cost savings whilst improving the quality of their services and moving forward with new digital initiatives. New methods of consumption are multiplying the types of content, their format and the means of distribution. This increases complexity and cost for operations. Outsourcing Operational activities enables media companies to concentrate on their core creative and strategic activities and removes the overhead of day to day activities that do not differentiate them from their competitors. Our extensive media knowledge from inception to completion, our broad range of media clients across the world and our position at the forefront of innovation in media solutions and services makes Atos the right partner for the media companies to manage and run the operations of their media supply chain, in terms of business, processes and underlying infrastructures. With New Media Delivery we provide the foundation of efficient and agile video content management and distribution, and multiscreen applications. Moreover, Atos Smart Player for sports synchronizes event statistics and results with either real-time or recorded multimedia streams, where industrialized smart meta-tagging drives a new digital experience for sports fans allowing them to call up multiple information streams and blurring the boundaries between watch and play;
- **Interactive TV and 2<sup>nd</sup> screen:** Provide a solution also in SaaS mode for audience interaction with TV shows from tablets and smartphone, increasing the engagement and enabling new revenues streams from contextualized data, advertisement, polls, etc;
- **Digital Media Supply Chain:** The media industry is facing a wide transformation that will continue in the next years. Video contents consumption is more and more on internet-connected devices. High-definition and UHD will be in every home, with a combination of different delivery platforms. Catch-up, on-demand and scheduled contents will increasingly co-exist, and micro-payment now combines with subscription and advertisement business models. All these factors are transforming the Digital Media Supply Chain that is complex and ever evolving to support the ever evolving business of the media companies. What the customer will achieve with Atos is for example: Enterprise Data Architecture, Media Business Processes, establish a sustainable indexing methodology for all media assets, convert all existing tape assets to standardized digital files, templates for transformation allow on-demand distribution to new platforms and Manage integrated media services;

- **Canopy "Media Cloud":** Offers a suite of products supporting entire workflows from ingestion to content monetization for Multi-Screen new media content delivery. Media Cloud will deliver end-to-end media solutions in the market, from content acquisition to distribution and monetization, with all the commercial flexibility and operational benefits of a secure private Cloud. A complete SaaS based Toolkit enables media industry professionals to stay competitive without investing in and managing massive amounts of new technology;
- **Big Data/Media Analytics:** Provides advanced analytics from real-time and multi-source data, exploiting changing market and consumers' behavior and spanning online content and social networks. Based on structured and unstructured data (data coming from CRM, subscriptions to premium services and social networks) it delivers benefits for commercial broadcasters to publish rich, interactive adverts targeted to their audience for driving more value from advertising, and providing feed-back to production as well as to the audience in real time.

## Utilities

- **nuclear instrumentation and control:** Provides the modernization of existing French and new Chinese nuclear power stations using Atos Control Room software systems;
- **Smart Metering and Smart Grid:** Provides solutions to enable the necessary digital transformation, to improve network management and customer management processes, and build the upcoming connected home ecosystem;
- **Big Data analytics:** Provides business performance improvements with focus on both operational and exploratory intelligence on the one hand and commercial and consumer data on the other;
- **eCar and eMobility Solutions:** Atos is at the forefront of innovation, in particular respect to its interoperable charging station management solution, and central clearing/settlement back office system;
- **Oil & Gas,** Atos provides:
  - Production Data Management System,
  - Predictive maintenance for key field equipment and remote equipment health monitoring,
  - Analytics for Refineries: Power consumption optimization and equipment monitoring,
  - Cyber Security for Field and Refineries to reduce data and production losses;
- **Cloud for Energy & Utilities:** supports the transition to Cloud and enables Energy and Utility companies to exploit the Cloud for optimized management and delivery of both industry-specific and generic commercial and business applications.

## C.2.4 Financial Services

### C.2.4.1 Context

The global economy is projected to remain in low GDP growth mode for the period 2014-2016 with +3.3% in 2014, +3.7% in 2015 and +3.9% in 2016 (OECD). Although an improving trend, the forecast remains still below historical pre-crisis growth rates at +4%. Coupled with diverse geographical demand and growth patterns, healthy recovery requires more work, with key developments as follows:

- Europe & Japan: avoiding prolonged stagnation in the Europe through continued ECB monetary support, together with fiscal and structural reform; addressing the technical recession in Japan and the forecast of negligible growth (c. GDP 1.7% and 1% by 2016 respectively);
- reinforce the entrenched growth in the US (c. GDP 3% by 2015);
- BRIC and Emerging Markets: managing the slowdown in China to a sustainable growth rate remains a challenge (c. 7%).

Financial Services industry results indicate a continued return to profitability in 2015, although ROE remains at low double digit relative to +20% pre-crisis levels. Challenging market conditions and structural developments in the near to mid-term remain significant:

- Market conditions: low interest rate environment, margin compression, low volatility;

- Structural developments:

- Regulation: capital adequacy driving an exit from low ROE business lines and additional balance sheet funding and optimization,
- Reforms: Bank structure reforms, resolution and recovery requirements. Heavy cost of meeting regulations,
- Business model optimization: targeting investment in sustainable business lines with high market share and ROE, growth geographies, position for the economic shift to Asia and growing business with emerging market multinational corporations (EMNC).

Financial Services Institution (FSI) leaders are critically assessing their differentiated franchise capabilities and future competitive strategies in order to reinforce priority growth businesses which have either country, regional or globally scale. Operational excellence remains an imperative with large scale business transformation programs targeting reduction in Cost/Income ratio. Cost saving are fundamental for generating the investment to fuel growth.

### C.2.4.2 What's new?

In the near to mid-term Financial Services growth opportunities are being driven by economic, structural and technology developments:

- Economic power shift to Emerging Markets – continued expansion in China and India with expanding wealthy urban populations. The IMF announced China as the number 1 world economy in Q4 2014 based on purchasing parity. EMNC represent a new and growing source of business both in home and international markets. Financial Services institutions (FSI) with Emerging Market franchises are best positioned to capture the growth but require tailored & differentiated offerings;
- Wealth concentration in senior citizens – will require more sophisticated wealth transfer/protection/Health products and services;

- “Digitalization” technologies – empowering Retail customers – convenience anytime/anywhere and price transparency. Mobile and data driving richer context based services and new business models.

Atos is uniquely positioned as one of the few global operational Digital Transformation partners able to optimize the full business model by combining Business Process Service (BPS) and IT Services for critical processes with know-how, scale and innovative solutions. For example, Atos has leading businesses in Payments, Savings and Investments, and Financial Markets. Digital business is fundamentally re-architecting FS business models and Atos as a trusted business partner for non-core processes, and also disruptive technology solutions, thus enabling FSI to accelerate achievement of ambitious ROE and cost/income targets.



### C.2.4.3 Atos' ambitions

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Atos is a Top 3 provider to Financial Services customers in Europe. The acquisition of Bull strengthens this position in key markets and further boosting our strategic go-to-market. Our vision is to be the “partner of reference to the Group targets clients in selected IT Business Solutions and end-to-end Business Services”. With this strong platform Atos FS aims to deliver the following growth priorities over the next few years:

- Market Leader: achieve number 2 ranking in Europe, and growth in non-European geographies particularly USA and APAC;
- Partner of Choice: for verticalized FS solutions, leveraging Atos global innovation platforms. Examples include, Atos has the number 1 European Enterprise Cloud business, number 1 European Cybersecurity business with global reach, and end-to-end Big Data/Analytics solutions powered with Bull High Performance Computing;
- Accelerate Insurance sub-market penetration: to progress to 30% of Financial Services revenue, we are building on relationships with global and regional Insurers. Examples including gaining preferred global partner status with a global insurer for application transformation/management. Becoming the digital partner of choice for a regional Netherlands insurer;
- Financial Services Global Delivery Centers: Further scaling hubs of expertise for Atos' vertical and Business Services Go-to-Market offering, specifically for BPS, Digital Transformation, Financial Markets and Cybersecurity Risk Compliance with clients benefiting from Atos' business domain know-how, intellectual property and partner solutions expertise.

### C.2.4.4 Industry-specific expertise

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We secured significant new business from our Strategic go-to-market offerings in 2014. Gartner reinforced the ranking of Atos Financial Services as a ‘Giant’ in the recent Western Europe Business Services Provider report (Nov 2014). The Atos Strategic go-to-market aims to deliver a ‘Now Banking and Insurance’ business model for FSI. Where customers are digital, availability of services is ubiquitous and digital processes power the organization by exploit Big Data. The resulting new business model delivering performance outcomes, such as higher acquisition, cross sell/up sell and cost efficiency. This vision is supported by the following growth offerings:

#### Back-office Transformation - delivers operational excellence from BPS and IT Services

**Business Process Services (BPS/BPO)** – Atos provide industrial BPS for business critical processes supported by high intensity of IT. Atos is a European leader in e-Payments (with Worldline), in BPS in key European markets in products areas such as Savings and Investments (e.g. NSI), physical cash management and also in Financial Markets post trade (e.g. clearing/settlement, reconciliations). The unique joint NSI/Atos BPS business in payments successfully concluded a signature large scale deal with a UK Government department and we expect growth in this business in the near/mid term.

**Financial Markets** – Financial Markets solutions typically are based on Atos' intellectual property, support the operations of market intermediaries directly (e.g. securities clearing houses,

securities custodians, RTGS Automated Clearing Houses. The Group sees increased demand from new industry initiatives e.g. Target2Securities. Atos is recognized as leading provider with proven industrial solutions, we announced new wins in CEE and France.

**Managed Services** – Atos is a Tier number 1 European leader in IT outsourcing and Managed Services. Gartner ranks Atos as a magic quadrant leader for data centers, infrastructure utility and digital workplace outsourcing. Atos Financial Services clients gain from transform of cost, quality and agility of IT. Atos experienced increasing demand for services related to delivering the new paradigm of software-defined-IT. The Atos Canopy Cloud business expanded with adoption of new innovative SaaS/IaaS/PaaS services, underpinned by ultra-secure service level agreements designed for Banking and Insurance environments. With Bull assets in Cloud, cyber-security and infrastructure platforms, coupled with strategic partners such as EMC<sup>2</sup>, we are able to deliver end-to-end solutions for software-defined-IT. Service Integration and Management (SIAM) is also growing as customer seek a prime orchestration partner for ‘best of breed’ service delivery e.g. Atos prime integrator for the Olympics.

**Application Transformation** – Future business models necessitate re-architecting the legacy applications landscapes for Financial Services. New intelligent applications with advanced cognitive intelligence capabilities are commercially feasible e.g. machine learning based virtual advisors. Atos is investing with partners in selected areas such as customer profiling, enterprise risk analysis and IT service desk automation to rapidly benefit

from these technologies. For customized applications agile application development approach are mandatory e.g. for a leading Banking in Netherlands, DevOps coupled with Cloud based tools delivers proven reduction in time to market and enhance cost saving. With Bull, Atos is able to re-engineer cost legacy proprietary platforms e.g. for French social security, Atos delivered a complex business critical legacy MF port onto low cost open environments. Atos is a leader in Applications Transformation ranked number 3 provider in Europe and number 7 worldwide.

### Digital Transformation

**Customer Experience** – Atos is at the forefront of supporting clients in delivering a sophisticated and enriched digital customer experience across the all touch points with FSI. Examples include implementation and application management for a lead Middle East bank in launching a new Banking 3.0 omnichannel platform to drive their regional expansion. Providing prime integration and applications management for a leading French bank, Atos rolled out a leading omnichannel platform for international subsidiaries. Atos is rated as a top 10 mobility provider (Gartner). Atos solution range from sophisticated omnichannel, mobility, Big Data Analytical solutions and Branch of the future solutions such as branch self service automation and digital signage. We announced a partnership with Samsung on the later.

**Digital Enterprise in the connect world** – the internet of things (IoT) will deliver an explosion of data from a huge array of sensors deeply embedded into the modern lifestyles of consumers. Examples include wearable technologies, connected car and homes. We see FSI exploiting this new data for new business models. Examples include health or home insurance, pay-per-use car insurance all related to consumer specific offer. Together with Bull, Atos has the expertise to deploy a full set of solutions from infrastructure platforms, to Cloud based data analytics as a Service (DAaaS) and computing appliances for customized Big Data applications. Examples include the High Performance Computing (HPC) solutions and connected cars solutions from Worldline.

### Cybersecurity, Risk and Compliance (CRC)

Atos transforms fragmented CRC environments into real-time, integrated and standardized platforms delivering consistent, efficient and high performance Risk and Security Management. The Group sees increased demand for Cybersecurity advisory, solutions and operational services from our global network of Security Operations Centers (SOC). Examples include for a global insurance company providing solutions to create a best in class global security infrastructure. Atos as the number 1 European Cybersecurity business with over 1,400 full time equivalents.

## C.3 Managed Services

Atos specializes in managing and transforming the IT systems of its clients and is ranked in the top three in the European market and in the top six globally. Managed Services represents around € 4 billion and has 30,000 staff worldwide in 48 countries. Atos is one of the few companies that can provide all the “design, build, and operate” elements of a complete outsourcing solution providing the management and transformation of end-to-end and joined-up workplace, infrastructure, application, security and Cloud services.

The main revenues of Managed Services come from Infrastructure and Cloud services, Workplace solutions, Application operation, Network and Communication, and Mainframe and are broken down as follows:

- 54% – Data Center, Managed Infrastructure and Cloud services;
- 25% – Workplace Services including service desk;
- 11% – Application operations;
- 10% – Network and Communication services.

The top five geographical Business Units from a revenue perspective are UK & Ireland, Germany, Benelux and the Nordics (BTN), North America, followed by Central & Eastern Europe (CEE). From a market perspective, 29% come from Manufacturing, Retail & Transportation followed by Public & Health, Telcos, Media & Utilities, and Financial Services.



### C.3.1 Data center and managed infrastructure capabilities

Atos' Data Center strategy focuses on its hubs and satellite architecture with 4 Cloud hubs all twinned (8 Data Centers) backed up by 10 strategic Data Center hubs. This provides the focus for all the Group managed workloads and is the continuous target for migrating workloads from the remaining 80 + multi customer local and peripheral Data Centers and data rooms. These continue to be consolidated and phased out in line with the successful consolidation program of which up to 25 data centers will be closed between 2014 and 2016.

Atos has engaged in a 4 year Data Centers program to upgrade its Data Centers, build new modular Data Centers and to continue reducing the Power Usage Effectiveness (PUE) down in existing and new Data Centers. The program also aims to ensure Atos' Data Centers will provide sufficient capacity and business continuity for Cloud portfolio expansion plans and to invest in building new state of the art data centers in key strategic countries including between 2014 and 2016 7 new and 3 renewed facilities across 7 countries.

Atos continued deployment of the worldwide "Ambition Carbon Free" program which includes the reduction of energy consumption in the Company's facilities and those of its customers, conducting carbon audits in data centers, and compensation plans for the emissions of the centers. This

was demonstrated along with leading edge innovation to become the infrastructure provider partner for the new high-specification supercomputer Teide-High Performance Computing. The Teide-HPC is the second most powerful supercomputer installed in Spain, with 2,200 processors, 17,600 cores. One of the features of the installation is its environmentally friendly sustainable infrastructure, since the Supercomputer energy consumption will be covered by energy from solar panels and wind turbines.

From these Atos energy efficient global Data Center's Atos has a strong track record of providing managed infrastructure services with a full range of end-to-end SLA backed infrastructure services. These continue to include managed server (more than 170,000), storage (more than 240,000 Terra bytes) and mainframe (more than 119,000 MIPS) offerings however the Group also enhanced its portfolio in 2014 with continued expansion of Atos' Cloud services (see C.6 Cloud & Enterprise Software), Extreme Performance Computing environment (Oracle) and SAP HANA offerings all providing solid Data Center and infrastructure foundations for future expansion plans.

The integration of Bull will also bring to Atos considerable new capabilities in infrastructure products, services and assets for which further information will publish early 2015.

### C.3.2 Workplace and service desk capabilities

Workplace Services from Atos provides modular and innovative workplace and service desk services, based on extensive, proven experience in all industry sectors. Today, Atos manages 2.4 million end user devices seats, with 6 global production centers for service desk, operating as one virtual global delivery unit, complemented by 12 local production centers, handling in excess of 30 million tickets annually in 38 languages. This is combined with onsite support capability in 110 countries, giving Atos a true global workplace services footprint. The global delivery organization has a total headcount in excess of 9,500 staff. Through its Workplace Services Atos delivers services that meet the changing end user needs, within enterprise clients today. Key solutions such as Enterprise Mobility Management, combined with application management, virtual desktops and collaboration combine to deliver the functionality required by end users and businesses alike.

Consumer experiences have fundamentally changed what people expect from their workplace. Delivering the right user experience, through enterprise ready services mean Atos' clients can benefit from securely introducing solutions such as "bring your own device" and corporate file sharing. For end users "one size fits all" is no longer applicable, and the Atos approach results in a user experience where working anytime, anywhere with any device is reality. Atos's strong focus on customer care and the total end user experience including multichannel support with self-help, chat and self-healing solutions, such as password reset, is having a direct impact on the user's experience.

Clients are actively moving to hybrid delivery models for workplace services and Atos continues to integrate SaaS based workplace offerings from Canopy and other Cloud providers, including Microsoft Office 365, Canopy A3C (Anytime Communication & Collaboration Cloud) and Anytime Files (corporate "dropbox") to enriched the core portfolio with more choice than ever with flexible "as a service" consumption models. In turn, reducing costs and increasing agility and mobility of end users, whilst opening the door to Zéro email™ by integration of social collaboration solutions.

Enabling clients to redefine their future digital workplace within a user centric, creative enterprise environment is central to the future direction for Atos. This will be supported by continued optimization and enhancement of the Group's offshore capabilities and investment in automation, coupled with a reduced carbon footprint, through initiatives such as bringing desktops into green data centers.

Atos received very positive ratings in 2014 from multiple independent analysts, reaffirming the strategic direction Atos is moving in with its Workplace Services offering. In particular Gartner recognizes the Group stature as a company that understands the future needs of the enterprise end user, positioning Atos again in its 2014 "leader quadrant" in both European and North American End User Outsourcing Services reports. Moreover Atos was recognized as most visionary leader in Europe (by virtue of being placed furthers to the right, in terms of "completeness of vision").

### C.3.3 Application Operations capabilities

Atos manages over 1 million SAP business users, more than 5,000 SAP instances and 5,000 managed business application instances (1.5 million users).

Application Operations offers a key differentiator for Managed Services focusing on application availability and offering a compelling alternative to the in-house operation and support of the IT infrastructure, with a flexible, end-to-end, business outcomes approach to meeting customer's application requirements.

In 2014, Atos continued enhancement of its successful Extreme Performance Computing (Oracle) environment, Application

Performance Management offerings and SAP HANA capabilities which have built solid application foundations for our future plans. This was added in 2014 to new offerings for SAP HANA Tailored Data Centre Integration and Enterprise Archiving to complement the existing application portfolio.

Key developments in this domain going forward and beyond are expected to continue with key business relevant differentiation, aligning and complementing the Group Cloud capabilities, offering Big Data Analytic environments, High Performance solutions, vertical sector solutions and all enhanced by the increasing provision of services to emerging and faster growing economies.

### C.3.4 Network and Communication capabilities

Network and communication services provide customers with the essential connectivity services to provide fully managed network, voice and communications services in and out of the Cloud. Atos provides global, standard, repeatable and innovative services to meet the high expectations of a dynamic mobile, global workforce.

Atos' evidence of scale is proven by facts such as managing one of the world largest Microsoft unified communications installation for a single client with more than 360,000 seats, and have WAN MPLS reaching to more than 120 countries via the Group network partners. With over 1 million LAN ports,

500,000 VoIP/PBX lines, 42,000 switches, 17,000 wireless access points, 23,000 contact center seats, 10,000 routers managed globally and filtering for hundreds of thousands of email mailboxes.

Going forward Atos will be focusing increasingly on its already considerable capabilities for intelligent networking, mobility, unified communications, Cloud computing and videoconferencing.

Atos has successfully adopted the latest technologies and will start to implement Software Defined Networking in some of their most effective Data Centers in 2015

### C.3.5 Atos Project Services Unit

Our comprehensive Project Services portfolio helps our customers eliminate the complexity of innovating with new infrastructure technology through transformation and migrations. Our approach and best practices focus on streamlined and automated processes for faster "time-to-value" to maximize our customers' investments. Our project services experience spans in all markets with the understanding of industry specific business requirements and target operating models necessary to deliver IT services to our customers' businesses. We manage, architect, and deliver innovative technology projects to fit each customers' environment, "on time" and "within budget".

Atos has Depth: the Project Services Unit offers a combined portfolio of technology infrastructure projects for technology innovative from the desktop to the data center to service and deliver IT across the business. Atos demonstrates its depth of expertise every day with over 1,000 technology projects delivered.

Atos has Scale: the Project Services Unit has over grown from 350 at the start of 2014 to over 1,000 dedicated technology consultants (including CS), architects, and engineers worldwide. The Group has 6 core GBU's that form and lead our global technology driven competence centers, with subject-matter champions to lead best practice, solution, and technology standards.

Atos sees things differently: the Group sees that top performing organizations need partners to help them with innovating technology solutions that fit to their business. We strive to provide alternatives in technology solutions by remaining technology agnostic, leveraging best of breed, and working with a broad array of partners. We understand that technology transformation may not be an overnight event, but with proper planning, architecture, automation, orchestration, and technology readiness, we can achieve greater success in every event.



### C.3.6 BPO: Business Process Outsourcing

Atos has one of the leading BPO businesses in the UK in its' chosen markets. The combined direct headcount exceeds 4,000 staff, with a significant proportion of offshore utilization through a dedicated BPO team in India. One of the key differentiators, particularly in Public Services, Financial Services and Healthcare, is that in these sectors Atos manages the full end-to-end service, deploying employees with specific technical expertise. This enables the Group to add value via its domain expertise in addition to the traditional benefits associated with BPO.

Atos continued to capture business thanks to continued success in industry leading customer contact centers, case and document management and print operations, as well as the bookings and

account relationship management systems that are unique in the marketplace. These capabilities ensure that the Group is able to offer radically improved service and efficiencies via scalable operations to existing and prospective clients.

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## C.4 Consulting & Systems Integration

### C.4.1 Digitalization era

The scale of the change brought by the digitalization era across a range of industries is so profound and fast that it is radically reshaping the nature of competition.

In this digitalization era, mature enterprises need to develop their digital transformation strategy, implement new digital architectures, while still managing their traditional systems. These two types of technology differ across almost all measures, but divergence is most stark when we look at them in terms of time. The way that traditional technology is applied to business challenges is usually measured in months, and sometimes years (operational speed), but in the digital domain, tangible results are expected in weeks, and sometimes days (digital speed).

That is why it is critical for companies to adopt 2-Speed IT strategies that best fit their requirements and drive their achievements, applying our fundamental understanding of industrial and administrative business processes and different system environments, coupled with transformative innovation that delivers measurable value.

As a consequence, Atos division Consulting & Systems Integration ambition is to be the partner of choice and trusted advisor for digital transformation of our customers.

### C.4.2 Journey to digitalization

Consulting & Systems Integration adapts its strategy and organization to the evolution of the market:

- globalization and growth of Atos Consulting practice;
- creation of Atos Digital;

- full speed on Business Intelligence (BI), Big Data and Analytics;
- intensification of industry focus: we go from Information Technology (IT) to Business Technology (BT).



## Atos Consulting

Atos Consulting is a global practice strong of 1,600 consultants as of December 2014, supporting customers globally. The role of consulting is to help CXOs define their digitalization and IT strategy objectives. In addition of its strong vertical expertise, Atos Consulting has a focused set of offerings:

- digital transformation consulting;
- IT strategy & transformation;
- information governance, risk and compliance;
- business performance improvement.

In 2014, Atos Consulting was merged with Systems Integration to generate additional value for customers while building on the achievements of Consulting.

Atos Consulting was shortlisted by MCA (Management Consultancies Association) for its work with Pearson in 2014. In fact, Atos transformed Pearson, a leading education company, into a truly global organization, enabling its 50,000 employees to work collaboratively across 70 countries, thanks to their move to a unique, flexible and seamless digital delivery platform allowing them to all access the same core resources regardless of their location. In addition of increasing collaboration, it has allowed Pearson to reduce its operating costs.

Another example is with Network Rail. Atos transformed the customer approach to managing their complex asset base by adopting a modern mobile decision support solution. Using an agile model-office approach, Atos teams applied a blend of asset management and business technology skills to develop a next generation digital capability for a traditional safety critical network.

In 2014, the Consulting practice grew organically and inorganically and became more global. Atos acquired in June 2014 Cambridge Technology Partners (CTP), a leading IT consulting firm in the Swiss market, bringing 300 consultants specialized in digital marketing and IT transformation.

Cambridge has been serving the Swiss IT market since the early 1990s. In 2008, it became an independent company following the spin-off from Novell, Cambridge reported revenues of CHF 40 million in 2013. In a very competitive market, Cambridge has developed a strong reputation in the areas of digital marketing, Identity & Access Management (IAM) and Digital Work Place, in addition to traditional business and technology consulting. Cambridge, with its clear focus and reputation for providing IT consulting services to global top tier companies, supports the ambition of Atos to grow its consulting business in Switzerland and globally. Joining forces will create significant growth, strong differentiation, global reach and technology leadership in Switzerland and beyond.

## Creation of “Atos Digital” practice

Atos Digital end-to-end offerings (“Global Digital Solutions”) cover the entire digital ecosystem and counts 6,000 business technologists.

The practice focuses on:

- increasingly connected solutions that are specific to the client and the market they operate in;
- improved business efficiency through digitalization of processes;
- customer and business insights through the internet of things and Atos analytics;
- secure mobile solutions integrated into their wider business applications;
- increased connections with consumers through Social Media;
- the advantages of Cloud;
- the end-to-end capability to address both the needs of the client in the digital world and connect to or transform their existing legacy estates;
- using the latest delivery methods such as Dev Ops and Agile with market leading technology partners.

Offerings range from Digital Transformation and Consulting Services, Digital Commerce, Cyber-Security, Digital Integration, Big Data Management, Analytics, to Cloud Solutions and Services. Atos Digital leverages the connected experience with solutions such as:

- Connected City;
- Connected Consumer;
- Connected Health;
- Connected Vehicle;
- Connected Oilfield;
- Connected Call Center.

## Full speed on Business Intelligence, Big Data and Analytics

Atos Consulting & Systems Integration focuses heavily on Information Management and Analytics (IMA). The Service Line promotes value-added data-based services and specific use cases, for instance CRM 360, tailored for our retail focused customers. In 2014, Atos won several IMA deals at new customers such as Vodafone India, Benjamin Moore or Siemens Industry.

Being the IT partner of Siemens, Atos shared a project in the Data Analytics. Atos jointly developed a unique platform that is designed to support a wide range of use cases and be leveraged across the Industrial Data Analytics needs of Siemens and also addresses customer requirements across many markets that Atos is bringing to the project.



Through this joint investment with Siemens, Atos reinforced its Data Analytics capabilities and developing a reusable, Cloud-ready, foundation platform, enabling the Group to continue to deliver faster go-to-market approaches and realize even greater business value.

**Intensification of industry focus: we go from Information Technology (IT) to Business Technology (BT)**

CIOs now face a dual agenda: Business Technology and Information Technology. CIOs must focus on business technology (BT) – the technology, systems, and processes to win, serve, and retain customers, while ensuring effective and efficient IT – the technology, systems, and processes to support, transform and automate an organization’s internal operations. The engagement across the customer life cycle, on which BT focuses, requires the support of the technology and business

processes that support the rest of the enterprise – and the value chain: IT has to be re-engineered to make BT effective.

With British Airways, Atos designed and built a bespoke digital dashboard to enable planes to depart on time no matter weather conditions. The dashboard consolidates and presents information from 10 different systems in a way decision-makers in different parts of the operations can understand. It provides a single version of the truth to support crucial decision about where to deploy resources and which flights to prioritize. The result: shorter delays, fewer cancellations and more satisfied customers.

For John Deere, Atos is delivering new value-added services that help growers optimize their yields. Atos solution allows John Deere to gather machine and agricultural data, combined with agro-science know-how and advanced analytics capabilities, which leads to improved utilization, better planning and higher productivity.

**C.4.3 Delivering the Consulting & Systems Integration 3-year plan strategy**

The aim of the 3-year plan is to reignite the growth that has been challenged by the tough economic environment of the last years, both organically and through strategic acquisitions, while continuing to improve its profitability.

As a reminder, at the end of 2013, Atos launched META in Systems Integration, a transformation program aiming at delivering its 3-year plan and reaching this profitable growth by accelerating the “verticalization” and globalization of the Systems Integration organization.

**Market focused differentiating offerings**

In 2014, Consulting & Systems Integration enhanced both its vertical and transversal offerings.

Enhanced vertical offerings	Enhanced transversal offerings
<ul style="list-style-type: none"> <li>• <b>Energy &amp; Utilities:</b> Power Generation, Smart Utilities</li> <li>• <b>Manufacturing, Retail &amp; Transport:</b> PLM, Global Agile Manufacturing, MES</li> <li>• <b>Telecom:</b> OSS, BSS, NGIN</li> <li>• <b>Public &amp; Health:</b> Sector specific Case Management &amp; Analytics, myCity, Hospital IT, Healthcare Collaboration</li> <li>• <b>Financial Services:</b> Risk, Compliance &amp; Regulatory Reporting; Digital Transformation Multichannel, Mobility, Analytics, Financial Market solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Smart Mobility</li> <li>• Testing</li> <li>• Service Integration</li> <li>• Governance, Risk &amp; Compliance</li> <li>• Right-fit Application Management</li> </ul>

In 2014, Consulting & Systems Integration brought digital transformation at the core of its portfolio. We design, build, deploy and operate the digital business of our customers.

**Business Intelligence (BI) and Analytics**

In its 3-year plan, Atos considered the Business Intelligence and Analytics services as a major growth opportunity for its Systems Integration activities. Consulting & Systems Integration Information Management and Analytics (IMA) Practice created in 2013 grew by +25% in 2014. It now counts more than 1,600 FTEs experts spread across GBUs. To capture and support the expected rapid growth, the delivery is mainly done out of India and Poland – Global Delivery Centers (GDCs) teams grew by +42% in 2014. This IMA Practice is reinforced by more than 1,400 additional specialists in our Consulting & Technology Services, SAP, Solutions Energy & Utilities and Application Management practices.

**Verticalization and new account management structure**

Since the launch of META, 42 global Consulting & Systems Integration client partners have been appointed on accounts generating yearly external revenue above € 10 million. Consulting & Systems Integration client managers are in place for all other Consulting & Systems Integration clients.

The role of Consulting & Systems Integration client partners and managers is to identify and address growth opportunities while increasing customer intimacy and value. As a consequence, the customer satisfaction (overall customer satisfaction, net promoter score) has reached levels above expectation and in line with 2016 ambition.

All GBU and global Market Heads are now in place and supported by enterprise architects and solution managers specialized in their respective markets. Each Consulting & Systems Integration client partner or manager reports either to a global and/or local C&SI Market Head.

During the course of 2014, Consulting & Systems Integration GBU Sales Directors have been appointed to drive all Consulting & Systems Integration sales population and ensure C&SI GBU account planning and execution. A Global Consulting & Systems Integration Sales Director driving all Consulting & Systems

Integration GBU Sales Directors has been nominated to drive Consulting & Systems Integration large deals, and ensure account planning and execution within Consulting & Systems Integration.

## C.4.4 Further globalization of Atos Consulting & Systems Integration

As per META, Atos ambition in Systems Integration was to increase the percentage of global delivery from 33 in 2013 to more than 50 by the end of 2016. At the end of December 2014, the offshore ratio was 38.1%, fully in line with the expectation. In 2014, a new Consulting & Systems Integration Global Delivery Center has been created in Senegal. Outside India, Atos has nearshore or offshore global delivery centers (GDCs)

in Morocco, Poland, Russia, Thailand, Brazil (Londrina), Spain (Valladolid), and now in Senegal (Dakar) since the end of 2014. This new Consulting & Systems Integration GDC aims at delivering application development and management services to our international customer base, as well as providing services in the local and regional market.

## C.4.5 Address the US market

In 2014, Atos has reinforced its leadership in its Consulting & Systems Integration operations in North America, by bringing a new management and creating the "India direct" organization. 2015 will see Consulting & Systems Integration growth acceleration in the US market, thanks to its renewed leadership team, cross-selling to Xerox ITO customer base and replications of digital solutions successes.

As a conclusion, these META initiatives have already shown success on a financial standpoint: the profitability improvement target of +120 to +240 bps over three year is well on track.

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# C.5 Big Data & Cyber-security

The new "Big Data & Cyber-security" Service Line gathers the expertise in Big Data, Security and Critical Systems brought by Bull acquisition and the ones already developed by Atos in this domain. Its advanced know-how positions Atos as a leader on the high-potential and high growth information analysis and protection market. This expertise meets critical customer

challenges in today's digital transformation. It makes Atos the trusted Partner of organizations that intend to leverage the benefits of the new "Economy of Data" that is rising today, in a world where physical and digital universes blur, notably through the development of "smart technologies", including notably the Internet of Things.



With Bull's R&D teams, the new Service Line strongly extends Atos' technology portfolio. The 700 R&D engineers are registering every year about 100 new patents in the Big Data and Security domains propelling Atos amongst the most innovative digital group in Europe. As a result, the Group increases its Intellectual Property, and its replicable, high-value added solutions and

services in all verticals: Aerospace, Defense, Finance, Healthcare, Manufacturing, Medias, Public, Retail, Services, Telcos, Transports. The Service Line concentrates on Big Data, Cyber-security and Critical Systems projects. It relies on Atos sales forces, market footprint and partners. It also works closely with other Atos Service Lines, to which it brings its specific solutions.

## C.5.1 A strong added value at the heart of digital transformation

The new Service Line brings Atos customers a unique expertise on the market. Its end-to-end secure mastery of the data lifecycle, and of the associated critical systems, enable Atos customers to meet their most pressing challenges in terms of business reinvention, operational excellence, customer engagement, and trust. This know how blends Bull expertise

– recognized on the market for excellence in high-performance and high-security – with Atos large market presence, and its industrialization capacity.

The Service Line is structured into 3 complementary activities: Big Data, Cyber-security and Critical Systems.

## C.5.2 Big Data: the expertise of extreme performance to unleash the value of data

Atos leverages Bull unique expertise in high-performance analytical solutions and digital simulation, where Bull imposed these last years as a world-class player and the European leader. The "Big Data" activity gathers Bull solutions in Big Data and High Performance Computing (HPC), the infrastructure technologies that enable to give these solutions all their potential (bullx servers, bullion servers, Open Compute technologies), and the services and solutions that enable to transform legacy infrastructures into high performance, data-centric architectures.

- Big Data and high-performance computing. Atos designs high-performance, custom Big Data solutions thanks to its global mastery of the data management chain (from acquisition to decision-making) and of the various analysis modes that can be used, depending on business context and needs (real time event processing, complex analytics, massive data analysis, semantic analysis, statistical analysis, data modeling and simulation). This breadth of offerings enables customers to unleash the value of data and get true competitive advantage. Already the European leader in High Performance Computing, the division develops hardware and software solutions, and collaborates with large independent software vendors (SAP, Pivotal, Tibco...) to impose in innovative analytical and Big Data technologies;
- High-performance infrastructures. Thanks to the know-how created with its HPC research and development, the division also develops powerful, innovative architectures targeting new business usages. For that, it notably leverages its bullion technology, that is recognized today as the most powerful open server for real time analysis of large volumes of data, and that targets the high-growth "in memory" solutions such

as SAP HANA. These high performance infrastructure are also solutions of choice for computing intensive usages such as the consolidation of IT infrastructures, with new generation converged infrastructures for private Cloud and virtualization. The division also develops new "hyperscale" infrastructures based on Open Compute technologies;

- Legacy modernization solutions. Last but not least, the division provides modernization solution for legacy IT environments (mainframe servers, databases, transactional solutions...). This offering includes new generation GCOS mainframes, which allow leveraging existing GCOS applications for the long run. As a whole, these modernization solutions enable organizations to leverage their historical application and data capital, while increasing business agility and reducing costs.

Atos expertise in High-performance Computing is recognized worldwide, notably through its participation to major worldwide or European innovation programs, such as the ETP4HPC technology platform, the PRACE program, the Ter@rec European center in digital simulation, the French "investissements d'avenir" in Big Data, the Industrial Analytics (IDA) program jointly led by Atos and Siemens, as well as strategic and technology partnerships with EMC<sup>2</sup> and VMware. This innovation capability is also strongly highlighted by the "Exascale" program announced by Atos in 2014, and that plans to build the HPC and Big Data infrastructures of the future.

This unique technology expertise in Europe today, combined to Atos expertise in vertical markets, and the Group know how in integration of business information systems, enable Atos to position as a leader on the high growth Big Data, high-performance infrastructure and IT modernization markets.

### C.5.3 Cyber-security: the expertise of extreme security for business trust

Bull and Atos associate their long term expertise in Cyber Security products and services – from consulting to Managed Services – to create a global cyber security activity, strongly positioning Atos as a world-class leader on the fragmented Cyber Security market. The division includes three activities:

- **Cyber-Security Products.** Atos is recognized as the major European player in identity and access management (directory, user provisioning, access control...) with its Evidian, Dirx and CardOS offerings. This high growth strategic domain enables organizations to manage their employees and customers with a high level of protection, compliance and trust. Atos also positions as an innovative player in secure communication solutions, with its offerings in encryption (TrustWay, Crypt2Protect...), secure infrastructures (MetaPKI, MetaSign, MetaTime, Vericert...) and highly secured terminals (globull, Hoox smartphone...);
- **Associated consulting and integration services.** These services enable organizations to audit their security and compliance levels (PCI DSS, ISO 27001, etc.), to define and integrate the most adapted security policies and solutions – depending on

their business context and needs – relying on Atos high value added security products;

- **Security Managed Services.** Relying on 6 Security Operation Centers (SOC) throughout the world, these “Security as a Service” offerings enable organizations to ensure a constant security watch and protection, and to react immediately in case of attack attempt. These services include cyber risk management (AHPS, CSIRT), platforms protection, perimeter protection, and secure information and identity management.

Atos expertise in Cyber Security R&D was recently highlighted by the launch of Hoox, the most secure smartphone in the world, and other innovations in mobile security, Cloud security and Big Data security.

Atos manages all the security process (from consulting to operations) and covers all the security value chain, from information technologies to operational technologies. As a result, the Group positions as a trusted partner of organizations, meeting both the concerns of security specialists, executive management, and business functions.

### C.5.4 Critical Systems: the expertise of extreme safety for mission-critical activities

The “Critical Systems” entity benefits from both Bull and Atos expertise in Defense and Homeland Security. It enables the Group to position as a major player in Defense and Critical Systems in Europe. The Division includes three activity domains:

- **Defense, Homeland Security and Electronic Protection Systems.** The activities include solutions in Defense information systems (notably C4I: Command, Control, Computer, Communication Intelligence), solutions and services in Homeland Security (border control, Electronic ID, emergency management professional mobile radio...) and electronic protection solutions (Communication Intelligence, Electronic Intelligence, jamming for protection against Radio Controlled Improvised Explosive Device...);
- **Critical Systems solutions.** These activities offer targeted solutions in transports (passenger information systems,

infotainment, fleet management), energy (critical systems for nuclear installations), maritime navigation, aeronautics, healthcare and physical security;

- **Services in outsourced Research & Development.** These activities include R&D services in electronic and micro-electronic equipment, hardware and software, security engineering, etc. that are provided to customers as well as to other entities of the “Big Data & Cyber-security” Service Line.

Atos expertise in this field is highlighted by innovative developments in electronic war (Comint, Elint, reactive jamming to neutralize radio controlled explosive devices) and large projects such as the Scorpion Information System project, which intends to create new the operational command systems for the French army.

### C.5.5 Perspectives

As a whole, the new activities, solutions and expertise of the “Big Data & Cyber Security” Service Line offer Atos new growth opportunities on the high-value added markets of Big Data, Cyber-security and Critical Systems. The creation of this new Service Line strengthens Atos’ positioning as the trusted partner and the European major player in key technologies for

digital transformation, in synergy with Consulting & Systems Integration, Managed Services, Canopy and Worldline. These activities fully support the Atos Group strategic development, and its ambition to become a Tier 1 and THE preferred European global IT brand at the 2016 horizon.



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## C.6 Cloud & Enterprise software

### C.6.1 Canopy offerings

In 2014, Canopy helped its clients transform their businesses and customer relationships with cutting-edge technologies and Cloud solutions. These solutions permitted a more rapid Cloud deployment and faster time to market for our customers, with flexible pricing models and a reduction of capital expenditure. Canopy services continue to be based on open standards, providing customers with a choice of preferred technologies and the flexibility of running solutions on or off-premise depending on business needs. We detail these services below.

#### Canopy Mission Statement

Canopy formulates its mission statement as follows:

As a leading Cloud integrator, we engineer, operate and orchestrate Cloud services that enable our customers to transform their business.

The mission statement reflects Canopy's position in the market at a time when Cloud computing is playing an ever more important role in digital transformation of businesses worldwide.

We believe Cloud computing has the potential to make significant contributions to digital transformation in three key areas:

- Cloud computing allows enterprises to improve their operational efficiency through the implementation of an IT infrastructure that delivers significant improvements in agility and flexibility, allowing the deployment of new services at a very rapid pace. Certain Cloud technologies such as business-driven policies for IT automation and self-service play a key role in these developments;
- Cloud computing proposes a totally renewed customer and user experience driven by mobility and collaboration, allowing access to information anytime and from any location in the world;
- Cloud computing drives the rapid emergence of new, web-native application landscapes that can deploy, scale and evolve very quickly so that our customers can reinvent their businesses in a very competitive landscape.

Canopy's mission to bring the value from these three areas into a global approach with engineering, operation and orchestration

of innovative Cloud platforms and services that build on Atos' global capabilities in professional services, application transformation and strategy consulting. Our customers will therefore be able to make the most of the unrivalled business agility and cost optimization offered by the Cloud at any stage in their digital transformation journey,

#### Canopy Enterprise Cloud Platforms

Canopy Infrastructure as a Service (IaaS) provides a comprehensive range of secure and resilient, managed, private and public Cloud services offering enterprise customers an integrated user experience with a choice of platforms, SLAs and service management options.

Leveraging the experience of delivering infrastructure for the Olympics Games, Canopy provides flexible solutions suitable for hosting both production, business critical workloads and test or development services, without compromising security, SLAs or compliance.

In addition, with Canopy Cloud Gateway Service, workloads can be deployed as blueprints across the full range of Canopy infrastructure platforms as well as third-party public Cloud infrastructure environments such as VMWare's vCloudAir and Amazon Web Services.

Platform as a Service (PaaS) from Canopy delivers superior levels of availability, scalability and agility when compared to traditional IT services. Canopy's Cloud platform allows customers and Atos developers to develop, compose, distribute and deliver applications faster and cheaper. Through a standardized, shared environment, PaaS facilitates collaboration, allowing organizations to make the most of their workforce's skills wherever teams are based. With transparent, usage-based pricing, significant cost reductions are clear and easily realized.

Canopy PaaS solutions extend the standard definition of PaaS by allowing clients to deploy and manage application blueprints from Canopy or custom libraries. This can be done across the full range of Canopy Cloud platforms as well as third-party public Cloud platforms such as VMWare's vCloudAir and Amazon Web Services; all from a common user experience within Canopy Compose.

## Canopy Digital Business Services

Canopy provides customers with ready-to-deploy Software as a Service (SaaS) solutions based on software from Atos and Tier 1 Independent Software Vendors (ISV), accelerating the deployment of new functionalities. The advantages of SaaS include a transparent and predictable cost of ownership and the ability to scale to meet evolving business requirements. These solutions contribute to major increases in productivity, enabled by intuitive user experiences.

As a layer between the Cloud platform, infrastructure and business applications, Digital Business Services provides industry-specific vertical solutions. These solutions leverage Canopy infrastructure platforms, third party ISV solutions and Atos' Consulting & Systems Integration capabilities to deliver a comprehensive portfolio of business transformation capabilities.

Delivering truly transformational industry solutions with ready-to-deploy software in a Cloud consumption model will accelerate the adoption of Cloud technologies for customers and also help Canopy achieve further revenue and profit growth with truly differentiated services and unique industry capabilities.

## C.6.2 Market adoption

Canopy has consolidated its European lead in Cloud services, where it has a sizeable business, and is now extending its activities to include industry-specific vertical solutions and global platforms suitable for a broad range of application workloads and services.

Canopy is industrializing its PaaS solution both as an integral part of the tools used by Atos' Consulting Systems Integration service line, as well as a strategic platform that can be delivered on or off-premise with private, public and hybrid Cloud environments for Canopy's SaaS solutions or partner and customer application workloads.

Canopy is building on an established portfolio of strong, horizontal SaaS applications with leading software partners and Atos' deep market expertise to develop compelling vertical offerings, starting with media and government.

## C.6.3 Business impact

With € 383 million revenue in 2014 and major client accounts around the world, Canopy, the Atos Cloud, is the European leader in enterprise and government Cloud. In 2014, Canopy won 25 major customer contracts and to date it has built its own infrastructure platforms in seven countries.

Following the new contract signed in 2013 between Atos and the IOC, the two organizations are working together to transition all

## Security

Canopy's products and services integrate service management, compliance and workflow automation with best-of-breed technology components supplied by VMware and EMC<sup>2</sup>, companies that build security into every single element of their product designs. Hosted in secure data centers owned by Atos, the security of Canopy's solutions is guaranteed by recognized standards such as the information security standard ISO 27001 and the Cloud Security Alliance. What's more, Canopy solutions are secured with 24/7 security monitoring and a full range of service management options and SLAs to deliver robust, secure and globally scalable platforms for enterprise mission critical workloads.

Transformation services from Canopy are based on the capabilities of Consulting & Systems Integration (application transformation and migration) and Managed Services (infrastructure workload migration) as well as the expertise of Atos' Cloud consulting teams. These services help our customers achieve tangible benefits from the Cloud value proposition through business and technology expertise and a broad partner ecosystem. Each offering (IaaS, PaaS, SaaS, and Transformation Services) is experiencing strong growth, and is fully complimentary. Together they provide customers with all they need to transform their business in the Cloud.

Finally, Canopy is working closely with its strategic partners and ISVs to rapidly develop its business through joint go-to-market activities, leading to significant successes already particularly in its main markets: North America, United Kingdom & Ireland, Benelux & the Nordics, France, and Germany.

IT services for the Olympic Games to Canopy Cloud platforms in time for the 2018 PyeongChang Olympic Winter Games. This builds on the experience of the Sochi 2014 Olympic Winter Games, where the results were delivered to the Games website using Cloud technology.

Canopy offers 20 unique Cloud solutions and aims to increase its revenue to € 700 million by 2016.





## C.7 Worldline

Worldline is one of Europe's leading providers of electronic payment and transactional services. With over 40 years of payment systems expertise and operations in 17 countries, including across Europe and in several emerging markets in Latin America and Asia, Worldline operates across the full extended payment services value chain, providing a full range of acquiring or issuing services of payment means, payment processing and business solutions services to financial institutions, merchants, corporations and government agencies. Worldline works closely with its clients via the delivery of services, typically under long-term contracts where it receives fees for the initial implementation of the solution as well as recurring revenues over the life of the agreement based on business transaction volumes or transaction values. Its strong culture of innovation allows it to help clients enhance their existing services and harness advances in technology to create new markets and services.

The origins of Worldline's business date back to 1973, when Sligos, a company formed in 1972 and later incorporated into Atos, was awarded the first contract in history to process card-based banking transactions at the time the Carte Bleue credit card system was implemented in France. Worldline, in its current scope, was set up in 2013, after Atos announced in February 2013 its intention to spin off all of its electronic payment and transactional services activities into a single subsidiary named Worldline. That project was completed in December 2013 and was followed by the initial public offering of Worldline in June 27, 2014. The purpose of the initial public offering of Worldline was primarily to enhance its financial and strategic flexibility in order to accelerate its development and to strengthen its position as an electronic payments and transactional services industry consolidator.

### C.7.1 Merchant Services & Terminals

Merchant Services & Terminals global business line offers merchants a range of services around payment that help merchants building customer intimacy and to complete a transaction when customer is willing to engage, while optimizing payment-related activities. Worldline supports merchants at each step of their relationship with their customers – before, during and after the sale. Digital omnichannel services and in-store, online and mobile payment acceptance solutions enhance merchants' ability to offer compelling and seamless omnichannel and cross-channel shopping experiences in stores, online and via mobile devices. Worldline also offers a range of

In 2014, Worldline generated a contribution to Atos' consolidated revenues of € 1,099 million and with an operating margin of € 170.4 million.

Worldline's objective is to achieve an average annual organic growth rate of its revenues, at constant exchange rates, between +5% and +7% over the 2014-2017 period, with a progressive acceleration over time. In parallel, Worldline plans to continue optimizing its costs in order to achieve by 2017 an objective of an OMDA margin of approximately 250 basis points above the 2013 level (which was 18.2% on a pro forma basis). To reach these objectives, Worldline will rely on its strategic plans and competitive advantages in each of its global business lines, in order to take full advantage of the rapidly growing electronic payment and transactional services market. This strategy is centered on the following priorities:

- further expand into higher growth payment segments to secure long term growth;
- capture strong cross-selling opportunities within existing customers;
- extend international footprint;
- leverage the strength of the brand and its leading position to attract new customers and optimize scale efficiencies;
- pursue strategic acquisitions;
- maximize efficiency of operating platform through the implementation of two important and interlinked efficiency and standardization programs, "TEAM" and "WIPE".

Worldline operates with one global factory that leverages its increasingly integrated infrastructure platform to support its three global business lines contributing at circa one third each:

data analytics and private label card and loyalty services that help Worldline merchant clients mine the rich data generated by a client's payment history to better understand customer needs and provide targeted offers. Worldline currently provides services to merchants, from micro merchants through to large international enterprises. Key services offered to merchants through this global business line include commercial acquiring and associated value-added services, online services including data analytics that cover the full digital commerce lifecycle for e-merchants, payment terminals, private label cards, loyalty programs, sales promotion services and self-service kiosks.





## C.7.2 Financial Processing & Software Licensing

Financial Processing & Software Licensing global business line, delivers solutions that allow banks and financial institutions to manage cashless payments by outsourcing some or all their operational processes involved in issuing credit and debit cards, processing electronic payment transactions (both issuing and acquiring), offering multi-platform online banking services (including online banking e-payments) to their customers, and providing new payment options such as electronic wallets.

Worldline offers banks solutions to address a challenging and evolving regulatory environment by leveraging its industrial scale processing operations and provide innovations that support alternative pricing models. Worldline is one of the few processing services providers to cover the full extended payment services value chain. In addition, Worldline offers banks and financial institutions that prefer to perform processing in-house a range of payment software solutions on a licensed basis.

## C.7.3 Mobility & e-Transactional Services

Mobility & e-Transactional Services global business line goes beyond the Worldline traditional client base of merchants, banks, and financial institutions to address the needs of private and public sector clients developing new solutions and business models that take advantage of the digitization of the physical world, thus addressing new markets Worldline believes will generate significant additional payment transaction volumes in the years to come. Worldline leverages its expertise in the areas of payments, processing large transaction volumes and data analysis to help provide solutions for companies and government entities facing the challenge of strategically

transforming their operations through new digital services. The Mobility & e-Transactional Services global business line focuses principally on three sectors that Worldline believes have the potential to generate significant additional payment transactions: (i) Transportation, which includes electronic ticketing, automated fare collection and journey management services; (ii) e-Government Collection, where our platforms provide paperless secured systems for better public services; and (iii) e-Consumer and Mobility, which includes our connected living, machine to machine connectivity, and contact and consumer Cloud services.







# D

## Corporate responsibility

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D



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## D.1 Integrating sustainability in Atos business

### D.1.1 Building an integrated thinking

#### D.1.1.1 Market opportunities & risks

[G4-2] and [G4-DMA-Economic performance]

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By integrating corporate responsibility and sustainability principles into operations, Atos firmly believes that it can better achieve its business objectives. In particular, Atos sees the XXI<sup>st</sup> century's digital revolution as a great enabler in advancing these goals.

##### Responding to the sustainability challenge

Sustainability has been an important issue for many years, with the attention of the public and policy makers focused very much on the threats to health and economic well-being posed by environmental damage and the scarcity of raw materials like fossil fuels. In response, many governments and companies are deploying comprehensive and demanding sustainability policies.

The 2005 World Summit on Social Development described the three main components of sustainability as being Environment, Economic and Social and these hold good today. The first component covers air pollution, acid rain, as well as water and other natural resources, biodiversity, clean energy, agriculture and food. Nowadays the theme of Climate Change is perhaps the predominant concern.

The economic component includes not just environmentally-friendly practices that reduce costs, such as energy efficiency, but is further encouraged by the "economization of environmental/social aspects of sustainability", where government policies enable positive financial impacts for those that engaged in sustainable behaviors (e.g. by subsidies) or penalize non-sustainable activities through levies and taxation.

Whilst over the last few decades, companies have focused on the direct economic aspects of sustainability (e.g. minimization of energy consumption helps reduce costs and therefore generates Return on Investment and profit), today we face the social challenge that responsible citizenship is needed to ensure on-going quality of life and the overall society's progress.

However, those who need to invest in the required long-term technologies, solutions and policies are not likely to be those

that will be able to benefit from them. The social aspect of sustainable development thinking becomes a key success factor for our planet's longer term future wellbeing.

##### The Third Digital Revolution

Atos sees that the beginning of the XXI<sup>st</sup> century as a "Third Digital Revolution" which relates to the digitalization of the economy through the application of technologies sometimes referred to as SMAC (social, mobile, analytics, Cloud).

This revolution will arguably create as much disruption and potential for positive change as the invention of writing around 3200 years BC; and the invention of movable type between the XI<sup>th</sup> and the XV<sup>th</sup> century in China, Korea and Europe.

We are already seeing a huge volume of data created by both social networks and Internet of Things – in fact it is predicted that every year we will create as much data as we have during the whole period since writing was invented. By 2018, we anticipate 4.5 billion smartphones, 25 billion connected objects and more than 2.5 billion of us engaged in online Social Networks. With the consent of users, this data can be used by business partners to offer personalized and contextualized services back to the users.

In its latest publication, Ascent Journey 2018, the Atos Scientific Community considers unlocking such insights will enable us to discover patterns for more sustainable behavior such as:

- improving forecasts of natural events or disasters;
- optimizing global agricultural production and food supply;
- anticipating traffic congestion and managing low emission zones;
- limiting energy production up to the precise needs of consumers;
- discovering defects in, or imminent failure of specific product components, allowing preventive maintenance that avoids failure and more costly repair/replacement.

Whilst it is clear that delivering such a connected world and managing the resulting data will in itself impose an environmental load, the rigorous application of “Green IT” techniques like virtualization, efficient hardware components and free air cooled data centers will help ensure minimal impact.

In most cases, there are tangible positive economic benefits to derive from sustainable approaches to business: less waste, less energy consumption, time saved, as well as attracting consumers who are motivated by environmental concerns.

In the Social sphere, the Digital Revolution will genuinely change the game, making possible a new model of society, based on sharing – a key principle of sustainability thinking. For example, the economy of sharing will rise through ad-hoc social networks, customer demand driven projects encouraging further growth for example in the already established sharing market as cars, apartments, etc. Smart Cities, enhanced by mobility, social networks and connected objects, are not only an efficient way

to manage a city and improve its environmental footprint; they also enable a new era for citizen engagement.

Industry 4.0 will be also a major step towards the reinvention of work as work becomes more collaborative, flexible and agile. The workplace will adapt to specific and changing needs with work increasingly becoming a thing we do rather than a place we go.

Finally, the digital revolution is also an opportunity for emerging countries to leapfrog the constraints that are all too common in the “legacy burdened” old world. But there is an underlying question: how do we make sure they avoid similar mistakes to those made by the lead nations in the first industrial revolution? Atos is working actively to answer this question by viewing the current digital revolution as a platform to promote sustainable economic growth. In this spirit, Atos is setting up a digital platform in Dakar to cover clients’ needs in West Africa and beyond.

## D.1.1.2 Vision, strategy and governance

[G4-34], [G4-35], [G4-36], [G4-37], [G4-42], [G4-43], [G4-45], [G4-46], [G4-47] and [G4-48]

Atos’ ambition is to be recognized as a responsible European IT champion with global reach, providing support to our customers to reinvent their models of future growth at a time of massive change, which is affecting them financially, technologically, environmentally and socially.

Corporate responsibility is at the core of Atos business strategy, fully aligned with the Group determination on getting growth targets over the 2014-2016 period in a sustainable way.

The Digital revolution is mainly driven by consumer attitudes and expectations. Empowerment of individuals by technologies will enable more responsible patterns of buying, consumption, behaviour and action. Core to Atos approach is a deep understanding of our clients’ priority challenges and opportunities, aligned to a rich breadth and depth of our world-class expertise and our applied solutions.

Atos embraces the principle of shared value, which involves creating economic value in a way that also creates value for society by addressing its needs and challenges, in other terms, connect company success with social progress. Atos ultimate mission is the pursuit of financial profitability with a responsible social and environmental impact.

To achieve this, **Atos corporate responsibility strategy is based on three strategic axes:**

### Leadership on IT for sustainability

Sustainability is part of Atos innovation process, enabling the creation of new offerings in different fields of expertise as energy and carbon management, risk management, social collaboration, operational efficiency, green data centers, Cloud, security, big data, mobility, smart cities, digital citizenship, data protection, etc to continuously help our clients to get business objectives with a responsible angle.

By making sustainability part of Group’s business and the IT transformation process, Atos is convinced that its clients can better future-proof their organization, create new opportunities, encourage innovation and ensure competitive advantage.

Consolidate and increase Atos positions in recognized sustainable rankings such as the Global Reporting Initiative (GRI), Great Place to Work, and extra financial ratings (DJSI, FTSE, etc.) is a continuous exercise for Atos to challenge its corporate performance and consolidate credibility in the market. Numerous awards received during the year in different areas show the increased worldwide commitment of the Group and ambition to consolidate position within best-in-class companies worldwide.



### **Corporate responsibility at the core of Atos business and processes**

Atos drives sustainability in company's DNA through corporate values, innovation, green operational excellence, social responsibility and business development.

Corporate responsibility principles are specially embedded in Atos' risk and opportunities management, compliance requirements, quality and customer satisfaction processes and human capital management.

Atos aims to progressively set corporate responsibility in day-to-day employees working life no matter or where they are located. Continuous efforts are made to bring all the regions with a coherent approach that strengthens Atos positioning as a multinational group integrating local needs and concerns.

### **Identifying challenges, establishing priorities, measuring performance**

Atos sets to itself the ambition to strengthen open stakeholder dialogue in order to endorse strategic challenges for the Company as well as key performance indicators that will measure and publicly report the advancements of Atos Corporate Sustainability Program.

The review of the challenges is yearly undertaken through a materiality assessment that prioritizes the areas where the Group must focus on incorporating best practices in the market, trends in the ICT sector and compliancy with existing regulations and international standards.

Today, there are four challenges that Atos is addressing in priority:

- be a responsible employer;
- generate value for clients through sustainable and innovative solutions;
- be an ethical and fair player within Atos' sphere of influence;
- manage the corporate environmental footprint.

### **Governance [G4-42]**

The General Secretary, member of the Group Executive Committee and reporting directly to the Chairman & CEO, supervises Atos Corporate Responsibility and Sustainability Program and provides guidance on the general strategy and the actions to be performed.

Atos Group Executive Committee is associated with the strategy and implementation roadmap of the Corporate Responsibility and Sustainability Program. On a regular basis, the Executive Vice President, Group general Secretary in charge of Corporate Social Responsibility presents latest achievements and planned objectives both at global and regional levels on the environmental and social initiatives of the Group.

The Corporate Responsibility and Sustainability Program is part of Atos' Wellbeing@work global program aiming to transform the Group into a Tier 1 leader and one of the best companies to work with.

The Corporate Responsibility and Sustainability Office is a global entity led by a Program Director and composed of an international team of around 20 people, including 10 Group Business Unit heads of corporate responsibility, as well as representatives of Worldline and representatives of all support functions. Weekly and monthly workshops are organized to design, implement and monitor main axes of actions and targets follow up. Special channels are in place to facilitate communications across Business Units and regions.

Wellbeing@work Council and Scientific Community members are active think tanks feeding the program with innovative ideas and project proposals to strengthen corporate commitments and positioning in the market.

## D1.2 Atos' stakeholders approach

[G4-16]

Atos' corporate responsibility process is supported by ongoing dialogue with all stakeholders, including clients, employees, business partners and suppliers, as well as communities and public authorities. Stakeholder dialogue plays a critical role in business operations, whether by showcasing Atos' capacity for innovation, enhancing its appeal among clients, investors and employees, creating opportunities to develop services and solutions with high growth potential or protecting the Group's reputation.

Dialogue takes place at every level of the organization:

- at a global level, corporate headquarters teams serve as the primary interface for various international organizations and coordinate all the initiatives undertaken within Atos;
- at a country level, local teams strive to foster close ties with local stakeholders, especially national authorities.

The Atos' framework regarding relations with stakeholders has three main purposes:

- mapping stakeholders' expectations;
- prioritizing corporate responsibility issues in accordance with their relative importance to Stakeholders, likeliness to happen and their criticality to business operations;
- defining Key Performance Indicators to be followed to assess Atos' CR performance.

This approach is defined according to several international referentials and standards such as the AA1000 Standards and the Global Reporting Initiative G4 guidelines on which Atos has based all its actions in order to:

- structure its stakeholders' approach;
- manage its annual materiality review;
- guide its reporting process.

### D1.2.1 Mapping of stakeholders' expectations

[G4-EC8], [G4-24], [G4-25], [G4-27], [G4-37] and [G4-43]

The table below presents Atos' main stakeholders and their key expectations.

#### Clients

Atos' clients expect to benefit from the right digital tools and expertise to meet their own challenges. In order to adapt and develop in a constantly evolving marketplace, their expectation for innovation is steadily increasing. They also rightly request a very high level of data protection.

#### Partners

Collaboration with Atos' partners is key to face the challenges of the global IT sector and ensure the development of innovation. Atos works together with **its business partners, research institutes and universities to face** these challenges and help customers achieve their goals.

#### Public entities

Public bodies deliver administrative authorizations and determine the regulatory context in which Atos makes business.

#### Suppliers

Atos' suppliers want to benefit from access to new markets, revenue growth and fair margins. They expect a long-term relationship and the respect of their contracts.

#### Investors & Analysts

Atos' Investors expect profitability and efficiency. They need to be informed about the Group strategy and its CSR component(s) including achievements and objectives. Above all they request clarity and transparency.

#### Internal stakeholders

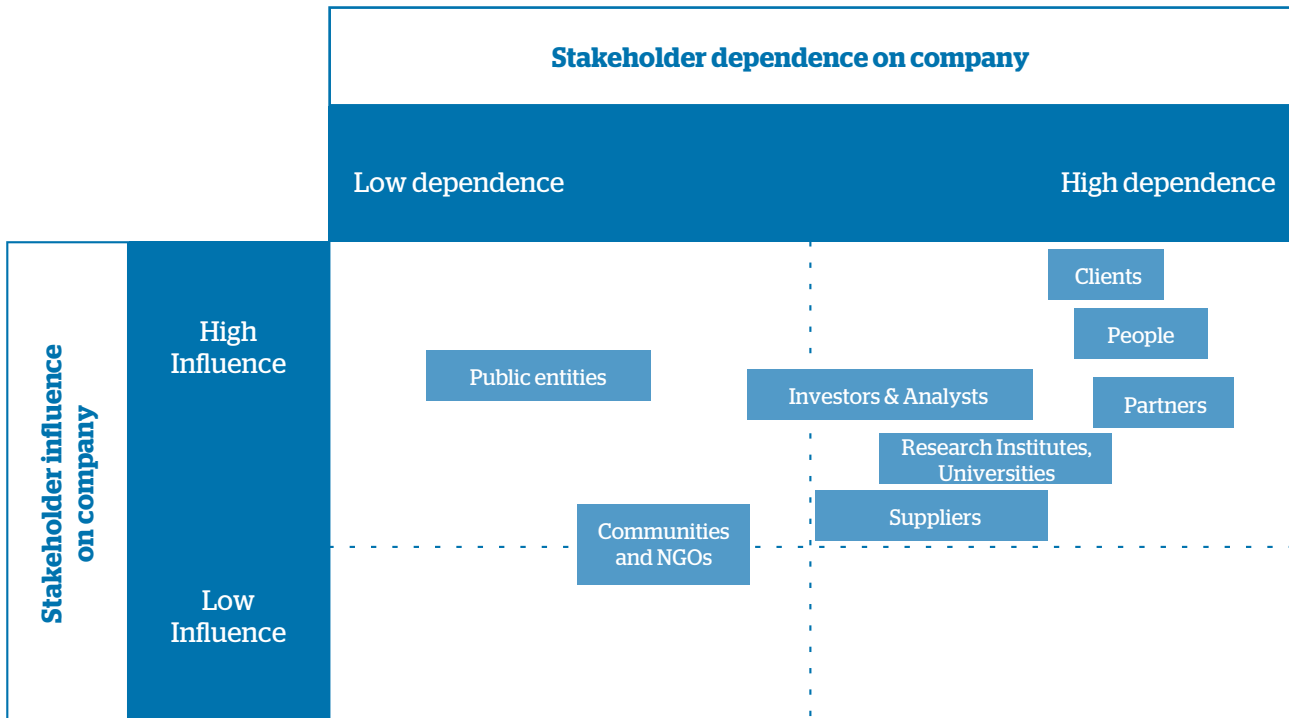
**Atos' employees want** to work in the best possible working conditions and to have the opportunity to evolve and grow inside the Company. They expect a genuine recognition for their work. The protection of their personal data is also key for Atos' employees. Internal stakeholders include young talent (selected members of the Juniors Group and the Wellbeing @work council) and management whose business activities are closely linked to Atos sustainability strategy and initiatives (global datacenter manager, HR).

#### Communities

The main expectations of Society and **local communities** towards Atos include: socio-economic impacts of Atos' operations, job creation, new technologies and smart solutions enabling both progress and limited environmental footprint.

**NGOs** can also have specific requests and seek for collaboration with Atos to share best practices and reach highest impact of initiatives at local level.

To define its level of engagement towards each stakeholder, Atos analyzes their influence on strategic topics and their dependence on the Company.



### D1.2.2 Stakeholder dialogue

[G4-25], [G4-26] and [G4-27]

Since 2011, Atos has annually organized a Global Stakeholders' Meeting to review and openly discuss strategic topics on the sustainability agenda. In 2014 the event was held on October 7. The one-day meeting focused on innovation in three work streams: data protection, operational efficiency, and social impact. High-level experts recognized in the field of Corporate Responsibility were present.

In relation to data security and data protection, the main topics discussed related to risk mitigation. Participants agreed on the fact that risks can be partly mitigated by higher security frameworks, which is why data security and protection represent an opportunity to build trust with clients. Privacy by design, privacy impact assessments, and "de identification" (processing to suppress links with people) are part of the path towards innovative compliance. Atos reminded participants of its three pillars for managing such issues: Atos Group Data Protection Policy, procedures for ensuring the policy's effective application, and extensive training and awareness-raising.

In relation to operational efficiency, it was highlighted by participants that sustainability is becoming a key factor in delivering wider business benefits. Indeed, IT systems can play an important role in improving operational effectiveness through timely access to integrated performance data, making more efficient use of energy and other resources, reducing costs, freeing up capital and improving margins, as well as managing aspects of risk and compliance such as product stewardship, data integrity, cyber threats and regulatory compliance.

In relation to social aspects, challenges related to health and education were discussed. Innovative digital technologies contribute to greater universal accessibility. This can stimulate greater efficiency in addressing these issues for an entire ecosystem, composed of citizens, civil society, corporations and public organizations. It was concluded that large international companies such as Atos need to partner with local communities and NGOs by making available core competencies.



Atos has a four step-approach to engage dialogue with stakeholders:

- *consult*: Atos consults stakeholders on its business, its sustainability strategy and its impacts;
- *involve*: A step further, Atos occasionally involves its stakeholders in defining or deploying action plans;

- *collaborate*: Atos develops long-term relationships with some of its stakeholders with the objective of collaborating on innovation and across the value creation;
- *negotiate*: Depending on the influence of the stakeholders on the company, Atos can engage negotiations to find the best approach for converging stakeholders' expectations and Atos business interest.

## D1.3 Atos materiality assessment and the Corporate Responsibility dashboard [G4-18] and [G4-19]

Atos' Corporate Responsibility approach is based on a materiality analysis in order to prioritize its actions on the most relevant subjects taking into account its business activities and stakeholders' expectations. In this context, materiality analysis is a tool used to connect and prioritize financial and non-financial considerations. It permits Atos to focus on those issues that are truly critical in order to achieve the organization's goals, secure its business model and manage its impact on society.

Moreover, Atos aims to continuously progress towards a more accurate integrated extra-financial reporting by aligning with some guidelines from the International Integrated Reporting Framework. Atos integrated report is composed of two documents:

- a Registration Document with the full set of Corporate Responsibility KPIs, including the results of the materiality assessment, which are fully integrated with Atos financial statement. This is a detailed document for the investor community, which complies with French Grenelle 2 law;
- a Corporate Responsibility report including main Corporate Responsibility KPIs and highlighting key initiatives and case studies related to Atos material issues. This report is

an engaging document for the general public. It is based on the GRI G4 Guidelines, and contains a G4 concordance table linking with G4 information disclosed in the Registration Document.

For the fourth consecutive year, Atos fulfilled the requirement of GRI application level A+ for its corporate responsibility integrated report. The overall report was externally assured by an external auditor. Atos has produced its 2014 corporate responsibility integrated report "In accordance" with G4 Comprehensive option.

Atos has successfully completed the GRI Content Index Service. The overall process is assured by an external auditor. Atos aims to demonstrate that the extra financial performance disclosures are accurate and exhaustive in line with the GRI-G4 requirements.

Atos is also a member of the IIRC – International Integrated Report Committee – network and closely follows the work of its Technical Committee in order to advance toward a standard way of Integrated Reporting which satisfies both businesses and investors.

### D1.3.1 Respect of the AA1000 standard [G4-15]

Atos Integrated Corporate Responsibility report was developed in accordance with the principles of inclusivity, materiality and responsiveness as defined in the AA1000 SES (2011) standard.

#### Inclusivity

Collecting and integrating the opinions of Atos stakeholders is key in defining Atos materiality assessment and key challenges. To ensure the Atos Corporate Responsibility strategy meets the expectations of its valuable stakeholders (employees, clients, partners, suppliers and shareholders), regular meetings and discussions are organized to share views and discuss the different activities of the Company as described in section D.1.3.2. The aim is to work together and by doing so to create a more sustainable

environment for Atos, its main partners and the community as a whole. Since 2011 Atos has developed a more structured stakeholder dialogue to review its strategy and ambitions, and to accelerate the Company's actions and initiatives. This strategy was further followed up in 2012, 2013 and 2014, resulting in a yearly global Stakeholders Meeting taking place, and the design of communication package at a local level. A communication plan on stakeholders was launched with GBUs in June 2014. The objective was to organize stakeholder interviews/meetings at a local level in order to better understand local expectations and to present Atos' Corporate Responsibility materiality analysis and strategy to local contacts. After refining the communication plan and packaging supporting the interviews in 2014, Atos plans to run other set of local interviews in 2015.

## Materiality

The sustainability challenges considered to be the most significant for Atos activities are selected on a yearly basis. Atos materiality assessment process is described thoroughly in section D.1.1.4.2 and D.1.1.4.3. The materiality assessment is established based on Atos' stakeholders' expectations as well as Atos' internal prioritization which is developed based on objective criteria related to its markets, opportunities and actions. Key stakeholders are invited annually to voice their opinions on what they consider Atos' material issues for instance via a stakeholder survey. There is an increasing attention focused on different stakeholders' expectations related to material issues. This is done not only to ensure that Atos can undertake in-depth discussions about its sustainability challenges, but also to ensure that stakeholder dialogue is mutually beneficial to the involved stakeholders.

## Responsiveness

Since 2013 (2012 results) the Atos Registration Document contains the extra-financial KPIs that Atos monitors. In addition, a separate communication document, the Corporate Responsibility report, is produced annually highlighting the four sustainability challenges and focusing on the main KPIs that Atos monitors as well as interviews and case studies. Combined, these documents form an integrated response to stakeholders' expectations for information on corporate responsibility and material issues.

KPIs monitoring and reporting follow several methodologies explained in D.6.1.4 Methodological detailed information of this report and KPIs results are indicated in four tables related to the challenges. A cross reference table summarizing the list of management disclosures and KPIs is included in the Corporate Responsibility report.

### D1.3.2 Integration of new Global reporting initiative G4 guidelines [G4-18], [G4-23], [G4-47] and [G4-48]

In 2014, Atos took advantage of the passage from GRI 3.1 to G4 guidelines to review the selection of most relevant topics (called aspects in G4) in order to review the prioritization of its sustainable issues and its strategic axes.

A series of internal interviews were conducted in order to evaluate the importance of each G4 aspect in relation to its significance for Atos business strategy, its relationship to existing regulations as well as its link with targets set by the Group.

For each aspect, an internal score and an external score were determined. All the aspects over a defined threshold for internal and external score were considered as material for the Group. Based on this exercise, fifteen G4 aspects were identified as material for Atos.

This global review confirmed that the issues previously identified in Atos sustainability strategic axes were still relevant. Nevertheless, it helped the Group to focus on more specific subjects and to reprioritize some aspects within this strategy. In this context, Atos decided to redesign its materiality matrix to be more precise and better connected to its specific activities and challenges than the Global Reporting Initiative-defined aspects. The materiality matrix presented hereafter better emphasizes the prioritization of Atos corporate responsibility challenges and restructures the strategic axes into four main focus areas according to these priorities.

Material issues and new strategic axes have been validated by the members of the Corporate Responsibility and Sustainability Program and approved by the Group Executive Committee. All the contributors involved in the reporting process were also informed of this update.

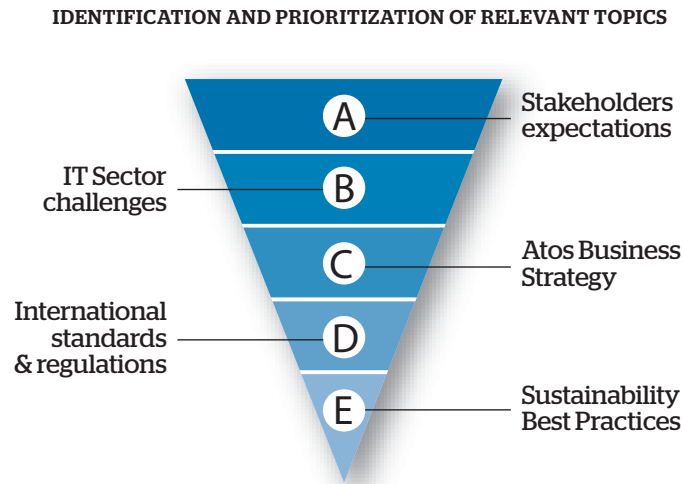
	Consult	Involve	Collaborate	Negotiate
<b>Clients</b>	Satisfaction surveys are regularly run with Atos main clients. Sustainability is raised as a topic in many of them. Regular talks and meetings with customers about sustainability issues happened on a GBU-level.	Some of the bigger clients have been identified to partake in Atos innovation workshop in 2014. On a GBU level, workshops about innovation on sustainability with clients were also held.	After each satisfaction survey, Atos develops an action plan, shared with Clients to secure that Atos properly answered their feedback.	In some GBUs, Atos offers several clients discount on the hourly rates when they allow Atos people to work from home. This minimizes the CO2 emissions' from travel by our Atos people in our value chain.
<b>Investors</b>	Several Investors that were participating speakers in the Atos Global Stakeholders Meeting, underlined that they were leveraging the leadership of Atos in the field of corporate responsibility and the increasing role of IT as a booster enabling sustainability.	With the initial public offering of Worldline, the Atos' subsidiary specialized in electronic payment and transactional services in June 2014, the Investors Relations department strengthened with a new Investor Relations Officer dedicated to Worldline. In 2014, the IR department has totaled 19 conferences (Paris, Nice, Lyon, New York, Boston, London, Barcelona), 23 roadshows (France, US, UK) and circa 1,000 meetings with circa 600 individuals, regardless of continuous contacts with sell sides analysts.	Collaboration with 20 sell-sides through continuous contacts (phone calls, face to face meetings, emails...) and in particular at the time of the 4 periodic publications and 3 events (acquisition of Bull, Xerox ITO and IPO of Worldline).	With both Siemens and other key investors, Atos has specific working lines/on-going projects.
<b>Analysts</b>	During the Analysts Day in November 2013, the Atos Ambition 2016 was presented to financial analysts, with CR topics being part of the Three Year strategy.	Rating agencies are invited to Atos Global Stakeholders Meeting.	Atos has regular communications with main rating agencies in order to communicate results.	These regular communications do not lead to negotiations as it is not the role of interactions with rating agencies.
<b>Employees</b>	Great place to work survey Regular meetings with Societas Europeas Council (SEC). CR is part of the training material for new joiners in some countries, as in the Benelux.	Wellbeing@work Program The blueKiwi community Sustainability Passionates is used worldwide in order to involve employees in our environmental and social initiatives and to invite them to share best practices for sustainability at home (solar panels, etc).	CR topics are part of the regular meetings with the European Work Council (which became the Societas Europeas Council) to ensure a continuous social dialogue. Also, CR questions were asked in the Great Place to Work survey and the input of employees on Atos sustainability program is requested through several spaces in blueKiwi, the Atos Enterprise Social Network (e.g. "Sustainability Passionates" Community). In The Netherlands, crowdsourcing was used to have our employees identify sustainable projects that would be eligible for free IT support by Atos. After the identification round, almost 400 votes were cast to choose one project, which we are now setting up a plan with.	
<b>Suppliers</b>	Supplier partnership day Regular consultation and assessment on the Corporate Responsibility topics.	Corporate Responsibility is part of the supplier rating in bids (10%) and 45% of the spent has been analyzed on CR criteria through the Atos partnership with Ecovadis.		Suppliers are challenged to come up with innovative and sustainable solutions. Atos worked together with them to present these to clients.



	Consult	Involve	Collaborate	Negotiate
<b>Partners</b>	Atos regularly invites partners to stakeholders consultations globally and in the countries.	Atos organizes together with partners the IT challenge competition, for example last year about "the connected car" with Renault and this year about "the connected living" with EEBus.	Partners form a critical part of Atos sustainability ecosystem. Atos collaborates with SAP on the introduction of the SAP Sustainability Performance Management module (SuPM) for clear reporting on extra-financial indicators. Atos also collaborates with Siemens on specific sustainability solutions, such as Data Center Infrastructure Management and Low Carbon Emission Zone.	Participation in the French government's "Cloud roadmap" that was led by Thierry Breton, Atos' Chairman and CEO, in the European Cloud partnership and in European Commission's working groups.
<b>Communities</b>	Atos has done numerous innovative projects and programs having a positive impact in the society. Atos Corporate Citizenship program strategy is defined to enable voluntary contributions to social projects supporting them with IT solutions. Atos was official partner of the "Global Conference" organized by The Planet Workshops.	IT Challenge is performed in close collaboration with Universities of main countries in which Atos operates. NGOs are involved at regional level to set volunteering programs within the local communities.	Charities and local initiatives at GBU level. Yearly, the Atos Consulting Young Professionals in The Netherlands do community work for one day. This ranges from helping the elderly for a day to improving a community center for young people in Amsterdam. Furthermore, Atos offers free IT for some sustainable projects. These projects are presented by and selected by the Atos employees.	

### D1.3.3 Identification and prioritization of relevant Corporate Responsibility issues

[G4-23]



Since 2010, the Group has performed regular materiality assessments in order to identify the principal challenges that the market and key stakeholders consider as essential for Atos. As presented in section D.1.1.3.2, global communication with stakeholders is the first way to identify relevant topics. This prioritization was made through the materiality review undertaken in 2014 in line with the Global Reporting Initiative G4 guidelines.

A: Atos takes into account stakeholders expectations identified based on its regular communication with them (section D.1.1.3).

B: Atos collaborates with partners of IT sector partners to promote innovation and contribute to global thinking on sector-specific challenges of the sector.

C: During the materiality review, several internal interviews were held with Atos managers to identify the impact of these stakeholders' expectations on business strategy and to challenge these expectations. These exchanges allowed for

the inclusion in the materiality matrix some IT sector-specific considerations, which are not included in the GRI 4 guidelines. For instance, innovation, which was the main topic of our fourth Global Stakeholder Meeting, was especially integrated in Atos materiality matrix as a key issue. Moreover, Atos annually holds interviews with Executive Committee members, including GBUs managers, on the Group's materiality and corporate responsibility strategy. The main objectives of these interviews are to understand top management's commitment level, to understand specific local issues and to validate the materiality analysis.

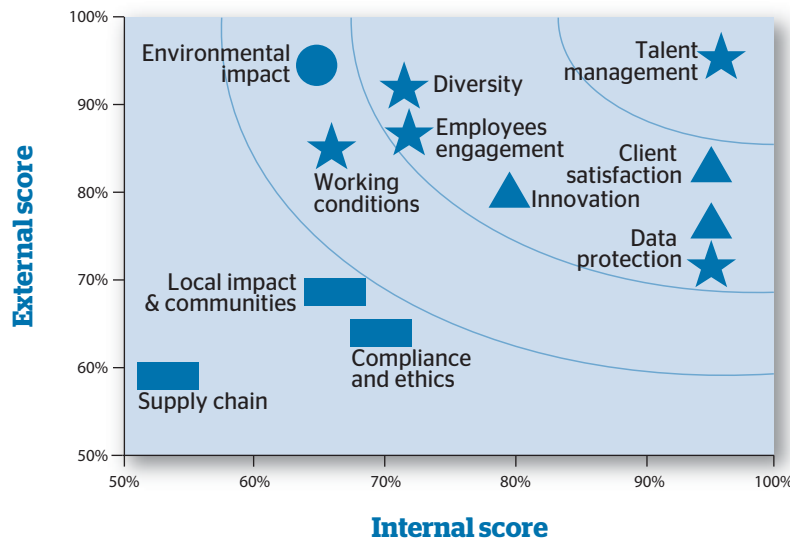
D: International standards and regulations were also taken into account in the materiality review to help managers and the Corporate Responsibility teams prioritize the different challenges.

E: Finally, a benchmark against other companies in the IT sector allowed for the identification of sectorial best practices regarding sustainability strategies and reporting.

**Atos materiality matrix**

[G4-1], [G4-2], [G4-19], [G4-27], [G4-DMA-Economic performance], [G4-DMA-Market presence], [G4-DMA-Indirect economic impacts], [G4-DMA-Procurement practices], [G4-DMA-Energy], [G4-DMA-Emissions], [G4-DMA-Employment], [G4-DMA-Training and education], [G4-DMA-Diversity and equal opportunity], [G4-DMA-Equal remuneration for women and men], [G4-DMA-Anti-corruption], [G4-DMA-Compliance], [G4-DMA-Product and service labeling] and [G4-DMA-Customer privacy]

The results of our analysis with both internal and external stakeholders, led to the design of the following Materiality Index which summarizes Atos' Corporate Responsibility challenges related to each key stakeholder group.



- ★ Being a responsible employer  
Be a responsible employer attracting and developing diverse people, promoting collaborative working and well-being at work.
- ▲ Generating value for clients through sustainable and innovative solutions  
Ensure a high level of client satisfaction by providing the most relevant services to transform business and anticipate clients' needs.
- Being an ethical and fair player within Atos' sphere of influence  
Commit to conduct business in an ethical and responsible way in all of Atos' spheres of influence, including supply chain operations and developing local economies.
- Managing the corporate environmental footprint  
Improve the environmental efficiency of operations by reducing their energy and carbon intensity as well as encouraging a transition to a decarbonized business.



As a result of the 2014 material assessment process, four focus areas have been selected and reprioritized according to stakeholders' expectations. For each, Atos has a structured area of intervention involving the development of internal

policies and strategies, the monitoring of objectives and the management of its performance. These four focus areas and their deployment rely on Atos' engagement towards stakeholders (cf. section D.1.1.3).

**Being a responsible employer**

Challenge	Material issues	Areas of action and objectives
<p>At Atos, human capital and talent management are key assets to ensure employees' expertise and its effective use in providing high quality services (employee-related spending represents 53% of Atos' turnover). The main purpose of a People value chain is to ensure that the right people with the right skills are in the right place at the right time to deliver Atos' programs on time and at a high level of quality. It is also to ensure good working conditions and overall employees' satisfaction. Therefore, employees' commitment and engagement is critical to meeting client's needs. The capacity of the Group to fulfill its employees' expectations is key to develop its leadership and to build a strong brand to attract the best talents in the market.</p>	<p>The material issues for Atos in relation to its employees are:</p> <ul style="list-style-type: none"> <li>• talent management;</li> <li>• diversity;</li> <li>• working conditions;</li> <li>• employee engagement.</li> </ul> <p>Regarding G4 aspects, these main issues correspond to:</p> <ul style="list-style-type: none"> <li>• employment;</li> <li>• training and education;</li> <li>• diversity and equal opportunity;</li> <li>• equal remuneration for women and men.</li> </ul> <p>For more information on G4 aspects, see section D.6.1.</p>	<p><b>People Management:</b> Atos has developed a well-coordinated and optimized recruitment system, performance management, learning and development, mobility and succession, orchestrated by talent workforce planning. One of our main objectives is to ensure that 100% of our employees receive an annual performance and career development review.</p> <p><b>Working conditions and employee engagement:</b> Atos launched a Wellbeing@ work program which has the ambition to improve employees' working environment and their overall satisfaction as well as to promote the use of social communities and collaborative working. Employee engagement is tracked via the Great Place to Work survey.</p> <p><b>Diversity:</b> Atos has deployed a Diversity program worldwide. In order to take into consideration and spread best practices around the globe on Gender equity, Disability, Seniority &amp; other kind of diversity.</p>

### Generating value for clients through sustainable and innovative solutions

Challenge	Material issues	Areas of action and objectives
In an evolving world, Information Communication Technology (ICT) is not only a lever for optimizing operational and financial performance, but also an enabler for transforming the business, organizational processes and working methods. Atos creates inspired and innovative solutions to deliver increasing value for clients. This must be done in a way ensuring a high level of safety, security and data protection.	The material issues for Atos in relation to its customers are: <ul style="list-style-type: none"> <li>• client satisfaction;</li> <li>• innovation;</li> <li>• confidentiality and data privacy.</li> </ul> Regarding G4 aspects, these main issues correspond to: <ul style="list-style-type: none"> <li>• product responsibility labeling;</li> <li>• customer privacy.</li> </ul> For more information on G4 aspects, see section D.6.1.	<p><b>Client satisfaction:</b> Atos is committed to ensuring a high level of customer satisfaction and improving scores every year. This is closely monitored through specific customer experience programs.</p> <p><b>Innovation:</b> The Group is continually strengthening its portfolio of sustainable offerings, and enhance sustainability in other Global Key Offerings. Innovation is encouraged via the development of relationships with industrial analysts and partners (SAP, Siemens, Bolloré, AO Studley, etc). Atos sets an objective of holding at least 100 innovation-related workshops in 2015. Moreover, the Group is reinforcing the links between the Scientific Committee members and its clients with an increasing number of meetings in 2015.</p> <p><b>Data protection:</b> Atos has developed a comprehensive data protection approach that relies on the Group Data Protection Policy and the principle of privacy by design. A strong and permanent Data Protection Community and employee training on data protection are in place to ensure that these principles and procedures are effectively implemented. The overall objective is to reduce the number of incidents and to avoid any breaches of customer privacy and losses of customer data.</p>

### Strive for exemplary business within all of Atos' spheres of influence

Challenge	Material issues	Areas of action and objectives
The Group has to comply with an increasingly regulatory framework. This also means ensuring that business across the value chain is done in an ethical and responsible way. With its offers, Atos contributes to developing local economies; therefore, involving communities is critical.	The material issues for Atos in relation to its chain and local communities are: <ul style="list-style-type: none"> <li>• compliance and ethics;</li> <li>• supply chain management;</li> <li>• local impact.</li> </ul> Regarding G4 aspects, these main issues correspond to: <ul style="list-style-type: none"> <li>• economic performance;</li> <li>• market presence;</li> <li>• indirect economic impact;</li> <li>• procurement practices;</li> <li>• anti-corruption;</li> <li>• compliance.</li> </ul> For more information on G4 aspects, see section D.6.1.	<p><b>Compliance and ethics:</b> At Atos, high ethical standards supported by a Group-wide strategy, policy and training procedures underpin the delivery of excellent business technology solutions. Our objective is to always be compliant and to act as a fair player in business.</p> <p><b>Supply chain:</b> Atos has developed a permanent dialogue with its suppliers to enforce strong and fair relationships and to ensure the respect of its values and rules. Working together in these conditions is a pre-requisite for building trust and long-term relationships. By assessing our suppliers, we aim at monitoring and ensuring the respect of our values. Atos' objective in 2015 is to assess 33% of total procurement spending, representing around 100 key suppliers including Bull scope.</p> <p><b>Local impact:</b> With the development of innovative ICT solutions that help reduce the digital divide, Atos contributes to improving the Company's social impact in the community. The Group also supports volunteer programs, university relations and corporate citizenship actions in order to improve social links and impact at local level.</p>



**Take part in the transition toward a low carbon economy**

Challenge	Material issues	Areas of action and objectives
Operational excellence and environmental efficiency, including the reduction of energy consumption, are key, not only to limiting the impacts of the Group activities, but also to improving efficiency and developing the trust and confidence of investors and financial analysts.	The main material issues for Atos in relation to broader society is its environmental impact. Regarding G4 aspects, these main issues correspond to: <ul style="list-style-type: none"> <li>• energy;</li> <li>• emission;</li> <li>• product Responsibility compliance.</li> </ul> For more information on G4 aspects, see D.6.1.	Atos deploys its environmental policy to develop, promote, share and consolidate green initiatives while measuring, monitoring and reducing the Group's impact on the environment (carbon, energy efficiency, renewable energy, waste, purchasing, travel, etc.). Atos has set quantitative objectives in relation to environmental performance: <ul style="list-style-type: none"> <li>• reduce 50% of its Carbon Footprint by the end of 2015 (against a 2012 baseline);</li> <li>• ensure 100% renewable energy sourcing for strategic DCs and offices by the end of 2015;</li> <li>• obtain ISO 14001 certification in all strategic data centers and offices of more than 500 employees by the end of 2015.</li> </ul>

The overall objectives of Atos' Corporate Responsibility and Sustainability policy are:

- to maintain Atos leadership and be recognized as best-in-class on Corporate Sustainability by international ratings such as DJSI, CDP, FTSE4Good, etc.;

- to take into account stakeholders' expectations: the aim of your policy is to strengthen dialogue at both global and regional levels, integrating regular consultations with key organizations and renowned experts in the field of corporate responsibility.



## D1.34 Atos main Corporate Responsibility Key Performance Indicators

The following dashboard is the overall list of performance indicators. Atos' main KPIs are highlighted in blue.

Aspects	RPIs	GRI	Sections
<b>1. Being a responsible employer</b>			
People management	Average hours of training per year per employee	LA9	2.2.2 Rights people with the rights skills
	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	LA10	2.2.2 Rights people with the rights skills
	Percentage of employees receiving regular performance and career development reviews	LA11	2.2.2 Rights people with the rights skills
Diversity	Proportion of senior management hired from the local community at significant locations of operation	EC6	2.2.2 Promote Diversity
	Percentage of female within Atos	LA12	2.2.1 Attract and develop People
	Return to work and retention rates after parental leave, by gender	LA3	2.3.2 Promote Diversity
	Percentage of female within the Board of Directors	LA12	2.3.2 Promote Diversity
	Breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity (seniority, nationalities)	LA12	2.3.2 Promote Diversity
	Number of disabled employees	LA12	2.3.2 Promote Diversity
	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	LA13	2.3.2 Promote Diversity
	GPTW diversity perception	AO6	2.3.2 Promote Diversity
Employee engagement	Percentage of positive responses to "Taking everything into account, I would say this is a great place to work"	AO2	2.4 Building a great place to work
Working conditions	Coverage of the organization's defined benefit plan obligations	EC3	2.2.3 Recognition and loyalty
	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	EC5	2.2.3 Recognition and loyalty
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	LA2	2.2.3 Recognition and loyalty
	Collaborative technologies development (Zero mail)/Total number of collaborative working communities	AO11	2.4.1 Social Collaboration
	Absenteeism rate	AO16	2.3.1 Working conditions
	Lost working days	AO16	2.3.1 Working conditions
<b>2. Generating value for clients through sustainable and innovative solutions</b>			
Client satisfaction	Results of surveys measuring customer satisfaction	PR5	3.1.1 Permanent improvement of the client expectations
Innovation	Financial implications and other risks and opportunities for the organization's activities due to climate change	EC2	1.1.1 Market opportunities and risks
	Development and impact of infrastructure investments and services supported	EC7	3.2 Meeting sustainability challenges of clients through offerings 4.3 Responsible company in the territorial anchor
	Total contract value of "sustainability offering"	AO7	3.2 Meeting sustainability challenges of clients through offerings
	Client Innovation Workshops	AO10	3.1.2 Innovative approach on sustainable business
Data protection and Security	Information security and percentage of coverage of ISO 27001 certification	AO3	4.1.3 Asset Protection
	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	PR8	4.1.2 Data Protection



Aspects	RPIs	GRI	Sections	
<b>3. Being an ethical and fair player within Atos' sphere of influence</b>				
<b>Compliance and ethics</b>	Percentage of management employees trained in Code of Ethics	SO4	4.1.1 Compliance	
	Confirmed incidents of corruption and actions taken	SO5	4.1.1 Compliance	
	Monetary value of significant fines and total number of non monetary sanctions for non compliance with laws and regulation	SO8	4.1.1 Compliance	
<b>Local impact and communities</b>	Direct economic value generated and distributed	EC1	A2. Revenue Profile E.4.7.7 Note 4 and 5 Non personnel operating expenses/other operating incomes and expenses E.4.7.4 Note 3 Personnel Expenses G.7.3 Dividend Policy G.7.3 Note 7 Income Tax expenses	
	Number of employees entering the Company	LA1	2.2.1 Attract and develop people	
	Community investments	EC1	4.3 Responsible company in the territorial anchor	
	Financial assistance from governments	EC4	4.3 Responsible company in the territorial anchor	
	Proportion of spending on local suppliers	EC9	4.2 Ethics in the supply chain	
	<b>Supply chain</b>	Significant indirect economic impacts, including the extents of impacts	EC8	4.2 Ethics in the supply chain
		Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	SO3	4.2 Ethics in the supply chain
Percentage of strategic suppliers evaluated by EcoVadis		AO17	4.2 Ethics in the supply chain	
Percentage of total expenses assessed		AO17	4.2 Ethics in the supply chain	
<b>4. Managing the corporate environmental footprint</b>				
<b>Environmental impact</b>	Energy consumption within the organization	EN3	5.2.1 Environmental management	
	Energy consumption outside of the organization	EN4	5.2.1 Environmental management	
	Energy intensity (by revenue and by employee)	EN5	5.2.1 Environmental management	
	Reduction of energy consumption	EN6	5.2.1 Environmental management	
	Reductions in energy requirements of products and services	EN7	5.2.1 Environmental management	
	Direct greenhouse gas (ghg) emissions (scope 1)	EN15	5.3.2 Recognized as a world carbon leader	
	Energy indirect greenhouse gas (ghg) emissions (scope 2)	EN16	5.3.2 Recognized as a world carbon leader	
	Other indirect greenhouse gas (ghg) emissions (scope 3)	EN17	5.3.2 Recognized as a world carbon leader	
	Greenhouse gas (GHG) emissions intensity (by revenue, by employee)	EN18	5.3.2 Recognized as a world carbon leader	
	Reduction of greenhouse gas (ghg) emissions	EN19	5.3.2 Recognized as a world carbon leader	
	Emissions of ozone-depleting substances (ODS)	EN20	5.3.2 Recognized as a world carbon leader	
	Waste Electrical and Electronic Equipment (WEEE)	AO19	5.2.1 Environmental management	
	Monetary Value of significant fines for non compliance with laws and regulations concerning the provision and use of products and services	PR9	5.2.1 Environmental management	
	Number of sites certified ISO 14001	AO14	5.2.1 Environmental management	

## D.2 Being a Responsible employer

### D.2.1 Human Resources Fundamentals

[G4-DMA-Employment]

As part of the implementation of Ambition 2016, the HR function has continued to reinforce its position of partner to the business, to globalize its organization while getting closer to employees and has significantly contributed to the integration of Bull in 2014.

During this year, the HR function has created vertical centers of excellence in the following key areas: Learning & Development, Recruitment, Compensation & Benefits, Mobility, Industrial Relations and Employees services. The goal is to operate lean processes worldwide in order to enhance level and quality of

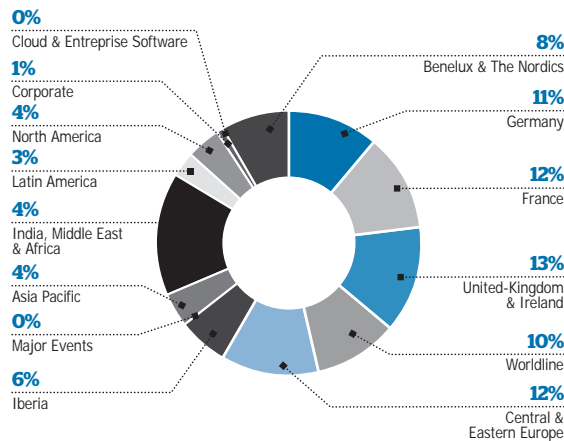
services to the business and to each employee. Supporting 76,556 employees in 51 countries [G4-6], the Human Resources function supports Career development & evolution throughout the Group and its geographies, Talent Attraction & all employees equitable treatment.

2015 is the year of consolidation of these Centers of excellence putting them at full speed. Goals are to further manage global teams, monitoring services development and to implement a three level model: interaction model (HR portal), calling support and face and face to face partnering.

### D.2.2 People, Atos main asset

[G4-10]

Atos employees' total population is composed by 76,556 employees [G4-9] with the following split per Business Unit [G4-10]:



#### LEGAL STAFF BREAKDOWN PER GENDER AND AGE

[G4-LA1]

	Female	Rate of total legal staff	Male	Rate of total legal staff	Female and Male	Rate of total legal staff
≤ 30	6,038	8%	12,786	17%	18,824	25%
30 > ≤ 50	11,554	15%	31,026	41%	42,580	56%
> 50	3,732	5%	11,401	15%	15,133	20%
Error	6	0%	13	0%	19	0%
<b>TOTAL</b>	<b>21,330</b>	<b>28%</b>	<b>55,226</b>	<b>72%</b>	<b>76,556</b>	<b>100%</b>

#### D.2.2.1 Attract and Develop people

[G4-DMA-Training and education]

##### Talent Recruitment

The recruitment operation has continued to deliver key strategic programs with a focus in 2014 on promoting Atos as an innovative employer. Atos aims to attract candidates who align with Atos core values and can support Atos client projects.

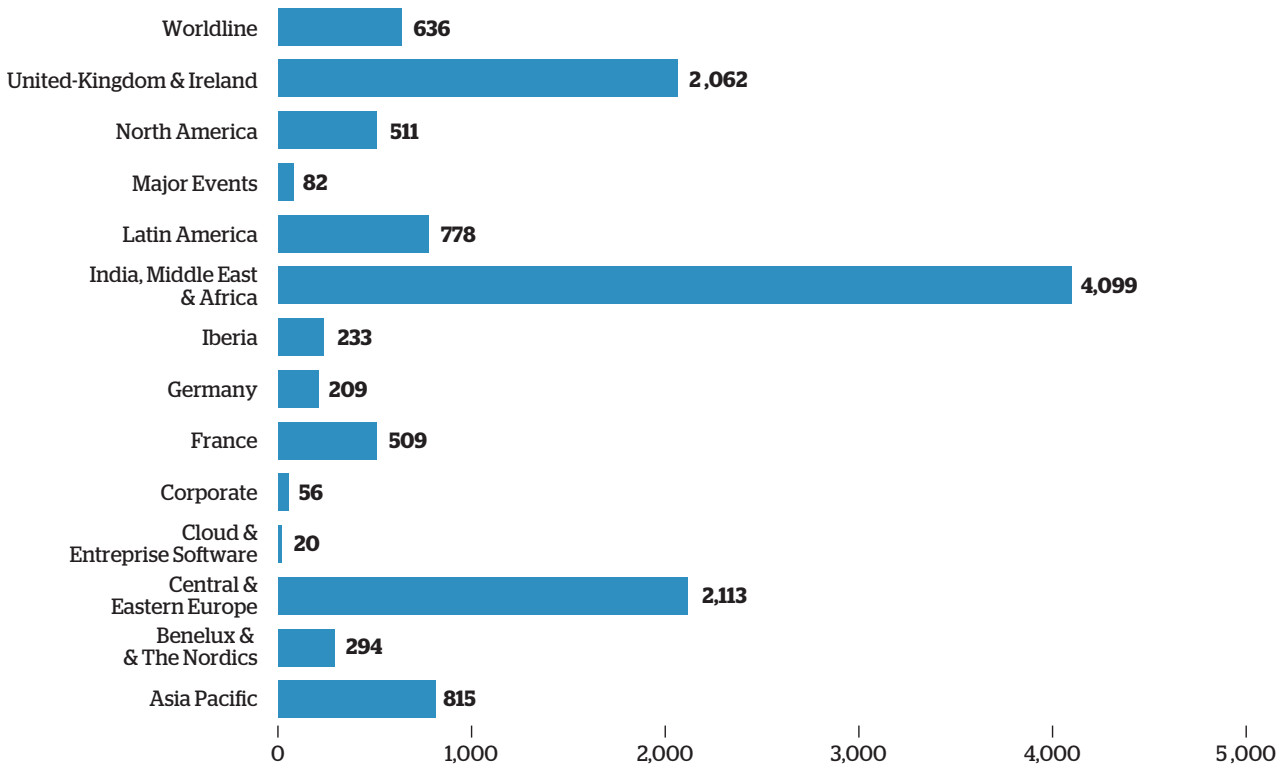
In 2014, Atos organizational strategy has been focused on the hiring of entry level candidates (1 to 3 years' experience) who can then benefit of structured career development and promotional opportunities as they develop (Atos actively advertises vacancies internally to ensure all employees have the opportunity to apply for new roles). Additionally, Atos hired circa 2,000 interns and apprentices globally, offering them the opportunity to work and learn during their experience in Atos. In 2014 a more dynamic intern and apprentice hiring plan has been developed for 2015 with a focus on attracting more

students from Tier one leading universities and on increasing the number of interns and apprentices by 20% globally.

In 2014 core recruitment foundation programs have been delivered to ensure alignment with Atos' Ambition 2016, Recruitment is positioned as a valued partner to the business, attracting and delivering right talent to the business. The global recruitment process has been reinforced, in combination with an upgrade of the Atos recruitment tooling and should be both fully implemented in 2015. A new Employer Value Proposition has been designed in 2014 to position new messages to market for candidate attraction, highlighting Atos management values and opportunities to candidates. This will ensure that Atos in 2015 can continue to engage and hire the strongest talent in the market.

In the past 12 months, Atos hired in a total number of 12,417 people, of which 32.28% were females.

##### NUMBER OF PEOPLE ENTERING IN THE COMPANY PER GBU [G4-LA1]



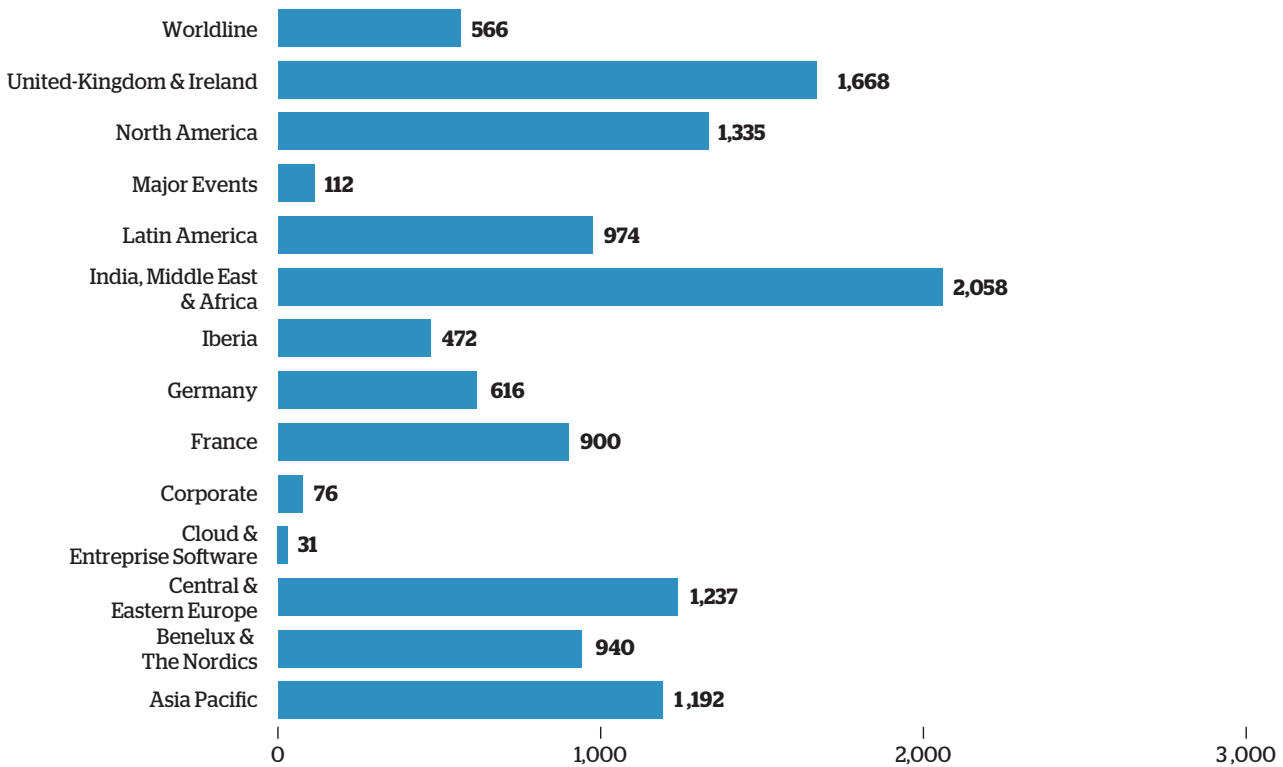
**NUMBER AND RATE OF PEOPLE ENTERING IN THE COMPANY PER GENDER AND AGE**  
[G4-LA1]

	Female	Rate of total hiring	Male	Rate of total hiring	Female and Male	Rate of total hiring
≤ 30	2,437	20%	4,901	39%	7,338	59%
30 > ≤ 50	1,303	10%	3,168	26%	4,471	36%
> 50	267	2%	333	3%	600	5%
Error	5	0%	14	0%	19	0%
<b>TOTAL</b>	<b>4,008</b>	<b>32%</b>	<b>8,409</b>	<b>68%</b>	<b>12,417</b>	<b>100%</b>

During the same period, 12,177 employees left the Company [G4-LA1] (more details on headcount evolution are provided

in section E.1.7 Human Resources, including dismissals). The workforce turnover in 2014 was 15.91% [G4-LA1].

**NUMBER OF PEOPLE LEAVING THE COMPANY PER GBU**  
[G4-LA1]



**NUMBER AND RATE OF PEOPLE LEAVING THE COMPANY PER GENDER AND AGE**  
[G4-LA1]

	Female	Rate of total leaving	Male	Rate of total leaving	Female and Male	Rate of total leaving
≤ 30	1,305	11%	3,021	25%	4,326	36%
30 > ≤ 50	1,517	12%	4,525	37%	6,042	50%
> 50	469	4%	1,321	11%	1,790	15%
Error	5	0%	14	0%	19	0%
<b>TOTAL</b>	<b>3,296</b>	<b>27%</b>	<b>8,881</b>	<b>73%</b>	<b>12,177</b>	<b>100%</b>



## Talent Development

Atos provides expanded career opportunities for employees thanks to business size and diversity. Atos growth ambition requires continued development in expertise and entrepreneurship to help customers create innovation and acquire competitive advantage. For these reasons, Talents development, attraction and retention are at the top of the priority list of the Executive Committee and for all Atos managers.

In order to reinforce and renew its Talent base and grow business performance, Atos is rolling out a Talent review every year throughout all the organizations of the Group. The goals are to identify Talents – top performers with high potential for growth or with business critical expertise – to include them in key positions succession plans and also to build and follow up on individual development plans. Each Executive Committee member is presenting the Talent review for the organization she/he is in charge of to the Group Executive Management.

Atos has also built at Group level dedicated Talents development programs to help them become best in class in their actions and grow career fast. Each of these programs is directly sponsored by an Executive Committee member to ensure a strong link between Talent development and business strategies.

These programs include:

### The Juniors Group

Part of Atos Talent management, the Juniors Group is a self-organized, international, cross-functional circle. Juniors Group mission is to develop the best individual potential of its 40 members thanks to a combination of personal development sessions, networking opportunities with top management and international colleagues, as well as real work on innovative projects, that contribute to Atos global business performance.

A dedicated curriculum has been designed especially for this group to boost learning experience using eLearning, eBooks, and courses provided by external experts during meetings. Invited talents become member of the Juniors Group for 18 months and afterwards become part of an alumni network to continue sharing information and knowledge with previous Juniors Group members.

## Gold for Managers

Nominated by Atos Executive Committee every year, 80 members of the Group Talents are invited to take part in the prestigious Gold for Managers Program. In cooperation with HEC Paris, Europe's leading business school, the Gold for Managers Program aims to develop the future leaders of the Company and create ambassadors for the Company's values.

Throughout the Program, participants explore Atos' business strategy, work on real business projects proposed at the beginning of the program, and focus on solutions to challenges that Atos faces within the global profitable growth strategy. The Gold program offers a major opportunity to network with Talents from different Atos organizations and disciplines and to experience cross cultural relations.

The Atos Gold for Managers Program has been awarded by the European Foundation for Management Development (EFMD) in the Talent Development category in 2013.

## Gold for Experts

The Gold for Experts Program was launched in 2013 in cooperation with the Institute for Manufacturing Education and Consultancy Services (IfM ECS) of Cambridge University and the Department for Computer Science of Paderborn University. The goal is to equip Atos Talents with expert profiles, with best in class capability to define and implement innovative end-to-end solutions for customers, helping them gain competitive advantage.

The Gold for Experts Program comprises three week-long modules in Cambridge and Paderborn, combining technological knowledge, business strategies and human insight. Every year, sixty talents are nominated by the Executive Committee to take part in this program.

## On-the-job experience

Talents at Atos get the opportunity to participate to Group strategic transformation programs such as eXpand or Wellbeing@work, contributing to make Atos a strong performer in the market place and a best place to work. Talents can also join one of Atos networks of expertise such as the Scientific Community. Furthermore, Atos considers that on the job learning is one of the most effective ways to develop and this is why significant opportunities for internal mobility are provided to Talents.

## D.2.2.2 Right People with the right skills

[G4-DMA-Training and education]

Atos Learning and Development's major focus is to ensure that our employees are equipped with the right skills to perform in a challenging and fast evolving environment. In 2014, Atos has implemented Strategic Workforce Planning initiatives through a joint effort between the HR units and the operations, particularly in the Systems Integration services and the Sales arena. This resulted in a strategic training plan definition which will be executed in 2015.

Through the Workforce Planning practice Atos builds future proof capabilities which will support the Group reaching Ambition 2016. Expected benefits are improved service quality and customer satisfaction, as well as increased productivity and innovation, thanks to upskilled and certified employees.

At individual level, the initiative is supported by Individual Development Planning and monitored through Performance management. This not only secures the alignment of people objectives across the organization, but also increases clarity and transparency in workforce capabilities, helping identifying potential gaps. Atos reinforces systematic and consistent yearly and mid-yearly objectives setting and appraisal reviews, supported by policies and tool. But moreover, Atos intends to create a culture of feedback and coaching. One of the concrete actions undertaken to achieve this is to equip managers with career coaching and mentoring skills, resulting in employees benefiting from an individual development plan.

92.39% of employees received regular performance and career development reviews in the last 12 months, representing a very solid majority of the staff [G4-LA11].

### Promotion within Atos

As a service company, Atos intends to develop people through internal promotion, and in 2014 more than 16% of staff received a horizontal or vertical promotion.

In Atos' business, learning & development remains one of the main pillars for constantly adapting and building new skills, and giving Atos' workforce a sustainable future. Atos global Learning & Development practice and the Atos University have created a vast catalogue with more than 10,000 online courses freely available for all Atos' employees. As a result, the share of e-learning increased up to more than 300,000 hours in 2014, out of 1.3 million training hours in total [G4-LA9].

To provide Atos' businesses with effective and cost efficient learning programs, all Atos corporate learning programs are blended by design. This implies applying combinations of the most suitable training delivery formats, depending on the audiences and their specific needs. The employability of Atos

people is carefully monitored to secure their future growth in the organization. At the end of 2014, Atos had an average of 18+ different skills identified per employee [G4-LA10].

### Foundation knowledge

With the Group being positioned as a Tier one company, it is important that Atos devises clear corporate policies for a number of transversal topics, and ensures compliancy with those policies across all Atos businesses. To realize this, Atos trained all employees in 2014, on the main Atos corporate policies, such as Security & Safety, Code of Ethics, Data Protection or Customer Satisfaction.

### Training and certification of Sales staff

Atos growth ambitions are supported by a portfolio of strategic offerings for which Atos has created strong go-to-market plans, including enablement of Atos Sales staff to promote and sell these offerings. This is being done via a large multi-level training and certification program. More than 3,000 Sales people already succeed to obtain their certification, which had an immediate positive impact on the customer visits and business opportunities generated around the strategic offerings.

### International mobility

Atos continues to consider international mobility as key to the deployment of its business strategy. To anticipate this development requirement, Atos ensures its employees' exposure and readiness through a wide range of mobility opportunities. This may involve frequent business trips, international projects, offshoring, talent development or long term posting. Atos Policies and processes are designed to support these strategies as Atos strives to attain a level of flexibility to better serve its business and clients.

2013 has seen partial centralization of Atos mobility service delivery model in order to provide a more efficient and effective delivery of the mobility program. This reinforcement has continued through 2014 in order to better anticipate future needs. The Group also anticipates adaptation of its policy landscape to ensure alignment with business needs and Group strategy.

Throughout 2015 Atos feels that the economic climate will continue to place productivity and return on investment high on the agenda, and this accentuates the need to develop employees and to ensure smooth and fruitful international assignment experiences for the benefit of customers and employees.



## D.2.2.3 Recognition and Loyalty

[G4-DMA-Market presence]

Being a responsible employer, means for Atos to offer to each employee all over the world a global remuneration, in terms of compensation, above the minimum local legal requirements.

### Minimum wage comparison

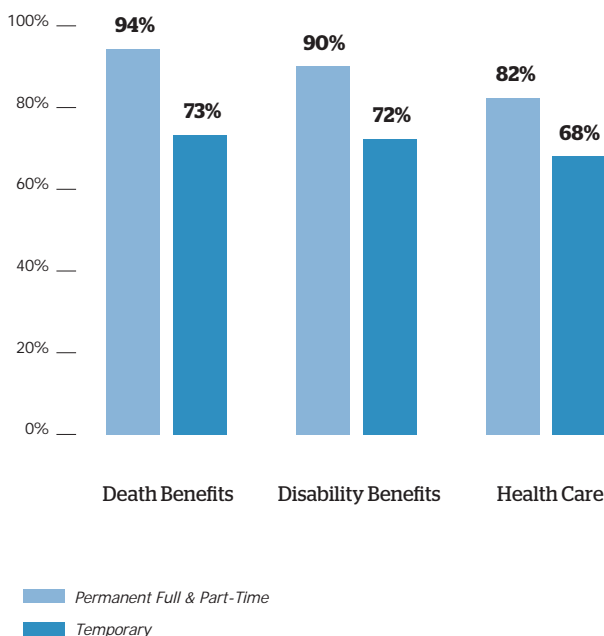
In all countries where the Group operates, Atos entry level wage (lowest wage in Atos paid to a permanent and full time employee) is in line with local policies and above local minimum wage. In 58.57% of the countries where a minimum wage is set up by law, Atos is paying 50% or more than this level of wage [G4-EC5].

### Health care coverage, death and disability benefits

Health care is offered to 82% of permanent employees and disability benefits are offered to 90% of permanent employees [G4-LA2]. Additional occupational medical/health benefits are rare in Germany, Austria, Switzerland and Sweden. In these countries, the compulsory health insurance is fairly comprehensive, so supplementary medical benefits are generally not necessary.

Death Benefits are offered to 94% of the employees [G4-LA2]. In Austria, Germany and Switzerland, death benefits are included in the pension plans and provided in the form of pension for spouse and children. In other countries, death benefits are mainly provided in the form of lump sum payments. The principal lump sum amount is sometimes increased according to the family status (France, Morocco, Denmark) and doubled for a death as a result of an accident (China, Japan, Thailand, Poland, Spain, Brazil, Chile, Mexico, and UAE).

### EMPLOYEES PARTICIPATING IN RISK BENEFIT ARRANGEMENT PER CONTRACT TYPE [G4-LA2]



### Coverage of the organization's defined benefit plan obligations [G4-EC3]

Funding strategies for defined benefit pension plans vary per plan and country and are set up to reflect the relevant local funding requirements, respecting legally required timelines for recovery plans for plans in deficit.

In the main countries of the Group approximately, 55% of employees are covered by company sponsored statutory or defined benefit pension schemes. In addition approximately 24% of employees is covered by employer sponsored defined contribution pension schemes.

### Atos Global Compensation principles

Atos' compensation policy is designed to support the Group 2016 Strategic Ambition to reinforce its position as Tier One company for IT services and payments solutions, and to become a reference Wellbeing@work Company.

The Compensation policy is based on Atos Human Resources values and aims:

- to attract and retain talents;
- to reward performance and innovation collectively and individually in a balanced and competitive way.

To reach those objectives, which will be implemented in the countries where Atos operates according to local specificities and regulations, the Group conducts an annual benchmarking exercise with Atos competitors in the ICT (Information and Communication Technology) market to ensure the Group competitiveness, both in level and structure, and ensure that compensation packages are in line with market practices in every location.

The Atos Total Compensation Package includes a fixed salary, a variable bonus for eligible employees and benefits aligned with market practice. Key individuals may also receive Long Term incentives such as stock-options and performance shares.

### Atos Variable remuneration

For several years, Atos implemented a semester, and not annual, bonus policy, based on the Bonus Score Card principles. This approach fosters ambitious objectives setting, and contributes to the alignment of business and strategic goals with missions assigned to employees.

Targets are split in four major categories:

- financial objectives, cascading Group targets at employee's scope (mainly External Revenue, Order Entry, Free Cash Flow and Operating Margin);
- quality, such as customer satisfaction survey results, applicable especially to Sales Operations and Global Functions;



- efficiency objectives, such as individual objectives linked to priorities in the employee's role and such as TOP<sup>2</sup> and eXpand initiative deployment;
- people objectives, managerial or individual objectives, more focused on people development and also including the Wellbeing@work initiative roll-out.

Each semester, the Group Executive Committee reviews the Global Variable Compensation Policy to make sure that it is aligned with the Group's operational strategy and that objectives are SMART (Specific, Measurable, Achievable, Relevant and Time-related). The Executive Committee ensures that the Variable Compensation Policy encourages the Group employees to deliver the best collective and individual performance. The financial results of Atos have a real impact on bonus payouts at all levels and for all functions.

### Reward and Recognition Programs

Recognition is a key motivating factor. In order to allow every great contributor to be recognized at fair value, the Group rolls-out major programs, as part of the Wellbeing@work initiative, such as:

- **"Accolade"**, which empowers managers to instantaneously reward their teams according to three levels (Bronze, Silver

and Gold) for exceptional performances. In 2014, more than 11,991 awards have been distributed over the countries in which Atos operates in the world;

- **"Success Story"**, which rewards the best delivery teams: Employees apply by posting projects on Atos internal social network. Six categories of rewards are delivered: one per global market, including Worldline. Group Executive Committee selects the best project for each category, and employees also vote for the best project (People Choice Award). Extensive communication supports this program and key players are invited to a dedicated ceremony with the Group Executive Committee. In 2014, the dedicated community on Atos Social Network gathered 13,600 members, and the 63 applicant-projects received more than 12,000 votes. Since its creation in 2011, this internal contest became a major event for Atos Business Technologists.

### Remuneration analysis

Atos needs to continue to ensure competitiveness in the market where the Company operates. It results in 2014 that 37% of the Atos population working in a country where the ratio between the highest OTE and the median one is below 10 [G4-54].

Ratio between the highest OTE and the median OTE	% of the Headcount
Under 10	37%
10 < x < 20	44%
More than 20	19%
<b>TOTAL</b>	<b>100%</b>

### Employee stock ownership and management: long term incentive plans

#### Employee Stock Ownership Plans

Since 2011, Atos has regularly been running a large Employee Stock Ownership plan. This plan, called Sprint, offers to employees the possibility to buy Atos shares according to two kinds of vehicles:

- Sprint Dynamic, which offers a 20% discount on Atos reference Share Price;
- Sprint Secure, which allows employees buying units of a leveraged product benefiting from the share value growth, but also providing a capital guarantee in euro, with a minimum interest rate over the period during which the employees have invested.

Sprint operations have been implemented in 2011, 2012 and 2014, with a significant increase of eligible employees (from 60,000 to 70,000) and participating countries (from 14 to 27). The number of subscribers has increased with 50% since 2012, with more than 2,700 Atos employees subscribing in 2014. Part of this increase was related to the implementation of the Secure Formula in the USA (with a guarantee of capital in

USD). Overall, the Employee Stock Ownership (mutual funds and corporate savings plans) moved from about 0.5% of the Group's share capital in 2005 to 2.3% as of December 2014. The number of Atos shares held by the employees is 2.8 million in December 2014.

Atos has the ambition to launch a new Sprint Plan in 2015, offering the opportunity to benefit from Group successes, to as many employees as possible.

#### Management Equity Plans

In order to reward and retain key talents and top managers, Atos regularly implemented stock-option plans and performance share plans, detailed in the section G.4 Executive compensation and stock ownership.

On July 28, 2014, in line with the Group main strategic guidelines over the period 2014-2016, more than 700 Atos employees – mainly senior managers and executives, and also selected high-potential employees – have been granted Atos performance shares. Ambitious and cumulative performance conditions have been set for this performance share plan. One of them is especially linked with the External Revenue Growth, as Growth is a key element of the Group strategy.



Atos performance shares plans are detailed in the section G.4 Executive compensation and stock ownership and more specifically the Corporate Responsibility's condition of the performance share plan granted in 2013 and 2014.

Furthermore, in the context of the Worldline IPO and in order to involve key employees in the three-year strategic plan of

Worldline, the Worldline Board of Directors has decided on September 3, 2014, to grant Stock-Options to top managers of Worldline and to fifteen selected Atos managers, who are functionally supporting the Worldline organization. This Stock-Options Plan is detailed within Worldline dedicated Reference Document.

## D.2.3 Enhance the Wellbeing@work

### D.2.3.1 Working conditions

[G4-15] and [G4-16]

#### General statement of respect of international labor right

The protection of labor rights has long been a part of Atos policy. Atos Code of Ethics confirms that Atos will always take decisions based on competences without consideration for nationality, sex, age, handicap or any other distinctive trait. Participating in the UN Global Compact since 2010 is another way of showing how Atos is willing to ensure such protection. As active participant, Atos ensure the respect of the following principles:

- supporting and respecting the protection of internationally proclaimed human rights;
- making sure that Atos is not complicit in human rights abuses;
- upholding the freedom of association and the effective recognition of the right to collective bargaining;
- elimination of all forms of forced and compulsory labour;
- effective abolition of child labour.

In addition, in order to apply to public tenders Atos has to follow the requisites of the local labor law: this has always been done and managed properly.

Atos has conducted some initiatives which aim to guarantee a better balance between professional and personal lives of employees.

Since 2011 an initiative to directly assess the good work life balance of employee was launched: a self-help tool was completed over 6,584 times with scores given regarding how to improve work-life balance, self-belief, organizational skills, home-work interface, physical health and assertiveness. It aims to provide practical ways in which personal effectiveness can be managed within the workplace. 15,480 people viewed the website.

#### Health

A Health@work blueprint has been drawn up within Atos with the aim of promoting best practices and bringing together existing tools which are designed to support employees with their health and wellbeing. It also sets out how ambitions for this subject.

Atos is committed to ensure it complies with legal standards and also strives to meet best practice. For example, for the 3<sup>rd</sup> year in a row, the UK Royal Society for the Prevention of Accidents (RoSPA) rewarded Atos UK with a Gold Award for Health and Safety.

One initiative to encourage physical activities has been designed through a website, "atosrevitalized.com": this multi-media and interactive health & wellbeing tool was launched in 2012 and has had now over 14,000 users within Atos which includes the App version. An App version was launched in 2013 to make the material even easier to access for employees. Across the year, overall wellness score has risen by an average of more than 9%. This is a significant increase and if explained in individual terms would be enough to take someone from one category of health & wellness categorization to another (i.e. shifting from "average" to "good"; or "poor" to "average")

Last one, Atos offers a large variety of e-learning materials which cover health and wellbeing topics.

Even if Atos' activities are not of an industrial nature, and therefore have a low risk of generating occupational diseases, Atos ensures that an effective prevention program is put in place, especially regarding psychosocial risks, which are the first factor of occupational diseases in IT services.

E-learnings are part of the preventive actions, especially explaining employees how to understand and detect a psychosocial risk such as stress. These e-learnings are available in several countries, and in several languages, such as in France.

In addition, in France, Atos has put in place a "stress lab": during their medical check-up, employees are proposed to complete this anonymous online questionnaire, which will evaluate the levels of stress, anxiety and breakdown of the employee. In case of an identified risk, the results will be discussed between the doctor and the employee (since only they have access to the results) in order to find solutions to reduce the risk. Some additional actions may include the involvement of the management if the employee agrees.

As a concrete achievement, according to the Great Place To Work (GPTW) survey, employees have been satisfied regarding health program.

	2014	2013	14/13
This is a physically safe place to work	84%	84%	=
This is a psychologically and emotionally healthy place to work	48%	46%	+2
I am able to take time off from work when I think it's necessary	75%	74%	+1
People are encouraged to balance their work life and their personal life	50%	48%	+2

### Smart Working Conditions

Atos privileges permanent and full time working relations with its employees: 98.5% of persons of the total workforce is under a permanent employment contract and 91% is in full time [G4-I0]. Nevertheless, Atos accepts part time job when an employee considers that it is better for his work life balance.

Then, Atos operates in collaborative mode, which allows remote working, which offer more flexibility for employees in their

work life balance: 15% of homeworkers have signed a formal contract and about 36% of them work informally like this from a variety of locations [G4-LA1].

The whole set of initiatives to improve a healthy and smart working environment has allowed reducing the absenteeism rate of the Company.

Thus, the absenteeism percentage regarding the direct operational workforce in 2014 was 2.98% [AO16]. In addition, the total work related accidents are 189.

### D.2.3.2 Promote Diversity

[G4-DMA-Diversity and equal opportunity]  
and [G4-DMA-Equal remuneration for women and men]

Atos is strongly convinced about the importance of Diversity as a key value driver for the Group's future continuous growth and competitiveness. In order to confirm its strong engagement in favour of diversity development, Atos has embedded the Atos Diversity Program under the "Atos Group Wellbeing@work Program", that is, the global initiative that underpins the Atos transformation to be recognized as one of the best companies to work for.

The Diversity Program contemplates four main dimensions: Gender, Cultural Diversity, Disability, and Senior Capital and it is targeted at the further development of diversity within our Group as a way to bring excellence in people management and to improve our Group's operational performance. Atos has set up a Group Diversity Committee with the Group Diversity Manager, Diversity Leaders from all the different geographies and representatives from various Group functions (e.g. Legal, Human Resources, etc.). The multiplicity of profiles engaged in the initiative, certainly, helps to ensure that the rolling out of the Diversity Program is made in a transversal manner at both global and local levels. The Program is sponsored by a Steering Committee with Group Executive Committee members.

In 2014 Atos organized a substantial number of initiatives in the Diversity domain and the Group's Diversity Roadmap for 2015 has been already defined and approved. A set of actions have been planned:

- further development of the Group Diversity Policy;
- consolidation of the Group Diversity Organization;
- capitalize on women's talent and continue increasing the number of women in top management succession planning;
- capitalize on junior staff and senior resources;

- deployment of new initiatives in the disability domain;
- leverage cultural differences;
- extending the talent pool in-house and educating and engaging leaders on diversity training.

Although Atos has a major part of its staff in Europe, Atos employs people from 137 different nationalities [G4-LA12]. Ten nationalities are represented in the Board of Directors.

In addition, Atos supports territorial anchor having 93.23% of the senior management coming from the local communities [G4-EC6].

11,343 national employees were recruited in 2014 [G4-EC6].

#### Promoting gender [G4-LA12]

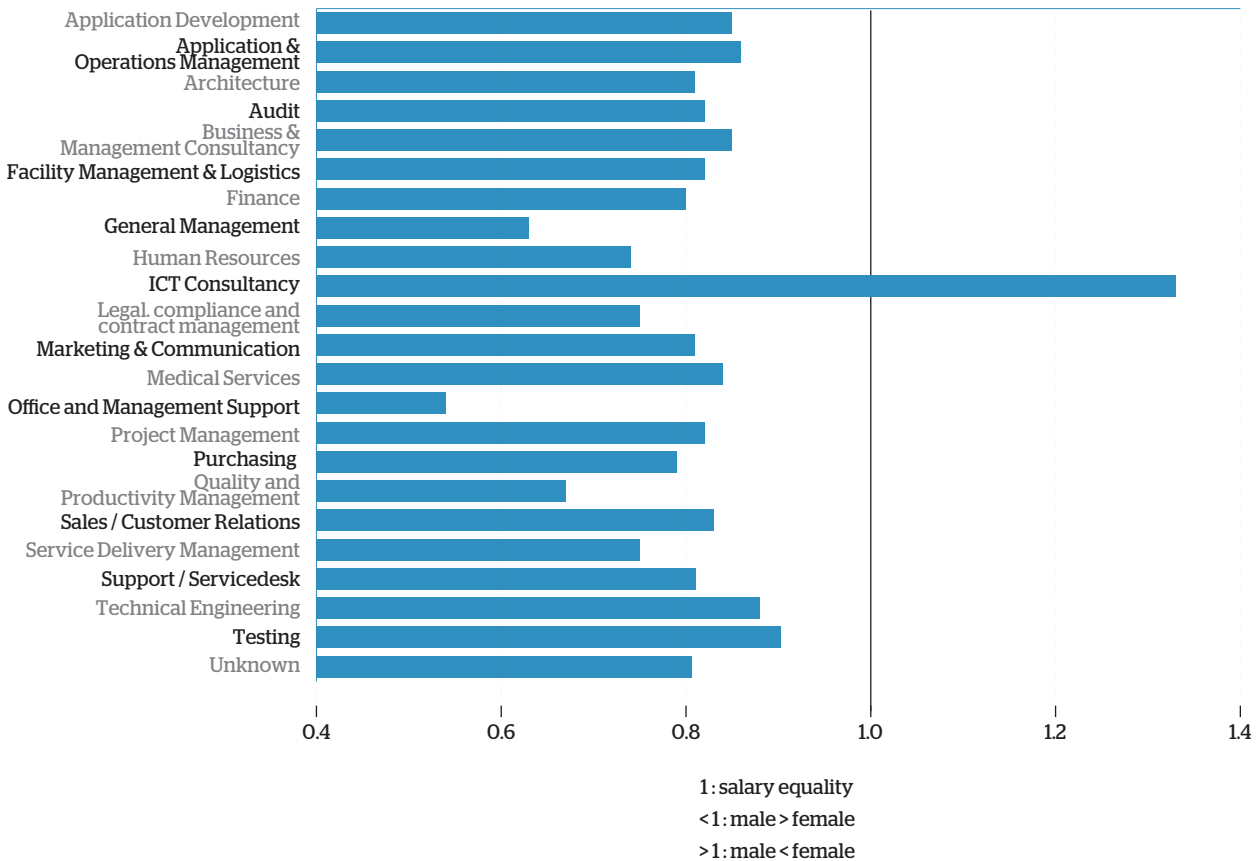
Despite the fact that engineering and IT education are mainly followed by males, Atos increases the share of females from 27% to 28% globally and tries to continuously improve its efforts. In the Group Executive Committee the female ratio is 7.41%.

In addition, as at December 31, the Board of Directors was composed of 36% of women, compared to 31% in 2013. The Company is fully complying with the 20% rate of women Directors set forth by the French law n° 2011-103 dated January 27, 2011.

Atos aims in the coming 5 years not only to reach, but also to exceed the level of 30% of females employed.

Many countries have introduced legislation to enforce the principle of equal pay for work of equal value. This issue is supported by ILO Convention 100 on "Equal Remuneration for Men and Women Workers for Work of Equal Value".

#### RATIO OF TOTAL REMUNERATION OF MEN TO WOMEN BY JOB FAMILY [G4-LA13]



The differences of salary between females and males are explained by several factors: males are the most numerous in the senior management and have on average a higher seniority.

#### Take in account disabled people

Being in charge of the IT support for the Paralympic Games, Atos is always impressed by the fact that Paralympic athletes show outstanding performance in many different disciplines whatever difficulties they have to face. The same applies in the business where disabled employees accomplish also remarkable

achievement within Atos teams. Specific programs have been implemented in different locations, in collaboration with union representatives, to attract and develop handicapped people through meaningful employment. Again, the goal of this initiative is both to support this population and also open people's mind to consider opportunities for disabled persons. In May 2013, in France, Atos signed with French trade unions representatives a collective agreement related to the employment and development of disabled people.

In 2014, Atos Group employed 1,116 people with a disability.

## D.2.4 Building a Great Place to Work

### D.2.4.1 Social collaboration

Implementing new working organization within the Company creates a more social and innovative working environment. By facilitating the development of communities, providing easier

access to collaborative tools and the development of remote working, employees can achieve a better balance between their work and personal life.

### Zero email™ focus on Wellbeing@work and business benefits [AO11]

Zero email™ is a global transformational program to adopt new ways of leading and collaborating into the Company. The objectives are to improve our internal and external collaboration to ultimately improve our performance and create a more transparent work environment where different disciplines can work together to achieve a common goal.

The program is launched for the 61,787 employees in 50 countries across the world.

Early 2013, the Atos Enterprise Social Network “Zen” on blueKiwi was opened in all the geographies where the Group is present.

A continuing focus on changing collaborative behaviors has largely eliminated the information overload caused by excessive email usage. To sustain these benefits awareness campaigns and training to target new employees (Ex Bull employees and new joiners) and management is put in place.

During 2014, some 5,000 posts and comments are created on the ZEN platform on a daily basis and more importantly the level of private posting (contributions exchanged between a

limited number of people) has consistently declined in the favor to contributions in communities. This is an important indicator of a developing culture of collaboration within the Company.

2,305 communities are healthy with defined purpose and good activity level [AO11]. These communities encourage employees to engage in, often global, projects and to apply their diverse skills and expertise to achieve the shared goals of the community (Customer satisfaction, project quality or innovation).

67.5% of Atos employees are blueKiwi users on a monthly basis.

A new function was established in order to take responsibility for the design and implementation of an Atos-wide social collaboration and knowledge sharing culture, processes, policies and tools. This global team will ensure further adoption by continuing to develop processes that enable employees to work together across organizational, geography and time boundaries in a flexible and organized way.

Two years after the generalization of collaborative tools, Atos has strongly reduced the information overload caused by excessive email usage and employees are engaging in collaborative communities on the enterprise social network.

## D.2.4.2 Awareness and involving employees

Atos ensures the full compliance with the International Labor standards, by applying principles of the ILO Conventions, as it is required through its participation to the Global Compact of the United Nations, which states as principle 3 that Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

To ensure the respect of the freedom of association, Atos has built a concrete organization of the social dialogue.

Communication with the employee representatives is a permanent and constructive dialogue within the employee representative bodies at European and country levels. The major projects during 2014 were the IPO of Worldline and the Acquisition and Integration of Bull.

The social dialogue is very constructive and positive and it can be illustrated in two ways.

### A culture of permanent social dialogue

It was planned in the Societas Europeas Council agreement to schedule at least three meetings per years.

During 2014, eight meetings were scheduled and effectively took place (both ordinary and extraordinary).

For 2015, three meetings have already been planned.

### From social dialogue to social effective collaboration

On top of the organization of the meetings with Societas Europeas Council, the Management and the Employees representatives have agreed to set up additional Commissions that work very closely with management in order to have a productive, useful and profitable dialogue.

For example, subject matters that are to be discussed within these commissions are:

- Participation Board;
- Data Privacy;
- Well Being At Work.

In addition, Atos recognizes the role of collaboration of the social representatives for the biggest and most confidential topics within the Company.

In March 2014 Atos started the information and consultation of the European Work Council related to the IPO Worldline project. The employee representatives' body was involved from the very beginning of this plan.

Several productive meetings were scheduled and in April 2014, the SEC gave an opinion on this project.

On the top of that, Atos had several meetings with the European Workers Council in plenary sessions related to the Bull Acquisition. 4 plenary Sessions were taking place at the Atos Group level related to that (more information in the section D.2.5.1).

**Collective bargaining agreements**

Atos thinks that job security contributes to the psychological health of its workforce. Therefore, Atos follows local and international regulations concerning minimum notice period(s) regarding significant operational changes. Also, 67% of employees are covered by collective bargaining agreements [G4-11].

Collective bargaining agreements are agreements regarding working conditions and terms of employment concluded between an employer, a group of employers, or one or more employers' organizations.

Atos collective agreements cover for example health and safety matters, length of maternity/paternity leave, working time, wages, notice periods, vacation time (usual and exceptional such as wedding, birth, house moving...) or training.

In 2014, 8 collective agreements were signed by all French Atos legal entities, covering the operations of the Group work council, the working time, the homeworking modalities, or even benefits arrangements.

In August 2014, a collective bargaining agreement on the psychosocial risks at work was signed between French Atos legal entities and trade unions: this agreement focus on prevention, identification and reporting of such risks.

**Taking into account employees' expectations**

To go beyond the collaboration of the employee representatives, Atos has been committing since 2010 to involve employees through the annual Great Place To Work Survey. This global survey, managed by the Great Place to Work Institute®, helps Atos to determine the expectations from employees and the focused areas for improvement.

The survey is structured around five dimensions: Credibility, Respect, Fairness, Pride and Camaraderie.

In 2014, 45 Atos countries took part in the Great Place To Work (GPTW) survey, with 49,866 employees participating, representing 65% of the global Atos Staff: this is an increase of 9.95% of participation compared to last year (45,352 employees).

The average score communicated by GPTW on the 59 statements showed 56% positive answers, which is an increase of 1% compared to last year. This result of the Trust Index score demonstrates the commitment and involvement of employees to share their views and to help building a great working environment together.

These results also show that in average 55% (54% in 2013) of responses to "Taking everything into account, I would say this is a great place to work" are positive or very positive [AO2].

The results are confirmed by one Great Place to Work award in Poland for the third year in a row, and four Atos legal entities in position to receive the award: Austria AddIT, Austria UnitIT, and Russia.

Compared to 2013, Atos has improved 2014 results in the two improvement areas:

Management behavior and leadership style		Reward and recognition	
Management makes its expectations clear	+3%	Everyone has an opportunity to get special recognition	+3%
Management's actions match its words	+4%	We have special and unique benefits here	+5%
Management is competent at running the business	+3%	My manager gives me regular feedback for my development.	+2%

The internal Atos Wellbeing@work program set-up dedicated actions in each geographies participating to the survey aiming to improve well-being and as a consequence, the GPTW results in 2015.

Atos is in a continuous improvement plan regarding people well-being at work, GPTW results improvement by 3 points being a clear priority for each GBU CEO and GBU HR Director for the 3<sup>rd</sup> year in a row.

**Develop awareness and encourage dialogue**

The Wellbeing@work program has global and local governance in place. About 10 initiatives are developed with action plan and KPIs. Each initiative is led by a global initiative leader and implemented through a local team in GBUs and countries.

These ten initiatives – Working environment; Recognized & reward; Communication & collaboration; 3 years development plan; Corporate responsibility & sustainability; Wellbeing@work for clients; Great place to work; Social collaboration & Knowledge sharing; Diversity; Internship – are discussed and best practices from GBUs are presented in regular Wellbeing@work monthly Workshops, fitting to our collaborative company culture.

The global Wellbeing@work program develops and implements many initiatives, has set-up a community on the Atos enterprise social network blueKiwi, throughout the year to encourage an open dialogue with and active participation of employees to help create a great place to work together. Each employee could submit through this community any ideas to improve well-being at work in Atos. A dedicated international team is organized to follow-up the ideas and implement them.

The Second edition of the Wellbeing@work week took place from September 22 until September 26, 2014. Based on the theme "Collaborative enterprise" all 76,556 employees received during five days bite size tips and advice how to benefit from Wellbeing@work initiatives and programs. Each day had a special focus with dedicated global and local activities, for instance:

- Appreciation Day stressed the importance of thanking colleagues for their support or a job well done and saw many local CEO's and management teams taking part in lunches and roadshows;
- Fitness Day encouraged employees to get active and join sporting activities to ensure a healthy mind in a healthy body;
- Collaboration Day encouraged employees to experience Atos new way of working using Atos social network, with local training workshops and presentations;

- Sustainability Day saw many initiatives to reach out to local communities and provide hands on support for social engagement through activities organized with local Non-Governmental Organizations (NGO) to recruit volunteers and other initiatives were met with food or goods parcel collection and donating blood;
- on Friday and in some countries also on Saturday, Atos welcomed family members to offices to meet colleagues and take part in social activities such as cooking classes, children's entertainment and local barbeques.

The Wellbeing@work week 2014 was also the opportunity to welcome new Bull colleagues in Atos sites and deliver recognitions to best project teams, through Accolade program.

In total over a 100 different activities were organized in all Atos countries.

## D.2.5 Integration of Bull

### D.2.5.1 A Comprehensive process

Atos has a long history of mergers and acquisitions. The experience – the latest being SIS integration of over 30,000 colleagues – was fully put to use in Bull integration program.

Beyond strategic relevance and clarity, some practical key success factors are:

- clear integration program structure and governance, shared with all employees (Bull & Atos);
- dual leadership for all positions in project (one Atos, one Bull);
- streams aligned with major businesses and functions, owned by actual leaders of domains;
- regular (weekly) stream management boards streams coordination;

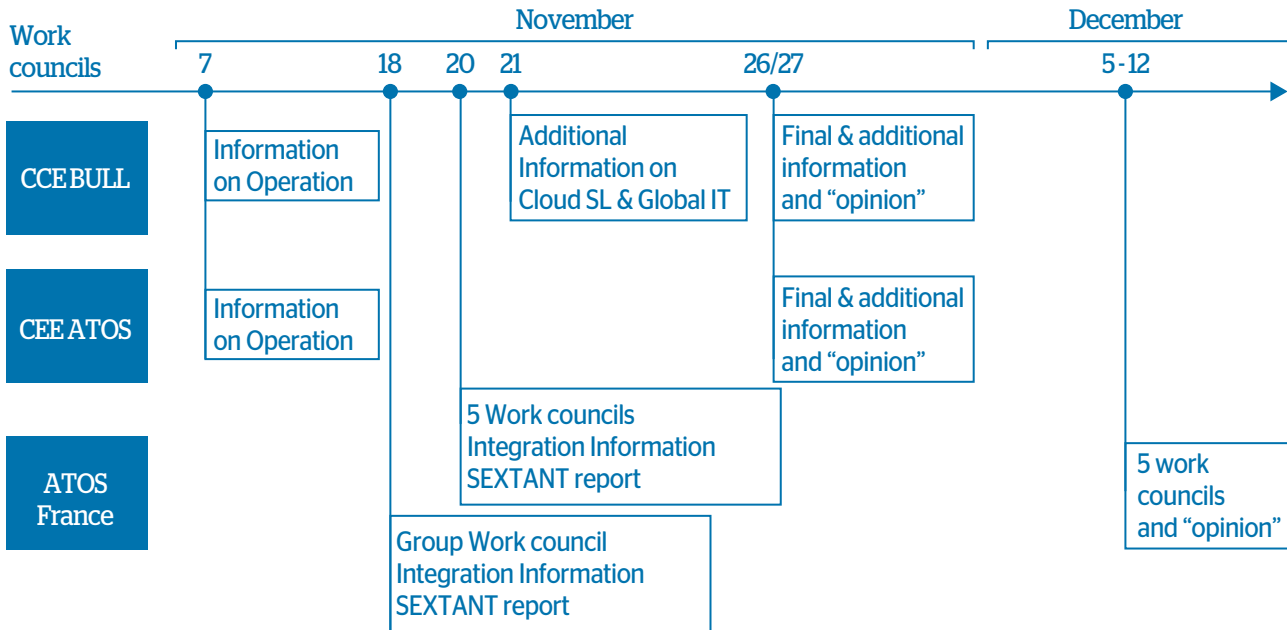
- significant and pragmatic use of Management of Change practices.

In a nutshell, successful integration is managed as much as possible in the flow, and not above the flow, in dual leadership format, and with tight coordination.

#### Dialogue with Personnel Representatives

Atos considers the Personnel Representatives as a key stakeholder group, beyond the legal obligations. The quality of the dialogue is a major input to tune project and communication, both globally (Societas Europeas Council) and locally in each country.

Concretely, we followed the following timetable:



The questions of Work Councils have been an important source for the FAQ shared with all employees.

## D.2.5.2 Management of Change

Management of Change aims at speeding up the transformation path of employees by identifying the positive/pain points and needs, preparing the communication and training actions and more generally soothing and accelerating the engagement of employees into the future mode of operation (organization, products...).

In such a program, Change Management is articulated at two levels:

- at program level, purpose it to identify and drive cultural change and to provide a framework supporting all integration

streams as needed. It also covers transverse support (e.g., relocations...);

- each stream manages own specific needs.

Articulation is to ensure by sharing governance models and weekly coordination.

The leading role for their team's transformation is the manager's one. Change program was designed to support them, with a limited number of selected actions proposed as a consistent change framework proposed and supported from Global and implemented locally with proper care of local culture.

## D.2.5.3 Train all Bull managers into the Atos Leadership Model

In 2013, all Atos managers were trained through a mandatory program developed and facilitated internally with the purpose to share a leadership model building on Atos social collaboration environment to address the expectation of XXI<sup>st</sup> century employees and meet Atos ambition. The training explained the five roles that any manager should be able to adopt according to situation. 145 managers were trained to become the facilitators of interactive one day sessions that covered all managers as mentioned over 2013.

Now Atos while respecting and relishing the benefits of the diversity of experience brought by Bull creates one community of managers. To do so, a pilot session was run with Bull managers by two of the designers of the previous program, to identify potential adaptations.

As a conclusion, the program is extremely well received, both for its original purpose (leadership dialogue) and as an integration tool.

Sessions to train new trainers then for all ex-Bull managers training have been planned in all geographies for roll out in H1.



### D.2.5.4 Build managers network

In a global, matrix organization like Atos, comfortable network practice is a key tool both from efficiency and Wellbeing@work perspective. It is even more so for new joiners coming from a smaller, non-matrix organization.

To initiate the process, change leaders have been proposed with buddy system setup and social event to initiate it: managers speed dating or classical social events (breakfast, after hour...).

Each country is free to implement or not, and tune the buddy system. The current status is for general partial but large adoption. Partial is a consequence of buddy relation being volunteer, some managers did not desire to contribute, but they are a minority. The buddy is here to answer hi/her buddies question and more generally support him with processes and tools that he discovers, in one way, and reversely help understand the background and policies of former Bull employees.

A "how to" manual to help them organize the more challenging speed dating sessions was supplied to all change leaders.

All support material was supplied to all countries, with integration leaders invited to the community. However, for practicality, global management of change process has been actively setup and centrally monitored only in the nine countries with the largest number of new joiners.

As such, these nine countries cover 8,520 of the 9,197 Bull employees (i.e. 93%).

In the first stage of the integration, the change agents mission is:

- gather feedback from employees;
- capture and share issues with integration program;
- share regular dialogue on integration progress;
- be "testers" of integration initiatives, trainings, and tools.

They have been informed that after implementation of new organization (January 1, 2015), their role will also be to collect and report issues for fixing (as was setup successfully for SIS integration after-care).

### D.2.5.5 Social Collaboration in action

Atos social collaboration proves a major integration catalyst.

- all Bull employees were supplied connection and training to the Atos social environment as early as October.
- a global open blueKiwi community dedicated to the integration was setup in September.
- all change agents share a closed community to collaborate, get & provide (self) support.

- country spaces are used by leadership teams to host chats with all employees (Bull & Atos) to answer questions and clarify way forward.
- experts from Bull join relevant existing communities and get early integration and recognition. New communities to create dialogue and support of advanced Bull technology have been setup.
- relocations are also prepared on site-dedicated spaces.

### D.2.5.6 The Wellbeing@work Program early adoption

The Bull employees have the opportunity to benefit from the Atos Wellbeing@work program, aiming to improve quality of work life.

The program Wellbeing@work provides the opportunity to enroll in a framework of actions on a global scale, to improve employee work environment by developing social innovation and collaboration.

Atos decided to make this program one of the levers of successful integration in the first days of the Bull integration.

The governance of the program appointed a coordinator responsible Bull on each of the Wellbeing@work program initiatives: the pairs consisting of one representative of Atos and a representative Bull for these initiatives contribute to program coordination bodies to deploy best practices of both sides.



Accolade, the recognition program, has been deployed in Bull and more than 50 Accolades has been offered to Bull employees to reward their particular engagement or an exemplary action, during Q3 and Q4 2015 in several countries: France, Spain, Poland...

The Wellbeing@work program also support the deployment of Remote working agreement for Bull employees, making them

beneficiate of this work life balance, and the usage of the Atos enterprise social network, which is also a strong lever of integration: Bull employees could join Atos experts communities in many different areas: Cloud, security, big data, innovation... 50% from French Bull employees are part of communities in December 2014.

## D.2.6 Being a Responsible employer – KPI overview

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-LA9</b>	<b>Average training hours per employee</b>							
	Average hours of training per year, per employee and job family	16.87	16.95	21.1	100.00%	–	100.00%	–
	Average hours of training per male employee	16.59	Not disclosed	Not disclosed	100.00%	–	–	–
	Average hours of training per female employee	17.57	Not disclosed	Not disclosed	100.00%	–	–	–
<b>G4-LA10</b>	<b>Employability initiatives</b>							
LA10_A_b1	Number of different Certifications owned by at least one Atos employee	2,943	2,456	Not disclosed	100.00%	–	100.00%	–
LA10_A_b2	Total number of certifications registered	72,406	Not disclosed	Not disclosed	100.00%	–	–	–
LA10_A_c2	Average number of certifications per Employee	0.95	0.70	Not disclosed	100.00%	–	100.00%	–
LA10_A_b3	Number of different skills owned by at least one Atos employee	5,451	Not disclosed	Not disclosed	100.00%	–	–	–
LA10_A_b4	Total number of skills registered	1,402,214	Not disclosed	Not disclosed	100.00%	–	–	–
LA10_A_c4	Average number of skills per employee	18.32	16.21	Not disclosed	100.00%	–	100.00%	–
LA10_A_b5	Number of employees who updated their profile during the year	37,800	Not disclosed	Not disclosed	100.00%	–	–	–
LA10_A_C5	Percentage of employees who updated their profile during the year	49%	Not disclosed	Not disclosed	100.00%	–	–	–
<b>G4-LA11</b>	<b>Career development monitoring</b>							
	Percentage of employees receiving performance appraisal in the last 12 months	92.39%	93%	80.59%	84.78%	–	84.00%	–
LA11_A_b1	Number of female who received a regular performance and career development review during the reporting period.	17,117	Not disclosed	Not disclosed	84.78%	–	–	–
LA11_A_b2	Number of male who received a regular performance and career development review during the reporting period.	42,765	Not disclosed	Not disclosed	84.78%	–	–	–
LA11_A_b3	Number of female who not received a regular performance and career development review during the reporting period.	1,590	Not disclosed	Not disclosed	84.78%	–	–	–
LA11_A_b4	Number of male who not received a regular performance and career development review during the reporting period.	3,318	Not disclosed	Not disclosed	84.78%	–	–	–

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-EC6</b>	<b>Proportion of senior management hired from the local community</b>							
	Number of national senior managers	2,189	Not disclosed	Not disclosed	100.00%	–	–	–
	Total number of senior managers	2,348	Not disclosed	Not disclosed	100.00%	–	–	–
	Percentage of national senior managers	93.23%	93.08%	94.80%	100.00%	–	100.00%	–
	Number of national employee	65,970	Not disclosed	Not disclosed	90.91%	–	–	–
	Total number of employee	69,600	Not disclosed	Not disclosed	90.91%	–	–	–
	Percentage of national employees	94.78%	95%	95.02%	90.91%	–	100.00%	–
	Number of national employees recruited	11,343	10,398	11,984	100.00%	–	100.00%	–
	Total number of employees recruited	12,096	11,138	12,864	100.00%	–	100.00%	–
	Percentage of national employees recruited (Excluding acquisitions)	93.77%	93%	93.16%	100.00%	–	100.00%	–
<b>G4-LA3</b>	<b>Return to work and retention rates after parental leave</b>							
LA3_A	Total number of employees that were entitled to parental leave	287	Not disclosed	Not disclosed	12.31%	–	–	–
LA3_B	Total number of employees that took parental leave	404	Not disclosed	Not disclosed	12.31%	–	–	–
LA3_C	Total number of employees who returned to work after parental leave ended	35	Not disclosed	Not disclosed	12.31%	–	–	–
LA3_D	Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	93.48%	Not disclosed	Not disclosed	12.31%	–	–	–
<b>G4-LA12</b>	<b>Diversity and Equal Opportunity</b>							
	Percentage of female in Governance bodies (Board of Directors)	36%	31%	23%	100.00%	–	–	–
LA12_B	Number of nationalities within Atos	137	141	140	100.00%	–	100.00%	–
LA12_B	Percentage of females within Atos	27.86%	27%	26.78%	100.00%	–	100.00%	–
LA12_B_b1	Disabled employees	1,116	959	603	100.00%	–	79.00%	–
LA12_B_c1	Percentage of disabled people	1.46%	Not disclosed	Not disclosed	100.00%	–	–	–
LA12_B	Female ratio within the top management team	14.15%	14%	14.56%	100.00%	–	100.00%	–
LA12_c12	Percentage of women that had promotions during the year	16.27%	18%	Not disclosed	100.00%	–	100.00%	–
LA12_c13	Percentage of men that had promotions during the year	16.03%	24%	Not disclosed	100.00%	–	100.00%	–
<b>G4-LA13</b>	<b>Salary rate between men and women</b>							
	General ratio woman/men in Annual Basic Salary within the Atos' job families	0.77	0.78	0.78	100.00%	–	100.00%	–
	General ratio woman/men in Total Remuneration within the Atos' job families	0.75	Not disclosed	Not disclosed	100.00%	–	–	–
<b>AO6</b>	<b>Diversity Perception (GPTW)</b>							
AO6_c4	People here are treated fairly regardless of their age	61%	60%	65%	65.14%	–	57.79%	–
AO6_c5	People here are treated fairly regardless of their gender	80%	82%	80%	65.14%	–	57.79%	–
AO6_c6	People here are treated fairly regardless of their race or ethnicity	75%	76%	85%	65.14%	–	57.79%	–
AO6_c7	People here are treated fairly regardless of their sexual orientation	78%	80%	84%	65.14%	–	57.79%	–
AO6_c8	People here are treated fairly regardless of disability	76%	76%	81%	65.14%	–	57.79%	–
AO6_c9	Average on Diversity Perception (GPTW survey questions)	74%	75%	79%	65.14%	–	57.79%	–



GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>AO2</b>	<b>Employee Satisfaction</b>							
	Number of people participating in satisfaction surveys (Employees answering GPTW surveys)	49,866	45,352	41,081	65.14%	–	57.79%	–
	Percentage of Responses to work surveys (Average of Response rate)	73%	69%	70%	65.14%	–	57.79%	–
	Percentage of positive responses to “Taking everything into account, I would say this is a great place to work”	55%	54%	47%	65.14%	–	57.79%	–
	Atos Trust Index® informed by Great Place to Work (GPTW)	56%	Not disclosed	Not disclosed	65.14%	–	–	–
<b>G4-EC3</b>	<b>Coverage of the organization’s defined benefit plan obligations</b>	Qualitative						
<b>G4-EC5</b>	<b>Minimum wage comparison</b>							
	Percentage of “Atos countries” with minimum national wage, where Atos entry wage > minimum national/IT sector wage [>50%]	58.57%	Not disclosed	Not disclosed	100.00%	–	100.00%	–
EC5_b3	Number of “Atos countries” where Atos entry wage > minimum national/IT sector wage [>50%]	41	30	30	100.00%	–	100.00%	–
EC5_b4	Number of “Atos countries” where Atos entry wage > minimum national/IT sector wage [10%-50%]	21	20	15	100.00%	–	100.00%	–
EC5_b5	Number of “Atos countries” where Atos entry wage > minimum national/IT sector wage [0%-10%]	8	11	6	100.00%	–	100.00%	–
EC5_b6	Number of “Atos countries” where Atos entry wage < minimum national/IT sector local wage	0	0	0	100.00%	–	100.00%	–
EC5_b7	Number of “Atos countries” with no minimum national wage	12	13	12	100.00%	–	100.00%	–
	Number of “Atos countries” where the Atos female entry wage > minimum national/IT sector wage [>50%]	47	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of “Atos countries” where the Atos female entry wage > minimum national/IT sector wage [10%-50%]	16	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of “Atos countries” where the Atos female entry wage > minimum national/IT sector wage [0%-10%]	5	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of “Atos countries” where the Atos female entry wage < minimum national/IT sector local wage	0	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of male in “Atos countries” where Atos male entry wage > minimum national/IT sector wage [>50%]	43	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of male in “Atos countries” where Atos male entry wage > minimum national/IT sector wage [10%-50%]	21	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of male in “Atos countries” where Atos male entry wage > minimum national/IT sector wage [0%-10%]	3	Not disclosed	Not disclosed	100.00%	–	–	–
	Number of male in “Atos countries” where Atos male entry wage < minimum national/IT sector local wage	0	Not disclosed	Not disclosed	100.00%	–	–	–

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-LA2</b>	<b>Benefits to employees</b>							
	Percentage of Permanent employees participating in Death Benefits	94%	94%	95%	100.00%	–	100.00%	–
	Percentage of Temporary employees participating in Death Benefits	73%	82%	78%	100.00%	–	100.00%	–
	Percentage of Permanent employees participating in Disability benefits	90%	91%	93%	100.00%	–	100.00%	–
	Percentage of Temporary employees participating in Disability benefits	72%	81%	67%	100.00%	–	100.00%	–
	Percentage of Permanent employees participating in Health Care	82%	82%	80%	100.00%	–	100.00%	–
	Percentage of Temporary employees participating in Health Care	68%	71%	67%	100.00%	–	100.00%	–
<b>AO11</b>	<b>Collaborative technologies development (Zero mail)</b>							
AO11_c1	Percentage of active Community users	10%	Not disclosed	Not disclosed	100.00%	–	–	–
AO11_c2	Percentage of Collaborative Communities	22%	Not disclosed	Not disclosed	100.00%	–	–	–
AO11_c3	Percentage of Dormant Communities	41%	Not disclosed	Not disclosed	100.00%	–	–	–
AO11_b1	Number of active users in Communities	7,264	Not disclosed	Not disclosed	100.00%	–	–	–
AO11_b3	Number of Collaborative communities	2,305	Not disclosed	Not disclosed	100.00%	–	–	–
AO11_b4	Number of Dormant communities	4,324	Not disclosed	Not disclosed	100.00%	–	–	–
AO11_b5	Total number of communities	10,547	5,100	938	100.00%	–	89%	–
AO11_c4	Internal emails sent per week per mailbox	69	Not disclosed	Not disclosed	100.00%	–	–	–
<b>AO16</b>	<b>Lost working days/Absenteeism rate</b>							
AO16_B	Global absenteeism rate	2.98%	2.7%	Not disclosed	71.26%	–	78.40%	–
AO16_A_b3	Number of staff seriously injured work related	186	161	Not disclosed	100.00%	–	44.00%	–
AO16_A_b4	Number of Atos staffs dead work related	3	Not disclosed	Not disclosed	100.00%	–	–	–
<b>G4-11</b>	<b>Collective bargaining coverage</b>							
G4-11_A_b1	Percentage of employees covered by collective bargaining agreements	67%	66%	71%	100.00%	–	100.00%	–

G4-LA3 includes only France.

AO2 and AO6 include the countries which performed Great Place to Work surveys during 2014.

AO16\_B (Global absenteeism rate) exclude India, United Arab Emirates, Corporate Germany, Germany, Philippines, Canopy USA, Canopy Germany and blueKiwi.

G4-LA11 excludes Germany, Corporate Germany and Austria.



## D.3 Generating value for clients through innovative and sustainable solutions

### D.3.1 Meet Clients needs and expectations

[G4-DMA-Product and service labeling]

#### D.3.1.1 Permanent improvement of the clients satisfaction

In 2012, a worldwide initiative was launched under the leadership of the Quality and Customer Satisfaction Officer and the Head of Sales and Marketing Support to drive a harmonized Customer Satisfaction Management.

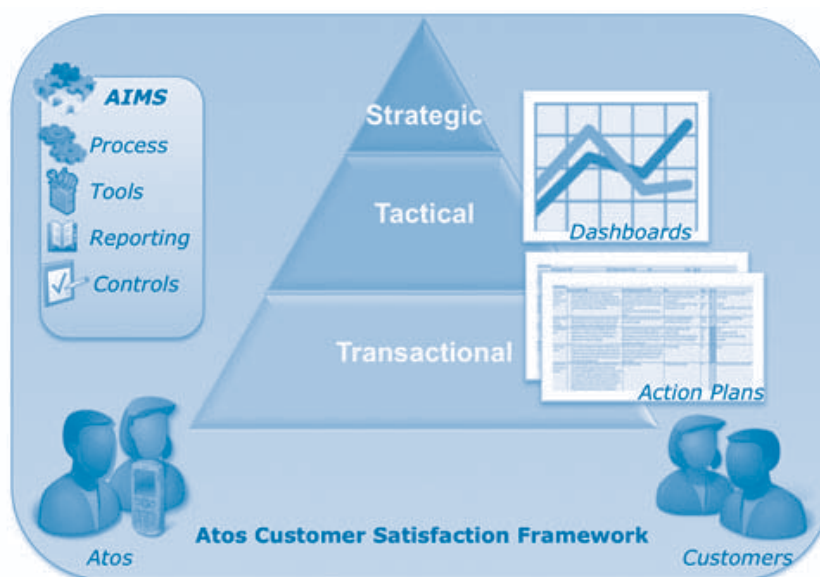
In 2013, Atos further enhanced its Customer Satisfaction management in two directions:

- formalization and execution of Satisfaction survey according to Atos three layers approach as described below. Accounts/ Contracts/Users;

- systematic development of actions following each survey, associated plan being shared with our Clients to secure that Atos properly answered their feedback.

In 2014, process was further focused at improving customer experience in all Atos activities. A global customer experience training was released, (taken by 60% of Atos employees over 2014). Necessary behaviors (Pro-activity, Trust and Accountability) for customer satisfaction are part of a worldwide change program through kaizen workshops deployed across the world for Atos main clients.

Atos three layers Satisfaction survey process is represented as follow:



The Strategic surveys are handled by Atos Executive representatives (Management and/or Sales) and covered Atos TOP accounts (250).

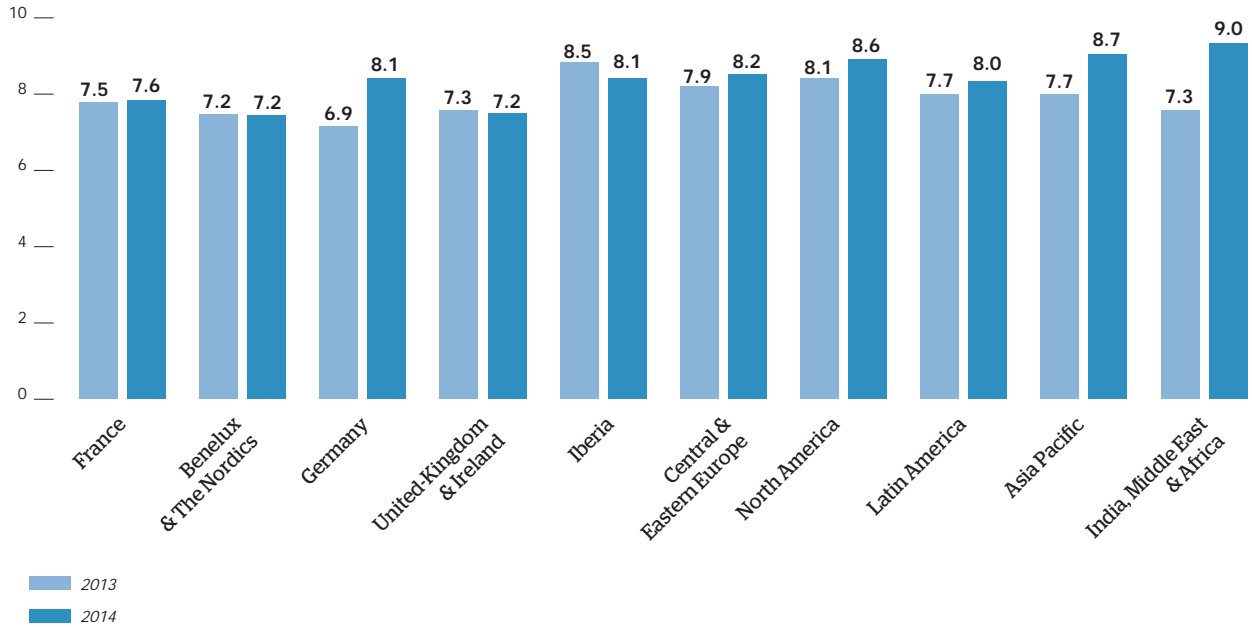
The Tactical surveys are driven by the Services Lines and allow getting feedback at contracts level from the Clients team on Atos Services or project deliverables and overall performance.

For large account serviced by Atos, an immediate feedback is requested from the end-users following a service request (on a

statistical approach). This allows getting an immediate feedback on service performance perception and driving daily operations.

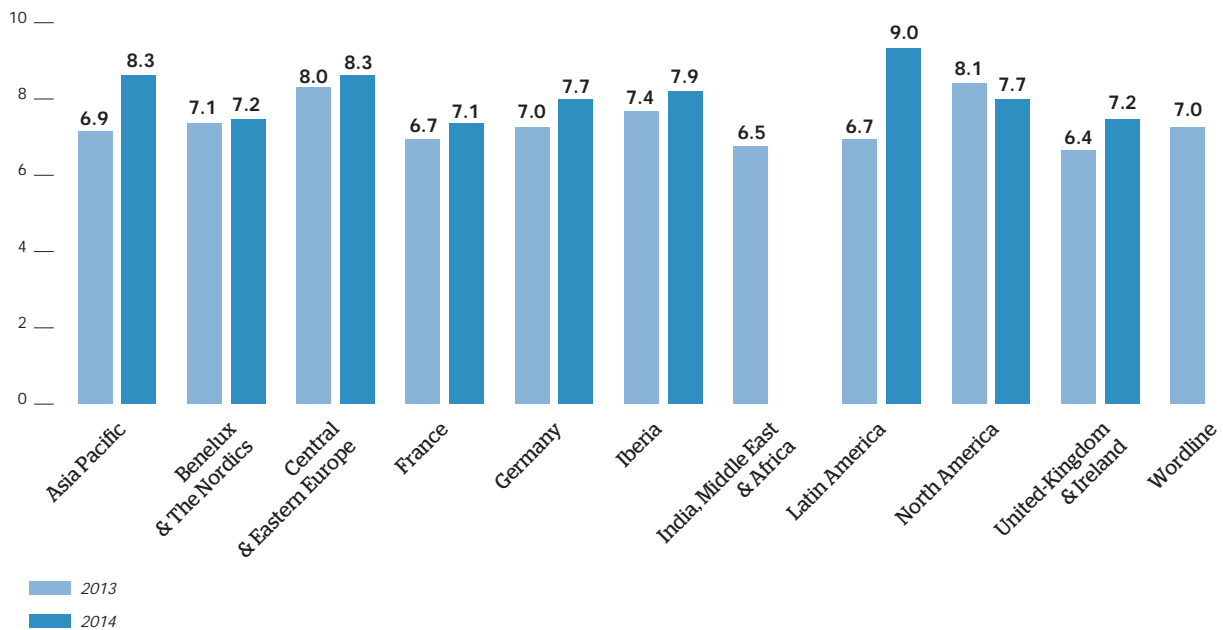
In 2014, Atos further enhanced the Atos Customer Experience approach. Objective is to help managers to deploy the appropriate actions plan beyond the performance and quality of the services deliveries, such as Innovation workshops, Critical to Quality workshops and any specific shared activities with clients that local team will develop.

The Overall Customer Satisfaction from Managed Services Tactical survey (score from 0 to 10) was 6.9 in 2012, 7.6 in 2013 and 7.8 in 2014 [G4-PR5].



For the Managed Services Tactical surveys which are covering more than 70% of Atos services business every 6 months Atos can now display trends over 2 years in term of overall satisfaction. For the Services Integration Tactical survey 2013 was a year of establishing baseline data. Overall satisfaction established at 7.9 in 2013, improved to 8.3 in 2014.

For the Strategic survey, results are on a yearly basis and current outlook is as follow for the overall satisfaction by GBU. Following the mixed results of 2013 with an overall satisfaction at 6.9, 2014 is showing strong progress at an overall satisfaction of 7.6 [G4-PR5].





Results in 2014 confirmed that the process in place delivered the expected results in all the Service Lines.

The process was extended to Worldline in 2014, which will be a baseline year. In 2015 Atos will continue to expand this Client focus approaches, through mapping the Customer experience

at key touched points. And this process will be extended also four new BDS service line coming from the Bull acquisition.

Overall 2014 results confirmed this Customer experience improvement process to be a key contributor to sustainable business.

### D.3.1.2 Innovative approach of Sustainable business

#### Anticipate Customers' expectations regarding innovation

Customers are increasing looking to innovation to adapt and thrive in the constantly evolving market place. They want and need a Partner & Peer platform to collaborate, engage and create. Atos has launched an Innovation workshop program and other collaborative innovation events with its customers and partners, which will influence Atos direction and commitment.

An innovation workshop is a customer-focused and customer-tailored event aimed at helping customers to gain insight into the future of their industry and the impact on their firm, stimulate and provoke thinking around how can leverage emerging technologies and trends, and provide them with innovation strategy, innovation boosting, innovation processes or governing mechanisms.

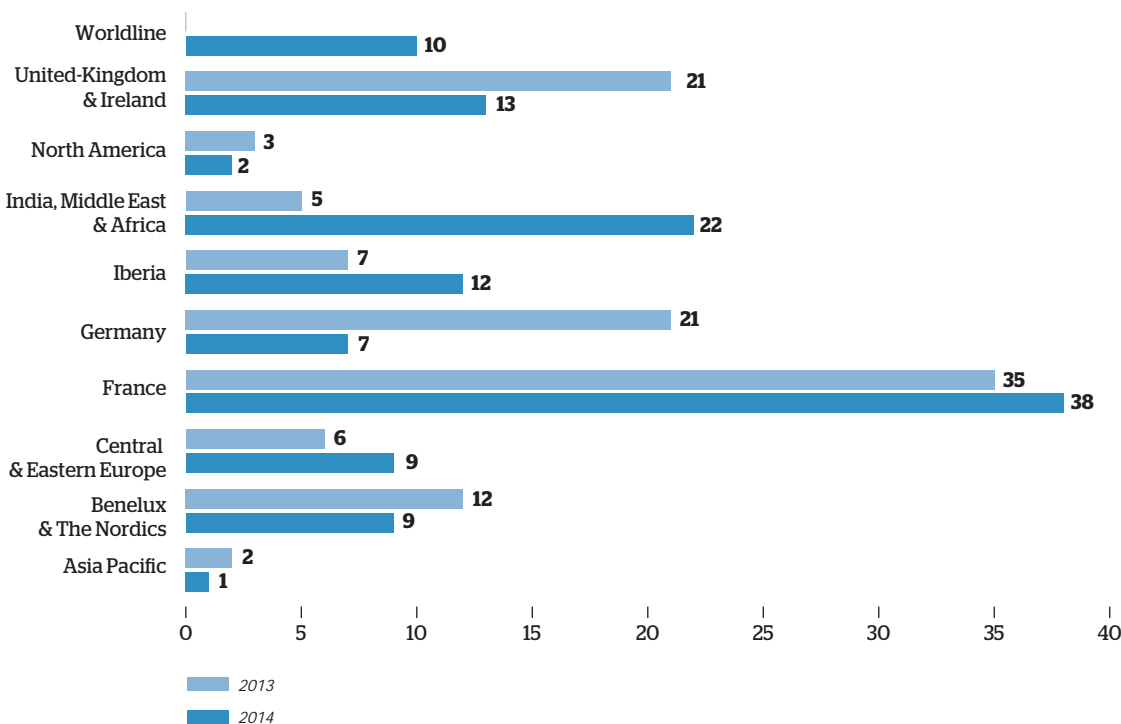
A new process has been designed by Global Sales and Markets to ensure that the content of these meetings would be of

high quality with the proper audience, and the progress of deployment regularly reported at the regular eXpand reviews chaired by an Atos SEVP. Key steps of the process include:

- scope determination, in which are defined the scope, key hypothesis of the workshops, topics of interest, priorities, and planning, and agreement with the client;
- preparation, with a deep involvement of the Scientific Community;
- execution, where Atos shares its knowledge and insights, market agenda/challenges/ambitions, and business and technology disruptors;
- follow up with the customer and account team;
- reporting to eXpand Program.

During 2014 Atos continued the implementation and Governance of the program, running 123 Innovation workshops with top clients applying this new process [\[AO10\]](#).

NUMBER OF INNOVATION WORKSHOPS PER GBU





### Atos Binding Corporate Rules: the first IT company certified by the European Data Protection Authorities for the processing of clients' personal data

On November 4, 2014, Atos has obtained the approval by the European Data Protection Authorities of its Binding Corporate Rules (BCR) for processing personal data on behalf of its clients and for itself; this means that the processing of customer personal data by Atos benefits from the protection at the level of the European Union's Directive, all Atos entities worldwide being bound by the same obligations and processes, whatever the country they are located in.

The BCR approval is the recognition and validation by the European Data Protection Authorities of Atos' global and stringent approach to data protection, as further explained in the section D.4.1.2.

More than offering such highest level of protection to its employees' personal data only, Atos is able to ensure the same level of protection when acting as a data processors for all its customers' personal data, hence satisfying the customer requirements in terms of security and compliance regarding personal data of end users/customer employees.

### Atos Scientific Community

Besides providing insights about future trends, the Atos Scientific Community suggests some strategic business directions and

supports the design of solutions to meet them. The objective is both anticipating future challenges of Atos' clients and designing solutions benefitting to them and the society at large. Its latest works, to be published in 2015, deal with the issue of the digital revolution, and explain why and how ICT is a response to the challenges of sustainable development:

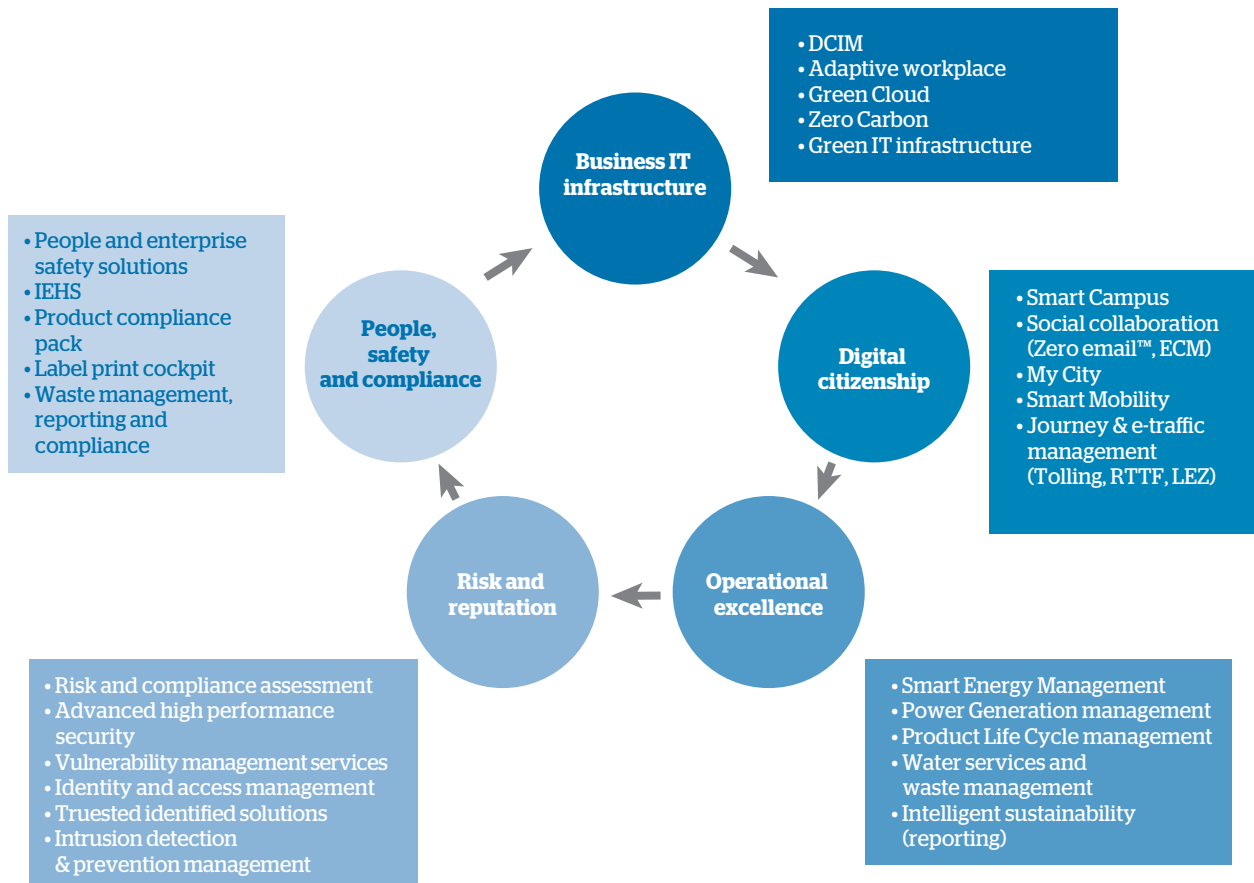
- **third digital revolution:** Smart use of technologies and data has become a condition to meet the sustainability challenges. In this respect, Atos is harnessing technologies and has designed innovative solutions based on data management for the main sectors of the economy, such as forecasting climate events, Data-Center Infrastructure Management, low emission zones monitoring and remote medical monitoring solutions for isolated populations;
- **environment:** improving forecasts of natural events or disasters, optimizing global agricultural production and food supply and limiting energy production up to the precise needs of consumers are some of Atos solutions that propose to improve environmental management;
- **economic:** leverage on tangible positive economic benefits to be gleaned from sustainable approaches to business: less energy consumption, less waste, time saved;
- **social:** digital revolution will also make possible a new model of society, based on sharing. Atos solutions are designated to respond to this new model, with Mobility, Smart Cities, and Industry 4.0.

## D.3.2 Meeting sustainability challenges of clients through offerings

[G4-EC7] and [G4-DMA-Indirect economic impacts]

One of the decisions taken by Atos recently is to highlight the contribution of the offerings to the sustainability performance of the clients. A large part of the Atos' portfolio supports these objectives (e.g. lower the footprint of the client's

organization, improving the social benefits, strengthening the economic performance) not only through the service provided (e.g. connected vehicles, Tsunami forecast) but also in the data capital to explore (e.g. patient information).



### D.3.2.1 Industry 4.0: Operational Excellence

Although operational excellence has often been identified with cost savings motivating investments in sustainability and environment related subjects, Atos believes that operational excellence today is more than just the economic aspect of sustainability of environmental decisions and/or business decisions.

In manufacturing for instance, the traditional layered approach of shop-floor machines controlled by a manufacturing execution system (with PLM and ERP systems managing the product data and planning of more or less static business processes), will be transformed into a smart connected production environment

integration information flow and data at a fast and integrated way, creating innovative applications.

To a large extent influenced by developments in technology such as Big data, Cloud solutions and digitalization, data and related information is cheap, readily available and thus influencing all aspects in each area of sustainability and operational excellence.

Digitalization and connecting information (sources) will enable to make connections not thought of before, impacting the environment by e.g. limit energy production up to the precise needs of customers, move from a mass production to an agile on-demand production.

From manufacturing companies' perspective these developments will, amongst others:

- create new business models, optimizing the value chain (e.g., 3d printers, "production on demand");
- redesign products in order to be able to quicker react to customer feedback and market demand as environmental constraints;
- digitalize the manufacturing process and thus optimizing and reducing costs (MES, PLM);
- improve elements like predictive maintenance and simulation, limiting waste and reducing energy usage;
- comply with requirements of customer by specific make-to-order approaches;
- enable effective collaboration across manufacturing entities;
- track components (e.g. chemical substance, CO<sub>2</sub>) to ensure a full compliance with regulation.

In other sectors such as Retail, developments like cross-channel customer shopping, real time inventory, mobility to allow decisions at specific shopping moments, will reduce costs and improve operation and margins. In the pharmaceutical industry digitalization will contribute to faster R&D, improved pipeline and recipe management. In energy and facility sector, Energy Management (smart grid) supports the energy optimization at all the stages of the process (extraction, transport, delivering or usage).

More globally, data provides critical information to better manage the use of resources (e.g. energy, water, raw materials), to track processes (e.g. manufacturing, transport, maintenance; compliance), or to monitor the optimization (e.g. report, real-time dashboard).

The total revenue for solutions in the area of sustainability operational excellence in 2014 was € 133.4 million.

### D.3.2.2 Redesigning the client engagement & customer experience

#### From a connected customer to a smart consumer

With a power boosted by access to a wide range of technologies, the connected consumer exercises a greater control over its own consumption and is able, as such, to consume in a smarter way. Typically connected services offer to customers the possibility to directly shape the way they consume resources (e.g. electricity, water, and gas), travel (e.g. e-ticketing, journey management, e-parking, real-time traffic forecast...) and interact with administration (e.g. e-government) or access to medical services for instance (e-health/e-citizen).

Redesigning the client experience means also providing new connected tooling to employees (e.g. social collaboration tool) developing expertise, enhancing collaborations and support business growth more efficiently.

It means also delivering digitization services to government and organizations to rationalize a process (e.g. tax collection).

#### Leverage on DCIM to redesign the manager experience in the data center

The DCIM (Data Center Infrastructure Management) provides new keys for analysis and assist in decision making process.

The goal of this solution is to provide IT administrators with a complete view of a data center's performance so that IT equipment and facility infrastructure are used as efficiently as possible. The solution is designed to improve the management of the Data Center's assets (monitor, measure, manage and control) as IT related equipment (server, storage, network switches) and facilities (cooling, spaces...). DCIM collects and consolidates information from a wide spectrum (room,

rack, equipment, energy, infrastructure software, and assets) and suggests the possible optimizations. In this respect, the solution can be used to better understand and streamline the energy consumption. From a client perspective, it means improving energy efficiency (+10%), reducing the carbon footprint, while boosting productivity and increasing savings accordingly. This kind of solution has also to be used to support the sustainability ambition, in particular through the provision and the management of appropriate indicators.

DCIM has been developed together with Siemens being one successful example of how strategic alliances add value to customers.

#### Cloud Computing

The reduction of physical infrastructure with Cloud solutions limits the impact on natural resources and reduces the production of computer waste.

In addition, Cloud is based on pooling and sharing of resources, increasing significantly the usage rate of servers. Reducing the number of physical servers made possible by virtualization is the first lever to reduce CO<sub>2</sub> emissions provided by Cloud computing.

Cloud also reduces significantly energy consumption.

Atos's strength lies in its ability to host the data, extract the information required to act, and to always make them accessible safely. This new era relies deeply on technologies like Big Data, Cloud and Security. In this respect, the acquisition of Bull strengthens Atos expertise, but also reinforces capability to better meet the sustainability challenges of clients.



Whilst it is clear that delivering such a connected world and managing the resulting data will in itself impose an environmental load, the rigorous application of so-called "green-IT" techniques

like virtualization, efficient hardware components and free air cooled data centers etc. will help ensure minimal impact <sup>1</sup>.

The total revenue for Green IT Infrastructure (including Cloud and DCIM) in 2014 was € 403.2 million.

### D.3.2.3 Making the world safer

[G4-EC2]

Without the right expertise and advanced technologies, cyber-crimes, and other unfair practices may increase the vulnerability of information systems. The combined expertise of Atos and Bull ensure to contain the risks mentioned (organizational, technical and legal).

**Protection of the assets:** critical systems or infrastructures, nuclear plants, rails, protection against physical or logical incidents created by the climate change or by bad behaving citizens for instance;

**Enabling emergency services:** to intervene in the best conditions, reducing the time of reaction, optimizing actions, prevention (digital recognition).

**Data Protection and Security:** a new asset of the digital enterprise, especially in the Cloud.

**Compliance with regulations:** in all situations, especially in some specific industries like pharmaceutical or banking.

**Sustainable operations:** paying attention to the environment and how corporate responsibility issues are addressed.

**Protection of the citizens and consumers:** in sensitive issues such as data privacy, endangered by the increasing power of digital systems, advanced marketing techniques.

The total revenue for the sustainability offering Risk and Reputation was € 53.7 million, excluding solutions in the area of People, Safety and Compliance.

### D.3.2.4 Enabling the digital enterprise in a connected world

One of the major last technological revolutions is the connected objects which are communicating and interacting.

From a business perspective, employees are now constantly connected to their business (business applications, collaborative tools, enterprise social network, unified messaging...). Whether they are on clients sites or travel, whether they work on Atos Campus sites or at home, mobility means "always connected". Several solutions meet the challenges of the digitalization and connecting objects:

- "Zero email™" representing social, environmental and economic benefits (more flexibility, less travels, less stress, lower CO<sub>2</sub> footprint, and lower facility costs);
- deliver equipment as a service, including asset performance management, proactive maintenance;
- develop smart apps and embedded IT to further capture consumption or behaviour data;

- redesign products in order to be able to quicker react to customer feedback and market demand, or to integrate new way of producing such 3d printing;
- use of IT as a Service (Cloud), to support these new services;
- assist a patient remotely without local medical service (remote monitoring of a patient at home, remote monitoring of a failing vital function);
- structure and organize the data flow in a health network and allow patients to access their electronic health record;
- allow exchanges between healthcare professionals and knowledge capitalization.

The solutions also include: Social Collaboration (including Zero email™, Enterprise Content Management), MyCity solutions including for instance Smart Mobility or E-traffic management (low emission zone solutions, Real Time Traffic Forecast, Universal Tolling System), e-health services Digital Citizenship.

<sup>1</sup> Eg Bull supercomputer and DCIM techniques (developed with Siemens) for efficient datacenters.

For instance, they have to consider new ways of working to create a new momentum, save money and reduce use of energy and paper (“bring your own device” trend, higher connected mobility and remote collaboration capabilities). And cities have to provide optimal insights for citizens to understand and improve on their energy household in daily routines and on

services a city provides to support citizens in saving on energy like subsidies.

In 2014, the total revenue was € 4.7 million for Smart Mobility solutions, € 108.3 million for Smart Energy Management solutions and € 27.9 million for Social Collaboration solutions.

### D.3.3 Full Partners sustainable ecosystem

[G4-23]

Atos customers want to reinvent their organizations to better comply with sustainability requirements and gain competitive advantage through operational efficiency, digital security and reputation. Within many markets, such as Manufacturing, Transport, Energy & facilities or Public sector for instance, sustainability is actually a key lever. One of the paths to address these expectations is to strengthen the ecosystem of partners to go to market together with some compelling “end-to-end” solutions for customers.

#### SAP solutions combined to Atos expertise

Atos and SAP have set-up a Global Partnership to help customers achieve their sustainability goals, operational excellence, profitable growth, and business continuity.

SAP & Atos partner together provide customers with state of the art solutions based on cutting-edge expertise in the areas of sustainability and IT, relying on Atos recognized leadership in sustainability and SAP® solutions for sustainability. A large part of the sustainability portfolio is available on demand as well as on premise.

Atos runs a comprehensive Sustainability portfolio based on SAP software including environment, health, and safety management; risk management and compliance; sustainability reporting; and energy management. Through Canopy – the Atos Cloud Company – Atos offers Enterprise Sustainability from the Cloud, including sustainability reporting.

#### Atos & Siemens, enhancing together technology and sustainability

The strategic Alliance with Siemens has enabled Atos to combine knowledge and experience of operating datacenters to help customers decrease their carbon footprint, managing the datacenter infrastructure to make energy savings and increase the level of reliability and safety of their operations.

In the city space, the jointly developed Low Emission Zone solution enables cities to address rising pollution levels in designated areas. To-date Atos and Siemens has initiated

several new projects together on prospective topics in Energy, Transport and more transversal topics such as Data Analytics and Internet of Things, which will play a crucial role in the performance of the cities in a near future, providing new tools for decision support.

In the Big Data space for manufacturing customers, the joint investment platform with Siemens is enabling the customers of Atos partner to gain more transparency on the performance of their plant equipment, and thereby create direct impact over the energy efficiency of their production environment, leading to significant energy savings and direct impact on carbon footprint.

#### Atos and Bolloré

In 2014, Atos launched the first application of Augmented Reality for the electric car. Developed in partnership with the start-up Diotasoft, the solution has been designed for the sales forces of Blue Solutions, a Bolloré Group subsidiary, as a tool to support the marketing of Bluecar, the Bolloré electric car, and the expansion of car-sharing services throughout the world.

Atos and Bolloré Group have extended their collaboration on the MyCar project, the electric connected fleet car of Atos. To meet the business uses, a system of provisional booking has been developed in collaboration with Atos, together with a detailed reporting service on the use of the fleet. The development of new services will benefit all businesses customers Bolloré group wishing to deploy a fleet like Atos. In addition, Atos has launched a new initiative to test the electrical load devices (wall box) as part of an extension of MyCar initiative in its data-centers located near Paris. The objective is both to test this technology and measure the value added of an electric fleet to the needs of Managed Services activities.

Augmented Reality superimposes, in real time in a 3D environment, virtual items over real-images, thereby offering the user the possibility to become immersed in a new mixed environment and to transform and improve his/her experience. The Augmented Reality applications are of interest to multiple sectors such as tourism or media, and also increasingly to industry, health, education and research..., as learning, business intelligence or support and maintenance tools, etc.



### D.3.4 Generating value for clients through sustainable and innovative solutions - KPI overview

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-PR5</b>	<b>Customer satisfaction survey</b>							
PR5_A	Overall Customer Satisfaction from Tactical surveys (score from 0 to 10)	7.8	7.6	Not disclosed	-	100.00%	-	100.00%
	Overall System Integration Customer Satisfaction from Tactical surveys (score from 0 to 10)	8.3	Not disclosed	Not disclosed	-	100.00%	-	-
PR5_A	Overall Customer Satisfaction from Strategic surveys (score from 0 to 10)	7.6	7.07	7.0	-	100.00%	-	100.00%
<b>G4-EC2</b>	<b>Financial implications and other risks and opportunities due to climate change</b>	Qualitative						
<b>G4-EC7</b>	<b>Development and impact of infrastructure investments and services supported</b>	Qualitative						
<b>AO7</b>	<b>Sustainable projects with clients</b>							
AO7_c1	TCV solutions Green IT infrastructure	403,239,000	Not disclosed	Not disclosed	-	100.00%	-	100.00%
AO7_c2	TCV solutions Smart citizenship (digital citizenship)	77,598,000	14,514,944	Not disclosed	-	100.00%	-	100.00%
AO7_c3	TCV solutions Operational excellence – Energy Management	133,418,000	121,014,774	Not disclosed	-	100.00%	-	100.00%
AO7_c4	TCV solutions People, safety and compliance	1,319,000	1,309,000	Not disclosed	-	100.00%	-	100.00%
AO7_c5	TCV solutions Risk and reputation (ISRM)	53,700,000	51,650,000	Not disclosed	-	100.00%	-	100.00%
AO7_c6	TCV solutions Sustainability offerings	669,274,000	188,488,718	Not disclosed	-	100.00%	-	100.00%
<b>AO10</b>	<b>Initiatives regarding innovative services/product developments</b>							
	Customer innovation workshops delivered in GBUs	123	114	11	-	100.00%	-	100.00%
<b>G4-PR8</b>	<b>Customer complaints</b>							
PR8_A1_c1	Number of third party complaints regarding breaches of customer privacy, higher than € 100000	0	0	Not disclosed	-	100.00%	-	100.00%
PR8_A1_c2	Number of customer complaints regarding breaches of customer privacy, higher than € 100000	0	0	Not disclosed	-	100.00%	-	100.00%
<b>AO3</b>	<b>Data Security Incidents</b>							
AO3_c2	Percentage of Open Security Incidents open vs closed	6.23%	Not disclosed	Not disclosed	-	99.58%	-	-
AO3_c3	Percentage of employees who successfully performed the Safety & Security E-learning	71.31%	72%	Not disclosed	-	100.00%	-	-
AO3_c4	Percentage of employees who successfully performed the Data Protection E-learning	64.78%	Not disclosed	Not disclosed	-	100.00%	-	-
AO3_c5	Percentage of Compliance to Virus Defence Policy	85.71%	Not disclosed	Not disclosed	-	99.58%	-	-
AO3_c6	Weighted Intrusion Rate of Internet in GBU	29	Not disclosed	Not disclosed	-	99.58%	-	-
AO3_c7	Weighted Intrusion Rate of Intranet in GBU	59	Not disclosed	Not disclosed	-	99.58%	-	-
AO3_c8	Weighted Intrusion Rate of Service Network in GBU	41	Not disclosed	Not disclosed	-	99.58%	-	-
AO3_c9	Percentage of coverage of ISO 27001 certifications	100.00%	Not disclosed	Not disclosed	-	99.58%	-	-

AO3 excludes Major Events and CES (blueKiwi, Canopy, and Yunano).

## D.4 Being an ethical and fair player within Atos' sphere of influence

### D.4.1 Ethical excellence within the entire group

#### D.4.1.1 Compliance

[G4-DMA-Anti-corruption] and [G4-DMA-Compliance]

In the last few years, Atos' presence has been reinforced in market, with a higher exposure to compliance risks.

In addition, national regulations and customers (including in exposed countries) tend to be more and more demanding regarding the compliance processes and procedures in place to ensure efficient compliance. To mitigate and prevent these risks, Atos has deployed an effective compliance program, which was reinforced in 2014 in many areas.

#### Compliance Governance

A reinforcement of the Compliance governance was approved by the Group Executive Committee of Atos and will be implemented during the first semester of 2015.

This new governance aims to achieve the three following objectives:

- an even stronger connection to the Group Top Management through the Group Compliance Steering Committee ("Tone from the Top"): The Steering Committee will focus on strategies and priorities of the Compliance program and is led by the EVP Group General Counsel, who is Atos Group Chief Compliance Officer and also member of the Group Executive Committee;
- a stronger involvement of operations through the Atos Service Lines and increased cross-functional approach in the Operational Compliance Committee: Chaired by the Head of Compliance reporting to the Group Chief Compliance Officer and member of the Legal, Compliance and Contract Management department, this committee will focus on cross-functional actions;
- creation of reach out into the local operations through the GBU Compliance Committees: some GBUs have already set up their committees (Germany, UK, Brazil...). The objectives for 2015 is to deploy such committees in all the GBUs, thus increasing a consistent approach to the Compliance Program, by rolling out and monitoring compliance matters in accordance with the Group Operational Compliance Committee (top down) and by reinforcing the compliance related reporting to the Group (bottom-up).

Any allegations of non-compliance detected within the Company are deemed to be reported to the Head of Compliance and/or to the Head of Internal Audit, who will launch the Non Compliance Response process [G4-49].

The Non Compliance Response Process is an internal process (defined in the Group's Anti-Fraud policy) to be followed after a case breaching the Code of Ethics, and/or infringing the laws and regulations has been detected. This process defines how to investigate report and take decisions, such as remediation actions in a measurable and consistent manner, in case of non-compliance behaviors.

Any case which is investigated by the Non Compliance Response Team led by Head of Compliance are reported to the Group Chief Compliance Officer, who will report to the Group Executive Committee any case investigated at Group level through the Non-Compliance Response Process and confirmed as an actual critical concern.

For 2014, five critical concerns were addressed at global level through this Non-Compliance Response Process [G4-50].

Since 2012, an Ethics Committee, composed of independent and highly respected external personalities, has been created to think about the strategy and impulse realizations in terms of Ethics within Atos, with the support of the Group Chief Compliance Officer, the Group Human Resources Director and the global Compliance team. This committee has reviewed Atos Code of Ethics and has presented a number of constructive proposals to the Board of Directors for consideration.

#### Policies to prevent from compliance risks [G4-56], [G4-57] and [G4-58]

Participant since 2010 to the UN Global Compact, Atos has implemented several internal policies, to prevent compliance risks such as bribery, corruption, violations of competition laws and export control laws, and fraud in general.

Atos set up several measures to prevent bribery risks [G4-S05]:

- any intermediaries, consortium partners or consultants assisting Atos in developing/retaining its business are screened before any relationship starts: their behavior and knowledge of ethics are essential elements which are verified beforehand. In case of risk of corruption/insolvency/disproportion regarding the compensation, the business partner is screened by Global Compliance, which recommends or not the approval by the Group General Counsel. The Group CFO is the final approver of a business partner;

- in 2014, several templates of contract, for these business partners, elaborated by the Compliance team with the strong support of the local compliance network, were launched: they are available to all Atos lawyers, ensuring a wording corresponding to the risk related to each category of business partner;
- in addition, to prevent Atos from any disproportionate contribution given or received by an Atos employee, a Contribution Policy, aiming to screen any gift, invitation, hospitality packages or any other contribution for which Atos is recipient or provider, allows a review by management in case of identified risk.

In addition, Atos has developed and deployed several policies linked to the principles of its Code of Ethics described in section G.2:

- policies preventing from any non-competitive behavior in general, and especially in meetings with clients or potential competitors;
- an Export Control policy, explaining main principles and prohibitions related to the Export Control regulations, and providing clear processes to mitigate risks;
- policy related to the fight against Fraud, with a process of reporting and investigation of any broadly defined fraud within Atos, with roles and responsibilities explained for each function: this policy explains how employees can report any allegation of fraud, including any non-compliant behavior, or request advice on the compliance of a behavior [G4-57 and G4-58]. Local General Counsels are points of contact and ensure reporting to the Group General Counsel Compliance.

Compliance is one of the key aspects reviewed in the internal process which review and validate the business opportunities and the offers of Atos Group [G4-SO3].

In 2014, the Compliance Function involvement in the internal process of offer review was improved. This improvement was achieved by:

- a review of the compliance related questions, to ensure a better checking of all risks related to non-compliance;
- a direct involvement of the Global Compliance Team in the deals based in a country at risk, aiming to support the Business and local Legal team with specific recommendations.

Thus, in 2014, the Group did not suffer of any significant fines or non-monetary sanctions for non-compliance with laws and regulations [G4-SO8], neither claims with clients or suppliers related to corruption [G4-SO5].

### Improvement of the awareness [G4-56]

Atos aims to promote awareness of employees with respect to company policies through appropriate dissemination of these policies, including through training program is part of Atos compliance program.

First, Atos deployed a strong implementation plan of its compliance policies: any compliance policies, such as the policy on gifts, entertainment and other contributions need to be presented to local boards and local work councils, which makes enforceable the policies' content within the Group. Then, the next step of this implementation plan is the launch of mandatory global and local specific communication to the employees of the new compliance policies.

Second, through Atos Enterprise Social Network, blueKiwi, Compliance team ensures an up-to-date communication channel directly with employees who can join a specific community, called "Legal Compliance Organization": the objective is to give information on compliance matters, internal policies, rules, and be a tool for employees to raise questions on compliance or the use of policies.

In 2014, case studies on corruption were explained through this communication channel, ensuring a better understanding by the employees of the risks related to corruption.

Regarding awareness, the launch in September 2013 of specific e-learning on the Code of Ethics has made possible for Atos to achieve another step in the improvement of its compliance program. Atos Code of Ethics has been attached to all employment contracts dated as from January 1, 2011. This specific training on the Code of Ethics' principles will ensure a better understanding of the Code and promote fair practices in the daily business activities. This e-learning is mandatory for all employees, regardless their job, function, country and hierarchical level.

To complement this e-learning module on the Code of Ethics, specific classroom training sessions were organized in some GBUs for top managers.

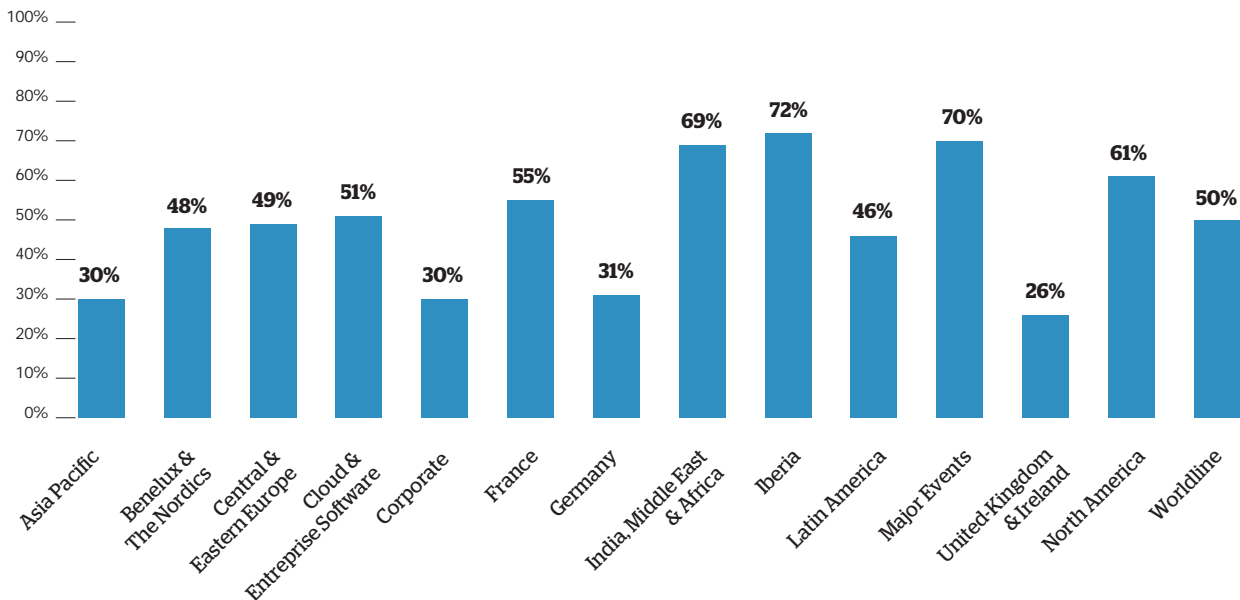
In H2 2014, a new classroom training on the Code of Ethics was elaborated and deployed in some GBUs to replace the former content: ETO<sup>2</sup>S training ("Ethics in Tier One Organization School) presents the responsibilities and the risks of non-compliance for Atos and the managers related to the principles of the Code of Ethics, explains the main Atos policies and processes to ensure compliance with these principles, and gives concrete advices to be an ethical manager in the daily work.

In 2014, 53% of employees completed the e-learning on the Code of Ethics and 466 managers were trained in classroom trainings [G4-SO4].

Since the launch in 2013 of the e-learning on the Code of Ethics, 75% of employees have been trained (cumulative figures).



#### NUMBER OF PEOPLE WHO COMPLETED THE E-LEARNING ON THE CODE OF ETHICS IN 2014 [G4-SO4]



In addition, ETO<sup>2</sup>S training is planned to be used to train persons who are concerned in their day-to-day professional activities with the content of the Code: leading by example, in Germany, 133 Sales team members participated to ETO<sup>2</sup>S sessions in 2014.

Finally, in 2014, the Legal, Compliance and Contract Management Department has launched a Certification Program for lawyers and contract managers who need to have a wide set of skills and range of knowledge in their legal organization. Compliance e-learning are part of this Certification Program, highlighting

the role of the department to ensure compliance and giving an overview of the legal aspects of:

- Code of Ethics' principles;
- anti-trust;
- dawnraids;
- fraud;
- export control.

#### D.4.1.2 Data Protection

[G4-16] and [G4-DMA-Customer privacy]

Every day, Atos processes Personal data for its own purposes or as a processor, on behalf of its customers. The importance and value of personal data in the day to day business cannot be discussed. Sometimes called the new black gold, personal data indeed raise a lot of concerns from both Atos customers' and Atos employees' side.

##### Atos comprehensive data protection approach

First of all, being a fundamental right, the protection of Personal data is key for all Atos employees who expect from Atos a level of compliance which as close as possible to the strictest applicable legal regime. Secondly, the business opportunities created by the processing of personal data are tremendous as demonstrated by the growth, evolution and debates on Big Data. For these very reasons, the processing of Personal

data requires Atos to adopt strong commitments as well as to implement strong organizational and security measures to guarantee to its employees' and its clients' personal data a high level of protection.

For this purpose, Atos has developed a comprehensive data protection approach which relies on four pillars.

The first pillar is the Atos Group Data Protection Policy. It sets up data protection principles based on the provisions of the EU Directive 95/46 on data protection which are considered to be some of the most protective principles in terms of Personal data.

This pillar was further strengthened by Atos obtaining approval by the European Data Protection Authorities of its Binding Corporate Rules for the processing of personal data both as a data controller (i.e. for its own purposes) and as a data processor

(i.e. for the processing of its customer's data). This approval, presented in section 3.1.2, constitutes an official recognition of Atos' comprehensive approach to data protection approach based on the highest European standards of regulations, deployed internally as externally.

As the principles of "privacy by design" drive data protection at Atos, the second pillar is constituted of procedures which are also described in the Group Data Protection Policy. These procedures ensure that privacy is embedded in all processing of personal data made by Atos on its behalf or on behalf of its Customers.

In order to ensure that these principles and procedures are effectively implemented, a strong, permanent and certified Data Protection Community is set up and constitutes the third pillar of Atos Data Protection Program.

This community is coordinated by a Group Data Protection Officer, reporting to the Group General Counsel and to the Group Head of Human Resources.

It is organized on the basis of a Network of Local Data Protection Offices composed of Legal Experts on data protection legislation and of Country Data Protection Officers having a more technical and security focused background.

Finally, Atos is convinced that Data Protection would not be sufficiently addressed if its employees lack awareness and knowledge on data protection and more particularly on Atos Data Protection Policy. Atos has therefore, as a fourth pillar, developed a training targeting all Atos employees to create general awareness on the topic as well as more specific trainings to point out the issues employees face in their particular domain of expertise.

The general training for all Atos employees is a mandatory e-learning module educating employees on what data protection is intended for, on how to determine what is "personal" data in order to be able to identify it, on the contents and principles defined in the Atos Data Protection policy and the data protection

organization, and explaining rights and obligations related to data protection for Atos employees.

In 2014, 65% of Atos employees completed this Data Protection e-learning [AO3].

The results of these commitments and principles governing Atos' approach to the protection of personal data generate concrete benefits both for Atos but also for its ecosystem generally. Indeed, this commitment has incited our providers and clients to adopt similar standards of protection of personal data, therefore creating a virtuous circle of compliance. Furthermore and from an operational perspective, in 2014, Atos did not receive any complaints regarding breaches for customer privacy [G4-PR8].

### Data Protection in the Cloud [G4-16]

In addition to this internal data protection program, Atos has decided to play an active role in the field of Cloud computing. Atos is indeed represented by its Chairman and CEO, in the European Cloud Partnership which brings together industry and the public sector to establish a Digital Single Market for Cloud computing in Europe. Atos is also represented in different working groups set up by the European Commission to develop standardized tools such as a Code of Conduct and Standard Clauses to increase Customers confidence in Cloud offers.

In the continuity to the "Cloud Computing" report co-written by Thierry Breton and Octave Klaba (OVH CEO) and submitted to French Ministry for Industrial Renewal on January 31, 2014, Atos seized the opportunity to work with the French Network and Information Security Agency (ANSSI) to bring closer together the initiatives going forward to a "Secure Cloud" referential taking into account the requirements of the "Cloud computing" report (first measure of the report).

From July to December 2014 Atos had the opportunity to share its view of a secured Cloud environment with ANSSI and make proposals and comments on their Cloud security referential.

### D.4.1.3 Asset Protection

Atos has a Safety and Security organization in place to protect Atos assets and the assets of its customers<sup>1</sup>, from all threats, whether internal or external, deliberate or accidental.

#### A transverse approach to the protection of assets

Atos Group security organization has a set of 50 Global Security and Safety policies, standards and guidelines. The Atos Group security policies are mandatory and binding for all Atos entities and employees in order to guarantee the safety and the security of Atos internal and external (i.e. "Customer related") business processes. They apply to all staff, contractors and consultants throughout the Atos organization.

The Atos Group Safety and Security policies encompass the protection of all Atos assets, whether owned, used or held in custody by Atos (information, intellectual property, sites, network, personnel, software and hardware).

Since 2013, the main Atos security policies are integrated in the Atos "Book of Internal Policies":

- AP90 Atos information Security Policy;
- AP91 Atos information Classification Policy;
- AP92 Atos Safety Policy;
- AP96 Atos IT acceptable use Policy.

In addition, Atos has put in place measures and policies to protect its intellectual property assets and confidential information, including, but not limited to, the use of confidentiality agreements, encryption and logical and physical protection of information where required.

Furthermore the Atos Legal, Compliance and Contract Management Department advises on all commercial transactions as to ensure that appropriate provisions are included in its contracts with customers and suppliers and that confidential matters are appropriately dealt with and in compliance with applicable laws.

### Security Management System, organization and governance

Atos' Information Security Management System (ISMS), built in 2001, is enforced across all GBUs, Worldline and Service Lines and Atos initialized extension to Bull activities in 2014. The Security organization is aligned with the continuous improvement cycle related to this ISMS.

Following 2013 initiatives, Security organization and governance continued to be reinforced in Atos Global Service Lines (e.g. Managed Services and Consulting & Systems Integration) as well as further assignment or set up of Security Management teams and roles to address specific areas (e.g. creation of a Computer Security Incident Response Team). Group security Governance is structured around weekly calls under the responsibility of the Group Chief Security Officer – Head of Security, with all Group and GBU security officers, representatives from all Atos entities.

During weekly calls, security officers from all part of the Group organization are working all together on:

- tracking all decisions and actions around the security;
- reviewing all the security events and security incidents of global interest;
- reviewing results of all the vulnerabilities scanners running since the second semester of 2013 on all categories of Atos networks (Internet, Intranet, production environments);
- improving the security management system.

The Group's main certifications regarding security include: ISO 27001, ISAE 3402 (previously known as SAS70) and PCI/DSS for Worldline (payments industry).

### Security Key Performance Indicators and reporting

From a security performance management perspective, Atos is monitoring the deployment of ISO 27001 at all the Atos business activities.

In 2014 Atos succeeded to extend the scope of his Information Security Management System which is now implemented at 100% of the GBUs (APAC, BTN, CEE, France, Germany, Iberia, IMEA, Latam, NAM UK-IR and Worldline) which have sites certified on the ISO 27001 standard by external auditor [AO3].

In addition to these high-level indicators, technical monitoring and reporting are in place to act proactively on security anomalies (weekly security watch analysis, monthly monitoring of firewall configurations, weekly vulnerability scans, yearly penetration tests, reviews of access rights, intrusion detection systems, and monitoring and logging of system events). All these measures are part of the Atos security framework.

## D.4.2 Ethics in the Supply Chain

[G4-DMA-Procurement practices]

### D.4.2.1 A permanent dialogue with Atos suppliers

[G4-12]

Atos Global Procurement is organized in 3 areas working together both at Global and Local levels: Global Categories, Global Process & Development and GBU Purchasing departments.

All GBU Process Managers report direct line to Global Process & Development Director, according to the Global Purchasing Policy.

Supplier relationship Management within Atos means the consistent and sustained implementation of the following activity by the relevant Category Manager, Lead Buyer or GBU Buyer, for global and key local suppliers:

- supplier selection & supplier qualification;
- project or Bid supplier selection;

- supplier relationship management (QCDIMS: Quality, Cost, Delivery, Innovation, Management, Sustainability).

Procurement has also been improving its processes and systems globally in order to simplify the interactions with suppliers. The usage of e-Sourcing has developed; a contract management system including online authoring has been successfully implemented, as well as an online supplier information and performance management system (SIPM) which has been launched at the end of the year.

The Process and Tools has been working in close collaboration with Global Finance and Global IT team to implement a system to transmit electronic purchase orders to our suppliers and receive electronic invoices directly in our accounting system. This project called Zero Paper aims at eliminating paper invoices, reducing wrong or lost invoices, reducing manual interventions

in invoices handling, offering more visibility on invoices status to suppliers, and hopefully reducing delayed payments. Thus it will improve relationships with our suppliers, especially the ones transacting numerous purchase orders and invoices with Atos.

Since May 2014, Atos Global Procurement has taken the lead on the development of purchasing with sheltered workshops ("Entreprise Adaptée" et "Etablissement et Service d'Aide par le Travail": French companies employing at least 80% of disabled people) for France.

As a result, the amount spent with sheltered workshops in France has grown from € 179, 000 in 2013 to € 380,000 in 2014. For Bull, in France, the estimated amount for 2014 is € 77,000.

In Spain, thanks to the involvement of the Atos local procurement team, the spend with sheltered workshops ("Centros Especiales de Empleo") has reached € 1,376 million.

For Atos in Czech Republic and in Slovakia, the forecasted spends are respectively € 35,000 and € 7,000 for 2014.

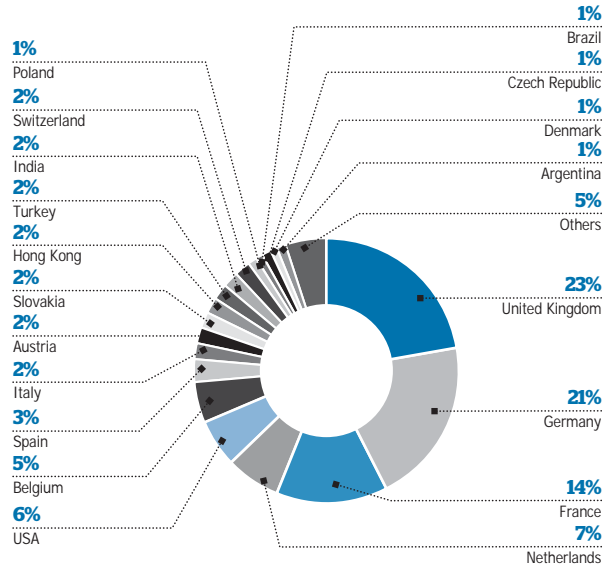
In 2014, Atos Global Procurement department's ambition was to integrate of Bull entities into Atos Group and find additional synergies. Most of the suppliers used by Bull were already used by Atos. The specific suppliers linked to Bull manufacturing activities will be assessed on their CSR performance in 2015.

Indeed, the objective of Atos Procurement organization is to concentrate spend on fewer suppliers (Globally and at Country level), thus reducing the number of suppliers to manage. By 2016, 80% of Atos total spend should be done with 200 suppliers, while it is today done with 561 suppliers, representing 3.67% of Atos entire supplier database.

Likewise, Atos spend profile confirms that we are operating neither in risky countries nor on risky categories.

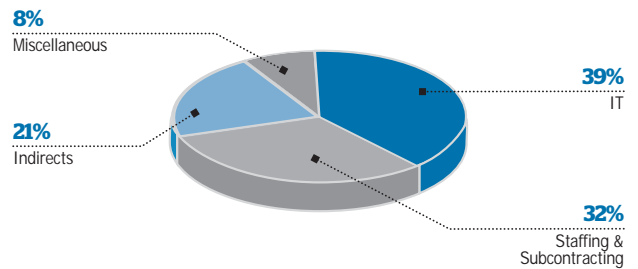
On the 50 Countries where Atos procurement is operating, six countries (United-Kingdom, Germany, France, Netherlands, USA and Belgium) represent 75% of the spend while 36 countries represent 10% of the total spend. The ten largest countries representing 84% of Atos spend are under control in terms of sustainability and all located in Europe and North-America.

#### ATOS SPEND BY COUNTRY [G4-EC8]



Since we are a service company, a large part of our purchases are concentrated on people-related areas. Indeed, 32% of Atos total spend is dedicated to Staffing & subcontracting. Including Facility management and Professional services, it represents 46% of Atos total spend. These categories indirectly generate employment in countries where strong labour laws are in place. On the other hand, IT spend represent 3% of Atos total spend and is done with the largest IT tier one suppliers, which are all fully in line with our sustainability objectives.

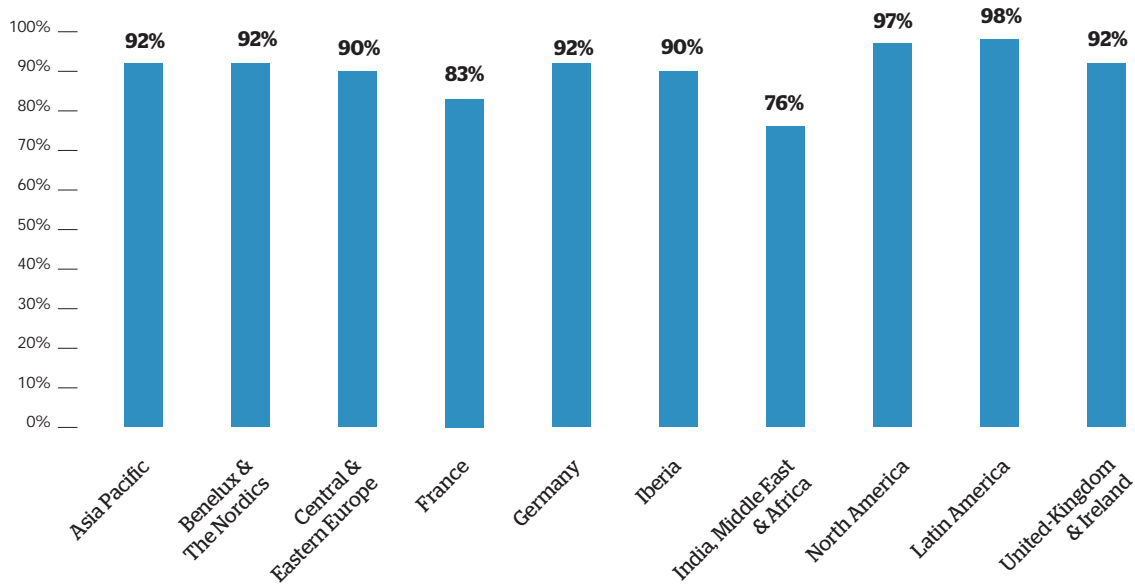
#### ATOS' SPEND 2014 BY CATEGORY [G4-12]



Miscellaneous are mainly real estate and utilities (electricity and telecom) invoices; categories which are exceptions to no PO no pay rule.

Finally, although Global Procurement teams aims to centralize spend and sign global agreements with larger suppliers, 90% the delivery of goods and services are done at local level, reducing our impact on the environment. This is explained by the usage of group located in numerous countries or the usage of distributors for IT materials.

**PERCENTAGE OF PROCUREMENT BUDGET SPENT ON LOCAL SUPPLIERS BY GBU**  
**[G4-EC9]**



**D.4.2.2 Enhance Sustainable relation**

Atos Sustainable Supplier Charter is available on Atos website to anyone interested to know more about Atos sustainable procurement values. It is distributed to all suppliers participating to a request for proposal with Atos and is attached to all contracts. The charter's objective is to summarize principles and actions undertaken by Atos Procurement department for Corporate and Social Responsibility. It encourages Atos' suppliers to follow the principles of the UN Global Compact in the areas of human rights, labour, the environment and anti-corruption. In the context of Request for Proposals, suppliers are also informed that they should respect these principles to be able to work with Atos. Moreover, they might be assessed by EcoVadis on their CSR performance at any time during their contract with Atos.

As explained in section D.4.2.1, Atos Procurement's objective is to strengthen the relationship with key suppliers (Top 200) and have most of them assessed by EcoVadis on their CSR performance. EcoVadis assessments are done on four levels: Environment, Labor practices, Fair business practices and Supply chain. Suppliers are asked to answer to a detailed questionnaire about their engagement in CSR and required to provide documents supporting their answers. Then, a team of CSR experts analyses the answers and documents in detailed

in order to give a global score (on 100), a score per area and detailed comments including improvement schemes.

In 2014, 89 suppliers from 15 countries have been scored by EcoVadis representing 31% of the total spend and 16% of our strategic suppliers [AO17] and [G4-SO3].

The selection was based on the level of spend, the category risk level and the geographic risk.

With the usage of blueKiwi (Atos ESN), the entire purchasing community is aware about the relationship with EcoVadis and the status of the ongoing assessments of strategic suppliers.

In total, at the end of 2014, Atos had a vision on 177 suppliers EcoVadis scorecards. The average score is 49.3, which confirms the following assessment:

- a structured and proactive Corporate Responsibility approach;
- policies and tangible actions on major topics;
- easy reporting on actions or performance indicators;
- company embraces continuous performance improvements on corporate responsibility and should be considered for a long-term business relationship.



Suppliers with insufficient scores (below 35/100) are required to implement corrective action plans and to be re-evaluated after 12 months. In 2014, less than 10% of our panel had low scores, usually because of a misunderstanding of EcoVadis assessment process and platform. However, if a supplier refuses to participate to EcoVadis assessment or is not willing to cooperate with Atos to improve its CSR performance this will, in most cases, lead to very few or no contracts being placed with that vendor.

Atos objective in 2015 is to better integrate this CSR assessments into the suppliers management process (during RFP phase and the performance evaluation process). This will be facilitated by the growing usage of our e-Sourcing platform and Suppliers Information and Performance management platform.

Likewise, Atos has been assessed by EcoVadis on its CSR performance and obtained the score 70/100, improving last year score by 2 points and validating the Gold Recognition Level from EcoVadis. A new scoring will be initiated in January 2015.

### D.4.3 Responsible Company in the territorial anchor

#### [G4-EC8] and [G4-DMA-Economic performance]

In 2014, Atos continued to act upon its engagement, as a private corporate organization, to the society. In addition to maintaining and creating employment during increasingly challenging business and economic contexts, providing services making a positive impact on the daily life of citizens and society at large in varied sectors such as but not limited to, healthcare, education, financial services, waste and resource management, sustainability, social collaborations at large, Atos also expanded its Corporate Citizenship actions across several geographies and initiated new initiatives in places that had not formal programs yet.

The inclusive business model that underpins and represents a key enabler to drive corporate citizenship actions and to power society at large is continuously developed and enhanced both internally within the organization and externally with non for profit organizations and several partners of Atos. In an environment that becomes increasingly "socially connected", the inclusive business model is no longer a model, or a concept, it is has become a day to day reality for each and every Atos' stakeholder. The question is no longer if an inclusive business model is legitimate, but how it can be lived to always greater extent.

Atos staff, jointly with their business and social partners, in their individual and collective capacities, are conceiving and executing programs and solutions aiming to sustain in the long term, i.e. "build now for the long term" are the highest and to make future proof organization a reality always more tangible and demonstrable. Numerous examples illustrate the collaborative and innovative approach of Business Technologists at Atos who aim to make a positive impact and outcome of their work. Programs and solutions are becoming increasingly complex as they need to take into account almost infinite parameters, sources, interfaces with systems, deal with always greater volumes of data and adapt shall anticipate increasingly complex and implicit needs.

In 2014, Atos has continued to embrace the next generation approach to corporate citizenship where responsible business practices are woven into Atos corporate DNA, backed up by Board oversight and engagement and by layered management structures, systems, processes, and policies that make citizenship part of every employee's remit, across Atos value chain. Atos continued to raise understanding and conscience, to Atos staff, internal and external stakeholders, of the socio-economic impact of Atos operations, and why and how its core competencies and strengths do apply to address societal and development challenges through the core business. It also aimed to reinforce toward Atos staff, the necessity and benefits, both individual and collective to embrace corporate citizenship actions.

Externally, toward non for profit organizations and civil society organizations, Atos has continued to apply its governance for engagement of non for profit to ensure that concrete initiatives do optimally leverage core skills and competences of Business Technologists, reach out communities, in need and have a material impact to the society. Atos also raised awareness of its corporate citizenship actions which have demonstrated real positive impact, to clients, external stakeholders and towards its own staff. Communication press releases were issued in several geographies in Europe, Asia and India. The annual Sustainability Day was rich in knowledge and news sharing about Corporate Citizenship and social actions in motion. In India, one of the largest and highly renown non for profit was invited at the two main locations of Atos, to present and invite Atos staff to consider their day to day business practice, such as but not limited to efficiency and risks management, as leavers for more sustainability in the Non for profit world.

Corporate citizenship and civic engagement continues to leverage Atos well established entrepreneurship in the public interest:

- Atos is an important stakeholder within society (employment, technologies & solutions enabling progress of society, environmental footprint);
- Atos experiences rapid growth in the BRIC's & several fast emerging countries;
- Atos is a prime partner of governments and public services (national and local authorities);
- Atos is a prime partner of basic & essential commodities/ services: energy/utilities, transportations, communications & collaboration and financial transactions/payments;
- Atos is a prime contributor to the Digital economy.

The core themes underpinning social innovation remain unchanged in areas which are intimate to its core competencies:

- access/equality to education – IT literacy: IT science, IT enabling computer/assisted instruction (CAI);
- women empowerment & inclusion: promotion of women in science, higher education of women, women at work;
- youth employability & empowerment in the ICT economy;
- social cohesion/giving back to the community: Community outreach & Program determined by geographic proximity, business activity – oriented, or employee – led;
- welfare/wellbeing improvement in deprived areas (including Educational activities);
- digital inclusion.

During 2014, Access/Equality to Education and community outreach initiatives have remained important areas of focus as being even more relevant to OECD countries where economic and social contexts remain challenging, inequalities and social exclusion develop rapidly. Highly motivated skilled staff and competences and ICT solutions are concrete elements influencing positively perseverance at school and education at large.

Atos has been engaged on several Digital Inclusion initiatives, alongside NGOs, corporate partners, policy makers, and media and sports organizations. Contributions that Atos brought include, IT adaptive technologies and innovation and specific and focused professional skills and experience in Digital Inclusion.

In 2014, 8,661 employees took part in several programs worldwide. The initiatives ranged from social engagement through free IT teaching, volunteering in schools in deprived areas, delivering ICT projects, to sporting activities that help raise funds for charities.

In total, Atos has spent more than € 1 million on funding for social communities in 2014. This amount includes the donations to charity and social communities, plus the commercial initiatives and the community investments as defined in the London Benchmark Group (a reference model used for by Atos to report on the Social Contribution) [\[G4-EC1\]](#), [\[G4-EC7\]](#). A total amount of € 35.2 million was received in financial assistance from governments in 2014 [\[G4-EC4\]](#).



### D.4.4 Being an ethical and fair player within Atos' sphere of influence - KPI overview

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-SO4</b>	<b>Percentage of employees trained to the Code of Ethics</b>							
	Number of employees trained in Code of Ethics	40,395	24,634	1622	-	-	100.00%	-
	Percentage of employees trained in Code of Ethics	52.77%	31.86%	2.11%	-	-	100.00%	-
SO4_D_b1	Number of management employees trained in Code of Ethics	466	Not disclosed	Not disclosed	72.25%	-	-	-
SO4_D_b2	Number of targeted management employees	645	Not disclosed	Not disclosed	72.25%	-	-	-
SO4_D_c1	Percentage of management employees trained in Code of Ethics	72%	Not disclosed	Not disclosed	72.25%	-	-	-
SO4_E1	Number of employees who successfully completed the web based Code of Ethics training	39,929	24312	Not disclosed	100.00%	-	-	-
SO4_E2	Percentage of employees who who successfully completed the web based Code of Ethics training	52%	32%	Not disclosed	100.00%	-	-	-
<b>G4-SO5</b>	<b>Actions taken in response to incidents of corruption.</b>			Qualitative				
SO5_A1_c2	Number of claims with clients or suppliers related to corruption, higher than € 100000	0	0	Not disclosed	100.00%	-	100.00%	-
<b>G4-SO8</b>	<b>Significant fines for non-compliance</b>							
SO8_A1_c1	Total value of significant fines (higher than € 100K) (€)	0	0	0	-	100.00%	-	100.00%
SO8_c3	Number of significant fines (higher than € 100K)	0	0	0	-	100.00%	-	100.00%
<b>G4-LA1</b>	<b>Organizational workforce in headcount and Employee Turnover</b>							
LA1_A	Number of employees at the end of the Reporting Period (Legal staff)	76,556	76,320	76,742	100.00%	-	100.00%	-
LA1_A	Females at the end of the Reporting Period (Legal staff)	21,330	Not disclosed	Not disclosed	100.00%	-	-	-
LA1_A	Males at the end of the Reporting Period (Legal staff)	55,226	Not disclosed	Not disclosed	100.00%	-	-	-
G4-10_C	Total Employees (including supervised workers: interims + interns + subcos)	83,728	83,121	99,250	100.00%	-	100.00%	-
	Percentage of employees with a permanent contract	98.49%	98%	98%	100.00%	-	100.00%	-
G4-10_A	Males with a permanent contract	54,399	Not disclosed	Not disclosed	100.00%	-	-	-
G4-10_A	Females with a permanent contract	21,001	Not disclosed	Not disclosed	100.00%	-	-	-
	Percentage of employees with a temporary contract	1.51%	1.79%	2%	100.00%	-	100.00%	-
G4-10_A	Males with a temporary contract	827	Not disclosed	Not disclosed	100.00%	-	-	-
G4-10_A	Females with a temporary contract	329	Not disclosed	Not disclosed	100.00%	-	-	-
	Percentage of employees in Full Time working	90.91%	Not disclosed	Not disclosed	100.00%	-	-	-
G4-10_B	Number of male in full time employment	52,214	Not disclosed	Not disclosed	100.00%	-	-	-
G4-10_B	Number of female in full time employment	17,386	Not disclosed	Not disclosed	100.00%	-	-	-
	Percentage of employees in Part Time working	7.31%	Not disclosed	Not disclosed	100.00%	-	-	-



GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
G4-10_B	Number of male in part time employment	2,132	Not disclosed	Not disclosed	100.00%	–	–	–
G4-10_B	Number of female in part time employment	3,464	Not disclosed	Not disclosed	100.00%	–	–	–
<b>Employee Hiring</b>								
LA1_A	New employees hires during the Reporting Period	12,417	Not disclosed	Not disclosed	100.00%	–	–	–
LA1_A	Males hires during the Reporting Period	8,409	Not disclosed	Not disclosed	100.00%	–	–	–
LA1_A	Females hires during the Reporting Period	4,008	Not disclosed	Not disclosed	100.00%	–	–	–
<b>Employee Turnover</b>								
LA1_B	Number of employees leaving employment during the Reporting Period	12,177	Not disclosed	Not disclosed	100.00%	–	–	–
LA1_B	Males leaving employment during the Reporting Period	8,881	Not disclosed	Not disclosed	100.00%	–	–	–
LA1_B	Females leaving employment during the Reporting Period	3,296	Not disclosed	Not disclosed	100.00%	–	–	–
<b>G4-EC1</b>	<b>Community investments (Economic value distributed)</b>							
EC1_A6_c1	Total community investments (€)	1,266,097	999,204	1,099,845	–	86.85%	–	84.54%
EC1_A6_c3	Donations to Charity	815,825	623,716	410,766	–	86.85%	–	84.54%
EC1_A6_c4	Contribution to Commercial initiatives for good causes	173,308	195,691	208,970	–	86.85%	–	84.54%
EC1_A6_c8	Contribution to Universities and similars	183,008	119,176	413,368	–	86.85%	–	92.09%
EC1_A6_c9	Contribution to Responsible IT Projects	93,956	60,621	64,073	–	86.85%	–	92.09%
	Management Cost of Social Contribution initiatives	67,483	14,287	91,026	–	86.85%	–	92.09%
	Total number of employees involved in social responsibility initiatives	8,661	4,048	2,667	87.08%	–	72.93%	–
<b>G4-EC4</b>	<b>Financial assistance from governments</b>							
EC4_A_c1	Financial assistance from governments (€)	35,155,809	30,989,229	4,268,743	–	–	–	100.00%
<b>G4-EC9</b>	<b>Proportion of spending on local suppliers</b>							
	Percentage of local spending	90%	92%	92%	–	86.69%	–	99.00%
<b>G4-SO3</b>	<b>Total number and percentage of operations assessed for risks related to corruption</b>	Qualitative						
<b>G4-EC8</b>	<b>Significant indirect economic impacts, including the extents of impacts</b>	Qualitative						
<b>A017</b>	<b>Supplier Screening</b>							
	Number of strategic suppliers assessed by EcoVadis	89	111	Not disclosed	–	80.00%	–	100.00%
A017_A_c1	Percentage of strategic suppliers evaluated by EcoVadis	16%	Not disclosed	Not disclosed	–	80.00%	–	–
A017_A_c2	Total spend evaluated by EcoVadis	1,054,586,125	Not disclosed	Not disclosed	–	80.00%	–	–
A017_A_c3	Total percentage of spend assessed by EcoVadis	31%	45%	Not disclosed	–	80.00%	–	100.00%

G4-SO4 includes Canada, USA, South Africa, Portugal, Spain, Germany, Taiwan, Thailand, Singapore, Philippines, Malaysia, Japan, Hong Kong, China, and Australia.

G4-EC1 includes UK, Mexico, Canada, USA, South Africa, Morocco, India, Spain, Germany, France, Russia, Turkey, Serbia, Romania, Poland, Croatia, Bulgaria, Austria, Switzerland, Italy, Netherlands, Singapore, Philippines, Malaysia, Hong Kong, Australia, WL Germany, WL France, WL UK and Canopy UK.

G4-EC9 excludes Indonesia, Egypt, blueKiwi, Canopy, Yunano, MEV, and Worldline.

## D.5 Managing the corporate environmental footprint

Energy consumption and Greenhouse Gas emissions are the two main environmental challenges Atos is facing. Atos's activities and solutions delivered to clients are highly energy intensive while it is increasingly obvious that the world supply of resources is limited, and the climate change issues become more critical. The way company uses them can have significant knock on effect on the climate, the airborne pollution, the economy and the profitability of the Company.

In this respect, the ambition of the energy transition is to shift to a more sustainable economic model, leveraging on renewable energy, energy efficient solutions and more sustainable practices. More generally, the energy transition addresses also economic and social issues such as the importance of greater energy independence, the fight against energy poverty and the rising cost of energy, or the development of new economic sectors and job creation associated with this transition.

That said, given the associated challenges, Atos is also actively involved on issues considered critical to the environment such as the use of raw materials within Bull's activities (e.g. minerals) and the management of electrical and electronic waste. These topics are of increasing importance through the activities resulting from the acquisition of Bull, which produces and sells computer equipment, though, to date, the impact on the business of Atos remains minor.

As a tier one company within the IT sector, Atos position on this question mobilizes the full attention of the senior management.

Positioned high on the strategic agenda, it turns into clear commitments:

- focus the internal environmental program on energy supply and consumption first;
- set ambitious targets (about energy and carbon), leading the way of the IT sector;
- use carbon as a performance indicator in profitability monitoring;
- make each business line and GBU responsible for environmental performance (Involve internal functions to integrate the challenge into processes and operations);
- publicly communicate about environmental objectives, progress and achievements.

Considering our clients and external stakeholders, it means for Atos:

- invest in "research & development" matters relating to environmental issues;
- design sustainability innovations suggested by the scientific community;
- highlight the contribution of Atos solutions to environmental performance with tangible figures;
- support innovation and the deployment of low-carbon technologies through event, think-tanks and professional unions;
- being a trusted partner, recognized by the highest international standards.

### D.5.1 Become a zero carbon company

[G4-DMA-Emissions]

From an Atos point of view, Carbon challenge is clearly seen as an opportunity, leading to ask questions about the internal processes, to reinvent the way of working and to identify potential savings within the organization. Furthermore, from a business point of view, it is an aspirational topic to innovate and to demonstrate the effective contribution of Atos solutions in helping our clients to tackle their own environmental challenges.

Five years ago, Atos took the decision to harness carbon, contributing to curb climate change on its own way. Because climate change is a global problem, the response is necessarily international. That is why, supported by the top management and applied in all services lines, this ambition is now shared among the 76,556 employees in all the countries where Atos operates.

#### D.5.1.1 Implement a new global environmental policy

By end of 2014, a new environmental policy has been formalized, then presented and validated by the senior management of Atos to be rolled out in all Service Lines and countries as from January 2015. A communication program, including presentations to the country's management, the work-councils and the employees, will be implemented accordingly.

This policy consists of explaining the environmental challenges faced by Atos, in sharing the objectives and in providing internal guideline to reach them. It is also a reference document helping our external stakeholders to better understand the tangible engagement of Atos in favor of the environment, and to evaluate the investment of the Company in this area.

Concretely, the environmental policy describes the path for improving the environmental performance and consciousness of Atos. It details a course of recommendations, based on specific

actions, to monitor and reduce the environmental footprint of the organization and operations. It is supported by key performance indicators and a formal reporting process.

### D.5.1.2 Set targets to meet this worldwide challenge

To tackle climate change and minimize the potential pollution of our activities, the main Atos commitments are:

- take action to reduce emissions of GHG;
- take action to conserve natural resources, in particular energy;
- reduce the dependence on non-renewable resources, and develop the decarbonized energy in the global consumption;
- reduce waste output and maximize the recycling of materials.

The following objectives guide the Atos actions and planning over the short and long term. They are promoted within all geographies, are applied in all internal operations and are held as a standard for Atos stakeholders. They are discussed in Group Executive Committee several times a year.

#### Abate by 50% the carbon footprint by 2015

Pioneering company who managed successfully to divide by 2 its overall CO<sub>2</sub> emission in 4 years, Atos is currently working to achieve the 50% reduction target of its carbon intensity (ton of CO<sub>2</sub>/million € revenue), by the end of 2015 (base year 2012). The performance is monitored through Key Performance Indicators, split per country and publicly reported each year.

#### Encourage decarbonized electricity supply

Atos intends to gradually migrate from a carbon electricity supply (fossil energies) to a low-carbon electricity supply (including nuclear). The objective is both to reduce CO<sub>2</sub> emissions and to support the energy transition while reducing the economic risks associated with climate issues (e. g. environmental taxes, increasing costs of fossil fuels, resources scarcity). The ambition is to apply this approach to data centers and offices each time it is possible (local offer, end of contract) and using tax/law constraints as an opportunity.

The objective is to consume 100% decarbonized electricity in strategic data centers operated by Atos by 2015 and wherever possible, switch to renewable energy sourcing. The progress accomplished in the last years is significant but is also strongly conditioned to the energy local market constraints (66% of electricity bought by Atos Datacenters is supplied by carbonized sources).

#### Implement an Environment Management System

Achieve ISO 14001 certification of 100% of strategic Atos data centers (operated by Atos and co-located) and main offices (with more than 500 employees). This process relies on a strong mobilization of employees and operations, and requires to closely tracking the environmental performance. 110 sites in all Atos GBUs are targeted by this initiative.

## D.5.2 Strategy into actions

### D.5.2.1 Environmental Management

#### Environmental Risk integrated in the Enterprise risk management process [G4-EC2]

The environmental risk management places a strong emphasis on targeting the problems that could arise and implements a system of metrics that help with prevention.

As part of its enterprise risk management process (addressing the main risk that can impair the achievement of the objectives of the Group), Atos specifically addresses the risks related to environmental and climate change challenges. "Sustainability/Climate change" is one of the 27 risks that have been

systematically assessed through this process, to get an understanding of the importance of the risks and the mitigation effectiveness.

In particular, natural events are considered due to their ability to disturb business and cause business interruptions in case Business Continuity Plans are not properly implemented. In addition, environmental challenges are considered through the compliance side, with the potential impact of new regulations or stakeholders expectations, that may lead to increased costs or non-compliances if not properly managed.

The result of the internal risk analysis study carried out in 2014 through 200 managers surveyed ranks the environment at a low level. This risk is considered by the managers as having a minor impact on the achievement of Group objectives – some incremental costs due to environmental regulations being balanced by potential opportunities for additional business to support clients’ environmental efforts.

The risk relating to “Natural disaster and major country crisis” has been identified by all GBUs and scored as low:

- likelihood: 1.84/5;
- potential impact: 3/5;
- mitigation effectiveness: 2.61/5.

The risk relating to “Sustainability/climate change” has been identified by all GBUs and scored as low:

- likelihood: 1.68/5;
- potential impact: 2/5;
- mitigation effectiveness: 2.15/5.

In decision-making, low-consequence/low-probability risks are typically perceived by Atos as acceptable and therefore only require monitoring.

This risk is mainly managed through an Environmental policy that covers Corporate Carbon management, adoption of renewable energies and ISO 14001 compliance program that allows achieving expected targets.

### ISO 14001 selected as Management Environmental System [AO14]

The implementation and certification of Environmental Management Systems at our major sites is a key track of Atos Corporate Responsibility Program, fully consistent with the Global Environmental Policy mentioned above. This initiative not only contributes to the environmental performance but also improves competitiveness, ensures compliance with national environmental regulations, reduces risks and costs, develops citizenship engagement, and as a result, globally increases the performance of the Company. This program is also meeting clients’ expectations and market best practices.

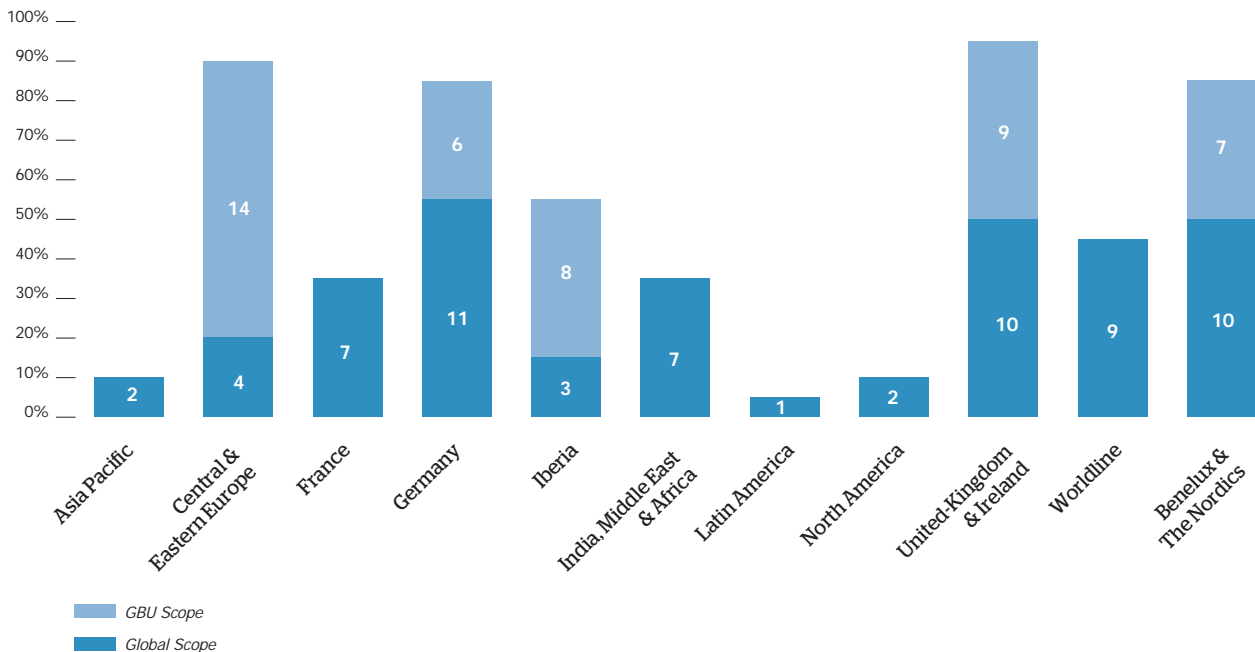
Atos has set the target for Environmental Management System implementation and ISO 14001 certification until 2015 on a global level as:

- all strategic Atos data centers;
- all main office sites with more than 500 employees.

The main offices, providing workplaces for more than 500 employees, represent 5% of Atos offices and more than 50% of Atos’ employees.

On the request of several GBUs, the target has been expanded to include additional sites into the certification scope. Beyond the expected economic and awareness benefits, this approach may be motivated by the desire to meet the constraints of the local market, to anticipate regulations, or more generally to be recognized as a leader on environmental issues by the stakeholders.

The target is 110 sites to be certified according to ISO 14001 by 2015 (30% of datacenters, 70% of offices):



By end of 2014, 65 sites were certified, and 17 were under the process of certification.

28 remaining sites will engage the certification process in 2015.

### Anticipate and comply with key environmental regulations [G4-PR9] and [G4-15]

The acquisition of Bull in 2014 could impact the environmental footprint of Atos. The risks identified were limited to products, servers and data centers. However, considering continuous attention given by Bull to environmental issues, Atos considers that they are fully under control, and that the final impact is minor for the whole activity of Atos.

As a hardware provider, Bull's activities face a large range of challenges to solve such as:

- comply with the specific laws, regulations, best standards (REACH, RoHS, WEEE, ASHRAE...);
- limit the impact of product manufactured thanks to eco-design practices;
- pay attention to origin and quantity of raw materials while minimize their usage;
- optimize the energy efficiency in the manufacturing process and during the usage phase of products;
- implement QSE <sup>1</sup> certifications framework and programs in plants;
- encourage lean manufacturing;
- mitigate the footprint of logistics, favoring eco-friendly transport and freight;
- minimize risks on the supply chain (regular CSR assessments of suppliers).

### Consultation process on “Conflict Minerals”

In early 2013, the Group embarked on a consultation process with its major suppliers on the origin of the raw materials they use, in view of the issue of “conflict minerals” and in order to prevent impacts on Bull computers. These minerals (which include cassiterite, wolframite, coltan and gold) are essential for the manufacture of certain electronic devices, but are potentially mined in geographical zones and under conditions that could fuel armed conflict and human rights abuses.

### QSE Quality Management System

Bull is one of the top 100 companies in France to have developed an integrated QSE quality management system for its manufacturing site located in Angers. The QSE certification (ISO 9001 quality, OHSAS 18001 and ILO-OSH 2001 health and safety, ISO 14001 environment) was renewed in 2014 and joined by ISO 50001 v2011 certification for energy management. Within these certification framework and programs, the site monitors regulations to ensure that its activities comply with the environmental, technical and legal provisions regarding the IT sector.

<sup>1</sup> QSE : Quality Safety and Environment.

<sup>2</sup> CE : CE marking states that the product is assessed before being placed on the market and meets EU safety, health and environmental protection requirements.

### Compliance with laws and regulations regarding hardware providers

All Service Lines of the organization (including R&D, procurement, manufacturing and logistic) conduct a regulatory watch ensuring activities are in accordance with legal requirement of the IT sector.

The design process for the servers integrates European directives such as the CE <sup>2</sup> standard, the REACH Directive on eliminating pollutants, the RoHS Directive on eliminating hazardous substances and the recommendations of the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) on maximum temperature and humidity for server functionality.

Atos (including products from Bull company) is committed to ensuring that its equipment operates within ASHRAE limits and also offers consulting services to help its customers with the design and cooling of their premises.

In relation to the challenges set out above, during the 2014 financial year there were no fines, administrative, judicial or arbitration proceedings (including any proceedings of which the Group is aware and may be threatened by) that had, or might have had, significant effects on the financial position or profitability of the Group [G4-PR9].

### Waste Management

Wastes, in particular IT wastes, are one of the major environmental issues produced by the IT sector. In this respect, Atos has developed a few years ago a waste management policy to ensure the traceability of wastes collection (including other type of waste like paper, furniture ...) and the removal/recycling of these wastes. In addition, the leasing practice now globally implemented within the Group means that the supplier is responsible of the end of life of the IT equipment.

Furthermore, the signature of the Sustainable Supplier Charter attached to the contract requires suppliers to commit to a professional treatment products.

Finally, Atos is implementing a “Bring Your Own Device” policy, contributing to reduce the number of devices owned by the employees, and IT wastes as a result.

### WEEE – Waste Electrical and Electronic Equipment management

In compliance with the European Waste Electrical and Electronic Equipment 2012/19/EU Directive (called WEEE Directive), the Bull Group offers to its European customers and in most countries an end-of-life management service for their products. External specialist subcontractors, collective systems or environmental bodies are used to collect or recover, recycle or reuse the WEEE recovered from clients.

Since July 2013, Bull in mainland France and in French overseas territories has been joining a collective system and using the services of the environmental body EcoLogic, certified by the French Ministry of the Environment for computer equipment.

In 2014, the total volume of WEEE collected or recovered from customers and from Bull was 132,665 Kg [AO19]. In 2014, the scope for the WEEE indicators encompasses

the following countries: Germany, Belgium, Brazil, France, Spain, Luxembourg, Morocco, the Netherlands, Poland, United Kingdom, United States and Uruguay. This scope covers around 88% of the Bull Group's activity in terms of revenue and 92% in terms of workforce (based on 2013 figures).

The percentage of WEEE recycled or reused reach 87% [AO19].

## D.5.2.2 Reach energy efficiency everywhere

[G4-EN7] and [G4-DMA-Energy]

### Environmental constraints are embedded into the purchasing process

In 2013, Atos Global Purchasing Policy has been updated with a more complete chapter on Sustainability. The rules concerning suppliers selection and evaluation criteria (QCDIMS) including 10% rating on sustainability has been communicated to the whole purchasing community on numerous occasions in 2014. It is also included in Atos Request for Proposal template used for suppliers selection. From a methodology perspective, the total cost of ownership (TCO) is considered into the purchasing process. It includes the total cost of acquisition and operating costs, and help buyers to determine the direct and indirect costs of a product or a service. Buyers are now fully aware of sustainability constraints, such as low energy consumption and reduced transportation of materials, when they select suppliers. These requirements are automatically included in products descriptions.

### High energy efficiency for servers

One of the levers used to limit the impact of product is to use advanced energy-saving features, such as dynamic management of the energy envelope of critical applications, dynamic management of the load supply function and the extensive use of low-consumption components.

BullX and bullion, both designed by the engineers of Bull, are among the most powerful and energy efficient servers in the world. They are chosen by demanding customers for whom energy consumption, computing power, memory, speed, scalability and reliability are the key selection criteria.

### Innovative cooling technologies in High Performance Computer

Several patents have been filed for the bullX supercomputers with direct liquid cooling unveiled in 2013. Cooling takes place inside the blade itself, through direct contact between the heat-producing components (processors, memory, etc.) and a cold plate through which the coolant circulates. This innovation makes them roughly 40% more energy efficient than traditional

air-cooled servers. They achieve a PUE of less than 1.1 under standard operating conditions and reduce energy consumption and the associated CO<sub>2</sub> emissions.

### The bullX server

In 2014, BullX was listed among the leaders in the world Green 500 list which grades the world most energy-efficient supercomputers. Its efficiency was also clearly attested by its IT and energy performances results (Mflops/W) based on the Linpack test, a test used to rank supercomputers.

Also in 2014, GENCI, the French national High-Performance Computing organization, acquired France's largest supercomputer dedicated to research: a supercomputer call OCCIGEN and capable of executing over two million billion operations a second. This new supercomputer is positioned as one of the most energy-efficient x86 supercomputers (global consumption of 975 kW, i.e. 1,670 Mflops/W per node) and is an outstanding addition to the HPC list of Bullx supercomputers. The 2,106 compute nodes will be cooled using warm water, via a direct liquid cooling system that removes the heat where it is generated through a cold plate in contact with the processors and memory modules. Thanks to this patented technology and the specific facilities, the overall power consumption of the system will deliver a Power Usage Effectiveness (PUE) rating of less than 1.1 for the computing elements.

### The bullion server, recognized as the most energy-efficient supercomputers

Launched in July 2014, the new generation of bullion servers form Bull delivered a record performance in the international benchmark SPECint@\_rate2006 test published in October. Performed on a 16-socket configuration, this benchmark demonstrate that the bullion servers is the world's most powerful x86 enterprise server in its class.

This product differs markedly from its competitors, boasting 25% more power per square meter and 30% less power consumption. These results were obtained thanks to an ultra-compact design, native virtualization, the pooling of resources, a chain of low-power components, the Generation 2 of active/passive power supply

module, and Bull Coherence Switch. In 2014, Bullion was chosen for critical applications by major customers. It is recognized for its performance and scalability to consolidate large number of servers, but also its virtualization ability and energy efficiency.

### Mobull, a smart Data-center concept for clients

The Data Centre container market, seen as a relevant and effective alternative to traditional Data Centre, is emerging with high environmental opportunities. The concept of Data

Center container improves the use of energy to meet the growing demand of its customers who wish optimizing their infrastructure, cutting consumption and associated costs, and curbing their environmental impact. In 2013, Bull launched free cooling Mobull. Using fresh air as often as possible to cool IT infrastructure, the principle of free cooling may save up to 40% of energy consumption and efficiency, measured by the PUE reaches about of 1.05/1.1, so very close to the theoretical optimum 1.

## D5.2.3 Individual Contributions to reduce Environmental impacts

### Social collaboration, a virtuous contributor for the environment

The working environment, promoted through the concept of Smart Campus combines a digital platform and a physical working environment. Besides providing efficient working conditions, it encourages to restrict travels, while favoring a maximum of remote collaborations through the Zero email™ program including a multiplicity of digital communication tools (Enterprise Social Network on blueKiwi, Lync, video conferencing, sharepoint...).

Several public studies mention the environmental benefits of collaborative tools. They claim such tool would contribute to decrease by 10% to 20% the travel costs. When combining a smart travel policy with the digital platform, the benefits are reinforced. 2 years later the deployment of a collaborative platform, remote meeting or international conference calls are now business as usual for all Atos employees anywhere they are located around the globe.

In addition, Atos has deployed several actions for the employees carried out with regard to environmental protection:

- the deployment of ISO 14001 requires the implementation of an awareness program engaging employees on environmental issues. A formal communication program is deployed in all certified sites, beside the Group communication scheme about sustainability;
- an e-learning module is dedicated to sustainability, available in four languages (English, French, German, Spanish);
- about ten blueKiwi communities are dedicated to sustainability topics (Atos program and achievements, market news, innovations, business challenges, best practices...).

### Smart Travel and smart mobility to tackle transport impacts on environment

The new way of working also encourages the use of environmental friendly modes of transport (train, public transport...), while providing to employees new services on premise (e.g. electric fleet car), relayed by a rigorous green travel policy.

Atos Fleet policy stipulates that all company cars leased by the Group should have CO<sub>2</sub> emissions levels below 120 g/km. In 2014, there was in total 7,357 company cars used by Atos employees in 24 countries. The average of CO<sub>2</sub> emissions was 111 g/km, when it was 145 g CO<sub>2</sub>/km in 2009. Year after year, this KPI is monitored to be reduced as the cars are replaced by new more ecological models.

In addition, the ambition of the program "MyCar" is to involve each employee in the energy transition, while developing awareness, enhancing wellbeing at work and reducing costs.

One of the ways to achieve this is to engage employees in their daily job activities, by providing them with tangible and accessible tools.

In this respect, in 2012, Atos concluded a partnership with Blue Solutions (Bolloré Group) to offer in situ, a service to all its employees located in the Atos headquarter. The service consisted in an electric car sharing scheme, opened to any Atos employee and bookable on line. Two years later, the success is confirmed: 455 users, more than 215,000 km traveled, almost 10,000 bookings, and an estimation of 26,000 kg of CO<sub>2</sub> eq avoided.



## D.5.3 A world carbon leader

For several years within Atos, the primary environmental focus has been placed upon Atos most significant area of impact, that being the emission into the atmosphere of CO<sub>2</sub> from grid supplied electricity, used primarily to power our Data Centers. Actions such as switching to renewable energy supplies, PUE improvement and IT virtualization had a dramatic effect during 2013, reducing Atos CO<sub>2</sub> emissions from Data Centers alone by 31%, to less than Travel and Office emissions. Furthermore Atos offsetting program means that Atos hosted customers enjoy carbon

neutral hosting by default, wherever they are hosted around the world. Such results have been independently verified and through the GRI and CDP reporting mechanisms support the top band rankings. In spite of these achievements, the program continues, with aggressive targets set for emissions reduction due for end 2015. Atos aims to be regarded not only as a world carbon leader but also to gain recognition for its long term dedication to this vitally important challenge.

### D.5.3.1 Reduce the pressure on limited resources

#### **Atos Data-centers plenty engaged in the energy transition**

Atos manages 85 multi-customer datacenter sites in 30 countries.

In terms of consolidation of the datacenters installed base, the target for 2014 was to close eight sites. The program has resulted in the migration and closure of 9 datacenters.

With regards to the opening of new datacenters, the 2014 target was to open 4 new datacenters. The program has resulted in 7 new and more energy efficient datacenters. In the United Kingdom, Atos constructed a new highly green datacenter near Birmingham with a very low Power Usage Effectiveness (PUE) of 1.15 obtained by indirect free air cooling. Atos has designed and built this best in class data center to be in operation early 2015. The ambition for the coming 2 years is to open 2 new data centers and to close 15 datacenters, to achieve better utilization and further improve the average PUE.

At the Group level, the average PUE in 2014 was 1.69: Due to the PUE Improvement, 5,825,970 Kwh of energy consumption were avoided.

The Atos-Siemens alliance invested in a 'Data Center Infrastructure Management' (DCIM) solution with strong capabilities for optimization and reduced energy consumption, including asset management for improved datacenter floor and rack utilization. After a pilot implementation in the UK, 2015 will see a rollout in more European datacenters.

The last Gartner 2014 Magic Quadrant for datacenter outsourcing services, ranked Atos as the front runner in the Leadership quadrant. This score shows the expertise and capability of Atos to provide best in class services to its clients, relying on performing and efficient data centers.

#### **Involve the real-estate policy in the environmental program**

##### **Continue to extend the smart campus concept**

Among the multiple benefits brought by the concept of Smart Campus, new working conditions and digital workplace bring their positive contributions to the environmental footprint of employees. The principles of desk sharing and open spaces have reduced the number of square meters required for the performance of activities and thus, reduce the resources needed for lighting, heating or cooling workspaces.

The Company has also deployed a digital platform meeting the mobility needs of its employees, allowing them to access their work environment at all times from any location, and thereby fostering the development of teleworking. The concept also allowed sharing IT resources and telecom network charge, contributing to cut down IT costs.

##### **A new Global Real-Estate policy supporting environmental objectives**

In 2014, a Global Real-Estate policy has been issued. This policy promotes strict guidelines and processes for real-estate management (including any new locations, space expansions or rationalization) in particular in terms of square meters. It provides recommendations based on m<sup>2</sup>/FTE, m<sup>2</sup>/desk, taking into consideration the development of homeworking in the occupancy rate.

The rationalization and consolidation of housing stock are directly contributing to the optimization of the building facilities. Indeed, thanks to the sharing of equipment and services, the policy enables to better manage resources (energy, water) and also outsourced services (wastes management, security, cleaning...). The space optimization program improves the costs reduction while keeping Wellbeing at Work objectives on track and mitigating the environmental impact. In 2014, this program allowed to save up to 10% of the real-estate expenditures. By end of the year, Atos sites represented more than 1.1 million m<sup>2</sup> in 300 locations worldwide.



In 2015, this program will continue, with the integration of the recent acquisitions (Bull and very soon Xerox's ITO business) ensuring the Smart Campus concept and operational performance objectives are considered.

**Systematically consider decarbonized power supply**

The selection of power is a determining factor to achieve Atos objectives. It depends on several criterions (e.g. type of local supply, the availability of electricity offered, the prices of KWh)... but requires to also taking into consideration environmental regulations (national or international) or taxes' arrangement, such as carbon tax for instance. When considering the Total Cost of Ownership (TCO), the final choice can vary from a selection primarily based on cost elements.

In 2014, despite the fact that electricity accounts for less than 2% of the Group's total expenditures, a global initiative has been launched to get an overview of practices providing a better visibility of this expense, to create synergies among GBUs and to provide guidance on energy supply.

Aligned with the Group's objectives, Atos procurement favors decarbonized source of electricity each time it is possible. Several large countries hosting main data centers and offices, such as France, the United Kingdom and Germany are now supplied with carbon-free energy. Leading by example, some countries such as the Netherlands use biomass to source all their offices and wind energy for their data centers.

In this view, Atos Global Procurement is also starting to develop the use of external consultancy companies for the purchase of energy in order to benefit from their deep expertise of the electricity market in every country where Atos is present.

With regards to the progress against the target (supply the strategic data centers with carbon-free energy by the end of 2015), by end of 2014, 66% of the electricity bought by Atos Data Centers (scope 2) is supplied by decarbonized sources.

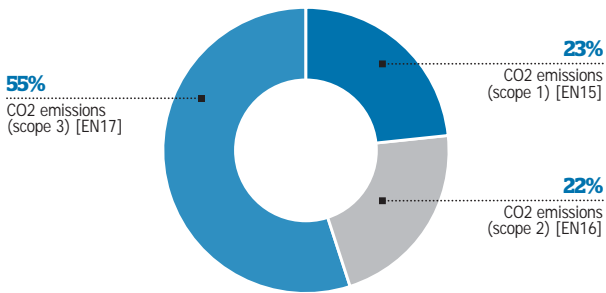
Similarly, 58% of the electricity bought by Atos offices (scope 2) is nearly carbon free. 100% of Atos residual data center emissions are offset, providing carbon neutral services.

**D.5.3.2 Be recognized as a world carbon leader**

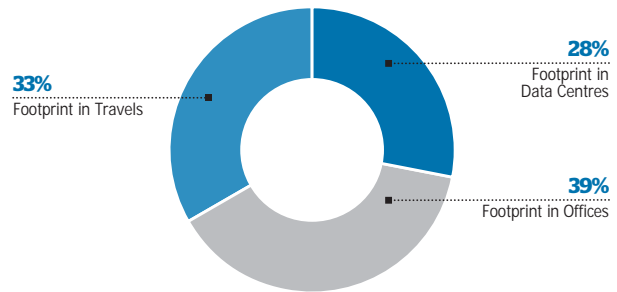
[G4-EN7], [G4-EN19] and [G4-EN20]

In 2014, Atos produced 149,165 tons CO<sub>2</sub> for all activities worldwide [G4-EN18]. Atos emissions are sub-categorized by GHG Scope as defined within the GHG Protocol and by Business Activity, in which three categories are used: Data Centres, Offices and Travel.

**GLOBAL CARBON FOOTPRINT PER GHG SCOPE**  
[G4-EN15, G4-EN16, G4-EN17]



**GLOBAL CARBON FOOTPRINT PER CATEGORY**  
[G4-EN18]



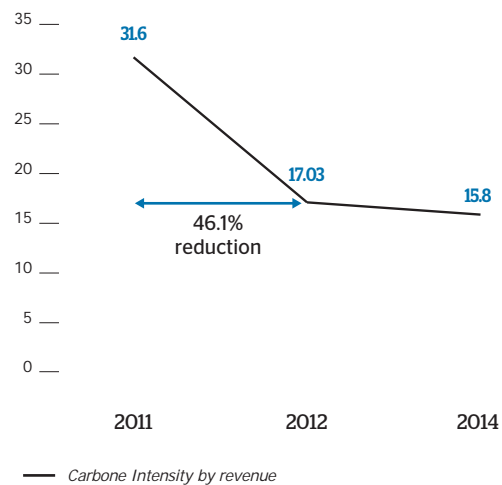
Atos focus on Data centers emissions over the past few years has shown a dramatic reduction in this area. From what were the highest emissions operations, Atos Data Centers operate with a very low footprint compared with the IT sector at large. Several Atos offices have also benefitted during this period from the related renewable electricity sourcing negotiations meaning that in countries like the United Kingdom and the Netherlands many of Atos major offices also use only renewable energy.

The challenge is to reduce travel footprint, a necessary part of Atos business activity. However, Atos can eliminate the need for some travels and reduce the impacts of remaining essential travels. Eliminating travel makes sense as it saves on cost of transport and employee time wasted during journeys decreasing the stress and the rigors factor accordingly. Atos is working to achieve this through smart desktops with voice and data sharing capabilities (unified communication workstation).

The collaborative tool implemented in all countries where Atos is located is the key lever used to reduce the travel footprint.

Minimizing the impact of essential travel is more challenging due to the availability of low-cost airlines and also cost effectiveness and convenience of road transport when compared with rail in some countries. However, electric vehicles are maturing and Atos is looking to build on the success of the Bolloré electric vehicle scheme operated from Atos Paris Headquarters, by extending the scheme to other major cities in which Atos operates.

In 2015, the objective is to reduce emissions by 50% relative (Ton CO<sub>2</sub>eq/€ million) to 2012 levels. Atos is close to this objective as it decreased the ratio from 31.6 TCO<sub>2</sub> e.q./€ million revenue in 2012 to 17.03 TCO<sub>2</sub> e.q./€ million in 2014 representing a 46.1% drop within 2 years.



The most significant environmental impact resulting from Atos' business operations arises from the energy consumption and thereby the direct or indirect emission carbon into the atmosphere. To reduce energy consumption Atos is giving attention to all major emissions sources using a range of levers in the three areas mentioned above.

Emissions Source	Main Activities
Data Centers	<ul style="list-style-type: none"> <li>Consolidation of sites, efficiency by increasing utilization, reducing equipment in use and energy consumption</li> <li>Improvement of electrical and cooling infrastructure using smart tools (DCIM) to manage energy consumption</li> <li>Cloud and virtualization solutions to increase IT equipment utilization</li> <li>Building a best in class <i>data-center in UK</i> with a PUE close to 1</li> </ul>
Offices	<ul style="list-style-type: none"> <li>Continued consolidation of sites through the Global Real-Estate policy</li> <li>Extend the Campus Concept to new geographies</li> <li>Ensure implementation of the ISO 14001 program in eligible sites</li> <li>Develop decarbonized energy supply</li> </ul>
Travel	<ul style="list-style-type: none"> <li>Travel avoidance thanks to the use of the digital technologies platform</li> <li>Reinforce the collaboration through the Atos social network</li> <li>Extend the use of travel agencies to better monitor the travel requests</li> </ul>

### Carbon neutralize its carbon footprint thanks to an offsetting program

To minimize the impacts of Atos operations on the environment, and to complement the efforts to reduce carbon emissions, Atos offsets CO<sub>2</sub> emissions by procurement carbon credits.

Since 2010, Atos has been compensating the CO<sub>2</sub> emissions produced by its own data centers worldwide, providing carbon neutral hosting to its clients. This initiative allows clients to declare "zero" in their public carbon report for the services hosted by Atos (scope 3, outsourced services).

Atos has chosen to fund the wind turbine technology projects, providing carbon credits. In the procurement process, Atos shall ensure that carbon offsets are certified by the best internationally recognized standards such as VCS (Verified Carbon Standard) or Gold Standard projects.

Atos has chosen to fund the technology of wind power, encouraging the development of renewable electricity production. The wind farms are located in a country where Atos is well established (several offices, more than 10% of Atos employees). Since 2010, the wind power projects selected are located in India.

## D5.4 Managing the corporate environmental footprint - KPI overview

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-EN3</b>	<b>Energy consumption within the organization</b>							
EN3_E_c1	Total Energy Consumption: Direct and Indirect energy (GJ)	2,072,483	2,200,608	2,315,101	–	86.66%	–	84.29%
	<b>Total Direct Energy Consumption in DCs &amp; Offices (GJ)</b>	<b>186,854</b>	<b>150,206</b>	<b>145,433</b>	<b>–</b>	<b>86.66%</b>	<b>–</b>	<b>84.29%</b>
	Direct energy consumption in Offices (GJ)	169,139	133,060	133,475	–	90.48%	–	84.29%
	Direct energy consumption in DCs (GJ)	17,715	17,146	11,958	–	86.66%	–	86.80%
	<b>Total Indirect Energy Consumption in DCs &amp; Offices (GJ)</b>	<b>1,885,629</b>	<b>2,050,402</b>	<b>2,169,668</b>	<b>–</b>	<b>86.66%</b>	<b>–</b>	<b>84.29%</b>
	Indirect Energy Consumption in Offices (GJ)	608,154	654,522	706,685	–	90.48%	–	84.29%
	Indirect Energy Consumption in DCs (GJ)	1,277,475	1,395,880	1,462,983	–	86.66%	–	86.80%
EN3_A_c7	Total fuel consumption from non-renewable sources (GJ)	186,854	150,206	145,433	–	86.66%	–	84.29%
EN3_B_c1	Total fuel consumption from renewable sources (GJ)	0	Not disclosed	Not disclosed	–	–	–	–
EN3_C_c1	Total electricity and heating energy consumption (GJ)	1,885,629	2,050,402	2,169,668	–	86.66%	–	84.29%
<b>G4-EN4</b>	<b>Energy consumption outside of the organization</b>							
	Total km Traveled per Employee	6,180	3,809	Not disclosed	71.51%	–	94.34%	–
	Total km Traveled by Car	191,226,514	Not disclosed	Not disclosed	71.51%	–	–	–
	Total km Traveled by Train	43,201,759	Not disclosed	Not disclosed	71.51%	–	–	–
	Total km Traveled by Taxi	1,814,641	Not disclosed	Not disclosed	71.51%	–	–	–
	Total km Traveled by Plane	102,057,808	Not disclosed	Not disclosed	71.51%	–	–	–
manual	Total km travelled per revenue (in € million)	53,623	32,175	Not disclosed	–	73.97%	–	98.94%
	Percentage of company cars below 120 gr CO <sub>2</sub> /km	57%	75%	49%	–	87.06%	–	88.21%
	Number of cars below 120 g CO <sub>2</sub> /km	4,208	5,464	3,940	–	87.06%	–	88.21%
	Number of company cars	7,357	7,323	7,972	–	87.06%	–	88.21%
	Average of emissions in company's fleet cars (gr CO <sub>2</sub> /km)	111.20	105.29	123.75	–	87.06%	–	87.97%
<b>G4-EN5</b>	<b>Energy Initiatives in Offices</b>							
EN5_A_c1	Energy intensity ratio (revenue) in GJ per € million	262.68	Not disclosed	Not disclosed	–	86.66%	–	–
EN5_A_c2	Energy intensity ratio (employee) in GJ per Employee	30.84	Not disclosed	Not disclosed	78.07%	–	–	–



GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
<b>G4-EN6</b>	<b>Energy Saving Initiatives</b>							
EN6_A_c1	Estimated Energy savings in Data Centres (GJ)	9,051	13,693	13,154	–	54.27%	–	56.79%
EN6_A_c3	Cost savings due to improved energy efficiency DCs (€)	5,307,882	592,178	Not disclosed	–	54.27%	–	61.58%
EN6_A_c5	Estimated Energy saving Offices due to initiatives (GJ)	34,095	33,419	14,050	–	54.27%	–	35.10%
EN6_A_c6	Cost savings due to improved energy efficiency in Offices (€)	3,954,247	1,652,917	Not disclosed	–	54.27%	–	35.10%
<b>G4-EN7</b>	<b>Reductions in energy requirements of products and services</b>							
EN7_B_c1	Electricity consumption avoided due to PUE improvement (Kwh)	5,825,970	Not disclosed	Not disclosed	–	73.71%	–	–
<b>G4-EN15</b>	<b>Direct greenhouse gas emissions (DCs &amp; Offices)</b>							
EN15_A_c2	Total CO <sub>2</sub> emissions (scope 1) in Tones of CO <sub>2</sub>	34,900	Not disclosed	Not disclosed	–	86.66%	–	84.29%
<b>G4-EN16</b>	<b>Indirect greenhouse gas emissions (DCs &amp; Offices)</b>							
EN16_A_c1	Total CO <sub>2</sub> emissions (scope 2) in Tones of CO <sub>2</sub>	32,410	Not disclosed	Not disclosed	–	86.66%	–	84.29%
<b>G4-EN17</b>	<b>Other indirect greenhouse gas (ghg) emissions (scope 3)</b>							
EN17_A_c1	Total CO <sub>2</sub> emissions (scope 3) in Tones of CO <sub>2</sub>	81,855	Not disclosed	Not disclosed	–	73.97%	–	84.29%
<b>G4-EN18</b>	<b>Greenhouse gas (ghg) emissions intensity</b>							
manual	Global Footprint (KgCO <sub>2</sub> e)	149,165,801	152,434,317	217,718,000	–	82.75%	–	84.29%
manual	Global Footprint in Data Centres (KgCO <sub>2</sub> e)	42,088,528	55,941,592	81,373,000	–	82.75%	–	86.80%
manual	Global Footprint in Offices (KgCO <sub>2</sub> e)	57,429,220	40,643,097	60,160,000	–	82.75%	–	84.29%
manual	Global Footprint in Travels (KgCO <sub>2</sub> e)	49,648,054	55,849,629	76,185,000	–	82.75%	–	92.00%
manual	<b>Global Footprint by revenue</b> (tCO <sub>2</sub> /million € revenue)	19,639	19,309	31,563	–	82.75%	–	84.29%
manual	<b>Global Footprint by employee</b> (tCO <sub>2</sub> /employee)	2,262	2,260	3,707	76.81%	–	–	84.29%
<b>G4-EN19</b>	<b>Reduction of greenhouse gas (ghg) emissions</b>							
EN19_A_c2	Estimation of reductions achieved (TO CO <sub>2</sub> e)	2,627	2,954	1,924	–	54.27%	–	68.69%
EN19_A_cmp20	CO <sub>2</sub> e reduction due to the Energy saved in Data Centres (KgCO <sub>2</sub> e)	557,037	Not disclosed	Not disclosed	–	54.27%	–	–
EN19_A_cmp20	CO <sub>2</sub> e reduction due to Energy Saved in Electricity DC (KgCO <sub>2</sub> e)	520,042	Not disclosed	Not disclosed	–	54.27%	–	–
EN19_A_cmp20	CO <sub>2</sub> e reduction due to the Energy saved in Gas DC (KgCO <sub>2</sub> e)	36,995	Not disclosed	Not disclosed	–	54.27%	–	–

GRI code	KPI Name	2014	2013	2012	2014 perimeter		2013 perimeter	
		Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
EN19_A_cmp40	CO <sub>2</sub> e reduction due to the Energy saved in Offices (KgCO <sub>2</sub> e)	2,070,032	Not disclosed	Not disclosed	–	54.27%	–	–
EN19_A_cmp40	CO <sub>2</sub> e reduction due to Energy Saved in Elec Offices (KgCO <sub>2</sub> e)	1,899,839	Not disclosed	Not disclosed	–	54.27%	–	–
EN19_A_cmp40	CO <sub>2</sub> e reduction due to Energy Saved in Gas Offices (KgCO <sub>2</sub> e)	170,194	Not disclosed	Not disclosed	–	54.27%	–	–
<b>G4-EN20</b>	<b>Emissions related to refrigerant gases</b>							
	Total CO <sub>2</sub> Emissions from Refrigerants in Data Centers (TO CO <sub>2</sub> e)	1,544	Not disclosed	Not disclosed	–	75.62%	–	–
	CO <sub>2</sub> Emissions from Refrigerants in Atos DCs (TO CO <sub>2</sub> e)	1,526	Not disclosed	Not disclosed	–	75.62%	–	–
	CO <sub>2</sub> Emissions from Refrigerants in 3 <sup>rd</sup> Party DCs (TO CO <sub>2</sub> e)	18	Not disclosed	Not disclosed	–	75.62%	–	–
<b>G4-PR9</b>	<b>Significant fines for non-compliance concerning the provision and use of products and services</b>	Qualitative						
<b>AO14</b>	<b>Compliance with environmental laws and regulations (ISO 14001)</b>							
manual	ISO 14001 certified sites (Offices plus DC)	65	48	43	–	100.00%	–	100.00%
<b>AO19</b>	<b>Waste Electrical and Electronic Equipment (WEEE)</b>							
manual	WEEE collected or recovered from customers (Kg)	132,665	Not disclosed	Not disclosed	–	–	–	–
manual	WEEE collected or recovered and reused/recycled (Kg)	115,294	Not disclosed	Not disclosed	–	–	–	–

G4-EN3, G4-EN5, G4-EN15, G4-EN16, G4-EN17, G4-EN18 for Offices include Ireland, UK, Canada, USA, India, Portugal, Spain, Germany, France, Russia, Turkey, Slovakia, Serbia, Romania, Poland, Croatia, Czech Republic, Austria, Italy, Netherlands, Luxembourg, Belgium, Thailand, China, Worldline Belgium, Worldline Germany, Worldline France and Worldline UK.

G4-EN3, G4-EN5, G4-EN15, G4-EN16, G4-EN17, G4-EN18 for Data Centres include Ireland, UK, Canada, USA, India, Spain, Germany, France, Turkey, Serbia, Croatia, Austria, Switzerland, Netherlands, Belgium, China, Worldline Belgium, Worldline Germany and Worldline France.

G4-EN4 for Km travelled includes Belgium, Bulgaria, Croatia, Czech Republic, France, Germany, India, Netherlands, Romania, Serbia, Spain, UK, Worldline Belgium, Worldline France and Worldline UK.

G4-EN6 includes Austria, Bulgaria, China, Denmark, France, Germany, India, Italy, Japan, Netherlands, Singapore, Taiwan, Turkey, Worldline Belgium and Worldline France.

G4-EN7 included the strategic Data Centres sited in Austria, Belgium, Brazil, Finland, France, Germany, Hong Kong, Netherlands, Singapore, Switzerland, UK, USA.

AO19 applies to former Bull sites.



## D.6 Information about the report

### D.6.1 Scope of the report

[G4-13], [G4-17], [G4-22], [G4-23], [G4-28], [G4-29], [G4-30], [G4-32] and [G4-33]

This chapter describes the scope of 2014 Atos' Corporate Responsibility Integrated Report and the guidelines on which it is based. It also addresses how Atos reports according to

globally-accepted reporting standards, and the process used to obtain the information presented in this report.

#### D.6.1.1 New French legal requirements related to the CR reporting

[G4-15]

With Grenelle 2 law, the French Companies must report a higher number of information related to the Corporate Responsibility.

Any information required by this law must be reported; any omission must be justified.

With the Materiality methodology, Atos has defined objectively and according to the practices of reporting within IT Companies

Sector the list of information which is "material" and need to be reported, and the list of the one for which a justification of its omission must be given.

This methodology ensures to the external auditors, who will certify the presence of the information and the fairness of the justification, to release their audit report in accordance with the French law.

#### D.6.1.2 Global Reporting Initiative (GRI) guidelines

[G4-6], [G4-15], [G4-18], [G4-20], [G4-21], [G4-28], [G4-29] and [G4-32]

The report is set up according to the Global Reporting Initiative (GRI) G4 Guidelines, a worldwide standard for reporting on corporate responsibility. After material assessment, Atos reports on the full general disclosures and a total of 38 Performance Indicators clustered into management disclosures and six categories (economic, environment, labor practices & decent work, human rights, society, product responsibility) plus 8 specific Atos Performance indicators. Atos has produced its 2014 Corporate Responsibility Integrated Report 'In accordance' with G4 Comprehensive option. Atos has successfully completed the GRI Content Index Service. The overall process is assured by an external auditor. Atos aims to demonstrate that the extra financial performance disclosures are accurate and exhaustive in line with the GRI-G4 requirements.

Atos has applied the "Guidance on Defining Report Content" following the Principles of Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness.

Atos is committed to transparent and public reporting on sustainability. This report covers the period from January 1, 2014 to December 31, 2014 in a comparable period (one year) to the previous 2013 report. In term of scope the geographical perimeter has changed compared to 2013. Detailed explanations are provided in next paragraphs.

Bull and Cambridge Technology Partners, the legal entity recently acquire by Atos in the second semester of 2014 are not taken into account as part of the Corporate Responsibility reporting scope.

Only some specific KPI figures (such as PR9, Wastes) related to manufacturing activity of the former Bull entity have been included.

##### Process for defining report content

The selection of the corporate responsibility challenges and KPIs is aligned with Atos business strategy and based on a materiality assessment (See in section D.1.1.4). Corporate Responsibility strategy includes a prioritization of topics which is an essential requirement for our performance dashboard and internal project follow up.

The GRI Content Index table can be found in the Corporate Responsibility report. It states which subjects have been considered applicable and then included in the report. The required profile information and an overview of the management approach for each indicator category is also provided.

##### Aspects Boundaries [G4-17]

The following aspects of GRI 4 are material for the Group for the overall Atos organization at the exception of the "product responsibility compliance" aspect, which is only material for Bull within the organization. Outside the organization, these aspects are material for the mentioned stakeholders.

Aspects	Aspect boundaries outside the organization
Economic Performance	Clients, Investors and analysts, Communities and NGOs
Market Presence	Business partners, research institutions and universities, communities and NGOs
Indirect Economic Impacts	Suppliers, Communities and NGOs
Procurement Practices	Suppliers, Business partners, research institutions and universities
Energy	Clients, Investors and analysts
Emissions	Clients, Investors and analysts
Employment	
Training and Education	
Diversity and Equal Opportunity	
Equal remuneration for women and men	Not material outside the organization
Anti-corruption	Clients, Investors and analysts, Suppliers, Public entities
Society Compliance	Investors and analysts, Communities and NGOs, Public entities
Product and Service Labelling	Clients
Customer Privacy	Clients
Product responsibility Compliance	Not material outside the organization

### Reporting scope for the indicators resulting from the materiality study

Atos obtains its Corporate Responsibility (CR) data from internal measurement and from external sources (third parties). Data relating to subcontractors are not reported here, but can be found in section F.1.5 Partnerships and subcontractors.

For the year 2014, the Group is organized as follows:

- APAC (Asia Pacific): Australia, China, Hong Kong, Japan, Malaysia, Philippines, Singapore, Taiwan, Thailand;
- CEE: Austria, Bulgaria, Croatia, Czech Republic, Poland, Romania, Russia, Serbia, Slovakia, Turkey, Italy and Switzerland;
- BTN (Benelux and the Nordics): The Netherlands, Belgium, Luxembourg, Denmark, Estonia, Finland and Sweden;
- France: France;
- Germany: Germany;
- Iberia: Portugal, Spain, Andorra;
- IMEA: India, Morocco, South Africa, Qatar, United Arab Emirates, Egypt and Kingdom of Saudi Arabia;
- LATAM (Latin America): Argentina, Brazil, Colombia, Mexico;
- UK&I: The United Kingdom and Ireland;
- NAM (North America): Canada, USA;
- Worldline: Argentina, Austrian, Belgian, China, Chile, French, German, Hong Kong Indian, Indonesian, Luxembourg, Malaysian, Netherlands, Spanish, United Kingdom,, Singapore, and Taiwan subsidiaries;
- CORPORATE: France, Germany, Netherlands, Switzerland, United Kingdom;

- Major Events: Brazil, France, Spain, Switzerland, United Kingdom;
- CES: Yunano, blueKiwi, Canopy (Netherlands, United Kingdom, France, Germany and USA subsidiaries).

On the basis of this context, the perimeter (countries under scope) of the indicators varies on the 2014 reporting period. The tables in sections D.2.6, D.3.4, D.4.4 and D.5.4 specify the perimeter associated to each indicator.

### Reporting tool

Atos' Corporate Responsibility & Sustainability Office is the contact point for questions regarding the report and includes representatives from each GBU/Service Line and representatives from the global functions. Representatives are responsible for the collecting process and evidence archiving.

Since 2011, Atos uses a SAP Sustainability Performance Management (SuPM) tool to facilitate the gathering of information, global workflows, validations, exploitation and visualization of KPIs results. Atos' challenge is to report every year with the global tool.

The most of the indicators are gathered through the sustainability global tool (SuPM) at country level. Most of HR indicators data (category "LA") have been extracted from a Group HR tool (Clarity) and uploaded into SuPM via linking and interfaces. Some other indicators are still not gathered into the sustainability global tool but have been collected at group level in other tools.

All the procedures, templates and final data are stored on the Atos Collaborative tools (blueKiwi and SharePoint) with worldwide access.

### D.6.1.3 Methodological detailed information

[G4-20] and [G4-21]

#### Information related to G4-22

No restated information from last year, on FY 2013 reporting.

#### Detailed information related to G4-EC1 and G4-EC7 KPIs

The information required in G4-EC1 is mostly included in financial statement (A.2. Revenue Profile, notes in E.4.7.4, and G.7.3 Dividend Policy), but for the part relating "Community Investment" Atos reports the total Social Contribution reached in 2014.

Atos Social Contribution is the accountability of initiatives under the Corporate Citizenship program. That accountability is aligned with the London Benchmark Group (LBG) framework for measuring Corporate Community Investment. Atos accounts their Businesses' voluntary engagement with charitable organizations or activities within four categories: Donations to Charity, Commercial initiatives for good causes, Contribution to Universities and similar institutions, and Responsible IT Projects. The last two categories correspond to what LBG considers "Community Investment". The total cost of Atos categories is detailed in table of part D.4.4 (Being an ethical and fair player within Atos' sphere of influence – KPI overview).

The forms of contribution are Cash, Time (employee volunteering during paid working hours), In-kind (including pro bono) and Management costs. In 2014 the total cost of social initiatives in cash was € 828,080, in time was € 344,051, in-kind was € 53,683, and in Management cost was € 67,483 [G4-EC7\_C].

#### Detailed information related to G4-EN3 KPI

The data collection related to the environmental KPIs involves all the GBUs. With few exceptions, countries provided the information necessary to get a reliable estimation of the carbon footprint. In order to align the GRI collecting process to the Carbon Disclosure Abatement Project, Atos used a methodology of collecting based on the GHG protocol and the GRI guidelines. In this way the two processes can be integrated and the data for both reports can be gathered.

For the CO<sub>2</sub> calculations, country regulations and calculation methods have been applied.

The conversion factors have been adjusted according to the country and the type of energy consumed (fuel oil, diesel, gas, electricity) [3.9.1] [3.9.2].

Conversion factors are based on Defra: Guidelines to Defra/DECC's Greenhouse Gas Conversion Factors for Company Reporting, available at: <http://www.ukconversionfactorscarbonsmart.co.uk/>.

For the figures, Atos used Electricity/Heat Conversion Factors from those last updated for 2014. [G4-EN3\_G]

The methodology used is provided directly through the local power supplier or landlord:

- regarding electricity, meters are installed at site level to measure the energy consumed in kWh. The measurement recorded by the meters is used by suppliers or via landlords to issue invoices;
- regarding gas, meters are installed at site level to measure the energy consumed in M3 and converted in kWh according to local conversion ratios, in many cases directly by the supplier. The invoice is provided directly by the gas supplier or via the landlord. [G4-EN3\_F]

Invoices state the total amount consumed in kWh and/or its monetary value (local currency). If only the monetary value is provided, the respective consumption in kWh is calculated by using a respective cost per unit rate.

Atos has included some assumptions and techniques for underlying estimations applied to the compilation of the Indicators and other information in the specific KPIs.

For example, in case of unavailability of actual consumption data, estimations based on previous period consumptions are used to calculate the actual consumption. In case of unavailability of consumption data, estimations based on footage and average consumptions from other sites are used to calculate the actual consumption. The corresponding data is entered into the organization's application for each site. [G4-EN3\_F]

The cooling purchased through local district cooling schemes, for DC and offices is 0 GJ [G4-EN3\_C3] and the total of steam purchased through district heating schemes to heat sites is not available [G4-EN3\_C4].

Atos do not sell electricity, heating, cooling, nor steam to third parties. [G4-EN3\_D1, G4-EN3\_D2, G4-EN3\_D3, G4-EN3\_D4]

#### Detailed information related to G4-EN5 KPI

The Energy intensity ratio is calculated by dividing the absolute energy consumption during the reporting year (the numerator) by the revenue metric expressed in € (the denominator) produced by the organization, in the same reporting year. The Energy intensity expresses the energy required per unit of activity. For consistency, the scope of reporting is aligned with the country scope included within our 2012 baseline measurement. [G4-EN5\_A]



For the Energy intensity ratio the denominator for revenues is the complete organization, however, reporting is restricted to the baseline scope measured in 2012. Within that scope, the revenue is corresponding to the turn over generated by all countries within the baseline (all Service Lines) during the year (reporting period: January 1 to December 31) under analysis. [\[G4-EN5\\_B\]](#)

For the Energy intensity ratio the denominator for employees is the total headcounts registered at the end of the financial year for all countries within the baseline as on December 31. [\[G4-EN5\\_B\]](#)

The types of energy included in the intensity ratio are: vehicle fuel, electricity, gas, district heating, backup generator fuel (diesel and fuel oil). [\[G4-EN5\\_C\]](#)

The ratio uses energy consumed only within the organization (energy required to operate) [\[G4-EN5\\_D\]](#).

### Detailed information related to G4-EN6 KPI

The types of energy included in the energy reductions are: vehicle fuel, electricity, gas, district heating, backup generator fuel (diesel and fuel oil). [\[G4-EN6\\_B\]](#)

Atos reports on initiatives that were implemented during the reporting period, and that have the potential to contribute significantly to reducing energy consumption. As these primarily arise through investment in infrastructure changes, the savings published are based upon full-year savings and will usually continue over several years (although each initiative is only published in its first year). [\[G4-EN6\\_C\]](#)

#### The reduction is calculated as follows:

- For Data Centers, where multiple small activities take place savings are calculated through PUE reductions measured in conjunction with site energy consumption.
- For Offices, individual initiatives are justified based upon energy savings (cost savings), and are implemented based upon their merits. Those that are implemented are recorded and consolidated for this value. Data Centre and Office totals are then combined. [\[G4-EN6\\_D\]](#)

### Detailed information related to G4-EN7 KPI

The electricity consumption avoided due to Power Usage Effectiveness (PUE) improvement during the reporting period is 5,825,970 Kwh [\[G4-EN7\\_A\]](#). The average PUE in 2014 was 1.69.

The scope of G4-EN7 is the strategic datacenters (DCs). The power used by IT in strategic DCs decreased 2.3 % in 2014 compared to 2013. By itself this would lead to an increase of the PUE figure. However, the Data Center facility power used decreased even more, by 3.5%. Together this resulted in the PUE decreasing only 0.5 %.

But in reality we can say that the DC facilities were 3.5% more efficient in energy consumption in 2014 compared to 2013.

Initial data required: Current IT Load (kWh), Current PUE, PUE reduction (in %), new PUE after reduction.

- (a) Calculation of the kWh per year before PUE reduction= current IT load x 730 x 12 months x current PUE.
- (b) Calculation of the kWh per year after PUE reduction= current IT load x 730 x 12 months x new PUE.
- kWh saving per year = (a)-(b).

The base year is the reporting period (January 1 to December 31). Considering the external growth of the Company, the geographical scope can progressively change to include additional countries. [\[G4-EN7\\_B\]](#)

The PUE is a standard calculation: total kWh consumed by the entire site infrastructure divided by the kWh consumed by the IT infrastructure. The PUE, a measure defined by the Green Grid, is the industry standard indicator used to measure and monitor the energy efficiency of a Data Centers. [\[G4-EN7\\_C\]](#)

### Detailed information related to G4-EN15, G4-EN16, G4-EN17 and G4-EN18 KPIs [\[G4-22\]](#)

The base year is the reporting period (January 1 to December 31). Considering the external growth of the Company, the geographical scope can progressively change to include additional countries. [\[G4-EN15\\_D\]](#)

Atos is applying the GHG protocol methodology for all GHG Scopes (scope 1, 2, 3). The Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on sustainable development (WBCSD), sets the global standard for how to measure, manage, and report greenhouse gas emissions. [\[G4-EN15\\_E, G4-EN16\\_D, G4-EN17\\_F, G4-EN19\\_D, G4-EN20\\_B, G4-EN20\\_C\]](#)

The gases included in G4-EN16 a (CO<sub>2</sub>) – scope 2 are CO<sub>2</sub>. [\[G4-EN16\\_B\]](#) The gases included in the calculation of Gases included in G4-EN15 a (CO<sub>2</sub>) – scope 1, in G4-EN17 a (CO<sub>2</sub>) – scope 3, and G4-EN18\_D, G4-EN18\_B, are CO<sub>2</sub> plus fugitive emissions of refrigerant gases converted to CO<sub>2</sub> equivalents. These gases comprise R134a, R22, R404a, R407c, R410a, R422d, R508b. [\[G4-EN15\\_B, G4-EN17\\_B, G4-EN18\\_D, G4-EN19\\_B\]](#)

Where possible, we use conversion factors provided by the energy generating company. Where this is not available, the conversion table used is based on the DEFRA table which provides country average ratio. The table is available here: <http://www.ukconversionfactorscarbonsmart.co.uk/>.

The chosen consolidation approach for emissions is based on an operational control. Site related data are collected at site level, then consolidated with travel data which is collected at country

level. This is then consolidated at GBU level then Global level. [\[G4-EN15\\_G\]](#)

We include 3<sup>rd</sup> party fugitive refrigerant leaks, which are converted into CO<sub>2</sub> equivalent values. [\[G4-EN17\\_D\]](#)

For the GHG emission intensity ratio the denominator for revenues is the complete organization, however, reporting is restricted to the baseline scope measured in 2012. Within that scope, the revenue is corresponding to the turn over generated by all countries within the baseline (all Service Lines) during the year (reporting period: January 1 – December 31) under analysis. [\[G4-EN18\\_B\]](#)

For the GHG emission intensity ratio the denominator for employees is the total headcounts registered at the end of the financial year for all countries within the baseline as on December 31. [\[G4-EN18\\_B\]](#)

Atos is not producing any biogenic CO<sub>2</sub> emissions [\[G4-EN15\\_C, G4-EN17\\_C\]](#)

#### Detailed information related to G4-EN19

The reductions in GHG emissions occurred in direct (Scope 1), energy indirect (Scope 2), other indirect (Scope 3) emissions. [\[G4-EN19\\_E\]](#)

#### Detailed information related to G4-EN20

In order to calculate the Global Warming Potential, Atos has identified the emission of substances to the atmosphere through fugitive refrigerant gas leakage from cooling systems, for instance R22, R404a, R407 and R410a. Additionally, these gases are mainly reported for the Data Centers. [\[G4-EN20\\_B\]](#)

The conversion table used is based on the DEFRA table which provides refrigerant gas GWP tables. The tables are available here: <http://www.ukconversionfactorscarbonsmart.co.uk/> [\[G4-EN20\\_D\]](#)

#### Detailed information related to AO6 KPI (Diversity Perception)

In the KPI AO6 relating Diversity perception, the countries assessed have a percentage of positive responses to each Great Place to Work item which has been converted into a group "percentage of Diversity perception" by dividing the total positive punctuations between the number of respondents.

#### Detailed information related to Human Resources KPIs

All the Human Resources indicators derived from the HR Information System (G4-LA1, G4-LA2, G4-LA3, G4-LA9, G4-LA10, G4-LA11, G4-LA12, G4-LA13, G4-EC5, G4-EC6, and AO6) are based on an extraction made on January 21, 2015. Due to late and retroactive entries on staff movements into the HR Information System, the actual situation as of December 31 is different from the one presented through the HR dedicated indicators. This difference however remains limited: it is about 1% of the total workforce at the end of the period.

Bull (9,197) and Cambridge Technology Partners (258 employees closing 2014), the legal entity recently acquire by Atos in the second semester of 2014 was not taken into account as part of the HR official headcount.

#### Detailed information related to G4-LA7

Working accidents: Since 2013, Atos publishes data related to working accidents. In 2014 the scope covers Iberia, Germany, the Netherlands and France. Due to the small value gathered the detail of the frequency and severity is considered not relevant to be monitored in the Group.

#### Detailed information related to G4-LA9

The calculation of the average training by employee is done using the headcount closing 2014.

#### Detailed information related to G4-SO8

The reporting of the significant fines for non-compliance is linked to a Global procedure called "Litigation Docket", which requires the reporting from the Countries to the Group Litigation department all fines, claims and sanctions higher than € 100,000. The reporting for SO8 follows this procedure and the results of 0 means that Atos has not fines for non-compliance higher than € 100,000. Compared to other companies, this threshold is very low, and enables Atos to have a clear and efficient control of the litigation issues within the Group.

#### Detailed information related to AO2

This indicator is based on the Great Place to Work survey.

#### Detailed information related to AO17 and G4-SO3

AO17 information contains data provided by Ecovadis. Ecovadis assessment is not only on corruption, but also on HR and environment. Atos works with Ecovadis to assess strategic suppliers risks related to corruption (G4-SO3: Total number and percentage of operations assessed for risks related to corruption and the significant risks identified).

### Detailed information for the no reporting of some Grenelle 2 information

The amount of the provisions and guarantees for environment-related risks: it is not relevant regarding the activity sector.

Atos's operations do not impact significantly the environment in terms of adverse noise affects or any other form of specific pollution. This subject has not been identified as essential/priority in Atos materiality test assessment.

Atos's operations do not impact significantly the environment in terms of water consumption and water procurement on the basis of local constraints. This subject has not been identified as essential/priority in Atos materiality test assessment.

Atos's operations don't impact significantly on land use as we are operating within areas already zoned for economic activities

(business/commercial/industry zones). This subject has not been identified as essential/priority in Atos materiality test assessment.

The consequences concerning the adaptation to the consequences of climate change: have been assessed and the conclusion is that the risk is marginal for Atos.

The measures undertaken to safeguard or develop biodiversity: the measures undertaken to safeguard or develop biodiversity have been identified as not material for Atos.

Working accidents, including accident frequency and severity rates: Since 2013, Atos publishes data related to working accidents. In 2014 the scope covers Iberia, Germany, the Netherlands and France. Due to the small value gathered the detail of the frequency and severity is considered not relevant to be monitored in the Group.

## D.6.2 Report of one of the statutory auditor, appointed as independent third-party, on the consolidated social, environmental and societal information published in the management report on the year ended December 31, 2014

[G4-32] and [G4-33]

*This is a free translation into English of the original report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity as Statutory Auditor of ATOS SE, and appointed as independent third-party, for whom the certification request has been approved by the French National Accreditation Body (COFRAC) under the number 3-1048, we hereby present you with our report on the social, environmental and societal information prepared for the year ended December 31, 2014 (hereinafter the "CR Information"), presented in the management report included in the reference document pursuant to article L. 225-102-1 of the French Commercial Code (Code de commerce).

### Responsibility of the Company

The Board of Directors of ATOS SE is responsible for preparing a management report including CR Information in accordance with the provisions of article R. 225-105-1 of the French Commercial Code, prepared in accordance with the reporting protocols and guidelines used by ATOS SE, (hereafter the "Reporting Guidelines"), which are available for consultation at the headquarters of the Company and for which a summary is presented in the management report.

### Independence and quality control

Our independence is defined by regulatory texts, the profession's Code of Ethics as well as by the provisions set forth in article L. 822-11 of the French Commercial Code. Furthermore, we have set up a quality control system that includes the documented policies and procedures designed to ensure compliance with rules of ethics, professional auditing standards and the applicable legal texts and regulations.

### Responsibility of the Statutory Auditor

Based on our work, our responsibility is:

- to attest that the required CR Information is presented in the management report or, in the event of omission, is explained pursuant to the third paragraph of article R. 225-105 of the French Commercial Code (Attestation of completeness of CR information);
- to express limited assurance on the fact that, taken as a whole, CR Information is presented fairly, in all material aspects, in accordance with the adopted Reporting Guidelines (Formed opinion on the fair presentation of CR Information);

- to express limited assurance on the fact that the description made by the Group in chapter D.1.1.6 "Respect of the AA1000 standard" of the management report on the compliance with AA1000 APS (2008) principles of inclusivity, materiality and responsiveness in the process of developing the chapter D. "Corporate Responsibility" in the management report ("the report" and the "Principles"), is fair in all material aspects (report of assurance on the process of development of social information, environmental and other sustainable development).

Our work was carried out by a team of seven people between December 2014 and March 2015 for an estimated duration of twelve weeks. To assist us in conducting our work, we referred to our corporate responsibility experts.

We conducted the following procedures in accordance with professional auditing standards applicable in France, with the order of May 13, 2013 determining the methodology according to which the independent third party entity conducts its assignment and, concerning the formed opinion on the fair presentation of CR Information, with the international standard ISAE 3000<sup>1</sup>.

### I. Attestation of completeness of CR Information

Based on interviews with management, we familiarized ourselves with the Group's sustainable development strategy, with regard to the social and environmental impacts of the Company's business and its societal commitments and, where appropriate, any resulting actions or programs.

We compared the CR Information presented in the management report with the list set forth in article R. 225-105-1 of the French Commercial Code.

In the event of omission of certain consolidated information, we verified that explanations were provided in accordance with the third paragraph of the article R. 225-105 of the French Commercial Code.

We verified that the CR Information covered the consolidated scope, i.e., the Company and its subsidiaries within the meaning of article L. 233-1 of the French Commercial Code and the companies that it controls within the meaning of article L. 233-3 of the French Commercial Code, subject to the limitations presented in the methodological note on methods of chapter titled D.6 "Information about the report" of the management report.

<sup>1</sup> ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

Based on these procedures and considering the limitations mentioned above, we attest that the required CR Information is presented in the management report.

## II. Formed opinion on the fair presentation of CR Information

### Nature and scope of procedures

We conducted around twenty interviews with the people responsible for preparing the CR Information in the departments in charge of data collection process and, when appropriate, those responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Reporting Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into consideration, when relevant, the sector's best practices;
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the CR Information and review the internal control and risk management procedures used to prepare the CR Information.

We determined the nature and scope of the tests and controls according to the nature and significance of the CR Information with regard to the Company's characteristics, the social and environmental challenges of its activities, its sustainable development strategies and the sector's best practices.

Concerning the CR Information that we have considered to be most important <sup>1</sup>:

- for the consolidating entity, we consulted the documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions), we performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the data consolidation, and we verified their consistency with the other information presented in the management report;
- for a representative sample of entities <sup>2</sup> that we have selected according to their activity, their contribution to the consolidated indicators, their location and a risk analysis, we held interviews to verify the correct application of the procedures and performed substantive tests using sampling techniques, consisting in verifying the calculations made and reconciling the data with supporting evidence. The selected sample represented between 34% and 100% of the social

and societal quantitative information and between 28% and 34% of the environmental quantitative information.

Regarding the other consolidated CR Information, we have assessed its consistency in relation to our understanding of the Group.

Lastly, we assessed the relevance of the explanations relating to, where necessary, the total or partial omission of certain information.

We believe that the sampling methods and sizes of the samples we have used in exercising our professional judgment enable us to express limited assurance; a higher level of assurance would have required more in-depth verifications. Due to the use of sampling techniques and the other limits inherent to the operations of any information and internal control system, the risk that a material anomaly be identified in the CR Information cannot be totally eliminated.

### Qualification expressed

The items "Total number of employees involved in social responsibility initiatives" and "Emissions of ozone-depleting substances (ods)" comprise a certain degree of error that was not possible for us to quantify, due to incorrect application of the definition in certain entities and to an insufficient control device at the collection stage of this information.

### Conclusion

Based on our work, and subject to the above-mentioned qualification, we did not identify any material anomaly likely to call into question the fact that the CR Information, taken as a whole, is presented fairly, in accordance with the Reporting Guidelines.

## III. Limited assurance report on the development process of social, environmental and societal information regarding the AA1000 principles

### Nature and scope of procedures

We conducted the following procedures, which correspond to the requirements of a Type 2 verification in accordance with the AA1000 AS (2008) standard that leads to obtain a moderate assurance on the fact that the description of the Principles has no significant anomalies that call into question its fairness, in all material aspects. A higher level of assurance would have required more extensive review.

<sup>1</sup> AO2 - Percentage of positive responses to "Taking everything into account, I would say this is a great place to work", AO2 - Percentage of Responses to work surveys (Average of Response rate), AO3 - Percentage of coverage of ISO 27001 certifications, AO3 - Percentage of employees successfully performed the Data Protection E-learning, AO3 - Percentage of employees who successfully performed the Safety & Security E-learning, AO3 - Weighted Intrusion Rate of Internet in GBU, AO3 - Weighted Intrusion Rate of Intranet in GBU, AO3 - Weighted Intrusion Rate of Service Network in GBU, AO6 - Diversity Perception (GPTW), AO7 - TCV solutions Sustainability offerings, AO10 - Customer innovation workshops delivered in GBUs, AO11 - Internal emails sent per week per mailbox, AO11 - Total number of communities, AO14 - ISO 14001 certified sites (Offices plus DC), AO16 - Global absenteeism rate, AO17 - Percentage of strategic suppliers evaluated by EcoVadis, AO17 - Total percentage of spend assessed by EcoVadis, G4-EC1 - Total number of employees involved in social responsibility initiatives, G4-EC5 - Minimum wage comparison, EC9 - Percentage of local spending, G4-EN5 - Energy intensity ratio (employee) in [GJ per Employee], G4-EN5 - Energy intensity ratio (revenue) in GJ per € million, G4-EN18 - Global Footprint by employee (tCO2/employee), G4-EN18 - Global Footprint by revenue (tCO2/€ million revenue), G4-LA1 - New employees hires during the Reporting Period, G4-LA1 - Turnover, G4-LA9 - Average hours of training per employee, G4-LA11 - Percentage of employees receiving performance appraisal in the last 12 months, G4-LA12 - Percentage of female in Governance bodies (Board of Directors), G4-LA12 - Percentage of females within Atos, G4-PR5 - Overall Customer Satisfaction from Strategic surveys (score from 0 to 10), G4-PR5 - Overall Managed Services Customer Satisfaction from Tactical surveys (score from 0 to 10), G4-PR8 - Number of third party complaints regarding breaches of customer privacy, higher than € 100,000, G4-SO4 - Percentage of management employees trained in Code of Ethics, G4-SO8 - Total value of significant fines (higher than € 100,000).

<sup>2</sup> GBU India, GBU Spain, GBU UK.



We met the people contributing to the identification of key issues, facilitation and reporting of Corporate Responsibility (Executive Committee, Head of Corporate Responsibility and Human Resources), in order to assess the implementation of the report's preparation process as defined by the Group.

We interviewed the persons responsible of the "Global Business Unit" representing different geographical areas in order to understand how they deploy the policies defined by the Group's Corporate Responsibility, to assess the consistency of the issues identified by the Group with local CR issues and identify possible specific local issues existence.

We conducted tests at corporate level on the implementation of the procedure related to:

- identification of stakeholders and their expectations;
- identification of material Corporate Responsibility issues;

- implementation of policies and guidelines of Corporate Responsibility.

#### Conclusion

Based on our work, we did not identify any material anomaly likely to call into question the fact that the description made by the Group in the chapter D.1.1.6 "Respect of the AA1000 standard" on the compliance with principles of inclusivity, materiality and responsiveness as set out in the AA1000 APS (2008) standard in the process of developing the management report has been presented fairly, in all material aspects.

#### Observation

As stated in part D.1.1.6 "Respect of the AA1000 standard", regular discussions are organized with main Stakeholders to share and discuss Atos main corporate responsibility issues and undertaken actions. This centralized approach could be further deployed by further disseminating stakeholders' consultation practices in the business units and Service Lines.

**Neuilly-sur-Seine, on March 27, 2015**  
**French original signed by one of the statutory auditors,**

Deloitte & Associés

Christophe Patrier  
*Partner*

Florence Didier-Noaro  
*Partner*  
*Sustainability Services*



# E

## Financials

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## E.1 Operational review

### E.1.1 Executive summary

In 2014, the Group implemented operational changes that are reflected in the 2014 figures:

- the Transport Sub-market that used to be part of the PHT (Public, Health & Transport) Global Market was transferred to MRS (Manufacturing, Retail & Services) – renamed to “MRT” (Manufacturing, Retail & Transport) – except for a few Transportation accounts (c. 25%) that were transferred to PHT – renamed to “PH” (Public & Health);
- the Consulting & Technology Services Global Service Line was merged within Systems Integration in the relevant Business Units where it became a practice to create the new C&SI (Consulting & Systems Integration) Global Service Line.

In addition to these two operational transfers and as a consequence of the Bull acquisition, the “Big Data & Cyber-security” Service Line was created as of September 1, 2014, based on related activities acquired from Bull and the ones from Systems Integration and also from Managed Services.

Representing 51% of the Group in 2014, **Managed Services** revenue was € 4,577 million, +4.6% year-on-year and down -2.0% at constant scope and exchange rates. Growth materialized in the United Kingdom, mostly benefiting from the ramp-up of major BPO contracts in the Public sector. Revenue also grew in Other BUs thanks to an increase of activity on existing contracts with global customers in Asia Pacific, through additional volumes in Public & Health in the Middle-East, and in Financial Services in India. Globally, revenue significantly increased in Cloud although not fully compensating for the ramp-down of some contracts and price pressure in continental Europe.

During the fourth quarter, Managed Services revenue was down -1.4% organically, which was an improvement compared to the first nine months of the year thanks to the BPO activity in the UK and a better revenue evolution in France thanks to contracts signed in June.

Operating margin was € 364.4 million, representing 8.0% of revenue. Operating margin increased in the United Kingdom thanks to revenue growth and in North America with project margin improvement on large contracts and strong actions on direct and indirect costs. These positive effects were impacted by anticipated price decline and the phase-out of some contracts in continental Europe. As a result, operating margin was -60 basis points compared to 2013.

Revenue in **Consulting & Systems Integration** was € 3,136 million in 2014, up +8.5% year-on-year and down -1.1% at constant scope and exchange rates. Revenue grew strongly in Public & Health, particularly in the UK in application

management, in France thanks to several new projects, in Central & Eastern Europe both in Consulting and Systems Integration, and in Spain thanks to some hardware sales. This positive evolution was impacted by reduced programs or base effects in some large accounts in Telcos, Media & Utilities.

During the fourth quarter, revenue in Consulting & Systems Integration was almost stable, an improvement on the first nine months of the year when it was -1.5% thanks to a strong activity in the Public sector in France and in Central & Eastern Europe, which offset the lack of new projects in Germany.

Operating margin was € 233.3 million, representing 7.4% of revenue. The improvement of +90 basis points compared to 2013 came mainly from SG&A optimization in Continental Europe. In spite of a loss of circa € -20 million on the Transport for Greater Manchester project (TfGM), gross margin remained stable thanks to the acceleration of global delivery and the industrialization of operations combined with strong workforce management including the closure of the Frankfurt location. As a consequence, utilization rate increased to 82% in 2014.

Created in September 2014 as part of the Bull integration, revenue for the **Big Data & Cyber-security** Service Line was € 240 million for the last four months of the year, representing organic growth of +14.0% compared to the same period in 2013. Revenue growth was driven by the Big Data practice based on strong activity in High Performance Computing (HPC), with sales in Germany to the Climate Computing Center and in Benelux & The Nordics to Dutch Universities, and with sales of the newly launched bullion machine to French public organizations. Customer demand in the Security practice is strongly accelerating particularly for encryption and access management solutions.

Operating margin was € 52.3 million, an improvement of +60 basis points compared to the same period in 2013, which usually represents the largest part of the annual activity.

On a standalone basis, **Worldline** increased its revenue by +2.8%. From a contributive perspective to Atos, revenue was € 1,099 million, stable compared to 2013. Revenue growth materialized in Merchant Services & Terminals thanks to a strong performance in Commercial Acquiring, Private Label Cards & Loyalty services, and Online services. The strong activity of the terminal business during the fourth quarter partly compensated for the decline in the first nine months of the year due to the time required to obtain national certificates for the new range of terminals. Financial Processing & Software Licensing was stable thanks to the strong momentum in Online Banking Services and Payment Software Licensing activities, particularly in Asia with existing clients. It compensated for the





effect of the re-insourcing of one banking processing contract in France. In Mobility & e-Transactional Services, e-Ticketing achieved double-digit growth while e-Government Collection was impacted by a price reduction on one contract in the UK.

During the fourth quarter, Worldline grew +4.0% organically on a standalone basis. From a contributive perspective to Atos, Worldline revenue was up +0.4%. The difference comes from the digital transformation services delivered to Atos customers as part of the sales synergies program, notably in the field of machine-to-machine connectivity.

Operating margin was € 170.4 million, representing 15.5% of revenue, an improvement of +60 basis points compared to 14.9% in 2013 at constant scope and exchange rates. This performance was achieved in Merchant Services & Terminals and in Financial Processing & Software Licensing thanks to an increase in transaction volumes and costs optimization as part of the TEAM program.

By **Business Unit**, the Group revenue was almost stable over the year with contrasted evolution across geographies. United Kingdom and Other BUs, in particular India, Middle-East & Africa and Asia Pacific, posted a strong commercial performance thanks to BPO activity in the Public sector, outsourcing services in Financial Services and storage capacity in Telcos, Media & Utilities. France and Iberia showed encouraging signs of recovery in the second half of the year following several quarters of significant decline. Benelux & The Nordics experienced volumes contraction from Telecom operators and Germany was impacted as planned by the already mentioned price decrease on the Siemens account, the end of the transition period with Bayer, as well as a decrease in demand in Systems Integration in Telcos, Media & Utilities.

The Group focused on protecting or enhancing its operational profitability by executing the Tier One program through industrialization, global delivery from offshore locations, and continuous optimization of SG&A. As part of this program, the Group is constantly optimizing its pension schemes resulting in a positive effect of circa € 50 million (in the Netherlands) which follows the positive effect of circa € 40 million in 2013 (in the Netherlands and in the United Kingdom). As a result, 6 out of 9 Business Units either stabilized or improved their operating margin rate during 2014, in a challenging market environment for some large European economies. After a difficult first half, France operating margin rate was 5.6% in 2014, benefiting from the combined effects of new Managed Services contracts signed in June and from the integration of Bull activities and its positive margin seasonality pattern. Germany is engaged in a strong transformation plan with the objective to reduce both direct and indirect costs in line with the level of the activity. These actions will fully materialize in 2015.

The Group **order entries** in 2014 totaled € 9.1 billion, representing a book to bill ratio of 101%. During the fourth quarter, thanks to its innovative offerings, Atos signed several contracts which are going to fuel organic growth as early as

the first half of 2015. In Germany, the Group signed with K+S (new logo) in Managed Services and extended its Systems Integration contract with Symrise. In France, new contracts were signed in Systems Integration with a large retailer and in Managed Services for the national railway and extended the scope of its contract with one of the Big Four accounting firms. Two Managed Services contracts were signed with two local Governments in the United Kingdom. Atos renewed its Managed Services contract with Microsoft and fertilized on the Siemens account in North America. In Benelux, contracts were renewed in Managed Services with a European institution and a large Dutch bank. A new application management contract was signed with Volkswagen in Brazil. The Big Data & Cyber-security Service Line signed new deals for HPC infrastructures and services in France and in Brazil.

Worldline renewed in 2014 all its major processing contracts, notably in Germany and in Belgium and strengthened its European leadership position in e-wallet processing with contracts signed with Paylib in France, BCMC and Sixdots in Belgium, and Sparda-Bank in Germany (Masterpass). Worldline also won deals contracts in the fourth quarter, including the contract with EDF in France for multi-channel solutions.

The **full backlog** was € 16.2 billion at the end of 2014, representing 1.7 year of revenue, compared to € 15.2 billion at the end of 2013. The increase came mostly from the integration of Bull, which contributed mainly to Manufacturing, Retail & Transportation and Public & Health.

Representing 6.8 months of revenue at the end of 2014, the **full qualified pipeline** was € 5.5 billion, compared to € 5.3 billion at the end of 2013.

The **total number of Group employees** was 85,865 at the end of December 2014, compared to 76,320 at the end of December 2013. 9,197 staff joined the Group from Bull on September 1, 2014.

The number of direct employees at the end of December 2014 was 79,044, up +12% compared to the beginning of the year and +1% excluding Bull scope effect. Direct headcount represented 92.1% of the total Group headcount at the end of 2014, at the same level as at end of 2013.

Almost 6,000 direct employees were recruited in offshore countries, of which two third in India, as part of the strategy to accelerate offshore delivery.

Indirect staff was 6,821. The increase came mostly from the Bull integration. Excluding Bull effect, Indirect staffs were reduced by -9% as a consequence of the continued SG&A cost reduction induced by the Tier One Program.

Attrition was 10.1% at Group level of which 17.9% was in offshore countries.

Number of staff in offshore countries increased by +17% year-on-year, reaching 18,101, and representing 21% of total staff with a majority located in India.



## E.1.2 Statutory to constant scope and exchange rates reconciliation

In 2014, the Group implemented operational changes that are reflected in the 2014 figures:

- the Transport Sub-market that used to be part of the PHT (Public, Health & Transport) Global Market was transferred to MRS (Manufacturing, Retail & Services) – renamed to “MRT” (Manufacturing, Retail & Transport) – except for a few Transportation accounts (c. 25%) that were transferred to PHT – renamed to “PH” (Public & Health);
- the Consulting & Technology Services Global Service Line was merged within Systems Integration in the relevant Business Units where it became a practice to create the new C&SI (Consulting & Systems Integration) Global Service Line.

In addition to these two operational transfers and as a consequence of the Bull acquisition, the “Big Data & Cybersecurity” Service Line was created as of September 1, 2014, based on related activities acquired from Bull and the ones from Systems Integration.

The organizational changes that happened in 2014 have been reflected into the Business Unit, Service Line, and Global Market reporting of revenue and operating margin in 2013 for comparative purposes.

Revenue in 2014 amounted to € 9,051 million, +5.1% compared to € 8,615 million in 2013, and -1.1% compared to 2013 revenue at constant scope and exchange rates.

2013 revenue at constant scope and exchange rates reflects the following internal transfers between the Service Lines:

- the transfer of Consulting in the United Kingdom & Ireland, Germany, Benelux & The Nordics, France, Iberia, and Latin America to Consulting & Systems Integration (C&SI);
- Technology Services to C&SI;
- the carve-out of Worldline: as a consequence the HTTS & Specialized Business Service Line was discontinued and the Specialized Businesses component was merged into C&SI except for BPO that was merged into Managed Services.

(in € million)

	FY 2014	FY 2013	% growth
<b>Statutory revenue</b>	<b>9,051</b>	<b>8,615</b>	<b>+5.1%</b>
Scope effect		508	
Exchange rates effect		28	
<b>Revenue at constant scope and exchange rates</b>	<b>9,051</b>	<b>9,151</b>	<b>-1.1%</b>
Operating margin	701.9	645.2	+8.8%
Scope effect		55.5	
Exchange rates effect		0.6	
<b>Operating margin at constant scope and exchange rates</b>	<b>701.9</b>	<b>701.3</b>	<b>+0.1%</b>
<i>as % of revenue</i>	<i>7.8%</i>	<i>7.7%</i>	

Net scope effect on revenue amounted to € 508 million and was related to the acquisitions of Bull (France, August 2014), Cambridge Technology Partners (Central & Eastern Europe, June 2014), WindowLogic (Asia-Pacific, July 2013) and the disposals of Metrum (The Netherlands, January 2014) and of Atos Formation (France, March 2013).

At Group level, exchange rates effect on revenue amounted to € 28 million mainly resulting from the British pound strengthening versus the euro (+5.4%) and from the Turkish lira (-13.4%), the Argentina peso (-33.0%) and the Brazilian real (-8.8%) depreciating versus the euro.

On operating margin net scope effect amounted to € 55.4 million and exchange rates effect was € 0.6 million.

## E.1.3 Performance by Service Line

(in € million)	Revenue				Operating margin		Operating margin (%)	
	FY 2014	FY 2013*	% yoy	% organic	FY 2014	FY 2013*	FY 2014	FY 2013*
Managed Services	4,577	4,670	+4.6%	-2.0%	364.4	403.1	8.0%	8.6%
Consulting & Systems Integration	3,136	3,173	+8.5%	-1.1%	233.3	206.8	7.4%	6.5%
Big Data & Cyber-security	240	210	N/A	+14.0%	52.3	44.6	21.8%	21.2%
Corporate costs**					-118.4	-116.6	-1.5%	-1.4%
<b>Total IT Services</b>	<b>7,952</b>	<b>8,053</b>	<b>N/A</b>	<b>-1.2%</b>	<b>531.6</b>	<b>537.9</b>	<b>6.7%</b>	<b>6.7%</b>
<b>Worldline***</b>	<b>1,099</b>	<b>1,098</b>	<b>N/A</b>	<b>+0.1%</b>	<b>170.4</b>	<b>163.5</b>	<b>15.5%</b>	<b>14.9%</b>
<b>TOTAL GROUP</b>	<b>9,051</b>	<b>9,151</b>	<b>+5.1%</b>	<b>-1.1%</b>	<b>701.9</b>	<b>701.3</b>	<b>7.8%</b>	<b>7.7%</b>

\* At constant scope and exchange rates.

\*\* Corporate costs excludes Global delivery Lines costs allocated to the Services Lines.

\*\*\*Worldline reported +2.8% organic growth on a stand alone basis.

### E.1.3.1 Managed Services

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	4,577	4,670	+4.6%	-2.0%
Operating margin	364.4	403.1		
Operating margin rate	8.0%	8.6%		

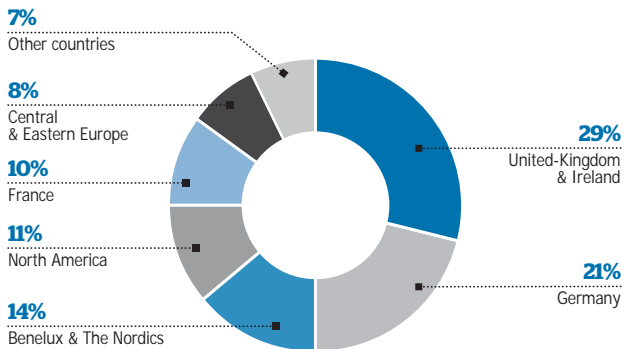
\* At constant scope and exchange rates.

2014 **revenue** in Managed Services, including BPO, was **€ 4,577 million**, up +4.6% year-on-year and down -2.0% at constant scope and exchange rates. Growth materialized in the United Kingdom, largely benefiting from BPO activities thanks to the ramp-up of the DWP PIP and NS&I transition contracts and over-compensating the decline in volumes of the DWP WCA contract. Managed Services also grew in Other BUs (+8.4%), in particular in Asia-Pacific where revenue increased by +8.2% thanks to ramp-ups of existing contracts with Global customers and higher resale volumes with a large bank, and in India, Middle-East & Africa, up +24.0% through additional volumes in the Public Sector in the Middle East and in Financial Services in India. In the other geographies, Managed Services did not generate enough new business and closed 2014 with decreasing revenues in Germany, in absence of transition revenue and price reductions on the Siemens account. Managed Services in Germany was also impacted by the completion of the Bayer transition, the ramp-down of contracts with E-plus/Telefonica, and the impact from several contracts phase-out. Benelux &

The Nordics was down -7.9% despite the contribution of the new Cloud contract with a large electronics company. This was mainly due to some contracts phase-out such as KPN, price pressure, mainly in Financial Services, and the base effect of the build project completed for PostNord in 2013. France and Central & Eastern Europe both posted a decrease of -7.0%, contracts signed and delivered during the year could only partly compensate lower volumes notably in Austria, and the base effect of several Public sector and Manufacturing projects successfully delivered in 2013. North America was slightly down (-1.5%), McGraw-Hill and other customers ramp-ups partly compensated for less revenue with Siemens. Finally, Iberia was down -5.1% due to a specific one-off project delivered in 2013 for European institutions.

**During the fourth quarter**, Managed Services revenue was down -1.4% organically, which was an improvement compared to the first nine months of the year thanks to the BPO activity in the UK and a better revenue evolution in France thanks to contracts signed in June.

#### MANAGED SERVICES REVENUE PROFILE BY GEOGRAPHIES



**Operating margin** in Managed Services decreased by -60 basis points reaching 8.0% of revenue, mainly due to anticipated price decline and the ramp-down of some contracts in continental Europe, not fully compensated by productivity measures and strong actions on both direct and indirect costs such as purchasing and internal projects. Nevertheless, several Business Units performed well with margin gains more particularly in the United Kingdom primarily thanks the successful ramp-up of major public contracts, India, Middle-East & Africa (€ +3.7 million) mainly driven by margin impact of additional volumes, and North America (€ +2.6 million) mainly thanks to productivity gains on Siemens and strong actions on indirect costs.

#### E.1.3.2 Consulting & Systems Integration

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	3,136	3,173	+8.5%	-1.1%
Operating margin	233.3	206.8		
Operating margin rate	7.4%	6.5%		

\* At constant scope and exchange rates.

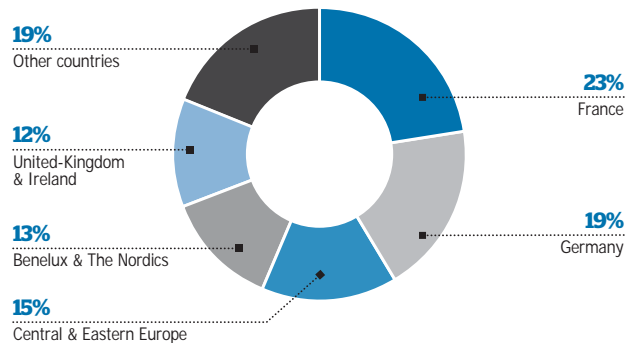
Consulting & Systems Integration **revenue** reached **€ 3,136 million** up +8.5% year-on-year and down -1.1% at constant scope and exchange rates.

Consulting grew by +6.8%, driven by continuing traction of the United Kingdom (+8.4%) which benefitted from new contracts with an Airline company and a mail delivery firm while activities in the Public Sector remained strong. Consulting also benefited from the growth of Cambridge Technology Partners in Switzerland.

Revenue in Systems Integration decreased by -1.7% compared to 2013 at constant scope and exchange rates. Public Sector strongly grew (+8.2%), particularly in the UK in application management, in France thanks to several new projects, in Central & Eastern Europe with several projects in Slovakia, and also in Spain with some hardware sales. Revenue declined in Telco, Media & Utilities primarily with KPN in Benelux and E-plus in Germany, as well as the ramp-down of the contract with a large media company in the UK. Financial Services faced the base effect in North America related to the AIG datacenter migration project completed in 2013, and the renewal conditions with LCH Clearnet in France. Lastly, Retail & Transportation was almost stable.

**During the fourth quarter**, Consulting & Systems Integration was almost stable, improving compared to -1.5% for the first nine months of the year, thanks to a strong activity in the Public sector in France and in Central & Eastern Europe offsetting a lack of new projects in Germany.

#### CONSULTING & SYSTEMS INTEGRATION REVENUE PROFILE BY GEOGRAPHIES



Consulting & Systems Integration **operating margin** was **€ 233.3 million**, representing **7.4%** of revenue. The +90 basis points improvement compared to 6.5% in 2013 mainly came from the increased business in Central & Eastern Europe, continuing SG&A optimization in continental Europe, and in Benelux from the outcome of the agreement with the Dutch pension fund which more than compensated some overrun costs with Nokia in the Nordics. North America operating margin was impacted by the base effect on revenue for the AIG contract mentioned above. In 2014, the UK faced a loss of circa € 20 million on the difficult project with the Transport for Greater Manchester (TFGM), and the base effect from the pension plan amendment recorded the prior year. Despite the loss on TFGM, the Service Line maintained a stable gross margin thanks to global delivery acceleration and industrialization combined with strong workforce management including the closure of the Frankfurt location. Finally, utilization rate in Consulting & Systems Integration increased to 82% in 2014.

### E.1.3.3 Big Data & Cyber-security

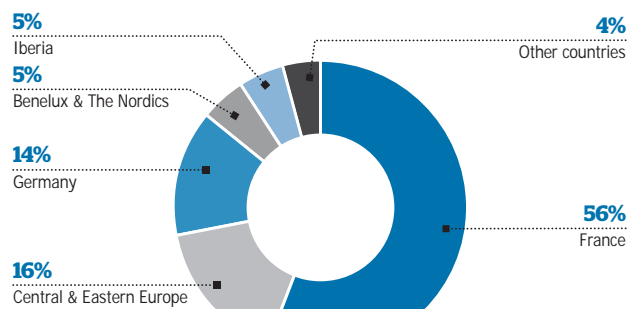
(in € million)	FY 2014	FY 2013*	% organic
Revenue	240	210	+14.0%
Operating margin	52.3	44.6	
Operating margin rate	21.8%	21.2%	

\* At constant scope and exchange rates.

Created in September 2014 as part of the Bull integration, **revenue** for the Big Data & Cyber-security Service Line was **€ 240 million** for the last four months of the year, representing organic growth of **+14.0%** compared to the same period in 2013. Revenue growth was driven by the Big Data practice based on strong activity in High Performance Computing (HPC), with sales in Germany to the Climate Computing Center and in Benelux & The Nordics to Dutch Universities, and with sales of the newly launched bullion machine to French public organizations. Customer demand in the Security practice is strongly accelerating particularly for encryption and access management solutions.

**Operating margin** was **€ 52.3 million**, representing **21.8%** of revenue, an improvement of +60 basis points compared to the same period in 2013, which usually represents the largest part of the annual activity.

#### BIG DATA & CYBER-SECURITY REVENUE PROFILE BY GEOGRAPHIES



### E.1.34 Worldline

A detailed review of Worldline 2014 results can be found at [worldline.com](http://worldline.com), in the investors section.

(in € million)	FY 2014	FY 2013*	% organic
Revenue	1,099	1,098	+0.1%
Operating margin	170.4	163.5	
Operating margin rate	15.5%	14.9%	

\* At constant scope and exchange rates.

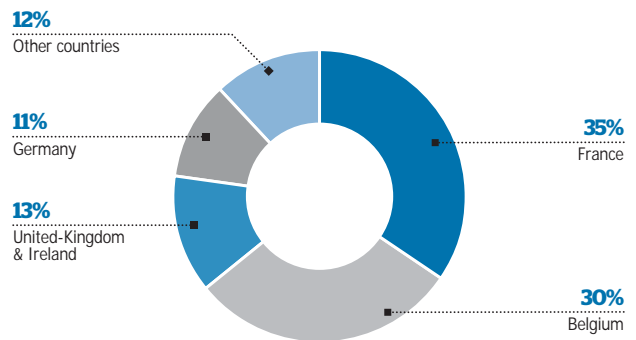
On a standalone basis, Worldline increased its **revenue** by +2.8%. From a contributive perspective to Atos, revenue was **€ 1,099 million, stable** compared to 2013. Revenue growth materialized in **Merchant Services & Terminals** thanks to a strong performance in Commercial Acquiring, Private Label Cards & Loyalty services, and Online services. The strong activity of the terminal business during the fourth quarter partly compensated for the decline in the first nine months of the year due to the time required to obtain national certificates for the new range of terminals. **Financial Processing & Software Licensing** was stable thanks to the strong momentum in Online Banking Services and Payment Software Licensing activities, particularly in Asia with existing clients. It compensated for the effect of the re-insourcing of one banking processing contract in France.

In **Mobility & e-Transactional Services**, e-Ticketing achieved double-digit growth while e-Government Collection was impacted by a price reduction on one contract in the UK.

**During the fourth quarter**, Worldline grew +4.0% organically on a standalone basis. From a contributive perspective to Atos, Worldline revenue was up +0.4%. The difference comes from the digital transformation services delivered to Atos customers as part of the sales synergies program, notably in the field of machine-to-machine connectivity.

**Operating margin** was **€ 170.4 million**, representing 15.5% of revenue, an improvement of +60 basis points compared to 14.9% in 2013 at constant scope and exchange rates. This performance was achieved in Merchant Services & Terminals and in Financial Processing & Software Licensing thanks to an increase in transaction volumes growth and costs optimization as part of the TEAM program.

#### WORLDLINE REVENUE PROFILE BY GEOGRAPHIES



## E.1.4 Performance by Business Units

(in € million)	Revenue				Operating margin		Operating margin (%)	
	FY 2014	FY 2013*	% yoy	% organic	FY 2014	FY 2013*	FY 2014	FY 2013*
United-Kingdom & Ireland	1,707	1,616	+3.6%	+5.6%	143.9	131.9	8.4%	8.2%
Germany	1,587	1,688	-4.4%	-6.0%	110.7	126.5	7.0%	7.5%
France	1,305	1,327	+28.0%	-1.6%	73.3	89.1	5.6%	6.7%
Benelux & The Nordics	1,038	1,117	-4.2%	-7.1%	128.7	125.0	12.4%	11.2%
Central & Eastern Europe	877	895	+0.5%	-2.0%	72.6	68.0	8.3%	7.6%
North America	597	614	-1.6%	-2.7%	44.8	45.7	7.5%	7.4%
Iberia	330	325	+1.7%	+1.5%	10.9	12.2	3.3%	3.8%
Other BUs	511	471	+1.5%	+8.5%	59.0	54.0	11.5%	11.5%
Global structures**					-112.3	-114.6	-1.4%	-1.4%
<b>Total IT Services</b>	<b>7,952</b>	<b>8,053</b>	<b>N/A</b>	<b>-1.2%</b>	<b>531.6</b>	<b>537.9</b>	<b>6.7%</b>	<b>6.7%</b>
<b>Worldline***</b>	<b>1,099</b>	<b>1,098</b>	<b>N/A</b>	<b>+0.1%</b>	<b>170.4</b>	<b>163.5</b>	<b>15.5%</b>	<b>14.9%</b>
<b>TOTAL GROUP</b>	<b>9,051</b>	<b>9,151</b>	<b>+5.1%</b>	<b>-1.1%</b>	<b>701.9</b>	<b>701.3</b>	<b>7.8%</b>	<b>7.7%</b>

\* At constant scope and exchange rates.

\*\* Global structures include the Global Delivery Lines costs not allocated to the Group Business Unit and the Corporate costs.

\*\*\*Worldline reported +2.8% organic growth on a stand alone basis.

The Group **revenue** was almost stable over the year with contrasted evolution across geographies. United Kingdom and Other BUs, in particular India, Middle-East & Africa and Asia Pacific, posted a strong commercial performance thanks to BPO activity in the Public sector, outsourcing services in Financial Services and storage capacity in Telcos, Media & Utilities. France and Iberia showed encouraging signs of recovery in the second half of the year following several quarters of significant decline. Benelux & The Nordics experienced volumes contraction from Telecom operators and Germany was impacted as planned by the already mentioned price decrease on the Siemens account, the end of the transition period with Bayer, as well as a decrease in demand in Systems Integration in Telcos, Media & Utilities.

The Group focused on protecting or enhancing its **operational profitability** by executing the Tier One program through industrialization, global delivery from offshore locations, and continuous optimization of SG&A. As part of this program, the Group is constantly optimizing its pension schemes resulting in a positive effect of circa € 50 million (in the Netherlands) which follows the positive effect of circa € 40 million in 2013 (in the Netherlands and in the United Kingdom). As a result, 6 out of 9 Business Units either stabilized or improved their operating margin rate during 2014, in challenging market environment for some large European economies. After a difficult first half, France operating margin rate was 5.6% in 2014, benefiting from the combined effects of new Managed Services contracts signed in June and from the integration of Bull activities and its positive margin seasonality pattern. Germany is engaged in a strong transformation plan with the objective to reduce both direct and indirect costs in line with the level of the activity. These actions will fully materialize in 2015.

### E.1.4.1 United Kingdom & Ireland

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	1,707	1,616	+3.6%	+5.6%
Operating margin	143.9	131.9		
Operating margin rate	8.4%	8.2%		

\* Constant scope and exchange rates.

**Revenue** was € 1,707 million, up € +90 million or +5.6% compared to 2013 at constant scope and exchange rates.

The strong performance of the Business Unit is mainly attributable to Managed Services (+8.4%) with BPO benefiting from the ramp-up of the DWP PIP contract and from the NS&I transition which together more than offset lower volumes on the DWP WCA contract. On core Managed Services, new projects and increased volumes overcompensated the ramp-down of several contracts in the Public sector, Telco, Media & Utilities, and Financial Services.

Consulting & Systems Integration also grew in the Public sector thanks to a new application management contract with the Post Office, increased project activity with Nuclear Decommissioning Agency, incremental resale, and client investment in application development projects, more than compensating the impact of legacy contracts coming to an end or ramping-down. Consulting & Systems Integration was impacted in Telco, Media & Utilities by the ramp-down of the contract with a large media company, and was stable in Manufacturing, Retail & Transportation.

**Operating margin** reached € 143.9 million, representing 8.4% of revenue, an improvement by € +12 million compared to 2013 at constant scope and exchange rates, in spite of the circa € 20 million loss incurred on TFGM.

Operating margin in Managed Services reached 8.3% of revenue, an increase of € +33.4 million compared to 2013 at constant scope and exchange rates thanks to the successful execution of the DWP PIP contract and improved costs efficiency which more than offset the base effect related to last year one-offs on pensions and ramp-down of some contracts.

Operating margin in Consulting & Systems Integration decreased by € -21.0 million compared to 2013 at constant scope and exchange rates due to the loss recorded on TFGM. Higher margin from new or ramping-up contracts and cost base improvement (including reduced overheads and improved pyramid management) fully compensated for last year pensions credits.

### E.1.4.2 Germany

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	1,587	1,688	-4.4%	-6.0%
Operating margin	110.7	126.5		
Operating margin rate	7.0%	7.5%		

\* Constant scope and exchange rates.

**Revenue** was € 1,587 million, down by -6.0% compared to 2013 at constant scope and exchange rates.

Managed Services revenue contracted by -8.4%, particularly affected by committed price decrease and the end of transition activities with Siemens. Manufacturing, Retail & Transportation was also impacted by the end of the transition at Bayer and ramp-downs of several contracts. Financial Services was mainly impacted by lower resale volume and ending contracts. Telco, Media & Utilities experienced the ramp-up of a new contract with

Coriant which could not fully compensate for the ramp-down of contracts with E-plus and the termination of several contracts.

In Consulting & Systems Integration, revenue decreased by -4.9% despite a good performance in the Public & Health sector. Telco, Media & Utilities was impacted by new contractual terms with E-plus, the end of the transition with Nokia and declining volumes. Manufacturing, Retail & Transportations was down by -3.2% as a new project with a large car manufacturer could not fully compensate for the ramp-down of Thyssen and several





smaller accounts. Finally, Financial Services suffered from lower volumes with a large German bank.

Big Data & Cyber-security revenue was strongly up, driven by the strong HPC activity in Public & Health.

**Operating margin** reached **€ 110.7 million** or **7.0%** of revenue. Strong savings actions were undertaken, notably through the optimization of direct and indirect costs and an

important management of the external workforce. Combined with the impact from the closure of the Frankfurt site, it allowed Consulting & Systems Integration to improve its operating margin by circa € 5 million while Managed Services profitability decreased by circa € 20 million as a result of the challenging conditions described above. Operating margin in Big Data & Security grew by € +1.1 million compared to 2013 thanks to the strong revenue increase of the Service Line.

### E.1.4.3 France

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	1,305	1,327	+28.0%	-1.6%
Operating margin	73.3	89.1		
Operating margin rate	5.6%	6.7%		

\* Constant scope and exchange rates.

At € 1,305 million, **revenue** in France was up **+28.0%** year-on-year thanks to Bull integration and down -1.6% organically. This trend reflected a contrasted situation with double-digit growth in Big Data & Cyber-Security, stability in Consulting & Systems Integration, and -7.0% in Managed Services.

Managed Services faced the end of several contracts in Manufacturing, Retail & Transportation, Public & Health, and Telco, Media & Utilities partially offset by the ramp-up of new contracts signed during the second quarter of 2014. Financial Services grew mainly thanks to higher volumes with a large French bank.

Consulting & Systems Integration revenue was stable with contrasted trends throughout markets. Revenue grew in Public & Health thanks to more volumes and fertilization with European Institutions, and in Manufacturing, Retail & Transportation thanks to the ramp-up of several new projects. Telco, Media & Utilities was impacted by scope reductions on a large account of the Telcos sector and the lack of new business with a large customer in the energy sector. This was only partially offset by the ramp-up of several new contracts, notably

in the energy sector. Finally, Financial Services suffered from the renewal conditions with LCH Clearnet.

Big Data & Cyber-security revenue strongly grew, driven by a strong demand for hardware and bullion HPC products with French administrations.

**Operating margin** reached **€ 73.3 million**. The Business Unit was primarily impacted by the lack of revenue in Managed Services and a higher level of offshored subcontractors on new contracts while the onshore salary expenses did not reduce rapidly enough.

Consulting & Systems Integration succeeded to improve its profitability by +100 basis points through a strong cost monitoring, which generated savings in maintenance and Rent & Lease, but also in personal costs.

Operating margin in Big Data & Security increased by € +4.5 million reflecting the strong revenue growth and a more favorable mix between product sales and maintenance services compared to last year.



### E.1.4.4 Benelux & The Nordics

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	1,038	1,117	-4.2%	-7.1%
Operating margin	128.7	125.0		
Operating margin rate	12.4%	11.2%		

\* Constant scope and exchange rates.

**Revenue** in 2014 was down **-7.1%** organically. The Business Unit continued to cope with a low demand, in both Consulting & Systems Integration and Managed Services while Big Data & Cyber-security strongly grew.

In Managed Services, Telco, Media & Utilities faced the termination of several contracts, notably with KPN in the Netherlands and in Belgium. Financial Services was mainly impacted by the renewal conditions of a large contract in the Netherlands. Manufacturing, Retail & Transportation was impacted by the ramp-down of one contract in Finland, partially offset by new contracts in the Netherlands. Public & Health was stable thanks to the ramp-up of the Dutch Ministry of Economy contract which offset the base effect of the transition program at PostNord.

Consulting & Systems Integration was impacted by the end of several projects with KPN in Telcos, the ramp-downs on several customers in Manufacturing, and costs reduction programs in various institutions in Financial Services. This was only partly

compensated by new contracts with Dutch institutions in Public & Health.

Big Data & Cyber-security increased by € +8 million, mainly thanks to HPC sales to Dutch Universities and a project with an Oceanic Research Institute in the Netherlands.

**Operating margin** in Benelux & The Nordics improved by +120 basis points to **€ 128.7 million**. This performance included the result of circa € 50 million resulting from the optimization of the pension scheme. Excluding this positive effect, Consulting & Systems Integration margin was flat despite revenue decline which has been mitigated by a strong monitoring of the cost base and a significant reduction of non-quality costs.

In Managed Services, operating margin was primarily impacted by declining revenue and therefore overcapacity that had not been totally resorbed yet at year end.

Finally, Big Data & Cyber-security operating margin increased thanks to the strong revenue growth.

### E.1.4.5 Central & Eastern Europe

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	877	895	+0.5%	-2.0%
Operating margin	72.6	68.0		
Operating margin rate	8.3%	7.6%		

\* Constant scope and exchange rates.

**Revenue** in Central & Eastern Europe decreased by **-2.0%** compared to 2013 at constant scope and exchange rates. Managed Services was down by -7.0% as a consequence of several projects completed last year in Public & Health and in Manufacturing, Retail & Transportation in Poland, in Slovakia and in Austria, which were only partly compensated by the ramp-up of several contracts in Financial Services and in Telcos, Media & Utilities.

Consulting & Systems Integration was up by +5.0% thanks to a strong consulting activity of Cambridge Technology Partners in Switzerland and new projects started in the Slovakian Public sector, compensating for the ramp-down of the Ashgabat project successfully completed in 2013.

Big Data & Cyber-security declined by € -11 million due to lower project volumes, in particular in Switzerland.

**Operating margin** reached **€ 72.6 million** or **8.3%** of revenue, up by +70 basis points on a like-for-like basis. Managed Services profitability declined in line with revenue decrease while Consulting & Systems Integration operating margin was up by € +18.2 million thanks to improvements on projects with the Public sector in Turkey and new projects in several countries (but more specifically in Slovakia and Italy). Finally, Big Data & Cyber-security profitability improved thanks to the collection of unpaid aged receivables on several contracts.



## E.1.4.6 North America

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	597	614	-1.6%	-2.7%
Operating margin	44.8	45.7		
Operating margin rate	7.5%	7.4%		

\* Constant scope and exchange rates.

**Revenue** reached € 597 million, down -2.7% compared to 2013 at constant scope and exchange rates. From a sequential point of view, the Business Unit achieved to reduce the organic decrease within Consulting & Systems Integration compared to the first six-month period of 2014, as the largest part of the AIG Data Center migration project closure negative effect was reported in the first semester of 2013. As a result of this base effect, Consulting & Systems Integration revenue in 2014 was down by -11.7% organically. This decrease was partially offset by upselling at on two large accounts.

Managed Services was down by -1.5% as the ramp-up of several contracts in particular in the Telco, Media, & Utilities and Public & Health Markets partly compensated for volume reductions and

contract terminations in Financial Services and Manufacturing, Retail & Transportation.

Revenue in Big Data & Cyber-security benefitted from a new HPC deal in the Public & Health market.

Profitability improved to 7.5% of revenue. **Operating margin** grew in Managed Service with project margin improvements on Siemens, reductions in indirect costs, and offshore increase. Consulting & Systems Integration operating margin was down by € -5.6 million due to revenue reduction and investments in dedicated sales resources. Operating margin in Big Data & Cyber-security was up by up € +2.0 million, positively impacted by the HPC sale mentioned above.

## E.1.4.7 Iberia

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	330	325	+1.7%	+1.5%
Operating margin	10.9	12.2		
Operating margin rate	3.3%	3.8%		

\* Constant scope and exchange rates.

**Revenue** in Iberia reached € 330 million, up by +1.5% organically, to be compared to -6.2% organic decrease posted in 2013.

Revenue in **Managed Services** was down by € -4 million, mainly due to the base effect related to a specific one-off project delivered in 2013 for European institutions, partly offset by a good level of sales in Financial Services and Manufacturing, Retail & Transportation.

Consulting & Systems Integration increased by € +4 million, driven by the Public Sector which more than compensated decreasing activity on two large customers in the Manufacturing and Telco sectors.

**Operating margin** was € 10.9 million at 3.3% of revenue, down by € -1.3 million, impacted by the base effect already mentioned in Managed Services, partly compensated by a better productivity and a strong and efficient indirect costs control in Consulting & Systems Integration.



### E.1.4.8 Other BUs

(in € million)	FY 2014	FY 2013*	% yoy	% organic
Revenue	511	471	+1.5%	+8.5%
Operating margin	59.0	54.0		
Operating margin rate	11.5%	11.5%		

\* Constant scope and exchange rates.

In Other BUs, revenue was up +8.5% organically and operating margin increased by € +4.9 million.

#### Major Events

**Revenue** was up +10.5%, reflecting the ramp-up of several projects for the Olympics Games in the next years.

As a consequence, **operating margin** was up by € +0.4 million compared to last year.

#### Asia-Pacific

**Revenue** grew by +4.5% over 2014. Organic growth was fully driven by Managed Services, in particular in Hong-Kong thanks to increased volumes in Financial Services with a large bank in Hong Kong, with Microsoft and a ramp-up with a large European bank. Consulting & Systems Integration and Big Data & Cyber-security were flat compared to last year.

**Operating margin** increased by € +1.1 million compared to last year. This derived mostly from the incremental margin due to higher revenues in Managed Services as well as the implementation of cost reduction measures in Consulting & Systems Integration in China and in Thailand.

#### Latin America

**Revenue** was nearly stable compared with last year at -0.6%. Good performances recorded in Consulting & Systems Integration but did not fully offset less revenue in Managed

Services while Big Data & Security was remaining stable. As a result, **operating margin** was down by € -3.7 million.

#### IMEA

**Revenue** grew by +28.1%. Consulting & Systems Integration was strongly up thanks to a one-time project in South Africa, compensating for the end of a project with a large oil-field services company in India. Managed Services was up +24.0% driven by the Middle East with Sidra and in India a new contract with a large bank.

**Operating margin** rose by € +7.7 million mainly thanks in Indian operations which benefitted from an increase in the demand from the European Business Units, from the depreciation of the Indian Rupee, and from increasing revenue.

#### Cloud and Enterprise Software

The unit is encompassing Canopy, blueKiwi, and Yunano. In 2014, the Group continued to invest mainly in Cloud in order to build this unit which is a strong lever for future growth. **Revenue growth** was mainly driven by new customers, particularly in Infrastructure as a Service (IaaS).

**Operating Margin** was negative by € -27.8 million considering the costs of the central structure for Cloud and social networking activities while margins are performed by the operations and booked in the Business Units. This figure also reflects the level of investments made to launch and operate this unit. The investment has been fully expensed during the year.

### E.1.4.9 Global structures costs

Global structures costs decreased by € -3.6 million compared to 2013 at constant scope and exchange rates as a result of the continuous optimization of the Group central functions.

## E.1.5 Revenue by Market

(in € million)	Revenue		
	FY 2014	FY 2013*	% organic
Manufacturing, Retail & Transportation	3,041	3,140	-3.1%
Public & Health	2,390	2,228	+7.3%
Telcos, Media & Utilities	1,970	2,097	-6.0%
Financial Services	1,649	1,687	-2.2%
<b>TOTAL GROUP</b>	<b>9,051</b>	<b>9,151</b>	<b>-1.1%</b>

\* At constant scope and exchange rates.

### E.1.5.1 Manufacturing, Retail & Transportation

Manufacturing, Retail & Transportation remained the largest Market of the Group in 2014 and represented 34% of the Group total revenue. It decreased by -3.1% over the year to reach € 3,041 million. A large part of the decrease came from the committed price decrease on the Siemens account, as already mentioned. Manufacturing, Retail & Transportation revenue was also impacted by the end of several contracts in Germany and in

Benelux & The Nordics, not yet fully compensated by the ramp-up of several new contracts.

In this market, the top 10 clients represented 39% of revenue with Siemens, a large car manufacturer, a large electronics company, a large aircraft manufacturer, Vehicle and Operator Services Agency (VOSA), Carl Zeiss, RAG, Daimler, Volkswagen, and Thyssen Krupp.

### E.1.5.2 Public & Health

Public & Health was the second market of the Group with 26% and totalized revenue of € 2,390 million, representing an increase by +7.3% compared to 2013. Growth was primarily driven by significant new contracts delivered in the United Kingdom and thanks to one large contract in Germany.

35% of the revenue in this market was realized with 10 main clients: Department of Work & Pensions and Ministry of Justice in the UK, European Union Institutions, the French Ministry of Ecology, the National Police of Switzerland, NHS Scotland, NDA (Nuclear Decommissioning Authority), SNCF, the UK Border Agency and The German federal Agency for Employment.

### E.1.5.3 Telcos, Media & Utilities

Revenue in Telcos, Media & Utilities was € 1,970 million and represented 22% of the total Group revenue. It decreased by -6.0% in 2014, mainly resulting from the business reduction with KPN in Benelux and E-plus in Germany, due and with one large media company in the United Kingdom & Ireland.

Main clients were: a large media in the UK, EDF, KPN, Nokia, McGraw-Hill, Orange, Telecom Italia, Microsoft, GDF-Suez, and a large oil-field services company. Top 10 main clients represented 61% of the total Telcos, Media & Utilities Market revenue.

### E.1.5.4 Financial Services

Financial Services was the fourth Market of the Group and represented 18% of the total revenue at € 1,649 million, down by -2.2% compared to 2013. The Market benefitted from the successful ramp-up of a the BPO contract with NS&I in the United Kingdom and new projects in Central & Eastern Europe, in India, Middle-East & Africa and in Asia-Pacific and was impacted by scope reductions and contracts ending with MetLife, a base

effect with AIG in North America, as well as declining volumes in Germany and in Benelux & The Nordics.

In this Market, 50% of the 2014 revenue was generated with the 10 main clients being: National Savings & Investments (NS&I), the largest German bank, BNP Paribas, ING, a large bank in Hong Kong, Achmea, Credit Agricole, La Poste, Société Générale, and Morgan Stanley.

## E.1.6 Portfolio

### E.1.6.1 Order entry and book to bill

The total Group order entries reached € 9,113 million, representing a book-to-bill ratio of 101% .

At the occasion of Bull integration, order entry recognition rules have been harmonized in the third quarter after an in-depth

review of main the on-going contracts with the Group key clients, to take into account the Atos and Bull track record with their customers.

Order entry and book to bill by **Market** was as follows:

	Order Entry			Book to bill		
	H1	H2	FY 2014	H1	H2	FY 2014
Manufacturing, Retail & Transportation	1,673	1,682	3,354	116%	105%	110%
Public & Health	941	1,241	2,182	93%	90%	91%
Telcos, Media & Utilities	914	975	1,889	98%	94%	96%
Financial Services	832	855	1,688	106%	99%	102%
<b>TOTAL GROUP</b>	<b>4,360</b>	<b>4,753</b>	<b>9,113</b>	<b>104%</b>	<b>97%</b>	<b>101%</b>

Book-to-bill for the Group reached 101% in 2014. By market, book-to-bill was 110% in Manufacturing, Retail & Transportation (118% excluding Siemens) with several new contracts in Managed Services that were signed in Germany with a large aircraft manufacturer and K+S, in France with PWC, in the UK with Royal Mail, and in Benelux & The Nordics with a large electronics company. Book-to-bill reached 102% in Financial Services through signatures with National Savings & Investments in the UK and with a large institution in Asia-Pacific and one contract both in the Netherlands and in Germany during the

second half of the year. Book-to-bill was 96% in Telcos, Media & Utilities as the Group secured future revenue with the renewal of a large media company contract in the UK. In this market, other deals in Managed Services were won such as one with Microsoft Online Services in North America, with EDF in France, and with an oil-field company in Benelux & The Nordics. Public sector & Health reached 91%. In this market, the Group reinforced its footprint in Central & Eastern Europe with the signature of a new contract in Consulting & Systems Integration with Polimeks and new contracts in Benelux & The Nordics in Managed Services.

Order entry and book to bill by **Service Line** in IT Services was as follows:

	Order Entry	Book to bill
	FY 2014	FY 2014
Managed Services	4,523	99%
Consulting & Systems Integration	3,136	100%
Big Data & Cyber-security	342	143%
<b>TOTAL IT SERVICES</b>	<b>8,002</b>	<b>101%</b>

**Managed Services** book-to-bill ratio was 99% in 2014. Contracts renewed over the period were, among other, a large media company in the UK (TM&U) and NS&I (FS) in the UK, a large bank in Hong Kong (FS) in APAC. Main new contracts were with a large aircraft manufacturer (MRT) in Germany and in France, Royal Mail Group (MRT) in the UK, a large electronics company (MRT) in BTN, Microsoft (TM&U) in NAM

**Consulting & Systems Integration** achieved a book-to-bill ratio of 100% during the year mainly benefiting from the renewal of a large car manufacturer (MRT) in France and new contract with Polimeks in CEE (PH).

**Big Data & Cyber-security** achieved a book-to-bill ratio of 143% during the year mainly thanks contracts related to HPC

for DKRZ in Germany and Ministerio de Ciencia Tecnologia & Innovação (MCTI) in Brazil but produced and billed from France.

### E.1.6.2 Full backlog

The full backlog at the end of December 2014 amounted to € 16.2 billion, representing 1.7 year of revenue, compared to € 15.2 billion at the end of 2013. The step-up mostly came

from the integration of Bull, which mainly contributed to Manufacturing, Retail & Transportation and Public & Health.

### E.1.6.3 Full qualified pipeline

The full qualified pipeline totaled € 5.5 billion at the end of 2014, compared to € 5.3 billion at the end of December 2013. It represented 6.8 months of revenue for the Group, and more

than 9 months in Germany, Benelux & The Nordics, and Central & Eastern Europe.

## E.1.7 Human Resources

The total number of Group employees was 85,865 at the end of December 2014, compared to 76,320 at the end of December 2013. 9,197 staff joined the Group from Bull on September 1, 2014.

The number of direct employees at the end of December 2014 was 79,044, up +12% compared to the beginning of the year and +1% excluding Bull scope effect. Direct headcount

represented 92.1% of the total Group headcount at the end of 2014, at the same level as at end of 2013.

Indirect staff was 6,821. The increase came mostly from the Bull integration. Excluding Bull effect, indirect staff continued to be reduced by -9% as a consequence of the continued SG&A cost reduction induced by the Tier One Program.

Headcount evolution in 2014 by Business Units is the following:

	Opening January 2014	Adaptation of organization	Adjusted opening	Acquisition of Bull	Scope	Hiring	Leavers	Dismissal, restruct. & other	Closing December 2014
United-Kingdom & Ireland	9,626	-630	8,996	187	0	1,656	-1,040	-55	9,744
Germany	7,883	0	7,883	432	0	171	-263	-269	7,954
France	9,280	0	9,280	3,946	0	618	-545	-196	13,103
Benelux & The Nordics	6,231	0	6,231	232	-97	252	-469	-212	5,937
Central & Eastern Europe	7,660	-44	7,616	838	258	2,160	-914	-321	9,637
North America	3,721	0	3,721	148	-488	481	-397	-405	3,060
Iberia	4,886	-460	4,426	907	0	265	-251	-229	5,118
Other BUs	16,146	-442	15,704	622	0	5,663	-3,285	-955	17,750
Global Structures	50	1	51	332	0	1	-2	-311	71
<b>IT Services Directs</b>	<b>65,483</b>	<b>-1,575</b>	<b>63,908</b>	<b>7,644</b>	<b>-327</b>	<b>11,267</b>	<b>-7,166</b>	<b>-2,953</b>	<b>72,374</b>
<b>Worldline Directs</b>	<b>5,048</b>	<b>1,575</b>	<b>6,623</b>	<b>0</b>	<b>0</b>	<b>547</b>	<b>-412</b>	<b>-88</b>	<b>6,670</b>
<b>Total Direct</b>	<b>70,531</b>	<b>0</b>	<b>70,531</b>	<b>7,644</b>	<b>-327</b>	<b>11,814</b>	<b>-7,578</b>	<b>-3,041</b>	<b>79,044</b>
<b>Total Indirect</b>	<b>5,789</b>	<b>0</b>	<b>5,789</b>	<b>1,553</b>	<b>-7</b>	<b>476</b>	<b>-430</b>	<b>-560</b>	<b>6,821</b>
<b>TOTAL GROUP</b>	<b>76,320</b>	<b>0</b>	<b>76,320</b>	<b>9,197</b>	<b>-334</b>	<b>12,290</b>	<b>-8,008</b>	<b>-3,601</b>	<b>85,865</b>

Number of staff in offshore countries increased by +17% year-on-year, reaching 18,101, and representing 21% of total staff with a majority located in India.



### E.1.71 Changes in scope

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The figures presented reflect the acquisitions of Bull (+9,197, August 2014) and Cambridge Technology Partners (+258, June 2014) as well as the disposals of Metrum (-104,

January 2014) and on-site services activities in the US (-488, July 2014).

### E.1.72 Hiring

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The volume of recruitments reached +12,290 in the total workforce, representing 16% of the headcount as of January 1, 2014. Direct staff represented 96% of the total volume of recruitments.

Direct hiring was primarily made in Poland with +984 and in Romania with +524 to strengthen the Global Managed Services

factories. The UK recruited 1,656 employees to cover the ramp-up of contracts in BPO. The +5,663 direct hiring reported in Other BUs reflects the accelerated growth of offshore delivery, primarily in India (+3,856 representing; 33% of the total direct recruitments), in Brazil (+560), in Thailand (+189) and in the Philippines (+171).

### E.1.73 Leavers

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Leavers comprise voluntary permanent staff leavers, as permanent staff who have been dismissed are classified under "dismissed". The total number of leavers over the year 2014 was -8,008 (of which -7,578 from the direct workforce).

Attrition in 2014 was 10.1% at Group level of which 17.9% in offshore countries roughly stable.

### E.1.74 Restructuring, dismissals and other

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In 2014, -3,601 staffs were dismissed or restructured. Streamlining efforts were mainly concentrated in Europe as part of the adaptation of the Group workforce to increasing offshore delivery strategy. In Germany, further to the acquisition of

Dresdner Bank by Commerzbank in 2011, the application management contract with Atos was reinsourced and the Frankfurt location was closed in 2014.

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## E.2 Objectives 2015

The figures above exclude Xerox ITO contribution.

### Revenue

The Group targets a **positive organic revenue growth**.

### Operating margin

The Group has the objective to improve its operating margin rate targeting **8.0% to 8.5% of revenue**.

### Free cash flow

Taking into account the cash-out to deliver Bull cost synergies, the Group expects to generate a free cash flow **above 2014 level**.



## E.3 Financial review

### E.3.1 Income statement

The Group reported a net income (attributable to owners of the parent) of € 265.2 million for 2014, which represented 2.9% of Group revenues. The normalized net income before unusual, abnormal and infrequent items (net of tax) for the period was € 438.0 million, representing 4.8% of 2014 Group revenues.

(in € million)	12 months ended 31 December 2014	% Margin	12 months ended 31 December 2013	% Margin
<b>Operating margin</b>	<b>701.9</b>	<b>7.8%</b>	<b>645.2</b>	<b>7.5%</b>
Other operating income/(expenses)	-261.6		-228.5	
<b>Operating income</b>	<b>440.3</b>	<b>4.9%</b>	<b>416.7</b>	<b>4.8%</b>
Net financial income/(expenses)	-51.6		-62.7	
Tax charge	-104.1		-95.9	
Non-controlling interests and associates	-19.4		3.5	
<b>Net income – Attributable to owners of the parent</b>	<b>265.2</b>	<b>2.9%</b>	<b>261.6</b>	<b>3.0%</b>
<b>Normalized net income – Attributable to owners of the parent*</b>	<b>438.0</b>	<b>4.8%</b>	<b>415.3</b>	<b>4.8%</b>

\* Defined hereafter.

### Operating margin

Income and expenses are presented in the Consolidated Income Statement by nature to reflect the specificities of the Group's business more accurately. Below the line item presenting revenues, ordinary operating expenses are broken down into staff expenses and other operating expenses.

These two items together are deducted from revenues to obtain operating margin, one of the main Group business performance indicators.

Operating margin represents the underlying operational performance of the on-going business and is analyzed in detail in the Operational Review.

### Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual, abnormal and infrequent and represented a net expense of € 261.6 million in 2014. The following table presents this amount by nature:

(in € million)	12 months ended 31 December 2014	12 months ended 31 December 2013
Staff reorganization	-129.9	-102.2
Rationalization and associated costs	-25.9	-37.3
Integration and acquisition costs	-15.4	-19.9
Amortization of intangible assets (PPA from acquisitions)	-50.7	-44.3
Other items	-39.7	-24.8
<b>TOTAL</b>	<b>-261.6</b>	<b>-228.5</b>

The € 129.9 million **staff reorganization** expense was mainly the consequence of:

- the adaptation of the Group workforce in several countries such as Germany, Benelux & The Nordics and Iberia;
- a specific plan in Germany for the Frankfurt location closed further to the termination of the application management contract with Dresdner Bank acquired by Commerzbank;

- the streamlining of middle management layers, including Global Structures;
- the restructuring initiated on Bull G&A as part of plan to generate the cost synergies.

The € 25.9 million **rationalization and associated costs** primarily resulted from the closing of office premises linked to the reorganization plans, and consolidation of datacenters, mainly in Germany and Benelux & The Nordics.



The **integration and acquisition costs** amounting to € 15.4 million represented mainly the migration and the standardization of internal IT platforms from acquired companies.

The 2014 **amortization of intangible assets recognized in the Purchase Price Allocation (PPA) of acquisitions** of € 50.7 million was mainly composed of the € 45.3 million SIS Customer Relationships amortized over 8.75 years starting

July 1, 2011 and the € 5.3 million Bull Customer Relationships and Patents amortized over 9.3 years for Customer Relationships and 9.9 years for the Patents starting September 1, 2014.

The other items increased by € 14.9 million, representing € 39.7 million. After restatement of the gain resulting from the sale of fixed assets for € 18.9 million recorded in 2013 in Belgium, the other items were slightly lower compared to 2013.

## Net financial expense

Net financial expense amounted to € 51.6 million for the period (compared to € 62.7 million last year) and was composed of a net cost of financial debt for € 15.3 million and non-operational financial costs for € 36.3 million.

Net cost of financial debt was € 15.3 million (compared to € 30.9 million in 2013) and resulted from the following elements:

- the average gross borrowing of € 651.0 million compared to € 807.5 million in 2013 bearing an average expense rate of 3.86% compared to 4.81% last year. Excluding the accelerated amortization of fees due to the early termination of both Atos and Bull syndicated loans, the effective interest rate on gross borrowings was 3.28%;

The average gross borrowing expenses were mainly explained by:

- the used portion of the syndicated loan for an average of € 494.4 million bearing an effective interest rate of 3.37%

(2.60% excluding one off amortization of fees due to early termination of both Atos and Bull syndicated loans),

- other sources of financing, including securitization, for an average of € 156.6 million, bearing an effective interest rate of 5.43%;
- and the average gross cash increased from € 947.3 million in 2013 to € 1,057.9 million in 2014 bearing an average income rate of 0.93% compared to 0.84% in 2013.

Non-operational financial costs amounted to € 36.3 million compared to € 31.8 million in 2013 and were mainly composed of pension financial related costs (€ 18.6 million compared to a € 15.7 million expense in 2013) and a net foreign exchange loss of € 4.1 million versus € 9.4 million in 2013.

## Corporate tax

The Group effective tax rate was 26.8% including the French CVAE tax corresponding to the tax charge of € 104.1 million

with a profit before tax of € 388.7 million. Based on normalized net income, the normalized Group effective tax rate was 29.7%.

Please refer to Note 7 – Income tax for further explanations.

## Non-controlling interests

Non-controlling interests included shareholdings held by joint venture partners and other associates of the Group. They were

mostly related to Worldline after the dilution of our participating interests, as part of the IPO in June 27, 2014 for € 16.1 million.

## Normalized net income

The normalized net income excluding unusual, abnormal, and infrequent items (net of tax) was € 438.0 million, increasing by 5.5% in comparison with previous year.

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Net income – Attributable to owners of the parent</b>	<b>265.2</b>	<b>261.6</b>
Other operating income and expenses	-261.6	-228.5
Tax effect on other operating income and expenses	85.9	65.6
Other unusual items on tax	2.9	9.2
<b>Total unusual items – Net of tax</b>	<b>-172.8</b>	<b>-153.7</b>
<b>Normalized net income – Attributable to owners of the parent</b>	<b>438.0</b>	<b>415.3</b>

## Earning per share

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>% Margin</b>	<b>12 months ended 31 December 2013</b>	<b>% Margin</b>
<b>Net income – Attributable to owners of the parent [a]</b>	<b>265.2</b>	<b>2.9%</b>	<b>261.6</b>	<b>3.0%</b>
Impact of dilutive instruments	-		13.8	
<b>Net income restated of dilutive instruments – Attributable to owners of the parent [b]</b>	<b>265.2</b>	<b>2.9%</b>	<b>275.4</b>	<b>3.2%</b>
<b>Normalized net income – Attributable to owners of the parent [c]</b>	<b>438.0</b>	<b>4.8%</b>	<b>415.3</b>	<b>4.8%</b>
Impact of dilutive instruments	-		13.8	
<b>Normalized net income restated of dilutive instruments – Attributable to owners of the parent [d]</b>	<b>438.0</b>	<b>4.8%</b>	<b>429.1</b>	<b>5.0%</b>
Average number of shares [e]	99,358,877		87,805,661	
Impact of dilutive instruments	1,211,306		11,530,518	
Diluted average number of shares [f]	100,570,183		99,336,179	
<i>(in €)</i>				
<b>Basic EPS [a] / [e]</b>	<b>2.67</b>		<b>2.98</b>	
<b>Diluted EPS [b] / [f]</b>	<b>2.64</b>		<b>2.77</b>	
<b>Normalized basic EPS [c] / [e]</b>	<b>4.41</b>		<b>4.73</b>	
<b>Normalized diluted EPS [d] / [f]</b>	<b>4.36</b>		<b>4.32</b>	

Potential dilutive instruments comprised stock subscription (equivalent to 1,211,306 options) and did not generate a restatement of net income used for the diluted EPS calculation.

**Normalized basic and diluted** EPS reached respectively € 4.41 (€ 4.73 in 2013) and € 4.36 (€ 4.32 in 2013).



## E.3.2 Cash Flow

The Group net cash was € 989.1 million at the end of December 2014, thus representing € 83.7 million net cash improvement compared to end of December 2013.

Free cash flow representing the change in net cash or net debt, excluding dividends paid to shareholders, net material acquisitions/disposals and equity changes, reached € 367.1 million versus € 365.1 million achieved in 2013.

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>919.4</b>	<b>865.4</b>
Capital expenditures	-354.1	-340.0
Change in working capital requirement	104.6	111.2
<b>Cash from operation (CFO)</b>	<b>669.9</b>	<b>636.6</b>
Taxes paid	-119.7	-96.7
Net cost of financial debt paid	-15.3	-30.9
Reorganization in other operating income	-137.8	-114.0
Rationalization & associated costs in other operating income	-39.6	-53.4
Integration and acquisition costs	-15.0	-19.9
Net financial investments*	-0.8	-2.8
Profit sharing amounts payable transferred to debt	-1.0	-3.2
Other changes**	26.4	49.4
<b>Free Cash Flow</b>	<b>367.1</b>	<b>365.1</b>
Net material (acquisitions)/disposals	-341.5	-16.2
Capital increase/(decrease) & bonds conversion	288.4	480.1
Group share buy-back program	-234.5	-115.8
Dividends paid to owners of the parent	-38.3	-17.3
<b>Change in net cash/(debt)</b>	<b>41.2</b>	<b>695.9</b>
<b>Opening net cash/(debt)</b>	<b>905.4</b>	<b>232.1</b>
Change in net cash/(debt)	41.2	695.9
Foreign exchange rate fluctuation on net cash/(debt)	42.5	-22.6
<b>Closing net cash/(debt)</b>	<b>989.1</b>	<b>905.4</b>

\* Net Long term financial investments excluding acquisitions and disposals.

\*\* "Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), dividends paid to non-controlling interests, sales of treasury shares & common stock issues following employees exercise of stock options and other financial items with cash impact.

**Cash from operations (CFO)** amounted to € 669.9 million and increased by € 33.3 million compared to prior year. This increase resulted from the evolution of the three following components:

- OMDA (€ +54.0 million) mainly reflecting the increase of operating margin;

- Higher capital expenditures (€ -14.1 million);
- Negative change in working capital requirement (€ -6.6 million).

**OMDA** of € 919.4 million represented 10.2% of revenue, compared to the 10.0% of revenue last year.

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Operating margin</b>	<b>701.9</b>	<b>645.2</b>
+ Depreciation of fixed assets	313.0	329.1
+ Net book value of assets sold/written off	16.7	19.5
+ Charge for equity-based compensation	22.7	16.7
+ /Net charge/(release) of pension provisions	-84.4	-81.5
+ /Net charge/(release) of provisions	-50.5	-63.6
<b>OMDA</b>	<b>919.4</b>	<b>865.4</b>

**Capital expenditures** amounted to € 354.1 million or 3.9% of revenue equal to the level of 2013.

The **change in working capital** contributed positively by € 104.6 million, € 31.3 million in the first semester and € 73.3 million in the second semester mostly coming from the optimization actions conducted on Bull working capital. The DSO ratio reached 38 days at the end of December 2014 compared to 40 days in 2013. DSO has been positively impacted by the implementation of financial arrangements on large customer contracts by 12 days compared to 8 days in December 2013. The DPO ratio was 78 days at end of 2014 compared to 82 days in 2013.

Cash out related to **taxes paid** reached € 119.7 million and was € 23.0 million higher than last year. The increase in tax cash out corresponded to deferred tax payments of previous periods which have become due in 2014 principally in Germany for € 14.2 million.

The **cost of net debt** for € 15.3 million decreased by € 15.6 million compared to 2013. This was mainly due to:

- a lower cost of gross debt which was 3.86% in 2014 compared to 4.81% last year;
- a lower average gross debt which decreased by € -156.5 million during the year (€ 651.0 million compared to € 807.5 million in 2013). Such decrease came mainly from the early redemption of the 2009 and 2011 convertible bonds in October 2013 and in December 2013 respectively. The average gross cash amounted to € 1,057.9 million during the year 2014 compared to € 947.3 million in 2013.

**Reorganization, rationalization and associated costs** reached € 177.4 million, including the cash out related to the acceleration of the Bull reorganization.

**Other changes** of € +26.4 million corresponded mainly to the exercise of equity-based compensation for € +73.9 million (of which € +57.2 million over the first semester) and the payment related to the final settlement with DWP for the exit of the Working Capabilities Assessments (WCA) contract for € -25.3 million and other financial expenses for € -23.1 million.

As a result, the **Group free cash flow** (FCF) generated during the year 2014 was € 367.1 million.

The net debt impact resulting from **net acquisitions/disposals** corresponded to:

- the acquisition of 100% of Bull shares for € 693.7 million (of which € 602.7 million of acquisition price and € 91.0 million of net debt);
- the acquisition of Cambridge Technology Partners in CEE for € 20.1 million (including € 5.8 million of net cash); and
- the disposal of Worldline shares by Atos SE, as part of Worldline IPO, for € 372.3 million resulting to 29.57% of non-controlling interests.

The € 288.4 million **capital increase & bonds conversion** mainly resulted from the following capital increase:

- € 246.3 million subscribed, as part of Worldline IPO, by the non-controlling interests;
- € 35.3 million contribution by the employees to the Group shareholding program SPRINT;
- € 5.0 million subscribed by the Group partners in Canopy, the Open Cloud Company Limited, a subsidiary dedicated to Cloud computing.

In 2014, the Group repurchased Atos shares for € 234.5 million as part of the € 345.0 million **share buy-back program** which has been completed in December 2014.



As per the resolution approved by the shareholders during the Annual General Meeting held on May 28, 2014, the Group paid in cash a **dividend** of € 38.3 million to its shareholders.

**Foreign exchange rate fluctuation** which is determined on debt or cash exposure by country represented an increase in the net cash of € 42.5 million mainly coming from the change of Euro against GBP, US Dollar, and Asian currencies.

### E.3.3 Financing policy

Atos has implemented a strict financing policy which is reviewed by the Group Audit Committee, with the objective to secure and optimize the Group's liquidity management. Each decision regarding external financing is approved by the Board of Directors. Under this policy, all Group treasury activities, including cash management, short-term investments, hedging

and foreign exchange transactions, as well as off-balance sheet financing through operating leases, are centrally managed through the Group Treasury department. Following a cautious short term financial policy, the Group did not make any short term cash investment in risky assets.

#### E.3.3.1 Financing structure

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Atos' policy is to fully cover its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

On November 6, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021. The facility is available for general corporate purposes and replaced the existing € 1.2 billion facility signed in April 2011.

The revolving credit facility includes one financial covenant which is the consolidated leverage ratio (net debt divided by operating margin before depreciation and amortization) which may not be greater than 2.5 times.

Atos securitization program of trade receivables has been renewed for 5 years on June 18, 2013 with a maximum amount

of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The new program is structured in two compartments, called "ON" and "OFF":

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

Financial covenants of the Atos securitization program are the consolidated leverage ratio (net debt divided by operating margin before depreciation and amortization) which may not be greater than 2.5 times and the consolidated interest cover ratio (Operating Margin divided by the net cost of financial debt) which may not be less than 4 times.

### E.3.3.2 Bank covenants

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The Group was well within its borrowing covenant for the multi-currency revolving credit facility, with a consolidated leverage ratio (net debt divided by OMDA) of -1.08 at the end of December 2014 (the ratio is negative due to the net cash position of the Group at the end of December 2014). The consolidated leverage ratio must not be greater than 2.5 times under the terms of the multi-currency revolving credit facility.

The Group was also well within the limit of the consolidated interest cover ratio which apply only to the Atos securitization program of trade receivables. The consolidated interest cover was 45.88 (Operating Margin divided by the net cost of financial debt which may not be less than 4 times).

### E.3.3.3 Investment policy

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Atos has a policy to lease its office space and data processing centers. Some fixed assets such as IT equipment and company cars may be financed through leases. The Group Treasury

department evaluates and approves the type of financing for each new investment.

### E.3.3.4 Hedging policy

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Atos' objective is also to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the existing floating-rate financial debt. Authorized derivative instruments used to hedge the debt are swap contracts, entered into with leading financial institutions and centrally managed by the Group Treasury department.

In November 2011, the Group has hedged for an amount of € 280.0 million the interest rate exposure on the used portion of the credit facility signed in 2011. The instruments used were Swap rates maturing in November 2015.

## E.4 Consolidated financial statements

### E.4.1 Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2014

*This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in the French language and it is provided solely for the convenience of English speaking users.*

*The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verification of information given in the management report and in the document addressed to the shareholders.*

*This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying consolidated financial statements of Atos SE;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

#### I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

#### II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- As described in Note 1 to the financial statements, the acquisition of Bull Group was recognized in accordance with IFRS 3 revised; as a result, the acquisition price was allocated to the identifiable assets and liabilities of the acquired entities, based on their fair value.

Accordingly, the Company hired an independent appraiser to determine the fair value of intangible assets relating to patents, the Bull trademark and the customer relationship. On the Bull acquisition date, the Company therefore namely used present value of future royalty payments assumptions to assess the fair value of the patents and the Bull trademark. Our procedures mainly consisted in analyzing the independent appraiser's report, familiarizing ourselves with the measurement data and method used, assessing the appropriateness of future royalty payments assumptions applied to the patents and the Bull trademark, and verifying the consistency of the discount rate calculation method with that used for the impairment tests.

Furthermore, the allocation of the acquisition price to the other identifiable assets and liabilities was determined on a provisional basis by the Company. Our work mainly consisted in assessing the methodology implemented and the assumptions on which these estimates were based and reviewing, on a sampling basis, the calculations performed by the Company. Based on these procedures, we assessed the reasonableness of such estimates and the appropriateness of the disclosure in the notes.



- As specified in the “Accounting estimates and judgments” note in section E.4.7.2 to the consolidated financial statements, the preparation of the consolidated financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses in the financial statements and disclosures of contingent assets and liabilities as of the balance sheet date. This note specifies that the estimates, assumptions and judgments, which may result in a significant adjustment to the carrying amounts of assets and liabilities during the next financial year, mainly relate to:
  - Goodwill amounting to € 2,627.9 million as of December 31, 2014 was subject to impairment testing by the Company as described in the “Goodwill” note in section E.4.7.2 and in Note 11 to the consolidated financial statements. Based on the information provided to us, our work consisted in assessing the appropriateness of the methodology applied and the data used to determine the values-in-use, especially to review the cash-flow projections for each cash-generating unit (“CGU”) and the actual performance against budget, and in verifying the overall consistency of assumptions with forecasts from each CGU’s financial business plan approved by Management. We have reviewed the calculations made by your Company and verified that Note 11 to the consolidated financial statements provides appropriate disclosure.
  - The “Revenue recognition” note in section E.4.7.2 to the consolidated financial statements outlines the methods applied with respect to revenue recognition. Based on the information provided to us, our work consisted in assessing the appropriateness of the information provided in the note mentioned above and in ensuring that the accounting methods and principles are correctly applied. In addition, our work consisted in assessing the reasonableness of the accounting estimates used by Management.
- As specified in the “Pensions and similar benefits” note in section E.4.7.2 to the consolidated financial statements, the Company uses actuarial methods and actuarial assumptions to evaluate the pension commitments. The value of plan assets is measured on the basis of valuations provided by the external custodians of pension funds and these assets are subject to additional verifications by management if necessary. Based on the information provided to us, our work consisted on assessing the appropriateness of the methodology applied and the data used to assess the pension obligations and the plan assets valuation, on verifying the consistency of assumptions used, and on verifying that Note 20 to the consolidated financial statements provides appropriate disclosure.
- The Company recognizes deferred tax assets in an amount of € 419.7 million in the consolidated statement of financial position, on the basis of projected taxable profits determined from 3-year business plans as described in section E.4.7.2 to the consolidated financial statements. Our work consisted in assessing the data and assumptions used by the Management of Atos in order to verify the recoverability of deferred tax assets recognized, and on verifying that Note 7 to the consolidated financial statements provides appropriate disclosure.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### III. Specific verification

As required by French law, in accordance with professional standards applicable in France, we have also verified the information presented in the Group’s management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris, March 27, 2015

#### The statutory auditors

Deloitte & Associés

Christophe Patrier

Grant Thornton

*French member of Grant Thornton International*

Victor Amselem



## E.4.2 Consolidated Income Statement

<i>(in € million)</i>	Notes	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Revenue</b>	Note 2	<b>9,051.2</b>	<b>8,614.6</b>
Personnel expenses	Note 3	-4,573.2	-4,445.9
Operating expenses	Note 4	-3,776.1	-3,523.5
<b>Operating margin</b>		<b>701.9</b>	<b>645.2</b>
<b>% of revenue</b>		<b>7.8%</b>	<b>7.5%</b>
Other operating income and expenses	Note 5	-261.6	-228.5
<b>Operating income</b>		<b>440.3</b>	<b>416.7</b>
<b>% of revenue</b>		<b>4.9%</b>	<b>4.8%</b>
Net cost of financial debt		-15.3	-30.9
Other financial expenses		-72.7	-68.3
Other financial income		36.4	36.5
Net financial income	Note 6	-51.6	-62.7
<b>Net income before tax</b>		<b>388.7</b>	<b>354.0</b>
Tax charge	Notes 7-8	-104.1	-95.9
Share of net profit/(loss) of associates		-2.1	1.5
<b>NET INCOME</b>		<b>282.5</b>	<b>259.6</b>
Of which:			
• attributable to owners of the parent		265.2	261.6
• non-controlling interests	Note 9	17.3	-2.0

<i>(in € and number of shares)</i>	Notes	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Net income – Attributable to owners of the parent		99,358,877	87,805,661
<b>Weighted average number of shares – Basic earnings per share</b>	Note 10	<b>2.67</b>	<b>2.98</b>
Diluted weighted average number of shares		100,570,183	99,336,179
<b>Diluted earnings per share</b>	Note 10	<b>2.64</b>	<b>2.77</b>

## E.4.3 Consolidated statement of comprehensive income

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Net income</b>	<b>282.5</b>	<b>259.6</b>
<b>Other comprehensive income</b>		
• <b>to be reclassified subsequently to profit or loss (recyclable):</b>	<b>94.8</b>	<b>-68.3</b>
Cash flow hedging	4.1	-0.1
Exchange differences on translation of foreign operations	90.8	-69.8
Deferred tax on items recyclable recognized directly on equity	-0.1	1.6
• <b>not reclassified to profit or loss (non-recyclable):</b>	<b>-501.4</b>	<b>-92.1</b>
Actuarial gains and losses generated in the period on defined benefit plan	-676.1	-108.8
Deferred tax on items non-recyclable recognized directly on equity	174.7	16.7
<b>Total other comprehensive income</b>	<b>-406.6</b>	<b>-160.4</b>
<b>Total comprehensive income for the period</b>	<b>-124.1</b>	<b>99.2</b>
Of which:		
• <b>attributable to owners of the parent</b>	<b>-141.3</b>	<b>101.2</b>
• non-controlling interests	17.2	-2.0



## E.4.4 Consolidated statement of financial position

<i>(in € million)</i>	Notes	12 months ended 31 December 2014	12 months ended 31 December 2013
<b>ASSETS</b>			
Goodwill	Note 11	2,627.9	1,915.7
Intangible assets	Note 12	646.6	445.4
Tangible assets	Note 13	693.7	619.0
Non-current financial assets	Note 14	227.6	376.5
Non-current financial instruments	Note 23	3.2	0.3
Deferred tax assets	Note 8	419.7	336.5
<b>Total non-current assets</b>		<b>4,618.7</b>	<b>3,693.4</b>
Trade accounts and notes receivables	Note 15	2,124.1	1,722.5
Current taxes		17.3	23.7
Other current assets	Note 16	648.2	437.3
Current financial instruments	Note 23	10.2	19.1
Cash and cash equivalents	Note 18	1,620.3	1,306.2
<b>Total current assets</b>		<b>4,420.1</b>	<b>3,508.8</b>
<b>TOTAL ASSETS</b>		<b>9,038.8</b>	<b>7,202.2</b>

<i>(in € million)</i>	Notes	12 months ended 31 December 2014	12 months ended 31 December 2013
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Common stock		101.3	98.1
Additional paid-in capital		2,521.6	2,385.1
Consolidated retained earnings		399.6	350.1
Translation adjustments		-94.4	-185.7
Net income attributable to the owners of the parent		265.2	261.6
Equity attributable to the owners of the parent		3,193.3	2,909.2
Non-controlling interests		208.8	30.0
<b>Total shareholders' equity</b>		<b>3,402.1</b>	<b>2,939.2</b>
Provisions for pensions and similar benefits	Note 20	1,258.1	723.1
Non-current provisions	Note 21	93.8	108.9
Borrowings	Note 22	528.1	307.3
Deferred tax liabilities	Note 8	66.4	147.5
Non-current financial instruments	Note 23	8.3	6.8
Other non-current liabilities		18.8	9.5
<b>Total non-current liabilities</b>		<b>1,973.5</b>	<b>1,303.1</b>
Trade accounts and notes payables	Note 24	1,397.0	1,055.6
Current taxes		73.0	80.2
Current provisions	Note 21	263.9	193.5
Current financial instruments	Note 23	4.6	25.9
Current portion of borrowings	Note 22	103.1	93.5
Other current liabilities	Note 25	1,821.6	1,511.2
<b>Total current liabilities</b>		<b>3,663.2</b>	<b>2,959.9</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>9,038.8</b>	<b>7,202.2</b>

## E.4.5 Consolidated cash flow statement

<i>(in € million)</i>	Notes	12 months ended 31 December 2014	12 months ended 31 December 2013
<b>Profit before tax</b>		<b>388.7</b>	<b>354.0</b>
Depreciation of assets	Note 4	313.0	329.1
Net charge / (release) to operating provisions		-134.9	-145.1
Net charge / (release) to financial provisions		23.2	16.9
Net charge / (release) to other operating provisions		-10.2	-38.0
Purchase Price Allocation amortization (PPA)	Note 4	50.7	44.3
Losses / (gains) on disposals of fixed assets		9.6	-12.7
Net charge for equity-based compensation		22.7	16.7
Losses / (gains) on financial instruments		-9.8	2.5
Net cost of financial debt	Note 6	15.3	30.9
<b>Cash from operating activities before change in working capital requirement, financial interest and taxes</b>		<b>668.3</b>	<b>598.6</b>
Taxes paid		-119.7	-96.7
Change in working capital requirement		104.6	111.2
<b>Net cash from / (used in) operating activities</b>		<b>653.2</b>	<b>613.1</b>
Payment for tangible and intangible assets		-354.1	-340.0
Proceeds from disposals of tangible and intangible assets		9.2	34.5
<b>Net operating investments</b>		<b>-344.9</b>	<b>-305.5</b>
Amounts paid for acquisitions and long-term investments		-633.5	-28.0
Cash and cash equivalents of companies purchased during the period		-3.7	2.5
Proceeds from disposals of financial investments		9.0	7.3
Dividend received from entities consolidated by equity method		2.5	2.4
<b>Net long-term investments</b>	<b>Note 26</b>	<b>-625.7</b>	<b>-15.8</b>
<b>Net cash from / (used in) investing activities</b>		<b>-970.6</b>	<b>-321.3</b>
Capital Increase		35.3	-
Common stock issues on the exercise of equity-based compensation		73.9	98.1
Capital increase subscribed by non-controlling interests		253.1	13.0
Portion of convertible bonds in financial liability		-	-2.0
Purchase and sale of treasury stock		-234.5	-115.8
Dividends paid to owners of the parent		-38.3	-17.3
Dividends paid to non-controlling interests		-1.9	-6.0
Payment for acquisition of non controlling interests		-	-1.6
Proceeds of disposal of non controlling interests		372.3	-
New borrowings	Note 22	182.6	8.2
New finance lease	Note 22	0.2	2.2
Repayment of long and medium-term borrowings	Note 22	-47.9	-37.8
Net cost of financial debt paid		-15.3	-19.9
Other flows related to financing activities		-6.0	-58.6
<b>Net cash from / (used in) financing activities</b>		<b>573.5</b>	<b>-137.5</b>
<b>Increase / (decrease) in net cash and cash equivalents</b>		<b>256.1</b>	<b>154.3</b>
<b>Opening net cash and cash equivalents</b>		<b>1,238.3</b>	<b>1,109.6</b>
Increase / (decrease) in net cash and cash equivalents	Note 22	256.1	154.3
Impact of exchange rate fluctuations on cash and cash equivalents		48.1	-25.6
<b>Closing net cash and cash equivalents</b>	<b>Note 23</b>	<b>1,542.5</b>	<b>1,238.3</b>



## E.4.6 Consolidated statement of changes in shareholders' equity

<i>(in € million)</i>	Number of shares at period-end (thousands)	Common Stock	Additional paid- in capital
<b>At January 1, 2013</b>	<b>85,703</b>	<b>85.7</b>	<b>1,842.5</b>
IAS 19 revised impacts at January 1, 2013			
<b>At January 1, 2013 restated</b>	<b>85,703</b>	<b>85.7</b>	<b>1,842.5</b>
• Common stock issued	12,463	12.4	542.6
• Appropriation of prior period net income			
• Dividends paid			
• Equity-based compensation			
• Changes in treasury stock			
• Equity portion of compound instrument			
• Other			
Transactions with owners	12,463	12.4	542.6
• Net income			
• Other comprehensive income			
<b>Total comprehensive income for the period</b>			
<b>At December 31, 2013</b>	<b>98,166</b>	<b>98.1</b>	<b>2,385.1</b>
• Common stock issued	3,168	3.2	136.5
• Appropriation of prior period net income			
• Dividends paid			
• Equity-based compensation			
• Changes in treasury stock			
• Worldline IPO impact			
• Other			
Transactions with owners	3,168	3.2	136.5
• Net income			
• Other comprehensive income			
<b>Total comprehensive income for the period</b>			
<b>At December 31, 2014</b>	<b>101,334</b>	<b>101.3</b>	<b>2,521.6</b>

Consolidated retained earnings	Translation adjustments	Items recognized directly in equity	Net income	Total	Non controlling interests	Total shareholders' equity
322.6	-116.0	-10.1	223.8	2,348.5	30.8	2,379.3
-9.8				-9.8		-9.8
312.8	-116.0	-10.1	223.8	2,338.7	30.8	2,369.5
-34.0				521.0		521.0
223.8			-223.8	-		-
-17.3				-17.3	-6.0	-23.3
16.7				16.7		16.7
-33.9				-33.9		-33.9
-23.8				-23.8		-23.8
6.5				6.5	7.3	13.8
138.0	-	-	-223.8	469.2	1.3	470.5
			261.6	261.6	-2.0	259.6
-92.1	-69.7	1.5		-160.3	-0.1	-160.4
-92.1	-69.7	1.5	261.6	101.3	-2.1	99.2
358.7	-185.7	-8.6	261.6	2,909.2	30.0	2,939.2
-30.8				108.9		108.9
261.6			-261.6	-		-
-38.3				-38.3	-1.9	-40.2
22.7				22.7		22.7
-120.7				-120.7		-120.7
439.1				439.1	169.0	608.1
13.7				13.7	-5.5	8.2
547.3	-	-	-261.6	425.4	161.6	587.0
			265.2	265.2	17.3	282.5
-501.4	91.3	3.6		-406.5	-0.1	-406.6
-501.4	91.3	3.6	265.2	-141.3	17.2	-124.1
404.6	-94.4	-5.0	265.2	3,193.3	208.8	3,402.1



## E.4.7 Appendices to the consolidated financial statements

### DETAILED SUMMARY OF NOTES

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### E.4.71 General information

Atos SE, the Group's parent company, is a société européenne (public limited company) incorporated under French law, whose registered office is located at 80, Quai Voltaire, 95870 Bezons, France. It is registered with the Registry of Commerce and Companies of Pontoise under the reference 323 623 603. Atos SE shares are traded on the Euronext Paris market under ISIN code FR0000051732. The shares are not listed on any other stock exchange. The Company is administrated by a Board of Directors.

The consolidated financial statements of the Group for the twelve months ended December 31, 2014 comprise the Group and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

These consolidated financial statements were approved by the Board of Directors on March 26, 2015.

The consolidated financial statements will then be submitted to the approval of the General Meeting of shareholders scheduled to take place on May 2015.

### E.4.72 Basis of preparation and significant accounting policies

#### Basis of preparation

Pursuant to European Regulation No. 1606/2002 of July 19, 2002, the consolidated financial statements for the twelve months ended December 31, 2014 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31, 2014. The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

Accounting policies applied by the Group comply with those standards and interpretations, which can be found at: [http://ec.europa.eu/internal\\_market/accounting/ias/index\\_en.htm](http://ec.europa.eu/internal_market/accounting/ias/index_en.htm)

As of December 31, 2014, the accounting standards and interpretations endorsed by the European Union are similar to the compulsory standards and interpretations published by the International Accounting Standards Board (IASB). Consequently, the Group's consolidated financial statements are prepared in accordance with the IFRS standards and interpretations, as published by the IASB.

The following standards, interpretations and amendments to existing standards that have been published are mandatory for the Group's accounting period beginning on or after January 1, 2014:

- IFRS 10 – Consolidated Financial Statements;
- IFRS 11 – Joint Arrangements;
- IFRS 12 – Disclosure of Interests in Other Entities;
- IAS 27 (revised) – Separate Financial Statements;
- IAS 28 (revised) – Investments in Associates and Joint Ventures;
- Amendments to various IFRS statements contained in the Annual Improvements to IFRS (2009-2011);
- Amendments IFRS 10, 11, 12 – Transition Guidance;
- IAS 32 (revised) – Offsetting Financial Assets and Financial liabilities;
- IAS 36 (revised) – Disclosures – Recoverable Amount for Non-Financial Assets;

- Amendments IFRS 10, 12 and IAS 27 – Investment Entities;
- Amendments IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting.

The following standards, interpretations and amendments to existing standards that have been published and endorsed by European Union are not yet mandatory for the Group:

- IFRIC 21 – Levies;

The impact of those changes in standards and interpretations on the Group's consolidated financial statements is limited.

The consolidated financial statements do not take into account:

- draft standards that are still at the exposure draft stage at the International Accounting Standards Board (IASB);
- new standards, interpretations and amendments to existing standards and interpretations not yet approved by the European Union. This notably concerns:
  - IFRS 9 – Financial Instruments (superseding IAS 39),
  - Annual improvements – 2010-2012 cycle,
  - Annual improvements – 2011-2013 cycle,
  - Amendments to IAS 19 – Defined benefit plans: employee contributions,
  - IFRS 14 – Regulatory Deferral Accounts,
  - Amendments to IFRS 11 – Accounting for acquisitions of interests in joint operations,
  - Amendments to IAS 16 and IAS 38 – Clarification of acceptable methods of depreciation and amortization,
  - Annual improvements – 2012-2014 cycle,
  - IFRS 15 – Revenue from Contracts with Customers.

The potential impact of these standards, amendments and interpretations on the consolidated financial statements is currently being assessed.

These consolidated financial statements are presented in euro, which is the Group's functional currency. All figures are presented in € millions with one decimal.

The policies set out below have been applied in consistency with all years presented.

## Accounting estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date. The estimates, assumptions and judgments that may result in a significant adjustment to the carrying amounts of assets and liabilities are essentially related to:

### Goodwill impairment tests

The Group tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policies stated below. The recoverable amounts of cash generating units are determined based on value-in-use calculations or on their fair value reduced by the costs of sales. These calculations require the use of estimates as described in Note 11 Goodwill.

### Measurement of recognized tax loss carry-forwards

Deferred tax assets are recognized on tax loss carry-forwards when it is probable that taxable profit will be available against which the tax loss carry-forwards can be utilized. Estimates of taxable profits and utilizations of tax loss carry-forwards were prepared on the basis of profit and loss forecasts as included in the 3-year business plans.

### Revenue recognition and associated costs on long-term contracts

Revenue recognition and associated costs, including forecast losses on completion are measured according to policies stated below. Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs that have a direct influence on the level of revenue and possible forecast losses on completion that are recognized.

### Pensions

The Group uses actuarial assumptions and methods to measure pension costs and provisions. The value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate. The estimation of pension liabilities, as well as valuations of plan assets requires the use of estimates and assumptions.

### Customer relationships

An intangible asset related to the customer relationships and backlog brought during a business combination is recognized as Customer Relationships. The value of this asset is based on assumptions of renewal conditions of contract and on the discounted flows of these contracts. This asset is amortized on an estimation of its average life.

## Consolidation methods

### Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. Control is defined by the ability to govern the financial and operating policies generally, but not systematically, combined with a shareholding of more than 50 percent of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, the power to appoint the majority of the members of the governing bodies and the existence of veto rights are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

### Joint ventures

The Group's interests in jointly controlled entities are accounted for by proportionate method. Operating and shareholders' agreements are considered when assessing the joint control.

### Associates

Associates are entities over which the Group has significant influence but not control or joint control, generally, but not systematically, accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for by the equity method.

## Segment reporting

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company CEO and Chairman of the Board of Directors who makes strategic decisions.

The internal management reporting is designed on two axes: Global Business Units and Service Lines (Consulting & Systems Integration, Managed Services, Big Data & Cyber-security and Worldline). Global Business Units have been determined by the Group as key indicators by the Chief operating decision maker. As a result and for IFRS 8 requirements, the Group discloses Global Business Units as operating segments.

A GBU is defined as a geographical area or the aggregation of several geographical areas – except for the Worldline activities which contains one or several countries, without taking into consideration the activities exercised within each country. Each GBU is managed by dedicated members of the Executive Committee.

The measurement policies that the Group uses for segments reporting under IFRS 8 are the same as those used in its financial statements. Corporate entities are not presented as an operating segment. Therefore, their financial statements are used as a reconciling item (refer Note 2 of the financial statements). Corporate assets which are not directly attributable to the business activities of any operating segments are not allocated to a segment, which primarily applies to the Group's headquarters. Shared assets such as the European mainframe are allocated to the GBU where they are physically located even though they are used by several GBUs.

## Presentation rules

### Current and non-current assets and liabilities

Assets and liabilities classified as current are expected to be realized, used or settled during the normal cycle of operations, which can extend beyond 12 months following period-end. All other assets and liabilities are classified as non-current. Current assets and liabilities, excluding the current portion of borrowings, financial receivables and provisions represent the Group's working capital requirement.

### Assets and liabilities held for sale or discontinued operations

Should there be assets and liabilities held for sale or discontinued operations, they would be presented on separate lines in the Group's balance sheet, without restatements for previous periods. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets and liabilities are available for immediate sale in their present condition.

Should these assets and liabilities represent either a complete business line or a GBU, the profit or loss from these activities are presented on a separate line of the income statement, and is restated in the cash flow statement and the income statement over all published periods.

### Translation of financial statements denominated in foreign currencies

The balance sheets of companies based outside the euro zone are translated at closing exchange rates. Income statement items are translated based on average exchange rate for the period. Balance sheet and income statement translation adjustments arising from a change in exchange rates are recognized as a separate component of equity under "Translation adjustments".

Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of that foreign entity and translated into euro at the closing date.

The Group does not consolidate any entity operating in a hyperinflationary economy.

### Translation of transactions denominated in foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement under the heading "Other financial income and expenses", except where hedging accounting is applied as explained in the paragraph "Financial assets – Derivative financial instruments".

### Business combination and goodwill

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or significantly improve its competitive position within a business or a geographical sector are accounted for as business combinations.

### Valuation of assets acquired and liabilities assumed of newly acquired subsidiaries

Business combinations are accounted for according to the acquisition method. The consideration transferred in exchange for control of the acquired entity is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Direct transaction costs related to a business combination are charged in the income statement when incurred.

Non-controlling interests may, on the acquisition date, be measured either at fair value or based on their stake in the fair value of the identifiable assets and liabilities of the acquired entity. The choice of measurement basis is made on a transaction-by-transaction basis.

During the first consolidation, all the assets, liabilities and contingent liabilities of the subsidiary acquired are measured at their fair value.

In step acquisitions, any equity interest held previously by the Group is re-measured at fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss is recognized through the net income.

### Purchase of non-controlling interests and sale of interests in a controlled subsidiary

Purchase of non-controlling interests and sale transactions of interests in a controlled subsidiary that do not change the status of control are recorded through shareholders' equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in net income. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in net income.

### Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, of the amount of any non-controlling interests in the acquiree and of the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is allocated to Cash Generating Units (CGU) for the purpose of impairment testing. Goodwill is allocated to those CGU that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. CGUs correspond to geographical areas where the Group has operations – except for the Worldline activities.

The recoverable value of a CGU is based on the higher of its fair value less costs to sell and its value in use determined using the discounted cash-flows method. When this value is less than its carrying amount, an impairment loss is recognized in the operating income.

The impairment loss is first recorded as an adjustment of the carrying amount of the goodwill allocated to the CGU and the remainder of the loss, if any, is allocated pro rata to the other long term assets of the unit.

The Cash Generating Units used for the impairment test are not larger than operating segments determined in accordance with IFRS 8 Operating segments.

Goodwill is not amortized and is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on December actuals and latest 3 year plan, or more often whenever events or circumstances indicate that the carrying amount could not be recoverable. Such events and circumstances include but are not limited to:

- significant deviance of economic performance of the asset when compared with budget;
- significant worsening of the asset's economic environment;
- loss of a major client;
- significant increase in interest rates.

### Intangible assets other than goodwill

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, software and customer relationships acquired in relation with a business combination as well as internally developed IT solutions.

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the generation of the asset into:

- a research phase; and
- a development phase.

Under IAS 38, no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Expenditure on research (or on the research phase of an internal project) shall be recognized as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognized if, and only if, an entity can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and to use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The customer relationships are valued as per the multi-period excess earning method that consists in summing future operating margins attributable to contracts, after tax and capital employed.

Intangible assets are amortized on a straight-line basis over their expected useful life, generally not exceeding five to seven years for internally developed IT solutions in operating margin. Customer relationships, patents and trademark acquired in a business combination are amortized on a straight-line basis over their expected useful life, generally not exceeding ten years; their related depreciation are recorded in other operating expenses.

### Tangible assets

Tangible assets are recorded at acquisition cost. They are depreciated on a straight-line basis over the following expected useful lives:

- |                                  |                |
|----------------------------------|----------------|
| • buildings                      | 20 years;      |
| • fixtures and fittings          | 5 to 10 years; |
| • computer hardware              | 3 to 5 years;  |
| • vehicles                       | 4 years;       |
| • office furniture and equipment | 5 to 10 years. |

Although some outsourcing contracts may involve the transfer of computing equipment, the control of the asset usually remains with the customer as he generally retains the property. When the ownership of the computing equipment is transferred to Atos, this transfer is generally paid, at the beginning of the contract. Therefore IFRIC 18 does not have a significant impact on the Group accounts.

### Leases

Asset leases where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Assets acquired under finance lease are depreciated over the shorter of the assets' useful life and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases.

### Impairment of assets other than goodwill

Assets that are subject to amortization are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable value.

### Financial assets

Financial assets are accounted for at trade date.

#### Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are treated as assets available for sale and recognized at their fair value. For listed shares, fair value corresponds to the share price at closing date. In the absence of an active market for the shares, the investments in non-consolidated companies are carried at historical cost. An impairment charge is recognized when there is objective evidence of a permanent or significant impairment in value. The most common financial criteria used to determine fair value are equity and earnings outlooks. Gains and losses arising from variation in the fair value of available for sale assets are recognized as "items recognized directly in equity". If there is evidence that an asset is permanently impaired, the cumulative loss is written off in the income statement under "other financial income and expense".

#### Loans, trade accounts and notes receivable

Loans are part of non-current financial assets. Loans, trade accounts and notes receivable are recorded initially at their fair value and subsequently at their amortized value. The nominal value represents usually the initial fair value for trade accounts and notes receivable. In case of deferred payment over one year, where the effect is significant on fair value, trade accounts and notes receivables are discounted. Where appropriate, a provision is raised on an individual basis to take likely recovery problems into account.

Certain service arrangements might qualify for treatment as lease contracts if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the asset to its customers, the Group recognizes assets held under finance lease and presents them as "Trade accounts and notes receivable" for the part that will be settled within 12 months, and "Non-current financial assets" for the part beyond 12 months.

#### Assets securitization

Assets securitization programs, in which the Group retains substantially all the risks and rewards of ownership of the transferred assets, do not qualify for de-recognition. A financial liability for the consideration received is recognized. The transferred assets and the financial liability are valued at their amortized costs.

#### Derivative financial instruments

Derivative instruments are recognized as financial assets or liabilities at their fair value. Any change in the fair value of these derivatives is recorded in the income statement as a financial income or expense, except when they are eligible for hedge accounting, whereupon:

- for fair value hedging of existing assets or liabilities, the hedged portion of an instrument is measured on the balance sheet at its fair value. Any change in fair value is recorded as a corresponding entry in the income statement, where it is offset simultaneously against changes in the fair value of hedging instruments;
- for cash flow hedging, the effective portion of the change in fair value of the hedging instrument is directly offset in shareholders' equity as "items recognized directly in equity". The change in value of the ineffective portion is recognized in "Other financial income and expenses". The amounts recorded in net equity are transferred to the income statement simultaneously to the recognition of the hedged items.

#### Cash and cash equivalents

Cash and cash equivalent include cash at bank and financial instruments such as money market securities. Such financial instruments are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. They are held for the purpose of meeting short-term cash commitments and have a short maturity, in general three months or less from the date of acquisition. Some instruments, such as term deposits, that have at inception a longer maturity but provide for early withdrawal and a capital guarantee may also be classified as cash equivalents under certain circumstances. Money market securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Cash and cash equivalents are measured at their fair value through profit and loss.

### Treasury stock

Atos shares held by the parent company are recorded at their acquired cost as a deduction from consolidated shareholders' equity. In the event of a disposal, the gain or loss and the related tax impacts are recorded as a change in consolidated shareholders' equity.

### Pensions and similar benefits

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution costs are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been accomplished by beneficiaries.

The valuation of Group defined benefit obligation is based on a single actuarial method known as the "projected unit credit method". This method relies in particular on projections of future benefits to be paid to Group employees, by anticipating the effects of future salary increases. Its implementation further includes the formulation of specific assumptions, detailed in Note 20, which are periodically updated, in close liaison with external actuaries used by the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing.

The fair value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate.

From one accounting period to the other, any difference between the projected and actual pension plan obligation and their related assets is cumulated at each benefit plan's level to form actuarial differences. These actuarial differences may result either from changes in actuarial assumptions used, or from experience adjustments generated by actual developments differing, in the accounting period, from assumptions determined at the end of the previous accounting period. All actuarial gains and losses on post-employment benefit plans generated in the period are recognized in "other comprehensive income".

Benefit plans costs are recognized in the Group's operating income, except for interest costs on obligations, net of expected returns on plans assets, which are recognized in "other financial income and expenses".

### Provisions

Provisions are recognized when:

- the Group has a present legal, regulatory, contractual or constructive obligation as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- the amount has been reliably quantified.

Provisions are discounted when the time value effect is material. Changes in discounting effects at each accounting period are recognized in financial expenses.

### Borrowings

Borrowings are recognized initially at fair value, net of debt issuance costs. Borrowings are subsequently stated at amortized costs. The calculation of the effective interest rate takes into account interest payments and the amortization of the debt issuance costs.

Debt issuance costs are amortized in financial expenses over the life of the loan. The residual value of issuance costs for loans repaid in advance is expensed in the year of repayment.

Bank overdrafts are recorded in the current portion of borrowings.

### Convertible bonds OCEANE (bonds convertible into and/or exchangeable for new or existing shares of Atos)

OCEANE are financial instruments defined as compound financial instruments composed of both a liability and an equity component, which have to be valued and recorded separately.

In order to evaluate the split between the liability and an equity component, the carrying amount of the liability component is first determined by measuring the fair value of a similar liability (including any embedded non-equity derivative features) that does not have an associated equity component. The carrying amount of the equity instrument represented by the option to convert the instrument into ordinary shares is then determined by deducting the fair value of the financial liability from the fair value of the compound financial instrument as a whole.

### Non-controlling interests purchase commitments

Firm or conditional commitments under certain conditions to purchase non-controlling interests are similar to a purchase of shares and are recorded in borrowings with an offsetting reduction of non-controlling interests.

For puts existing before January 1, 2010, when the cost of the purchase exceeds the amount of non-controlling interests, the Group chooses to recognize the balance as goodwill. Any further change in the fair value of the non-controlling interests purchase commitment will also be recorded in goodwill.

For puts granted after January 1, 2010, when the cost of the purchase exceeds the amount of non-controlling interests, the Group chooses to recognize the balance in equity (attributable to owners of the parent). Any further change in the fair value of the non-controlling interests purchase commitment will also be recorded in equity (attributable to owners of the parent).

## Revenue Recognition

The Group provides Information Technology (IT) and Business Process Outsourcing (BPO) services. Depending on the structure of the contract, revenue is recognized accordingly to the following principles:

### Variable or fixed price contracts considerations

Revenue based on variable IT work units is recognized as the services are rendered.

Where the outcome of fixed price contracts can be estimated reliably, revenue is recognized using the percentage-of-completion (POC) method. Under the POC method, revenue is recognized based on the costs incurred to date as a percentage of the total estimated costs to fulfil the contract. Revenue relating to these contracts is recorded in the consolidated balance sheet under "Trade accounts and notes receivable" for services rendered in excess of billing, while billing exceeding services rendered is recorded as deferred income under "Other current liabilities". Where the outcome of a fixed price contract cannot be estimated reliably, contract revenue is recognized to the extent of contracts costs incurred that are likely to be recoverable.

Revenue for long-term fixed price is recognized when services are rendered.

If circumstances arise, that change the original estimates of revenues, costs, or extent of progress toward completion, then revisions to the estimates are made. The Group performs ongoing profitability analyses of its services contracts in order to determine whether the latest estimates of revenue, costs and profits, require updating. If, at any time, these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for estimated losses on completion.

### Principal and agent considerations

Revenue is reported net of supplier costs when the Group is acting as an agent between the client and the supplier. Factors generally considered to determine whether the Group is a principal or an agent, are most notably whether it is the primary obligor to the client, it assumes credit and delivery risks, or it adds meaningful value to the supplier's product or service.

### Multiple-element arrangements considerations

The Group may enter into multiple-element arrangements, which may include combinations of different services. Revenue is recognized for the separate elements when these elements are separately identifiable. A group of contracts is combined and treated as a single contract when that group of contracts is negotiated as a single package and the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin, and the contracts are performed concurrently or in a continuous sequence.

### Upfront payments considerations

Upfront payments to clients incurred at contract inception are recorded in "Other current assets" and spread as a reduction of revenue over the term of the contract. Upfront payments received from clients at contract inception are recorded in

"Other current liabilities" and spread as an increase in revenue over the term of the contract.

### Transition costs

Transitions costs are either expensed as incurred or recognized in revenue on a POC basis over the transition phase. Only in rare instances where the services rendered during the transition phase cannot be separately identified, costs can be deferred and expensed over the contract term if it can be demonstrated that there are recoverable. Capitalized transition costs are classified in "Trade accounts and notes receivable" of the consolidated balance sheet and amortization expense is recorded in "Operating expenses" in the consolidated income statement.

In case the contract turns out to be loss-making, capitalized transition costs are impaired for the related forecasted loss, before recognizing an additional provision for estimated losses on completion when necessary.

### Operating margin

The underlying operating performance on the ongoing business is presented within operating margin, while unusual operating income/expenses are separately itemized and presented below the operating margin, in line with the CNC (Conseil National de la Comptabilité) recommendation n° 2009-R-03 (issued on July 2, 2009) regarding the financial statements presentation.

### Other operating income and expenses

"Other operating income and expenses" covers income or expense items that are unusual, abnormal and infrequent. They are presented below the operating margin.

Classification of charges to (or release from) restructuring and rationalization and associated costs provisions in the income statement depends on the nature of the plan:

- plans directly in relation with operations are classified within the Operating margin;
- plans related to business combinations or qualified as unusual, infrequent and abnormal are classified in the Operating income;
- if a restructuring plan qualifies for Operating income, the related real estate rationalization & associated costs expenses regarding premises and buildings is also presented in Operating income.

When accounting for business combinations, the Group may record provisions for risks, litigations, etc. in the opening balance sheet for a period of 12 months beyond the business combination date. After the 12-month period, unused provisions arising from changes in circumstances are released through the income statement under "Other operating income and expenses".

"Other operating income and expenses" also include major litigations, and non-recurrent capital gains and losses on the disposal of tangible and intangible assets, significant impairment losses on assets other than financial assets, the amortization of the Customer Relationships, the Trademark, the Patents or any other item that is infrequent, unusual and abnormal.



### Equity-based compensation

Stock options are granted to management and certain employees at regular intervals. These equity-based compensations are measured at fair value at the grant date using the binomial option-pricing model. Changes in the fair value of options after the grant date have no impact on the initial valuation. The fair value of share options is recognized in "Personnel expenses" on a straight-line basis over the period during which those rights vest, using the straight-line method, with the offsetting credit recognized directly in equity.

In some tax jurisdictions, Group's entities receive a tax deduction when stock options are exercised, based on the Group share price at the date of exercise.

In those instances, a deferred tax asset is recorded for the difference between the tax base of the employee services received to date (being the future tax deduction allowed by local tax authorities) and the current carrying amount of this deduction, being nil by definition. Deferred tax assets are estimated based on the Group's share price at each closing date, and are recorded in income tax provided that the amount of tax deduction does not exceed the amount of the related cumulative stock option expenses to date. The excess, if any, is recorded directly in the equity.

Employee Share Purchase Plans offer employees the opportunity to invest in Group's shares at a discounted price. Shares are subject to a five-year lock-up period restriction. Fair values of such plans are measured taking into account:

- the exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant;
- the 20 percent discount granted to employees;
- the consideration of the five-year lock-up restriction to the extent it affects the price that a knowledgeable, willing market participant would pay for that share; and
- the grant date: date on which the plan and its term and conditions, including the exercise price, is announced to employees.

Fair values of such plans are fully recognized in "Personnel expenses" at the end of the subscription period.

The Group has also granted to management and certain employees' free shares plans. The fair value of those plans corresponds to the value of the shares at the grant date and takes into account the employee turnover during the vesting period as well as the value of the lock-up period restriction when applicable. Free share plans result in the recognition of a personal expense spread over the rights vesting period.

### Corporate income tax

The income tax charge includes current and deferred tax expenses. Deferred tax is calculated wherever temporary differences occur between the tax base and the consolidated base of assets and liabilities, using the liability method. Deferred tax is valued using the enacted tax rate at the closing date that will be in force when the temporary differences reverse.

Deferred tax assets and liabilities are netted off at the taxable entity level, when there is a legal right to offset. Deferred tax assets corresponding to temporary differences and tax losses carried forward are recognized when they are considered to be recoverable during their validity period, based on historical and forecast information.

Deferred tax liabilities for taxable temporary differences relating to goodwill are recognized, to the extent they do not arise from the initial recognition of goodwill.

Deferred tax assets are tested for impairment at least annually at the closing date based on December actuals, business plans and impairment test data.

### Earnings per share

Basic earnings per share are calculated by dividing the net income (attributable to owners of the parent) by the weighted average number of ordinary shares outstanding during the period. Treasury shares deducted from consolidated equity are not taken into account in the calculation of basic or diluted earnings per share.

Diluted earnings per share are calculated by dividing the net income (attributable to owners of the parent), adjusted for the financial cost (net of tax) of dilutive debt instruments, by the weighted average number of ordinary shares outstanding during the period, plus the average number of shares which, according to the share buyback method, would have been outstanding had all the issued dilutive instruments been converted (stock options and convertible debt).

The dilutive impact of each convertible instrument is determined in order to maximize the dilution of basic earnings per share. The dilutive impact of stock options is assessed based on the average price of Atos shares over the period.

### Related party transactions

Related party transactions include in particular transactions with:

- persons or a close member of that person's family if that person is a member of the key management personnel of the Group as defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, including members of the Board of Directors, Supervisory Board and Management Board, as well as the Executive Senior Vice Presidents;
- entities if one of the following conditions apply:
  - the entity is a member of the Group;
  - the entity is a joint venture in which the Group is participating;
  - the entity is a post-employment benefit plan for the benefit of employees of the Group;
  - the entity is controlled or jointly controlled by a person belonging to the key management.



### E.4.7.3 Financial risk management

The Group's activities expose it to a variety of financial risks including liquidity risk, interest rate risk, credit risk and currency risk. Financial risk management is carried out by the Group Treasury department and involves minimizing potential adverse effects on the Group's financial performance.

#### Liquidity risk

Liquidity risk management involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

Atos's policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

Credit facilities are subject to financial covenants that are carefully followed by Group Treasury department.

Maturity analysis of financial liabilities is disclosed in Note 22.

#### Interest rate risk

Interest rate risk arises mainly from borrowings. The management of exposure to interest rate risk encompasses two types:

- a price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the Group is exposed to potential opportunity losses should interest rates fall. A change in interest rates would impact the market value of fixed-rate financial assets and liabilities. However, this loss of opportunity would not impact financial income and expenses as reported in the consolidated income statement and, as such, future net income of the Group up to maturity of these assets;
- a risk on floating-rate financial assets and liabilities should interest rates increase.

The main objective of managing overall interest rate on the Group's debt is to minimize the cost of debt and to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the floating-rate financial debt. Authorized derivative instruments used to hedge the debt are swap contracts entered with leading financial institutions.

#### Credit risk

The Group has no significant concentrations of credit risk. The client selection process and related credit risk analysis is fully integrated within the global risk assessment project conducted throughout the life cycle of a project. Derivative counterparties and cash transactions are limited to high-credit quality financial institutions.

#### Currency risk

The Group's financial performance is not materially influenced by fluctuations in exchange rate since a significant portion of the business takes place within the Eurozone and costs and revenues are generally denominated in the same currency.

The Group has established a policy for managing foreign exchange positions resulting from commercial and financial transactions denominated in currencies different from the local currency of the relevant entity. According to this policy, any material exposure must be hedged as soon as it occurs. In order to hedge its foreign exchange rate exposure, the Group uses a variety of financial instruments, mainly forward contracts and foreign currency swaps.

#### Price risk

The Group has no material exposure to the price of equity securities, nor is it exposed to commodity price risks.

## E.4.7.4 Notes to the consolidated financial statements

### Note 1 Changes in the scope of consolidation

#### Initial Public Offering of Worldline

In the context of the initial public offering of Worldline (IPO), Atos SE has sold existing shares on the regulated market of Euronext Paris (Compartment A; ISIN code: FR0011981968; ticker: WLN).

The gross proceeds from the French public offering and the international offering amount to a total of € 639.1 million, including € 255.0 million of new shares (i.e. 15,548,780 new shares)

and € 384.1 million of existing shares (i.e. 23,415,465 existing shares) sold by Atos SE.

Worldline's shares started to be traded on June 27, 2014 and the delivery occurred only on July 1.

As Atos maintained control over Worldline after the IPO, the net disposal result of the existing shares owned by Atos SE, as well as the proceed from the sale of new shares issued resulting from a capital increase of Worldline is shown in Atos equity.

Equity impacts are summarized as follows:

<i>(in € million)</i>	<b>31 December 2014</b>
Sale price of shares sold by Atos SE	384.1
Accumulated reserves	72.6
<b>Proceeds from the sales of existing shares</b>	<b>311.5</b>
IPO transaction costs	-11.7
Proceeds from the sales of new shares	184.6
Dilution loss	-31.6
<b>Result in Equity</b>	<b>452.8</b>
Tax impact	-13.7
<b>Net result in Equity</b>	<b>439.1</b>

First, Atos has sold 19,492,013 of existing Worldline shares for € 16.4 per share which led to the recognition of € 319.7 million of proceeds which were reduced by the accumulated reserves in Atos books for € 53.9 million and by some IPO costs totaling € 8.1 million.

Secondly, Worldline issued 15,548,780 of new shares in June at € 16.4 generating proceeds net of fees of € 251.0 million and recorded minority interests for € 66.8 million. As a result, a € -31.6 million loss due to a dilution of 9.8% in Worldline was also recorded in equity.

Finally, on July 2014, the over-allotment option covering 3,923,452 additional existing shares sold by Atos, at the offering price of € 16.4 per share, corresponded to a total amount of approximately € 64.3 million. Additional IPO costs occurred for totaling € 3.6 million.

As a result, the total number of Worldline shares offered in connection with its initial public offering amounts to 38,964,245 shares, representing 29.6% of the company's share capital.

#### Public Offer on group Bull

On May 26, 2014, Atos launched a public offer targeting all of Bull's outstanding shares and instruments. This € 4.90 cash offer on the shares and € 5.55 on the Bull OCEANE valued Bull's share capital at c. € 620 million on a fully diluted basis, which represented a 30% premium compared to the company's three-month volume weighted average share price of € 3.77.

As of the settlement date set on August 18, 2014, Atos consequently held 84.25% of Bull's share capital and voting rights based on the total number of shares outstanding as of July 31, 2014, and 18.41% of the company's outstanding OCEANES. In accordance with the provisions of Article 232-4 of the AMF General Regulation, the offer was reopened during 12 trading days from August 25 to September 9 2014, with the same offer prices of € 4.90 per share and € 5.55 per OCEANE.

Following the settlement and delivery of the reopened friendly tender offer on Bull's shares at € 4.90 per share and at € 5.55 per OCEANE (bonds convertible and/or exchangeable into new or existing shares), and the acquisitions of shares made at the same price after the announcement of the result of such offer, Atos had crossed upwards the 95% threshold of the share capital and voting rights of Bull and held 116,993,469 shares representing 95.56% of the share capital and voting rights of Bull and holds 11,871 Bull's OCEANES, representing 20.25% of outstanding Bull's OCEANES.

On December 1, 2014, Bull decided to proceed with an early redemption of all the OCEANE bonds, in compliance with the provision of the issuance prospectus (the outstanding OCEANE bonds represented less than 10% of the total number of OCEANE initially issued).

In order to quickly proceed with the full integration of Bull, Atos then decided to initiate a buyout offer open from December 2,

2014 to December 15, 2014 followed by a squeeze-out on Bull's remaining shares, at the same price, i.e. at € 4.90 per share. The squeeze-out was completed on December 16, 2014.

Based on the above facts, Atos gained control over Bull just after the end of the public offer and held 100% of the equity instruments of Bull as of December 16, 2014. As a result, Atos was in a position to consolidate Bull from September 1, 2014.

### Consideration transferred

<i>(in € million)</i>	<b>Consideration paid</b>
Tender offer	505.5
12 day legal reopening of the offer	44.8
Shares purchased on behalf of Atos between August 26 and October 1	23.0
Buy-out offer and squeeze-out	25.9
Bull Stock options acquisitions	3.5
<b>TOTAL</b>	<b>602.7</b>

### Identifiable assets acquired and liabilities assumed at the date of acquisition

<i>(in € million)</i>	<b>Amount</b>
Intangible assets	209.7
Tangible assets	64.3
Investment in associates	7.1
Non-current financial assets	39.2
Deferred tax assets	48.1
Other non-current asset	0.2
<b>Total non-current assets</b>	<b>368.5</b>
Trade accounts and notes receivables	295.0
Current taxes	4.7
Other current assets	203.2
Current financial instruments	0.6
Cash and cash equivalents	75.8
<b>Total current assets</b>	<b>579.3</b>
<b>TOTAL ASSETS (A)</b>	<b>947.8</b>
Minority interest	0.5
<b>Total shareholder's equity</b>	<b>0.5</b>
Provisions for pensions and similar benefits	197.5
Non-current provisions	135.9
Borrowings	147.3
Deferred tax liabilities	72.0
<b>Total non-current liabilities</b>	<b>552.7</b>
Trade accounts and notes payables	79.9
Current taxes	3.8
Current financial instruments	0.8
Current portion of borrowings	19.5
Other current liabilities	322.1
<b>Total current liabilities</b>	<b>426.0</b>
<b>TOTAL LIABILITIES (B)</b>	<b>979.2</b>
<b>Fair value of acquisition (A)-(B)</b>	<b>-31.4</b>

The valuation of assets acquired and liabilities assumed at their fair value has resulted in the recognition of new intangible assets for a total amount of € 207.0 million (€ 140.4 million for Patents, € 50.0 million for Trademark and € 16.6 million for Customer Relationships) determined by an independent expert, and the re-measurement of tangible assets and liabilities. Patents and Customer Relationships are being amortized on a straight line basis over a period of 9.9 years for Patents and 9.3

years for Customer Relationships generating an annual charge of € 16.0 million. Therefore, a charge of € 5.3 million was recorded for the four-month period ended December 31, 2014.

If new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date that would lead to adjustments to the above amounts, then the acquisition accounting would be revised.

### Preliminary Goodwill

Preliminary goodwill was recognized as a result of the acquisition as follows:

<i>(in € million)</i>	<b>Preliminary Goodwill</b>
Total consideration paid	602.7
Fair value of identifiable net assets	-31.4
<b>TOTAL</b>	<b>634.1</b>

The residual goodwill is attributable mainly to Bull's highly skilled workforce and some know-how. It also reflects the synergies expected to be achieved from integrating Bull operations into the Group.

The goodwill arising from this acquisition is not tax deductible.

#### Acquisition-related costs

The Group incurred acquisition-related costs of € 3.9 million related notably external fees of advisers involved on this

transaction. These costs have been recognized in "other operating income and expenses" in the Group's consolidated income statement.

#### Other acquisitions

The Group has also invested € 21.0 million to acquire Cambridge Technology Partners, a Swiss leading IT consulting and services bringing digital marketing expertise in the Consumer Goods, Luxury, Pharma and Financial Market sectors.

## Note 2 Segment information

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of

operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company CEO and Chairman of the Board of Directors who makes strategic decisions.

Following the acquisition of Bull and Initial Public Offering of Worldline, the chief operating decision maker decided to reorganize as per the operating segments detailed here below:

<b>Operating segments</b>	<b>Activities</b>
United Kingdom & Ireland	Consulting & Systems Integration, Managed Services and Big Data and Security in Ireland and the United Kingdom.
Germany	Consulting & Systems Integration and Managed Services in Germany.
Benelux & The Nordics (BTN)	Consulting & Systems Integration, Managed Services and Big Data and Security in Belgium, Denmark, Estonia, Finland & Baltics, Luxembourg, Sweden and The Netherlands.
France	Consulting & Systems Integration, Managed Services and Big Data and Security in France.
Central & Eastern Europe (CEE)	Consulting & Systems Integration, Managed Services and Big Data and Security in Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Switzerland and Turkey.
North America	Consulting & Systems Integration, Managed Services and Big Data and Security in Canada and United States of America.
Iberia	Consulting & Systems Integration, Managed Services and Big Data and Security in Andorra, Portugal and Spain.
Other Countries	Consulting & Systems Integration, Managed Services and Big Data and Security in Algeria, Argentina, Australia, Brazil, China, Colombia, Egypt, Gabon, Hong-Kong, India, Ivory Coast, Japan, Lebanon, Malaysia, Madagascar, Mauritius, Mexico, Morocco, Namibia, New Zealand, Philippines, Qatar, Senegal, Saudi Arabia, Singapore, South Africa, Taiwan, Thailand, Tunisia, UAE, Uruguay and also Major Events activities.
Worldline	Hi-Tech Transactional Services & Specialized Businesses in Argentina, Austria, Belgium, Chile, China, France, Germany, Hong-Kong, Iberia, India, Indonesia, Malaysia, Philippines, Singapore, Taiwan, Thailand, The Netherlands and the United Kingdom.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The revenues from each external contract amounted to less than 10% of the Group's revenue.

In 2013, in order to further improve the operational efficiency of the Group, the chief operating decision maker has decided to make the following adaptations in the Group organization:

- The GBU **North & South West Europe** (N&SWE) was split between i) Nordic countries transferred to the newly called

Benelux & The Nordics GBU (BTN) and ii) Switzerland and Italy transferred to Central & Eastern Europe GBU (CEE);

- The entity **Atos Worldline Financial Markets** (AWFM) was transferred under the management of the France GBU. In terms of Service Line, AWFM is part of Systems Integration; and
- The **Atos Worldgrid** entity, formerly part of the segment "Other countries", is now reported in the corresponding GBUs (France, Italy, Spain, Germany and APAC). In terms of Service Line, Atos Worldgrid is part of Systems Integration.

The changes compared to 2013 segments organization are summarized here below:

Operating segments in 2013	Bridge	Operating segments in 2014
N&SWE	Denmark, Sweden & Finland & the Nordics Italy & Switzerland	BTN CEE
Other Countries	Atos Worldgrid Germany Atos Worldgrid Spain Atos Worldgrid Italy Atos Worldgrid China Atos Worldgrid France	Germany Iberia CEE Other Countries France

The change in internal management reporting is applied retrospectively and comparative figures are restated.

Worldline legal reorganization has been completed as follows:

Operating segments in 2013	Bridge	Operating segments in 2014
CEE	Carve-out Austria	Worldline
Latin America	Reversed Carve-out Argentina	Worldline
Latin America	Chile	Worldline
UK	Carve-out UK	Worldline

The comparative figures are not restated in 2013.



The operating segment information for the periods was the following:

<i>(in € million)</i>	United Kingdom and Ireland	Germany	BTN	France
<b>12 months ended 31 December 2014</b>				
<b>External revenue by segment</b>	<b>1,706.6</b>	<b>1,586.8</b>	<b>1,037.9</b>	<b>1,305.1</b>
% of Group revenue	18.9%	17.5%	11.5%	14.4%
Inter-segment revenue	61.3	191.6	96.6	124.3
Total revenue	1,767.9	1,778.4	1,134.5	1,429.4
<b>Segment operating margin</b>	<b>143.9</b>	<b>110.7</b>	<b>128.7</b>	<b>73.3</b>
% of Group margin	8.4%	7.0%	12.4%	5.6%
<b>Total segment assets</b>	<b>1,064.8</b>	<b>904.4</b>	<b>718.8</b>	<b>1,382.3</b>
<b>Other information on income statement</b>				
Depreciation of assets	-51.7	-67.9	-41.6	-19.9
<b>Other informations</b>				
Year end headcount	10,314	8,807	6,582	14,350
Capital expenditure	59.9	79.5	33.8	14.1
Net cash	-121.7	503.0	33.3	93.3
<b>12 months ended 31 December 2013</b>				
<b>External revenue by segment</b>	<b>1,647.0</b>	<b>1,659.4</b>	<b>1,083.5</b>	<b>1,020.0</b>
% of Group revenue	19.1%	19.3%	12.6%	11.8%
Inter-segment revenue	40.3	199.0	110.5	72.7
Total revenue	1,687.3	1,858.4	1,194.0	1,092.7
<b>Segment operating margin</b>	<b>135.3</b>	<b>120.0</b>	<b>122.2</b>	<b>33.1</b>
% of Group margin	8.2%	7.2%	11.3%	3.2%
<b>Total segment assets</b>	<b>1,038.4</b>	<b>820.9</b>	<b>816.7</b>	<b>605.9</b>
<b>Other information on income statement</b>				
Depreciation of assets	-56.3	-69.6	-46.2	-25.6
<b>Other informations</b>				
Year end headcount	10,252	8,729	6,910	9,886
Capital expenditure	59.1	63.4	40.6	25.3
Net cash	-170.8	442.2	15.4	-0.2

The assets detailed above by segment are reconciled to total assets as follows:

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Total segment assets</b>	<b>6,981.5</b>	<b>5,535.8</b>
Tax Assets	437.0	360.2
Cash & Cash Equivalents	1,620.3	1,306.2
<b>TOTAL ASSETS</b>	<b>9,038.8</b>	<b>7,202.2</b>

Central and Eastern Europe	North America	Iberia	Other countries	Worldline	Total Operating segments	Other Global Structures	Elimination	Total Group
<b>877.4</b>	<b>597.3</b>	<b>330.2</b>	<b>511.1</b>	<b>1,098.8</b>	<b>9,051.2</b>			<b>9,051.2</b>
9.7%	6.6%	3.6%	5.6%	12.1%	100.0%			100.0%
151.3	29.9	25.0	240.3	50.3	970.6	55.2	-1,025.8	-
1,028.7	627.2	355.2	751.4	1,149.1	10,021.8	55.2	-1,025.8	9,051.2
<b>72.6</b>	<b>44.8</b>	<b>10.9</b>	<b>59.0</b>	<b>170.3</b>	<b>814.2</b>	<b>-112.3</b>		<b>701.9</b>
8.3%	7.5%	3.3%	11.5%	15.5%	9.0%			7.8%
<b>573.5</b>	<b>236.0</b>	<b>261.2</b>	<b>637.1</b>	<b>962.8</b>	<b>6,740.9</b>	<b>240.6</b>	<b>-</b>	<b>6,981.5</b>
-32.4	-13.2	-4.1	-27.3	-43.7	-301.8	-11.2		-313.0
10,231	3,269	5,464	18,529	7,303	84,849	1,016		85,865
30.5	18.6	3.0	28.2	68.9	336.5	17.6		354.1
242.5	137.2	-16.6	202.1	203.1	1,276.2	-287.1		989.1
<b>873.4</b>	<b>607.0</b>	<b>324.6</b>	<b>503.7</b>	<b>896.0</b>	<b>8,614.6</b>			<b>8,614.6</b>
10.1%	7.0%	3.8%	5.8%	10.4%	100.0%			100.0%
127.0	73.4	15.4	348.3	23.7	1,010.3	101.6	-1,111.9	-
1,000.4	680.4	340.0	852.0	919.7	9,624.9	101.6	-1,111.9	8,614.6
<b>64.3</b>	<b>41.4</b>	<b>11.9</b>	<b>73.1</b>	<b>162.4</b>	<b>763.7</b>	<b>-118.5</b>		<b>645.2</b>
7.4%	6.8%	3.7%	14.5%	18.1%	8.9%			7.5%
<b>500.9</b>	<b>203.8</b>	<b>189.1</b>	<b>534.4</b>	<b>705.0</b>	<b>5,415.1</b>	<b>120.7</b>	<b>-</b>	<b>5,535.8</b>
-41.2	-13.0	-3.8	-25.0	-32.0	-312.7	-16.4		-329.1
8,198	3,919	5,205	16,876	5,583	75,558	762		76,320
29.5	19.7	4.4	33.4	56.6	332.0	8.0		340.0
219.2	92.4	-35.5	174.7	-32.2	705.2	200.2		905.4



The Group revenues from external customers are split into the following Service Lines:

(in € million)	Consulting & Systems Integration	Managed Services	Big Data & Cyber-security	Worldline*	Total Group
<b>12 MONTHS ENDED 31 DECEMBER 2014</b>					
External revenue by segment	3,136.1	4,576.6	239.7	1,098.8	9,051.2
% of Group revenue	34.6%	50.6%	2.6%	12.1%	100.0%
12 months ended 31 December 2013					
External revenue by segment	2,891.6	4,016.8	-	1,706.2	8,614.6
% of Group revenue	33.6%	46.6%	-	19.8%	100.0%

\* In 2013, the external revenue related to HTTS (Hi-Tech Transactional Services) and specialized businesses.

During the second semester of 2013, the Group has finalized the carve-out of its merchant and payment activities with the set-up of Worldline. This operation led to the consolidation of some Hi-Tech Transactional Services (HTTS) activities from

several GBU's with Atos Worldline to form the new perimeter of Worldline, without any impact at Group consolidated level. This new operational organization is reflected on the Group segment information from 2014 onwards.

### Note 3 Personnel expenses

[G4-EC1]

(in € million)	12 months ended 31 December 2014	% Revenue	12 months ended 31 December 2013	% Revenue
Wages and salaries	-3,600.9	39.8%	-3,534.0	41.0%
Social security charges	-994.1	11.0%	-930.1	10.8%
Tax, training, profit-sharing	-36.4	0.4%	-48.5	0.6%
Equity-based compensation	-22.7	0.3%	-16.7	0.2%
Net (charge)/release to provisions for staff expenses	-3.5	0.0%	1.9	0.0%
Net (charge)/release of pension provisions	84.4	-0.9%	81.5	-0.9%
<b>TOTAL</b>	<b>-4,573.2</b>	<b>50.5%</b>	<b>-4,445.9</b>	<b>51.6%</b>

#### Equity-based compensation

The € 22.7 million charges recorded within operating margin for equity based compensation (€ 16.7 million in 2013) is made of:

- € 19.4 million related to previous free share grant plans set-up in 2011, 2012, 2013 and free share grant plan set-up in 2014;
- € 1.7 million related to the 2014 Group shareholding programs:
  - SPRINT implemented in June 2014 for € 1.5 million, and
  - BOOST implemented in December 2014 for € 0.2 million;
- € 0.6 million related to the stock option plan granted in September 2014 by Worldline employees; and
- € 1.0 million related to previous Bull plans.

Total expense in operating margin related to free share plans during the year was the following:

(in € million)	12 months ended 31 December 2014	12 months ended 31 December 2013
Plan 2014	3.5	-
Plan 2013	12.5	5.4
Plan 2012	0.1	0.2
Plan 2011	3.3	11.0
<b>TOTAL</b>	<b>19.4</b>	<b>16.6</b>



The change in outstanding share options during the period was the following:

	12 months ended 31 December 2014		12 months ended 31 December 2013	
	Number of shares	Weighted average strike price (in €)	Number of shares	Weighted average strike price (in €)
<b>Outstanding at the beginning of the year</b>	<b>5,015,053</b>	<b>39.5</b>	<b>7,542,180</b>	<b>40.2</b>
Granted during the year	-	-	-	-
Forfeited during the year	-500	60.0	-7,771	43.3
Exercised during the year	-1,900,407	38.9	-2,509,900	39.1
Expired during the year	-307,399	54.1	-9,456	25.9
<b>Outstanding at the end of the year</b>	<b>2,806,747</b>	<b>39.5</b>	<b>5,015,053</b>	<b>39.5</b>
<b>Exercisable at the end of the year, below year-end stock price (*)</b>	<b>2,806,747</b>	<b>40.8</b>	<b>5,015,053</b>	<b>39.5</b>

\* Year-end stock price: € 66.30 at December 31, 2014 and € 65.79 at December 31, 2013.

Options outstanding at the end of the year have a weighted average remaining contractual life of 3.3 years (2013: 3.6 years).

#### Note 4 Non personnel operating expenses

[G4-EC1]

(in € million)	12 months ended 31 December 2014	% Revenue	12 months ended 31 December 2013	% Revenue
Subcontracting costs direct	-1,365.9	15.1%	-1,226.9	14.2%
Hardware and software purchase	-584.7	6.5%	-503.8	5.8%
Maintenance costs	-420.2	4.6%	-397.6	4.6%
Rent & Lease expenses	-317.1	3.5%	-287.2	3.3%
Telecom costs	-284.7	3.1%	-279.4	3.2%
Travelling expenses	-160.2	1.8%	-168.6	2.0%
Company cars	-95.2	1.1%	-100.1	1.2%
Professional fees	-177.3	2.0%	-155.6	1.8%
Taxes & Similar expenses	-41.1	0.5%	-42.2	0.5%
Others expenses	-125.6	1.4%	-139.5	1.6%
<b>Subtotal expenses</b>	<b>-3,572.0</b>	<b>39.5%</b>	<b>-3,300.9</b>	<b>38.3%</b>
Depreciation of assets	-313.0	3.5%	-329.1	3.8%
Net (charge)/release to provisions	54.0	-0.6%	61.7	-0.7%
Gains/(Losses) on disposal of assets	-9.0	0.1%	-6.0	0.1%
Trade Receivables write-off	-19.6	0.2%	-12.4	0.1%
Capitalized Production	83.5	-0.9%	63.2	-0.7%
<b>Subtotal other expenses</b>	<b>-204.1</b>	<b>2.3%</b>	<b>-222.6</b>	<b>2.6%</b>
<b>TOTAL</b>	<b>-3,776.1</b>	<b>41.7%</b>	<b>-3,523.5</b>	<b>40.9%</b>

## Note 5 Other operating income and expenses

[G4-EC1]

Other operating income and expenses relate to income and expenses that are unusual, abnormal and infrequent and represented a net expense of € 261.6 million in 2014. The following table presents this amount by nature:

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Staff reorganization	-129.9	-102.2
Rationalization and associated costs	-25.9	-37.3
Integration and acquisition costs	-15.4	-19.9
Amortization of intangible assets (PPA from acquisitions)	-50.7	-44.3
Other items	-39.7	-24.8
<b>TOTAL</b>	<b>-261.6</b>	<b>-228.5</b>

The € 129.9 million **staff reorganization** expense was mainly the consequence of:

- the adaptation of the Group workforce in several countries such as Germany, Benelux & The Nordics and Iberia;
- a specific plan in Germany for the Frankfurt location closed further to the termination of the application management contract with Dresdner Bank acquired by Commerzbank;
- the streamlining of middle management layers, including Global Structures;
- the restructuring initiated on Bull G&A as part of plan to generate the cost synergies.

The € 25.9 million **rationalization and associated costs** primarily resulted from the closing of office premises linked to the reorganization plans, and consolidation of datacenters, mainly in Germany and Benelux & The Nordics.

The **integration and acquisition costs** amounting to € 15.4 million represented mainly the migration and the standardization of internal IT platforms from acquired companies.

The 2014 **amortization of intangible assets recognized in the Purchase Price Allocation (PPA) of acquisitions** of € 50.7 million was mainly composed of the € 45.3 million SIS Customer Relationships amortized over 8.75 years starting July 1, 2011 and the € 5.3 million Bull Customer Relationships and Patents amortized over 9.3 years for Customer Relationships and 9.9 years for the Patents starting September 1, 2014.

The **other items** increased by € 14.9 million, representing € 39.7 million. After restatement of the gain resulting from the sale of fixed assets for € 18.9 million recorded in 2013 in Belgium, the other items were slightly lower compared to 2013.

## Note 6 Net financial result

Net financial expense amounted to € 51.6 million for the period (compared to € 62.7 million last year) and was composed of a net cost of financial debt for € 15.3 million and non-operational financial costs for € 36.3 million.

### Net cost of financial debt

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Net interest expenses</b>	<b>-11.7</b>	<b>-27.0</b>
Interest on obligations under finance leases	-0.6	-0.8
Gain/(loss) on disposal of cash equivalents	0.8	0.8
Gain/(loss) on interest rate hedges of financial debt	-3.8	-3.9
<b>NET COST OF FINANCIAL DEBT</b>	<b>-15.3</b>	<b>-30.9</b>

Net cost of financial debt was € 15.3 million (compared to € 30.9 million in 2013) and resulted from the following elements:

- the average gross borrowing of € 651.0 million compared to € 807.5 million in 2013 bearing an average expense rate of 3.86% compared to 4.81% last year. Excluding the accelerated amortization of fees due to the early termination of both Atos and Bull syndicated loans, the effective interest rate on gross borrowings was 3.28%;

The average gross borrowing expenses were mainly explained by:

- the used portion of the syndicated loan for an average of € 494.4 million bearing an effective interest rate of 3.37%

(2.60% excluding one off amortization of fees due to early termination of both Atos and Bull syndicated loans),

- other sources of financing, including securitization, for an average of € 156.6 million, bearing an effective interest rate of 5.43%;
- and the average gross cash increased from € 947.3 million in 2013 to € 1,057.9 million in 2014 bearing an average income rate of 0.93% compared to 0.84% in 2013.

### Other financial income and expenses

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Foreign exchange income/(expenses)	-7.3	-9.3
Fair value gain/(loss) on forward exchange contracts held for trading	3.2	-0.1
Discounting financial income/(expenses)	0.4	-0.6
Other income/(expenses)	-32.6	-21.8
<b>OTHER FINANCIAL INCOME AND EXPENSES</b>	<b>-36.3</b>	<b>-31.8</b>
Of which:		
• other financial expenses	-72.7	-68.3
• other financial income	36.4	36.5

Non-operational financial costs amounted to € 36.3 million compared to € 31.8 million in 2013 and were mainly composed of pension financial related costs (€ 18.6 million compared to € 15.7 million expense in 2013) and a net foreign exchange loss of € 4.1 million versus € 9.4 million in 2013.

The pension financial costs represent the difference between the interests cost and the expected return on plan assets. Please refer to Note 20 Pensions for further explanation.

## Note 7 Income tax expenses

[G4-EC1]

### Current and deferred taxes

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Current taxes	-117.4	-90.6
Deferred taxes	13.3	-5.3
<b>TOTAL</b>	<b>-104.1</b>	<b>-95.9</b>



## Effective tax rate

The difference between the French standard tax rate and the Effective Tax Rate (ETR) is explained as follows:

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Profit before tax	388.7	354.0
French standard tax rate	38.0%	38.0%
<b>Theoretical tax charge at French standard rate</b>	<b>-147.7</b>	<b>-134.5</b>
Impact of permanent differences	-7.7	-7.9
Differences in foreign tax rates	46.7	36.8
Movement on recognition of deferred tax assets	9.7	23.1
Change in deferred tax rates	-0.2	-9.0
Withholding taxes	-5.1	-5.3
CVAE net of tax	-13.0	-12.9
French Tax credit	9.0	6.6
Other	4.2	7.2
<b>Group tax expense</b>	<b>-104.1</b>	<b>-95.9</b>
<b>EFFECTIVE TAX RATE</b>	<b>26.8%</b>	<b>27.1%</b>
Effective tax rate excluding CVAE	22.9%	22.8%

The 2014 Group effective tax rate was 26.8%, which included the French CVAE for a gross amount of € 19.8 million or € 13.0 million net of tax.

## Restated effective tax rate

After restating the unusual items, the restated profit before tax was € 650.3 million, restated tax charge € 192.9 million and the restated effective tax rate was 29.7%.

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Profit before tax</b>	<b>388.7</b>	<b>354.0</b>
Other operating income and expenses	-261.6	-228.5
<b>Profit before tax excluding unusual items</b>	<b>650.3</b>	<b>582.5</b>
Tax effect on other operating income and expenses	85.9	65.6
Other unusual items on tax	2.9	9.2
Group tax expense	-104.1	-95.9
<b>Total of tax excluding unusual items</b>	<b>-192.9</b>	<b>-170.7</b>
<b>RESTATED EFFECTIVE TAX RATE</b>	<b>29.7%</b>	<b>29.3%</b>

## Note 8 Deferred taxes

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Deferred tax assets	419.7	336.5
Deferred tax liabilities	66.4	147.5
<b>NET DEFERRED TAX</b>	<b>353.3</b>	<b>189.0</b>

### Breakdown of deferred tax assets and liabilities by nature

(in € million)	Tax losses carry forward	Intangible assets recognized as part of PPA	Fixed assets	Pensions	Other	Total
<b>At January 1, 2013</b>	<b>163.5</b>	<b>-85.2</b>	<b>70.0</b>	<b>86.3</b>	<b>-64.4</b>	<b>170.1</b>
Charge to profit or loss for the year	-10.1	14.0	3.0	-3.7	-8.4	-5.2
Charge to goodwill	-	-	0.1	-0.1	-	-
Charge to equity	-	-	-	18.7	15.2	33.9
Reclassification	-3.3	-	0.8	-3.7	5.7	-0.5
Exchange differences	-1.9	0.5	-2.3	-1.3	-4.3	-9.3
<b>At December 31, 2013</b>	<b>148.2</b>	<b>-70.7</b>	<b>71.6</b>	<b>96.2</b>	<b>-56.2</b>	<b>189.0</b>
Charge to profit or loss for the year	63.0	14.9	6.2	-33.2	-37.6	13.3
Charge to goodwill	-1.9	-71.6	0.4	6.0	43.6	-23.5
Worldline IPO impact	-11.6	-	-	-	-	-11.6
Charge to equity	-	-	-	174.7	1.2	175.9
Reclassification	-0.6	-1.5	-6.1	1.9	6.3	-
Exchange differences	3.5	-0.5	5.2	2.0	-0.1	10.1
<b>AT DECEMBER 31, 2014</b>	<b>200.6</b>	<b>-129.4</b>	<b>77.3</b>	<b>247.6</b>	<b>-42.8</b>	<b>353.3</b>

Following the Worldline IPO, the € -11.6 million consumption of loss carry forward is the result of the tax related to the net disposal of the existing shares owned by Atos SE booked in equity.

### Tax losses carry forward schedule (basis)

(in € million)	12 months ended 31 December 2014			12 months ended 31 December 2013		
	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2014	-	-	-	2.7	-	2.7
2015	2.4	6.9	9.2	1.5	1.0	2.5
2016	1.0	5.6	6.7	1.5	1.0	2.5
2017	6.0	8.3	14.3	2.9	1.7	4.6
2018	25.2	18.0	43.2	-	-	-
Tax losses available for carry forward for 5 years and more	304.6	90.7	395.3	150.2	84.8	235.0
<b>Ordinary tax losses carry forward</b>	<b>339.2</b>	<b>129.4</b>	<b>468.6</b>	<b>158.8</b>	<b>87.5</b>	<b>246.3</b>
<b>Evergreen tax losses carry forward</b>	<b>397.5</b>	<b>2,382.8</b>	<b>2,780.3</b>	<b>338.8</b>	<b>407.7</b>	<b>746.5</b>
<b>TOTAL TAX LOSSES CARRY FORWARD</b>	<b>736.7</b>	<b>2,512.2</b>	<b>3,248.9</b>	<b>497.6</b>	<b>495.2</b>	<b>992.8</b>

The countries with the largest tax losses available for carry forward were France (€ 2,057.5 million, of which € 1,776.5 million from Bull), Germany (€ 224.5 million), the United Kingdom (€ 216.0 million), The Netherlands (€ 206.8 million), Spain (€ 106.6 million), the United States (€ 93.9 million), Austria (€ 92.5 million), Brazil (€ 85.8 million) and Italy (€ 62.1 million).

### Deferred tax assets not recognized by the Group

(in € million)	12 months ended 31 December 2014	12 months ended 31 December 2013
Tax losses carry forward	823.6	143.2
Temporary differences	16.3	32.8
<b>TOTAL</b>	<b>839.9</b>	<b>176.0</b>

The significant increase in tax losses carry forward not recognized by the Group is coming from Bull.

**Note 9 Non-controlling Interests**

<i>(in € million)</i>	31 December 2013	2014 Income	Capital Increase	Dividends	Scope Changes	Other	31 December 2014
Worldline	-	16.1	0.6	-	-	169.9	186.6
Canopy The Open Cloud Company Limited	14.6	-1.0	0.6	-	-	-8.2	6.0
Arbeitsmarketservice BetriebsgmBH & Co KG	2.0	0.0	-	-1.0	-	-	1.0
MSL Technology S.L.	10.0	-0.5	-	-0.3	-	-	9.2
Diamis	1.7	0.1	-	-0.2	-	-	1.6
Yunano	-0.1	-0.9	-	-	-	-	-1.0
Atos Pty Ltd	0.5	-0.1	-	-	-	-	0.4
Other	1.3	3.6	-	-0.4	0.5	-	5.0
<b>TOTAL</b>	<b>30.0</b>	<b>17.3</b>	<b>1.2</b>	<b>-1.9</b>	<b>0.5</b>	<b>161.7</b>	<b>208.8</b>

<i>(in € million)</i>	31 December 2012	2013 Income	Capital Increase	Dividends	Scope Changes	Other	31 December 2013
Canopy The Open Cloud Company Limited	9.3	-2.2	12.5	-	-5.0	-	14.6
Arbeitsmarketservice BetriebsgmBH & Co KG	7.2	0.5	-	-5.7	-	-	2.0
MSL Technology S.L.	10.0	0.0	-	-	-	-	10.0
Diamis	1.6	0.2	-	-0.1	-	-	1.7
Yunano	0.9	-1.0	-	-	-	-	-0.1
Atos Pty Ltd	0.3	0.3	-	-	-	-0.1	0.5
Other	1.5	0.2	0.5	-0.2	-0.7	-	1.3
<b>TOTAL</b>	<b>30.8</b>	<b>-2.0</b>	<b>13.0</b>	<b>-6.0</b>	<b>-5.7</b>	<b>-0.1</b>	<b>30.0</b>

**Note 10 Earnings per share**

Potential dilutive instruments comprised stock subscription (equivalent to 1,211,306 options) and did not generate a restatement of net income used for the diluted EPS calculation.

The average number of stock options not exercised in 2014 amounted to 3,669,432 shares.

<i>(in € million and shares)</i>	12 months ended 31 December 2014	12 months ended 31 December 2013
<b>Net income – Attributable to owners of the parent [a]</b>	<b>265.2</b>	<b>261.6</b>
Impact of dilutive instruments	-	13.8
<b>Net income restated of dilutive instruments – Attributable to owners of the parent [b]</b>	<b>265.2</b>	<b>275.4</b>
Average number of shares outstanding [c]	99,358,877	87,805,661
Impact of dilutive instruments [d]	1,211,306	11,530,518
Diluted average number of shares [e]=[c]+[d]	100,570,183	99,336,179
<b>EARNINGS PER SHARE IN EUR [A]/[C]</b>	<b>2.67</b>	<b>2.98</b>
Diluted earnings per share in EUR [b]/[e]	2.64	2.77

No significant share transactions occurred subsequently to the 2014 closing that could have a dilutive impact on earnings per share calculation.

## Note 11 Goodwill

<i>(in € million)</i>	31 December 2013	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	31 December 2014
Gross value	2,486.7	-	665.9	61.7	3,214.3
Impairment loss	-571.0	-	-	-15.4	-586.4
<b>CARRYING AMOUNT</b>	<b>1,915.7</b>	<b>-</b>	<b>665.9</b>	<b>46.3</b>	<b>2,627.9</b>

<i>(in € million)</i>	31 December 2012	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	31 December 2013
Gross value	2,521.4	-	-	-34.7	2,486.7
Impairment loss	-579.2	-	-	8.2	-571.0
<b>CARRYING AMOUNT</b>	<b>1,942.2</b>	<b>-</b>	<b>-</b>	<b>-26.5</b>	<b>1,915.7</b>

Goodwill is allocated to Cash Generating Units (CGUs) that are then part of one of the operating segments disclosed in Note 2 Segment information as per IFRS 8 requirements. The change in internal management reporting is applied retrospectively and comparative figures are restated.

A summary of the carrying values of goodwill allocated by CGUs or grouping of CGUs is presented hereafter. Overall, goodwill increased from € 1,915.7 million to € 2,627.9 million mainly due to the acquisition of Bull entities as detailed in the Note 1 in the Business combination section.

<i>(in € million)</i>	31 December 2014	31 December 2013
UK/Ireland	482.0	443.6
Germany	290.6	215.1
BTN	370.0	316.6
France	458.2	184.3
CEE	192.1	112.1
NAM	36.6	32.5
Iberia	125.0	95.4
Other countries	261.4	159.5
Worldline	412.0	356.6
<b>TOTAL</b>	<b>2,627.9</b>	<b>1,915.7</b>

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial business plans approved by management, covering a three-year period. They are also based on the following assumptions:

- terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.0% (aligned with 2013). Although exceeding the long term average growth rate for the countries in which the Group operates, this rate reflects specific perspectives of the IT sector; and
- discount rates are applied by CGU based on the Group's weighted average cost of capital and adjusted to take into account specific tax rates and country risks relating to each geographical area. The Group considers that the weighted average cost of capital should be determined based on an historical equity risk premium of 6.2% (aligned with 2013), in order to reflect the long-term assumptions factored in the impairment tests.

As a result, the discount rates used by CGUs are presented hereafter:

	2014 Discount rate	2013 Discount rate
UK/Ireland	9.7%	9.8%
Germany	9.6%	9.8%
BTN	9.6%	9.8%
France	9.6%	9.8%
CEE	9.7%	9.8%
NAM	9.6%	9.8%
Iberia	9.6%	9.8%
Other countries	between 9.6% to 11.6%	between 9.8% to 11.8%
Worldline	8.8%	9.8%

Based on the 2014 goodwill impairment test, which was carried out at year-end, no impairment losses were recognized at December 31, 2014.

An analysis of the calculation's sensitivity to a combined change in the key parameters (operating margin, discount

rate and perpetuity growth rate) based on reasonably probable assumptions of variations of +/- 50 bp for each of these parameters was performed and did not identify any probable scenario where the CGU's recoverable amount would fall below its carrying amount.

## Note 12 Intangible assets

(in € million)

	Gross value	Amortization	Net value
<b>At January 1, 2013</b>	<b>892.1</b>	<b>-428.1</b>	<b>464.0</b>
Additions/charges	81.7	-50.8	30.9
Disposals/reversals	-10.6	9.5	-1.1
Impact of business combination	17.4	-	17.4
Customer Relationships (PPA)	-	-44.3	-44.3
Exchange differences	-17.7	8.0	-9.7
Other	-9.4	-2.4	-11.8
<b>At December 31, 2013</b>	<b>953.5</b>	<b>-508.1</b>	<b>445.4</b>
Additions/charges	108.2	-49.9	58.3
Disposals/reversals	-29.5	27.6	-1.9
Impact of business combination	2.6	0.1	2.7
Intangible assets recognized as part of PPA	207.0	-50.7	156.3
Exchange differences	24.8	-17.2	7.6
Other	-21.8	-	-21.8
<b>AT DECEMBER 31, 2014</b>	<b>1,244.8</b>	<b>-598.2</b>	<b>646.6</b>

As part of the Purchase Price Allocation (PPA) of Bull, the Group recognized intangible assets for a total amount of € 207.0 million broken down as follows:

- trademark for € 50.0 million;
- patents for € 140.4 million; and
- customer Relationships for € 16.6 million related to the value of customer relationships and backlog.

The valuation approach retained for Trademark and Patents was the relief from royalty method. Customer Relationships were valued as per the multi-period excess earning method (income approach).

These amounts are being amortized on a straight line basis over a period of:

- 9.90 years for the Patents corresponding to an average of amortization duration of a portfolio of patent; and
- 9.30 years for the Customer Relationships.

An amount of € 333.3 million was recorded as part of Siemens IT Solutions and Services acquisition in 2011 as Customer Relationships amortized on a straight line basis over a period of 8.75 years.



**Note 13 Tangible assets**

<i>(in € million)</i>	Land and buildings	IT equipments	Other assets	Total
<b>Gross value</b>				
<b>At January 1, 2014</b>	<b>398.0</b>	<b>1,041.9</b>	<b>192.5</b>	<b>1,632.4</b>
Additions	52.4	167.3	46.0	265.7
Impact of business combination	37.2	27.4		64.6
Disposals	-17.8	-211.3	-43.0	-272.1
Exchange differences	10.2	42.8	6.0	59.0
Other	3.5	39.7	-34.3	8.9
<b>AT DECEMBER 31, 2014</b>	<b>483.5</b>	<b>1,107.8</b>	<b>167.2</b>	<b>1,758.5</b>
<b>Accumulated depreciation</b>				
<b>At January 1, 2014</b>	<b>-249.1</b>	<b>-670.2</b>	<b>-94.1</b>	<b>-1,013.4</b>
Depreciation charge for the year	-36.4	-190.1	-32.8	-259.3
Eliminated on disposal	13.9	202.4	41.1	257.4
Exchange differences	-7.0	-35.0	-4.8	-46.8
Other	-2.8	-10.2	10.3	-2.7
<b>AT DECEMBER 31, 2014</b>	<b>-281.4</b>	<b>-703.1</b>	<b>-80.3</b>	<b>-1,064.8</b>
<b>Net value</b>				
<b>At January 1, 2014</b>	<b>148.9</b>	<b>371.7</b>	<b>98.4</b>	<b>619.0</b>
<b>AT DECEMBER 31, 2014</b>	<b>202.1</b>	<b>404.7</b>	<b>86.9</b>	<b>693.7</b>

<i>(in € million)</i>	Land and buildings	IT equipments	Other assets	Total
<b>Gross value</b>				
<b>At January 1, 2013</b>	<b>396.0</b>	<b>1,046.7</b>	<b>199.0</b>	<b>1,641.7</b>
Additions	17.8	160.0	65.9	243.7
Disposals	-11.0	-156.0	-31.0	-198.0
Exchange differences	-4.8	-28.9	-7.9	-41.6
Other	-	20.1	-33.5	-13.4
<b>At December 31, 2013</b>	<b>398.0</b>	<b>1,041.9</b>	<b>192.5</b>	<b>1,632.4</b>
<b>Accumulated depreciation</b>				
<b>At January 1, 2013</b>	<b>-233.0</b>	<b>-646.1</b>	<b>-94.8</b>	<b>-973.9</b>
Depreciation charge for the year	-34.7	-198.8	-39.9	-273.4
Eliminated on disposal	8.1	142.4	26.6	177.1
Exchange differences	2.9	23.0	4.6	30.5
Other	7.6	9.3	9.4	26.3
<b>At December 31, 2013</b>	<b>-249.1</b>	<b>-670.2</b>	<b>-94.1</b>	<b>-1,013.4</b>
<b>Net value</b>				
<b>At January 1, 2013</b>	<b>163.0</b>	<b>400.6</b>	<b>104.2</b>	<b>667.8</b>
<b>At December 31, 2013</b>	<b>148.9</b>	<b>371.7</b>	<b>98.4</b>	<b>619.0</b>

The tangible assets of the Group include mainly IT equipment used in production centers, in particular datacenters and software factories. Moreover, Atos policy is to rent its premises.

Therefore, the land and building assets include mainly technical infrastructure of the Group datacenters.

## Finance leases

Tangible assets held under finance leases had a net carrying value of € 8.0 million. Future minimum lease payments under non-cancellable leases amounted to € 8.6 million at year-end.

(in € million)	31 December 2014			31 December 2013		
	Minimum lease payments	Interest	Principal	Minimum lease payments	Interest	Principal
Less than one year	2.9	-0.2	2.7	6.6	-0.5	6.1
Between one and five years	5.7	-0.4	5.3	4.9	-0.3	4.6
<b>TOTAL</b>	<b>8.6</b>	<b>-0.6</b>	<b>8.0</b>	<b>11.5</b>	<b>-0.8</b>	<b>10.7</b>

## Note 14 Non-current financial assets

(in € million)	Notes	31 December 2014	31 December 2013
Pension prepayments	Note 20	136.4	325.0
Other*		91.2	51.5
<b>TOTAL</b>		<b>227.6</b>	<b>376.5</b>

\* "Other" include loans, deposits, guarantees, investments in associates accounted for under the equity method and non-consolidated investments.

## Note 15 Trade accounts and notes receivable

(in € million)	31 December 2014	31 December 2013
Gross value	2,231.8	1,820.2
Transition costs	5.6	8.4
Provision for doubtful debt	-113.3	-106.1
<b>Net asset value</b>	<b>2,124.1</b>	<b>1,722.5</b>
Prepayments	-87.1	-67.3
Deferred income and upfront payments received	-458.8	-368.3
<b>Net accounts receivable</b>	<b>1,578.2</b>	<b>1,286.9</b>
<b>Number of days' sales outstanding (DSO)</b>	<b>38</b>	<b>40</b>

The average credit period on sale of services is between 30 and 60 days depending on the countries.

For balances outstanding for more than 60 days beyond the agreed payment terms, the Group considers the need for depreciation on a case-by-case basis through a quarterly review of its balances.

Atos securitization program of trade receivables has been renewed for 5 years on June 18, 2013 with a maximum amount of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The new program is structured with two compartments, called "ON" and "OFF":

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

As of December 31, 2014, the Group has sold:

- in the compartment "ON" € 314.2 million receivables for which € 10.0 million were received in cash. The sale is with recourse, thus re-consolidated in the balance sheet;
- in the compartment "OFF" € 41.6 million receivables which qualify for de-recognition as substantially all risks and rewards associated with the receivables were transferred.

### Ageing of net receivables past due

<i>(in € million)</i>	31 December 2014	31 December 2013
1-30 days overdues	84.5	89.4
31-60 days overdues	33.5	25.7
Beyond 60 days overdues	57.9	41.7
<b>TOTAL</b>	<b>175.9</b>	<b>156.8</b>

### Movement in provisions for doubtful debt

<i>(in € million)</i>	31 December 2014	31 December 2013
<b>Balance at beginning of the year</b>	<b>-106.1</b>	<b>-104.3</b>
Impairment losses recognized	-38.2	-17.0
Amounts written off as uncollectible	19.6	12.4
Impairment losses reversed	26.1	14.4
Impact of business combination	-16.5	-
Other (*)	1.8	-11.6
<b>Balance at end of the year</b>	<b>-113.3</b>	<b>-106.1</b>

\* *Reclassification and exchange difference.*

## Note 16 Other current assets

<i>(in € million)</i>	31 December 2014	31 December 2013
Inventories	52.1	17.3
State – VAT receivables	99.5	98.3
Prepaid expenses	200.9	154.8
Other receivables & current assets	270.8	155.6
Advance payment	24.9	11.3
<b>TOTAL</b>	<b>648.2</b>	<b>437.3</b>

As of December 31, 2014, other current assets included € 196.3 million from Bull subsidiaries.

**Note 17 Breakdown of assets and liabilities by financial categories**

The book value of financial assets corresponds to their fair value.

As of December 31, 2014 the breakdown of assets was the following:

<i>(in € million)</i>	Loans and receivables	Available-for-sale financial assets	Financial assets held for trading (carried at fair value through profit or loss)	Derivatives related assets
Non-current financial instruments	-	-	-	3.2
Trade accounts and notes receivables	2,124.1	-	-	-
Other current assets	648.2	-	-	-
Current financial instruments	-	-	7.7	2.5
Cash and cash equivalents	861.2	-	759.1	-
<b>TOTAL</b>	<b>3,633.5</b>	<b>-</b>	<b>766.8</b>	<b>5.7</b>

As of December 31, 2013, the breakdown of assets was the following:

<i>(in € million)</i>	Loans and receivables	Available-for-sale financial assets	Financial assets held for trading (carried at fair value through profit or loss)	Derivatives related assets
Non-current financial assets (excluding investments in associates accounted for under the equity method)	-	372.5	-	-
Non-current financial instruments	-	-	-	0.3
Trade accounts and notes receivables	1,722.5	-	-	-
Other current assets	437.3	-	-	-
Current financial instruments	-	-	4.1	15.0
Cash and cash equivalents	553.0	-	753.2	-
<b>TOTAL</b>	<b>2,712.8</b>	<b>372.5</b>	<b>757.3</b>	<b>15.3</b>

As of December 31, 2014, the breakdown of liabilities was the following:

<i>(in € million)</i>	Financial Liabilities designated at fair value through profit or loss	Financial Liabilities - Measurement at amortized cost	Derivatives related liabilities
Borrowings	-	528.1	-
Non-current financial instruments	-	-	8.3
Trade accounts and notes payables	1,397.0	-	-
Current portion of borrowings	-	103.1	-
Current financial instruments	0.5	-	4.1
<b>TOTAL</b>	<b>1,397.5</b>	<b>631.2</b>	<b>12.4</b>

As of December 31, 2013, the breakdown of liabilities was the following:

<i>(in € million)</i>	Financial Liabilities designated at fair value through profit or loss	Financial Liabilities - Measurement at amortized cost	Derivatives related liabilities
Borrowings	-	307.3	-
Non-current financial instruments	-	-	6.8
Trade accounts and notes payables	1,055.6	-	-
Current portion of borrowings	-	93.5	-
Current financial instruments	6.7	-	19.2
<b>TOTAL</b>	<b>1,062.3</b>	<b>400.8</b>	<b>26.0</b>

**Note 18 Cash and cash equivalents**

<i>(in € million)</i>	<b>31 December 2014</b>	<b>31 December 2013</b>
Cash in hand and short-term bank deposit	861.2	553.0
Money market funds	759.1	753.2
<b>TOTAL</b>	<b>1,620.3</b>	<b>1,306.2</b>

Depending on market conditions and short-term cash flow expectations, Atos from time to time invests in money market funds or bank deposits with a maturity period not exceeding three months.

**Note 19 Equity attributable to the owners of the parent****Capital increase**

In 2014, Atos SE increased its common stock by issuing new shares and incorporating additional paid-in-capital for € 139.7 million, resulting in the creation of 3,167,081 new shares composed of:

- the 567,574 new shares resulting from the payment of the 2013 dividend in shares;

- the attribution of 699,100 new free shares resulting from the subscription by employees to SPRINT, the Group shareholding program; and
- the exercise during the year 2014 of 1,900,407 share options.

At December 31, 2014, Atos SE common stock consisted of 101,332,527 shares with a nominal value of one euro per share.

**Note 20 Pensions****[G4-EC3]**

The total amount recognized in the Group balance sheet in respect of pension plans and associated benefits was € 1,121.7 million at December 31, 2014 compared to € 398.1 million at December 31, 2013.

Following the termination in November 2014 of any obligations towards its legacy Dutch Pension Fund, the Group's obligations are now located predominantly in the United Kingdom (59% of Group total obligations), Germany (24%) and France (6%).

**Characteristics of significant plans and associated risks**

In the **United Kingdom**, these obligations are generated by legacy defined benefit plans, the majority of which have been closed to further accrual or new entrants. Defined benefit arrangements have been maintained only for the purpose of complying with outsourcing requirements in the public sector in which case appropriate financial compensation is sought with customers. The plans are final pay plans and are subject to the UK regulatory framework where funding requirements are determined by an independent actuary based on a discount rate reflecting the plan's expected return on investments. Recovery periods are agreed between the plans' trustees

and the sponsoring companies and may run up to 20 years if appropriate securities are provided by sponsors. The majority of plans are governed by an independent board of trustees which include employer representatives.

The current asset allocation across United Kingdom plans is 78% fixed income and 22% equities & other assets and may vary depending on the particular profile of each plan. The interest rate and inflation exposures are cautiously managed through investment in Gilts, Indexed-Linked and interest rate swaps which are fully collateralized. The fixed income allocation comprises a significant exposure to investment grade credit and the equity allocation is well diversified geographically.

The plans do not expose the Group to any specific risks that are unusual for these types of benefit plans. Typical risks include, increase in inflation, longevity and a decrease in discount rates and adverse investment returns.

In **Germany** the majority of the liabilities relate to pension entitlements that transferred to the Group with the acquisition of SIS in 2011. They mainly consist of grandfathering benefits related to a harmonization introducing a contribution based pension plan in 2004. The plans are closed for new entrants, but

do still accrue benefits for past service up to 2004. The plans cover multiple legal entities in Germany and are subject to the German regulatory framework, which has no funding requirements, but does include compulsory insolvency insurance (PSV). The plans are funded however, using a Contractual Trust Agreement (CTA). The CTA is governed by a professional independent third party. The investment strategy is set by the Investment Committee which consists of employer representatives. The asset allocation related to the largest German scheme is 82% fixed income, 11% equities and 7% property. The fixed income allocation is predominantly in credit investment grade (c. 70%) and the remaining part in core euro zone government bonds. The return seeking portfolio comprises diversified equity and high yield bonds. The asset allocation related to the other scheme is more in line with the lower interest rate sensitivities of the schemes and are predominantly invested in investment grade credit and to a lesser extent balanced funds and European high yield.

The Group obligations are also generated, but to a lesser extent, by legal or collectively bargained end of service or end of career benefit plans. The Group obligations with respect to post-employment healthcare benefits are not significant.

Atos recognized all actuarial gains and losses asset ceiling effects generated in the period in other comprehensive income.

### Events in 2014

Over 2014 discount rates dropped in both the United Kingdom and the Eurozone leading to a significant increase in the measurement of pension liability values which were only partly offset by investment returns. The corresponding increase in net pension deficit on balance sheet mostly relates to plans where Atos has no statutory funding obligations. Therefore, the remeasurement with lower discount rates does not affect the timing or amount of pensions to be paid ultimately.

In May Atos acquired Cambridge Technology Partner in Switzerland. As a consequence the Group's total pension obligations increased with € 19.1 million. These liabilities were covered with € 17.2 million of plan assets.

Per the end of August Atos acquired Bull. As a consequence the Group's total pension obligations increased with € 204.3 million, mainly in Germany and France. These liabilities were covered with € 7.0 million of plan assets.

In November Atos terminated the pension execution agreement with its related legacy Dutch pension fund. As a consequence the Group has no further financial obligations with this pension fund and therefore no longer consolidates the corresponding liabilities and assets in its financial statements, which were (€ 2,108.9 million) and (€ 2,054.3 million) respectively at the date of termination. This termination was recognized as a settlement gain of € 54.6 million in operating expense.

## Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31, 2014 rely on the following components, determined at each benefit plan's level:

<i>(in € million)</i>	<b>31 December 2014</b>	<b>31 December 2013</b>
<b>Amounts recognized in financial statements consist of:</b>		
Prepaid pension asset – post employment plans	136.4	325.0
Accrued liability – post employment plans	-1,217.6	-684.7
Accrued liability – other long term benefits	-40.5	-38.4
<b>Net amounts recognized – Total</b>	<b>-1,121.7</b>	<b>-398.1</b>
<b>Components of net periodic cost</b>		
Service cost (net of employees contributions)	61.5	81.5
Prior service cost	-0.1	-32.0
Actuarial (gain)/loss in other long term benefits	0.3	-1.6
Curtailement (gain)/loss	0.8	-16.4
Settlement (gain)/loss	-55.2	-3.2
Administration costs	1.9	3.5
<b>Operating expense</b>	<b>9.2</b>	<b>31.8</b>
Interest cost	176.5	166.7
Interest income	-157.9	-151.0
<b>Financial expense</b>	<b>18.6</b>	<b>15.7</b>
<b>Net periodic pension cost – Total expense/(profit)</b>	<b>27.8</b>	<b>47.5</b>
Of which, net periodic pension cost – post employment plans	17.0	40.6
Of which, net periodic pension cost – other long term benefits	10.8	6.9
<b>Change in defined benefit obligation</b>		
Defined benefit obligation – post employment plans at January 1	4,281.2	4,250.6
Defined benefit obligation – other long term benefits at January 1	56.1	61.2
<b>Total Defined Benefit Obligation at January 1</b>	<b>4,337.3</b>	<b>4,311.8</b>
Reclassification of other non-current financial liabilities	13.3	-
Exchange rate impact	129.2	-46.8
Service cost (net of employees contributions)	61.5	81.5
Interest cost	176.5	166.4
Employees contributions	10.2	24.4
Plan amendments	-0.1	-32.0
Curtailement	0.8	-16.4
Settlement	-2,118.2	-10.5
Business combinations/(disposals)	225.4	11.0
Benefits paid	-138.2	-114.8
Actuarial (gain)/loss – change in financial assumptions	1,204.6	-39.2
Actuarial (gain)/loss – change in demographic assumptions	2.4	9.0
Actuarial (gain)/loss – experience results	-16.3	-7.1
<b>Defined benefit obligation at December 31</b>	<b>3,888.4</b>	<b>4,337.3</b>

The weighted average duration of the liability is 18.1 years.



(in € million)

	31 December 2014	31 December 2013
<b>Change in plan assets</b>		
<b>Fair value of plan assets at January 1</b>	<b>3,942.1</b>	<b>3,908.3</b>
Exchange rate impact	116.7	-43.0
Actual return on plan assets	672.8	5.7
Employer contributions	170.5	127.5
Employees contributions	10.2	24.4
Benefits paid by the fund	-102.0	-86.6
Settlements	-2,063.0	-3.8
Business combinations/(disposals)	24.8	13.1
Administration costs	-1.9	-3.5
<b>Fair value of plan assets at December 31</b>	<b>2,770.2</b>	<b>3,942.1</b>
<b>Reconciliation of prepaid/(accrued) Benefit cost (all plans)</b>		
Funded status-post employment plans	-1,077.7	-356.8
Funded status-other long term benefit plans	-40.5	-38.4
Any other amount not recognized (asset ceiling limitation)	-3.5	-2.9
<b>Prepaid/(accrued) pension cost</b>	<b>-1,121.7</b>	<b>-398.1</b>
Of which provision for pension and similar benefits	-1,258.1	-723.1
Of which non-current financial assets	136.4	325.0
<b>Reconciliation of net amount recognized (all plans)</b>		
<b>Net amount recognized at beginning of year</b>	<b>-398.1</b>	<b>-407.3</b>
Reclassification other current liabilities	-13.3	-
Net periodic pension cost	-27.8	-47.5
Benefits paid by employer	36.2	28.2
Employer contributions	170.5	127.5
Business combinations/(disposals)	-200.6	2.1
Amounts recognized in Other Comprehensive Income	-676.1	-108.8
Other (exchange rate)	-12.5	7.7
<b>Net amount recognized at end of year</b>	<b>-1,121.7</b>	<b>-398.1</b>

The development in the main plans in the United Kingdom and Germany was as follows:

(in € million)

	UK pension funds	German main plans
<b>Reconciliation of net amount recognized in main plans:</b>		
<b>Net amount recognized at beginning of year</b>	<b>-135.2</b>	<b>-142.1</b>
Net periodic pension cost	-26.3	-16.4
Benefits paid by employer & employer contributions	49.6	4.0
Business combinations/disposals		-106.2
Amounts recognized in Other Comprehensive Income	-89.4	-138.5
Other (exchange rate)	-10.1	0.0
Net amount recognized at end of year	-211.4	-399.2
Defined benefit obligation at December 31	-2,286.1	-761.6
<b>Fair value of plan assets at December 31</b>	<b>2,074.7</b>	<b>362.4</b>
<b>Net amount recognized at end of year</b>	<b>-211.4</b>	<b>-399.2</b>

The obligations in respect of benefit plans which are partially or totally funded through external funds (pension funds) were € 3,403.2 million at December 31, 2014 and € 4,098.8 million at December 31, 2013, representing more than 87% of Group total obligations.



## Actuarial assumptions

Group obligations are valued by independent actuaries, based on assumptions that are periodically updated. These assumptions are set out in the table below:

	United Kingdom		Eurozone	
	2014	2013	2014	2013
Discount rate as at December 31	3.70%	4.60%	1.60% ~ 2.20%	3.30% ~ 3.70%
Inflation assumption as at December 31	3.00%	3.20%	1.75%	2.00%

The higher discount rate for the Eurozone applies to plans with a duration of more than 15 years, the lower discount rate applies to plans with a shorter duration.

The inflation assumption is used for estimating the impact of indexation of pensions in payment or salary inflation based on the various rules of each plan.

Sensitivity of the defined benefit obligations of the significant plans to the discount rate and inflation rate assumptions is as follows:

	Discount rate +25 bp	Inflation rate +25 bp
United Kingdom pension funds	-4.9%	4.4%
German main plans	-4.4%	2.3%

These sensitivities are based on calculations made by independent actuaries and do not include cross effects of the various assumptions, they do however include effects that the

inflation assumption would have on salary increase assumptions for the United Kingdom.

## Plan assets

Plan assets were invested as follows:

	31 December 2014	31 December 2013
Equity	18%	19%
Bonds/Interest Rate Swaps	73%	70%
Real Estate	4%	3%
Cash and Cash equivalent	0%	4%
Other	5%	4%

Of these assets 95% is valued on market value, 1% relates to property, private equity and infrastructure investments where valuations are based on the information provided by the investment managers and 4% relates to insurance contracts.

A significant part of the Bonds and Interest Rate Swaps are part of the interest rate hedging programme operated by the Atos United Kingdom pension plans, which aim to hedge a significant portion of funding liabilities. None of the plans are hedged for longevity risks.

In this total, Atos securities or assets used by the Group are not material.

### Situation of the United Kingdom pension fund and impact on contributions for 2015

The Group expects to contribute € 49.6 million to its United Kingdom schemes next year versus € 49.4 million in 2014.

### Prepaid pension situations on balance sheet

The net asset of € 123.7 million with respect to one scheme in the United Kingdom, and is supported by appropriate refund expectations, as requested by IFRIC 14.

## Summary net impacts on 2014 profit and loss

The net impact of defined benefits plans on Group financial statements can be summarized as follows:

### Profit and loss

(in € million)	31 December 2014			31 December 2013		
	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total
Operating margin	0.4	-5.1	-4.7	-26.6	-2.9	-29.5
Other operating items	-0.2	-4.3	-4.5	-	-2.3	-2.3
Financial result	-17.2	-1.4	-18.6	-14.3	-1.4	-15.7
<b>Total (expense)/profit</b>	<b>-17.0</b>	<b>-10.8</b>	<b>-27.8</b>	<b>-40.9</b>	<b>-6.6</b>	<b>-47.5</b>

## Note 21 Provisions

(in € million)	31 December 2013	Charge	Release used	Release unused	Business Combination	Other*	31 December 2014	Current	Noncurrent
Reorganization	58.0	55.5	-54.5	-11.6	49.5	4.8	101.7	98.7	3.0
Rationalization	42.3	5.6	-12.6	-7.3	6.2	-0.6	33.6	17.9	15.7
Project commitments	117.8	47.2	-56.7	-26.9	32.4	0.3	114.1	100.2	13.9
Litigations and contingencies	84.3	16.0	-19.2	-21.1	48.3	-	108.3	47.1	61.2
<b>TOTAL PROVISIONS</b>	<b>302.4</b>	<b>124.3</b>	<b>-143.0</b>	<b>-66.9</b>	<b>136.4</b>	<b>4.5</b>	<b>357.7</b>	<b>263.9</b>	<b>93.8</b>

\* Other movements mainly consist of the currency translation adjustments.

(in € million)	31 December 2012	Charge	Release used	Release unused	Business Combination	Other*	31 December 2013	Current	Noncurrent
Reorganization	123.6	38.5	-89.0	-10.4	-	-4.7	58.0	53.7	4.3
Rationalization	48.6	9.7	-20.2	-3.7	-	7.9	42.3	17.3	25.0
Project commitments	130.1	68.4	-52.8	-22.9	-	-5.0	117.8	81.9	35.9
Litigations and contingencies	104.7	32.6	-19.4	-31.3	-	-2.3	84.3	40.6	43.7
<b>TOTAL PROVISIONS</b>	<b>407.0</b>	<b>149.2</b>	<b>-181.4</b>	<b>-68.3</b>	<b>-</b>	<b>-4.1</b>	<b>302.4</b>	<b>193.5</b>	<b>108.9</b>

\* Other movements mainly consist of the currency translation adjustments.

### Reorganization

The provisions for reorganization brought from business combination for € 49.5 million included € 47.1 million corresponding to the ONE Bull restructuring program.

New reorganization provisions were posted for € 55.5 million over the year mainly in Germany (€ 27.2 million) and The Netherlands (€ 7.0 million) driven by new plans aimed at improving Group efficiency and productivity.

The € 54.5 million consumptions primarily corresponded to the ONE Bull reorganization plans in former Bull entities (€ 14.5 million) on one hand and workforce optimization in The Netherlands (€ 9.7 million), Germany (€ 9.7 million) and Austria (€ 7.5 million), on the other hand.

### Rationalization

The provisions for rationalization brought from business combination for € 6.2 million primarily correspond to onerous leases in the United Kingdom (€ 5.0 million). The new provisions of € 5.6 million mainly relate to office premises rationalization in Germany (€ 3.4 million).

The € 12.6 million rationalization provisions were used against offices onerous leases and dilapidation costs in The Netherlands (€ 4.1 million) and in Germany (€ 4.0 million).

The € 7.3 million unused release corresponded mainly to a release of dilapidation provisions in the United Kingdom (€ 5.9 million).

### Projects commitments

The projects commitments provisions consumed for € 56.7 million primarily related to losses incurred in the UK (€ 18.1 million), CEE (€ 11.9 million), France (€ 8.1 million), Germany (€ 7 million) and BTN (€ 6.9 million).

The € 47.2 million charge was mainly incurred in the United Kingdom (€ 19.4 million) and in CEE (€ 9.1 million).

The € 26.9 million project commitments unused provisions reflected mainly the reduction of former SIS contracts losses thanks to proactive project management or early settlements.

### Litigations and contingencies

The closing position of contingency provisions of € 108.3 million included € 48.3 million originating from Bull and a number of long-term litigation issues, such as tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers. The legal department closely monitors these situations with a view to minimize the ultimate liability.

## Note 22 Borrowings

(in € million)	31 December 2014			31 December 2013		
	Current	Non-current	Total	Current	Non-current	Total
Finance leases	2.7	5.3	8.0	6.1	4.6	10.7
Bank loans	-	480.0	480.0	0.3	283.7	284.0
Securitization	10.0	-	10.0	10.0	-	10.0
Other borrowings	90.4	42.8	133.2	77.1	19.0	96.1
<b>TOTAL BORROWINGS</b>	<b>103.1</b>	<b>528.1</b>	<b>631.2</b>	<b>93.5</b>	<b>307.3</b>	<b>400.8</b>

### Borrowings in currencies

The carrying amounts of the Group borrowings were denominated in the following currencies:

(in € million)	EUR	Other currencies	Total
<b>31 DECEMBER 2014</b>	<b>575.8</b>	<b>55.4</b>	<b>631.2</b>
31 December 2013	349.2	51.6	400.8

### Value and effective interest rate of financial debt

The value of bank loans, which are primarily composed of variable interest rate loans, are considered as being the same as their carrying value. For other elements of borrowings, carrying value is considered the best estimate of fair value, the difference between the fair value and the carrying value being not material.

### Non-current borrowings maturity

(in € million)	2016	2017	2018	2019	>2019	Total
Finance leases	2.0	1.2	0.9	0.1	1.1	5.3
Bank loans	-	-	-	480.0	-	480.0
Other borrowings	29.0	3.7	2.8	1.7	5.6	42.8
<b>AS AT DECEMBER 31, 2014 LONG-TERM DEBT</b>	<b>31.0</b>	<b>4.9</b>	<b>3.7</b>	<b>481.8</b>	<b>6.7</b>	<b>528.1</b>

(in € million)	2015	2016	2017	2018	>2018	Total
Finance leases	2.9	0.3	0.2	0.1	1.1	4.6
Bank loans	0.3	280.2	0.3	0.3	2.6	283.7
Other borrowings	2.8	5.3	3.7	2.7	4.5	19.0
<b>AS AT DECEMBER 31, 2013 LONG-TERM DEBT</b>	<b>6.0</b>	<b>285.8</b>	<b>4.2</b>	<b>3.1</b>	<b>8.2</b>	<b>307.3</b>

### Assumptions retained regarding the presentation of the maturity of non-current borrowings

The valuation of financial liabilities has been conducted based on:

- exchange rates prevailing as of December 31, 2014; and
- interest rates presented hereafter.

The effective interest rates in 2014 were as follows:

<i>(in € million)</i>	Carrying value	Fair value	Effective interest rate
Finance leases	8.0	8.0	7.51%
Bank loans	480.0	480.0	3.47%
Securitization and other borrowings	143.2	143.2	-
<b>TOTAL BORROWINGS</b>	<b>631.2</b>	<b>631.2</b>	

### Change in net debt over the period

<i>(in € million)</i>	31 December 2014	31 December 2013
<b>Opening net cash/(debt)</b>	<b>905.4</b>	<b>232.1</b>
New borrowings	-182.6	-8.2
Convertible bonds	-	459.7
Repayment of long and medium-term borrowings	47.9	37.8
Variance in net cash and cash equivalents	256.1	154.3
New finance leases	-0.2	-2.2
Long and medium-term debt of companies acquired during the period	-85.0	2.5
Impact of exchange rate fluctuations on net long and medium-term debt	42.5	-22.6
Profit-sharing amounts payable to French employees transferred to debt	-1.0	-3.2
Other flows related to financing activities	6.0	55.2
<b>Closing net cash/(debt)</b>	<b>989.1</b>	<b>905.4</b>

## Note 23 Fair value and characteristics of financial instruments

<i>(in € million)</i>	31 December 2014		31 December 2013	
	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	13.4	-9.0	19.4	-26.0
Forward interest rate contracts	-	-3.9	-	-6.7
Analysed as:				
Non-current	3.2	-8.3	0.3	-6.8
Current	10.2	-4.6	19.1	-25.9

The fair value of financial instruments is provided by banking counterparties.

### Interest rate risk

Bank loans of € 480.0 million (€ 284.0 million in 2013) are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The Group may mitigate its interest rate exposure using interest rates swap contracts with financial institutions in order to fix the rate of a portion of the floating-rate financial debt. The fair value of the financial instruments used to hedge the floating-rate financial qualifies for cash flow hedge accounting.

At December 31, 2014, the Group held swap rates contracts for the hedging of interest rate exposure. The swap rates contracts

have been used on a part of the revolving credit facility for an amount of € 280.0 million. The instruments used have a maturity in November 2015.

### Exposure to interest rate risk

The table below presents the interest rate risk exposure of the Group based on future debt commitments. The exposure at floating rate after hedging risk management is approximately € 1,269.1 million at December 31, 2014. A 1% rise in 1-month Euribor would impact positively the financial expense by € 12.7 million assuming the structure (cash/floating debt/hedges) remains stable for the full period of the year.

(in € million)	Notes	Exposure		Total
		Less than 1 year	More than 1 year	
Bank loans	Note 22	-	-480.0	-480.0
Securitization	Note 22	-10.0	-	-10.0
Other		-12.6	-42.8	-55.4
<b>Total liabilities</b>		<b>-22.6</b>	<b>-522.8</b>	<b>-545.4</b>
Cash and cash equivalents	Note 18	1,620.3	-	1,620.3
Overdrafts		-77.8	-	-77.8
<b>Total net cash and cash equivalents*</b>		<b>1,542.5</b>	<b>-</b>	<b>1,542.5</b>
Net position before risk management		1,519.9	-522.8	997.1
Hedging instruments		-	280.0	280.0
<b>Net position after risk management</b>		<b>1,519.9</b>	<b>-242.8</b>	<b>1,277.1</b>
Finance Leases	Note 22	-2.7	-5.3	-8.0
<b>Total net debt after risk management</b>				<b>1,269.1</b>

\* Overnight deposits (deposit certificate) and money market securities and overdrafts.

### Liquidity risk

Atos' policy is to fully cover its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

On November 6, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021.

The facility is available for general corporate purposes and replaced the existing € 1.2 billion facility signed in April 2011.

The revolving credit facility includes one financial covenant which under the terms is the consolidated leverage ratio (net debt divided by operating margin before depreciation and amortization) which may not be greater than 2.5 times.

Atos securitization program of trade receivables has been renewed for 5 years on June 18, 2013 with a maximum amount of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The program is structured with two compartments, called "ON" and "OFF":

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

Financial covenants of the Atos securitization program are the consolidated leverage ratio (net debt divided by operating margin before depreciation and amortization) which may not be greater than 2.5 times and the consolidated interest cover ratio (Operating Margin divided by the net cost of financial debt) which may not be less than 4 times.



The calculation of the above-mentioned ratios as of December 31, 2014 is provided below:

Nature of ratios subject to covenants	Covenants	Group ratios at 31 December 2014	Group ratios at 31 December 2013
Leverage ratio (net debt/OMDA*)	not greater than 2.5	-1.08	-1.05
Interest cover ratio (operating margin/net cost of financial debt)	not lower than 4.0	45.88	20.88

\* OMDA: Operating margin before non cash items.

### Currency exchange risk

Atos operates in 66 countries. However, in most cases, Atos invoices in the country where the Group renders the service, thus limiting the foreign exchange risk. Where this is not the case, the Group generally uses hedging instruments such as forward contracts or foreign currency swaps to minimize the risk.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

(in € million)	2014	2013	2014	2013	2014	2013
	EUR		GBP		USD	
Assets	92.1	83.6	30.3	17.3	60.2	49.3
Liabilities	153.8	128.5	10.4	2.3	23.8	23.4
Foreign exchange impact before hedging	-61.7	-44.9	19.9	15.0	36.4	25.9
Hedged amounts	-	-	-	-	-22.6	-3.5
<b>Foreign exchange impact after hedging</b>	<b>-61.7</b>	<b>-44.9</b>	<b>19.9</b>	<b>15.0</b>	<b>13.8</b>	<b>22.4</b>

### Foreign currency sensitivity analysis

The Group is mainly exposed to the EUR, GBP and the USD.

The following table details the Group sensitivity to a 5% increase and decrease of the sensitive currency against the relevant functional currency of each subsidiary. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% increase in foreign currency rates.

(in € million)	2014	2013	2014	2013	2014	2013
	EUR		GBP		USD	
Income Statement	-3.1	-2.2	1.0	0.8	0.7	1.1

## Hedge accounting

There is no material deviation between the maturity of the financial instruments and the period in which the cash flows are expected to occur.

At December 2014, derivatives are all allocated to the hedge of some transactional risks (foreign exchange currency risks). From an accounting point of view, most of the derivatives were considered as cash flow hedge instruments.

Breakdown of the designation of the instruments per currency is as follows:

<i>(in € million)</i> Instruments	31 December 2014		31 December 2013	
	Fair value	Notional	Fair value	Notional
<b>Cash flow hedge</b>				
<b>Interest rate</b>				
SWAP	-3.9	280.0	-6.7	280.0
<b>Foreign exchange</b>				
Forward contracts USD	-6.1	62.6	0.5	15.4
Option contracts USD	-	0.4	-	-
Forward contracts GBP	-	-	-	0.2
Forward contracts INR	4.5	104.4	-4.5	33.8
Forward contracts HKD	0.3	0.8	0.6	2.3
Forward contracts THB	0.3	5.4	-	-
Forward contracts MYR	-0.1	1.7	-0.3	2.9
Forward contracts PLN	-0.5	57.9	0.7	37.6
Forward contracts RUB	-	-	-0.3	5.7
Forward contracts MAD	-	3.2	-	6.1
Forward contracts CNY	-0.1	2.0	-	0.9
Forward contracts RON	-	-	0.1	7.9
Forward contracts TRY	0.3	6.3	-0.7	2.8
Forward contracts SGD	-	-	-	0.2
Forward contracts BRL	-0.8	16.1	-	-
Option contracts JPY	-0.6	2.3	-	-
<b>Trading</b>				
<b>Foreign exchange</b>				
Forward contracts USD	0.5	55.0	-	1.2
Forward contracts GBP	0.1	13.6	-	-
Forward contracts INR	6.5	50.5	-3.0	73.3
Forward contracts THB	0.1	0.7	-	-
Forward contracts HKD	0.1	0.1	-	0.1
Forward contracts TRY	-	-	-0.1	0.2
Forward contracts CHF	-	0.2	-	-
Forward contracts CZK	-	0.4	-	-
Forward contracts HUF	-	0.5	-	-
Option contracts JPY	-0.1	0.3	-	-
Forward contracts RON	-	2.0	-	-
Forward contracts PLN	-	1.0	-	-
Forward contracts MAD	-	3.2	-	-

The net amount of cash flow hedge reserve at December 31, 2014 was € -5.0 million (net of tax), with a variation of € +3.6 million (net of tax) over the year.

**Note 24 Trade accounts and notes payable**

<i>(in € million)</i>	<b>31 December 2014</b>	<b>31 December 2013</b>
Trade payables and notes payable	1,396.0	1,054.8
Amounts payable on tangible assets	1.0	0.8
<b>Trade payables and notes payable</b>	<b>1,397.0</b>	<b>1,055.6</b>
Net advance payments	-24.9	-11.3
Prepaid expenses	-200.9	-154.8
<b>NET ACCOUNTS PAYABLE</b>	<b>1,171.2</b>	<b>889.5</b>
<b>Number of days' payable outstanding (DPO)</b>	<b>78</b>	<b>82</b>

Trade accounts and notes payable are expected to be paid within one year.

**Note 25 Other current liabilities**

<i>(in € million)</i>	<b>31 December 2014</b>	<b>31 December 2013</b>
Advances and down payments received on client orders	87.1	67.2
Employee-related liabilities	555.2	499.9
Social security and other employee welfare liabilities	201.5	187.8
VAT payable	306.3	273.1
Deferred income	438.2	332.4
Other operating liabilities	233.3	150.8
<b>TOTAL</b>	<b>1,821.6</b>	<b>1,511.2</b>

Other current liabilities are expected to be settled within one year, except for deferred income that is released over the particular arrangement of the corresponding contract.

As of December 31, 2014, other current liabilities included € 368.3 million from Bull subsidiaries.



**Note 26 Cash-Flow statements****Net long-term investments**

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
<b>Amounts paid for acquisitions and long-term investments:</b>		
Bull (100% of Bull shares)	-602.7	-
Cambridge Technology Partners (CEE)	-21.0	-
SiT (Austria)	2.2	-
WindowLogic (APAC)	-	-18.2
Deposit	-1.0	-4.1
Other	-11.0	-5.7
<b>Total amounts paid for acquisitions and long-term investments</b>	<b>-633.5</b>	<b>-28.0</b>
<b>Cash and cash equivalents of companies purchased during the period:</b>		
Bull	-9.5	-
Cambridge Technology Partners (CEE)	5.8	-
WindowLogic (APAC)	-	2.5
<b>Total cash and cash equivalents of companies purchased during the period</b>	<b>-3.7</b>	<b>2.5</b>
<b>Proceeds from disposals of financial investments:</b>		
Deposit	4.4	6.8
Other	4.6	0.5
<b>Total proceeds from disposals of financial investments</b>	<b>9.0</b>	<b>7.3</b>
Dividend received from entities consolidated by equity method	2.5	2.4
<b>Total dividend received from entities consolidated by equity method</b>	<b>2.5</b>	<b>2.4</b>
<b>NET LONG-TERM INVESTMENTS</b>	<b>-625.7</b>	<b>-15.8</b>

**Note 27 Off-balance sheet commitments****Contractual commitments**

The table below illustrates the minimum future payments for firm obligations and commitments over the coming years. Amounts indicated under the long-term borrowings and finance leases are posted on the Group balance sheet.

<i>(in € million)</i>	<b>31 December 2014</b>	<b>Maturing</b>			<b>31 December 2013</b>
		<b>Up to 1 year</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	
Bank loans	480.0	-	480.0	-	284.0
Finance leases	8.0	2.7	4.2	1.1	10.7
<b>Recorded on the balance sheet</b>	<b>488.0</b>	<b>2.7</b>	<b>484.2</b>	<b>1.1</b>	<b>294.7</b>
Operating leases: land, buildings, fittings	847.4	172.4	439.6	235.4	796.5
Operating leases: IT equipment	87.8	39.7	48.1	-	73.2
Operating leases: other fixed assets	89.1	43.8	45.3	-	111.0
Non-cancellable purchase obligations (> 5 years)	84.3	30.0	47.2	7.1	60.3
<b>Commitments</b>	<b>1,108.6</b>	<b>285.9</b>	<b>580.2</b>	<b>242.5</b>	<b>1,041.0</b>
<b>TOTAL</b>	<b>1,596.6</b>	<b>288.6</b>	<b>1,064.4</b>	<b>243.6</b>	<b>1,335.7</b>
<b>Financial commitments received (Syndicated Loan)</b>	<b>1,320.0</b>	<b>-</b>	<b>1,320.0</b>	<b>-</b>	<b>920.0</b>
<b>TOTAL RECEIVED</b>	<b>1,320.0</b>	<b>-</b>	<b>1,320.0</b>	<b>-</b>	<b>920.0</b>

The received financial commitment refers exclusively to the non-utilized part of the € 1.8 billion revolving facility.

## Commercial commitments

(in € million)

	31 December 2014	31 December 2013
<b>Bank guarantees</b>	<b>251.9</b>	<b>170.9</b>
• Operational – Performance	163.7	121.3
• Operational – Bid	26.1	14.1
• Operational – Advance Payment	47.4	32.7
• Financial or Other	14.7	2.8
<b>Parental guarantees</b>	<b>4,154.8</b>	<b>3,536.8</b>
• Operational – Performance	4,077.3	3,485.5
• Operational – Other Business Orientated	77.5	51.3
• Pledges	5.2	0.2
<b>TOTAL</b>	<b>4,411.9</b>	<b>3,707.9</b>

For various large long term contracts, the Group provides performance guarantees to its clients. These guarantees amount to € 4,154.8 million as of December 31, 2014, compared with € 3,536.8 million at the end of December 2013. This increase of € 618.0 million is mainly due to new parental guarantees issued in 2014 including the Ministry of Justice (The United Kingdom) for £ 150.0 million (€ 190.7 million), Achmea Holding N.V. (The Netherlands) for € 180.7 million and Schlumberger (France) for € 112.3 million.

In the framework of the contract for the provision of IT services signed by Atos IT Services UK Limited with the International Olympic Committee (IOC), Atos SAE (Spain) has granted a full performance guarantee to the IOC by which it commits to perform the contract in case the signing entity (or any other affiliate to whom the signing entity could have assigned all or part of the rights and obligations under the contract) is unable to provide services required under the contract.

In relation to the multi-currency revolving facility signed in November 2014, Atos SE issued a parental guarantee to the benefit of the consortium of banks represented by BNP Paribas, in order to cover up to € 660.0 million the obligations of its subsidiary, Atos Telco Services B.V. and Atos International B.V.

Atos SE has given a € 204.0 million guarantee to Ester Finance in relation to a securitization program involving certain of its subsidiaries.

Atos SE or Atos International B.V. has given for various subsidiaries guarantees of general financial support at the request of auditors or to comply with local regulations.

Finally, as part of the general agreement with Siemens in respect of transfer of SIS UK pension liabilities, the Board of Atos SE, during its March 29, 2011 meeting, has agreed to provide a 20 year guarantee to the Atos 2011 Pension Trust set up to accommodate the transfer. The maximum amount of the guarantee is GBP 200.0 million.

### Group contributions expectations regarding pension funds

#### Situation of the United Kingdom pension fund and impact on contributions for 2015

The Group expects to contribute € 49.6 million to its United Kingdom schemes next year versus € 49.4 million in 2014.

### Contemplated acquisition of Xerox's Information Technology Outsourcing

On December 18, 2014, Atos announced its intention to acquire Xerox's Information Technology Outsourcing (ITO) business for a cash consideration US\$ 950.0 million (translating into i.e. € 780.0 million) plus US\$ 100.0 million (i.e. € 80.0 million) representing the estimated present value of future tax benefits to Atos, and an additional consideration of US\$ 50.0 million (i.e. € 40.0 million) subject to the condition of certain assets at closing. The consideration is on a cash free/debt free basis.

The closing of the transaction is expected to take place in the second quarter of 2015.

Early 2015, the purchase price in US\$ has been hedged by Atos with a bank.

## Note 28 Related party transactions

Related parties are defined as follows:

- entities which are controlled directly by the Group, either solely or jointly, or indirectly through one or more intermediary controls. Entities which offer post-employment benefits in favor of employees of the Group, or entities which are controlled or jointly owned by a member of the key management personnel of the Group as defined hereafter; and
- key management personnel of the Group defined as persons who have the authority and responsibility for planning,

directing and controlling the activity of the Group, namely members of the Board of Directors as well as Senior Executive Vice Presidents.

Transactions between Atos and its subsidiaries, which are related parties of the Group, have been eliminated in consolidation and are not disclosed in this note.

No transactions between the Group and such entities or key management personnel have occurred in 2014.

## Compensation of members of the Board of Directors as well as Senior Executive Vice Presidents

The remuneration of the main members of the management during the year was as follows:

<i>(in € million)</i>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
Short-term benefits	5.2	5.7
Employer contributions & other taxes	4.8	6.4
Post-employment benefits	2.9	2.8
Equity-based compensation: stock options & free share plans	3.1	2.7
<b>TOTAL</b>	<b>16.0</b>	<b>17.6</b>

The remuneration of Chief Executive Officer is determined by the Remuneration Committee according to the Group financial achievements.

Short-term benefits include salaries, bonuses and fringe benefits. Bonuses correspond to the total charge reflected in the

income statement including the bonuses effectively paid during the year, the accruals relating to current year and the release of accruals relating to previous year.

During the year, the Group has neither granted nor received guarantees from any of its Board members.

## Note 29 Subsequent events

There were no subsequent events.

**Note 30 Main operating entities part of scope of consolidation as of December 31, 2014**

[G4-17]

	% of Interest	Consolidation method	% of Control	Address
<b>HOLDING</b>				
Atos SE		Consolidation Parent Company		80, quai Voltaire - 95870 Bezons
Atos International B.V.	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Saint Louis Ré	100	FC	100	74, rue de Merl - L2146 Luxembourg
Atos International SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
Bull SA	100	FC	100	Rue Jean Jaurès - 78340 Les Clayes-sous-Bois
<b>FRANCE</b>				
Atos Worldline SA	70,34	FC	100	80, quai Voltaire - 95870 Bezons
Atos Integration SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
Diamis SA	60	FC	100	80, quai Voltaire - 95870 Bezons
Mantis SAS	100	FC	100	24, rue des Jeûneurs - 75002 Paris
Atos Infogérance SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
Atos Consulting SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
Atos A2B SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
Atos Worldgrid	100	FC	100	80, quai Voltaire - 95870 Bezons
Buyster	25	EM	25	13 - 15 rue de Nancy - 75010 Paris
blueKiwi Software SA	100	FC	100	80, quai Voltaire - 95870 Bezons
Yunano	70	FC	100	80, quai Voltaire - 95870 Bezons
Bull SAS	100	FC	100	Rue Jean Jaurès - 78340 Les Clayes-sous-Bois
Amesys SAS	100	FC	100	655, avenue Galilée - 13794 Aix en Provence
Evidian SA	92	FC	100	Rue Jean Jaurès - 78340 Les Clayes-sous-Bois
<b>GERMANY</b>				
Atos Worldline GmbH	70,34	FC	100	Hahnstraße 25 - 60528 Frankfurt - Germany
Atos GmbH	100	FC	100	Luxemburger Straße 3 - 45133 Essen - Germany
Atos IT Dienstleistung und Beratung GmbH	100	FC	100	Bruchstrasse 5 - 45883 Gelsenkirchen - Germany
Atos IT Solutions and Services GmbH	100	FC	100	Otto-Hahn-Ring 6 - 81739 Munich - Germany
Atos IT Solutions and Services Verwaltungs GmbH	100	FC	100	Otto-Hahn-Ring 6 - 81739 Munich - Germany
Bull GmbH	100	FC	100	Von-der-wettern-straße, 27 - 51149 Cologne - Germany
Energy4u GmbH	100	FC	100	Emmy-Noether-Straße 17 - 65627 Karlsruhe - Germany
<b>THE NETHERLANDS</b>				
Atos IT Services Nederland B.V.	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Atos IT Systems Management Nederland B.V.	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Atos Nederland B.V.	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Atos Telco Services B.V.	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Atos Banking Services B.V.	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Atos Consulting NV	100	FC	100	Papendorpseweg 93 - 3528 BJ Utrecht - The Netherlands
Bull NV	100	FC	100	De Cuserstraat 91 - 1081 CN Amsterdam - The Netherlands
Atos Worldline B.V.	70,34	FC	100	Wolweverstraat 18 - 2980 CD Ridderkerk - The Netherlands
<b>OTHER EUROPE - MIDDLE EAST - AFRICA</b>				
<b>Algeria</b>				
Bull Algeria	100	FC	100	16 Rue Yehia El-Mazouni, El Biar - Algiers - Algeria
<b>Austria</b>				
Atos Information Technology GmbH	100	FC	100	Siemensstraße 92 - 1210 Vienna - Austria
Atos IT Solutions and Services GmbH	100	FC	100	Siemensstraße 92 - 1210 Vienna - Austria
TSG EDV-Terminal-Service GmbH	99	FC	100	Modecenterstraße 1 - 1030 Vienna - Austria
Bull GmbH	100	FC	100	Am Euro Platz 2 (Euro Plaza Gebäude G) - 1120 vienna - Austria

	% of Interest	Consolidation method	% of Control	Address
<b>Belgium</b>				
Atos Belgium SA	100	FC	100	Da Vincilaan 5 - 1930 Zaventem - Belgium
Worldline NV/SA	70,34	FC	100	Chaussée de Haecht 1442 - B-1130 Brussel - Belgium
SA Bull NV	100	FC	100	Chaussée de la Hulpe 120 - B-1000 Brussel - Belgium
<b>Bulgaria</b>				
Atos IT Solutions and Services EOOD	100	FC	100	48 Sitnyakovo Blvd - Serdika Offices - 7th floor - Sofia Municipality - Oborishte District - 1505 Sofia - Bulgaria
<b>Ivory Coast</b>				
Bull Ivory Cost	100	FC	100	31 avenue Noguès - 01 BP 1580 Abidjan 01 - Ivory Coast
<b>Cyprus</b>				
Bull Cyprus Ltd	100	FC	100	70, Makarios III Avenue - PO box 27269 Nicosia - Cyprus
<b>Denmark</b>				
Atos IT Solutions and Services A/S	100	FC	100	Dybendalsvaenget 3 - 2630 Taastrup - Denmark
<b>Croatia</b>				
Atos IT Solutions and Services d.o.o.	100	FC	100	Heinzelova 69 - 10000 Zagreb - Republic of Croatia
Bull d.o.o.	100	FC	100	Koturaska 69 - 10000 Zagreb - Republic of Croatia
<b>Czech Republic</b>				
Atos IT Solutions and Services s.r.o.	100	FC	100	14000 Praha 4 - Doudlebská 1699/5 - Czech Republic
Bull s.r.o.	100	FC	100	Lazarska, 6 - 120 00 Prague 2 - Czech Republic
<b>Gabon</b>				
Bull Gabon	100	FC	100	Immeuble ex-Sonagar - Boulevard Bord-de-Mer - BP 2260 Libreville - Gabon
<b>Greece</b>				
Bull Integrated IT Solutions SA	100	FC	100	16, El. Venizelou ave. - 176 76 Kallithea - Greece
<b>Finland</b>				
Atos IT Solutions and Services oy	100	FC	100	Majurinkatu Kalkkipellontie 6 - 026050 Espoo - Finland
<b>Hungary</b>				
Bull Magyarorszag	100	FC	100	Szépvölgyi ut 43 - H- 1037 Budapest - Hungary
<b>Ireland</b>				
Atos IT Solutions and Services Limited	100	FC	100	Fitzwilliam Court - Leeson Close - 2 Dublin - Ireland
Bull Information Systems Ireland	100	FC	100	29/3 South William Street - Dublin - Ireland
<b>Italy</b>				
Atos Italia S.p.A.	100	FC	100	Via Caldera no. 21 - 20158 - Milan - Italy
e-Utile S.p.A.	100	FC	100	Via Caldera no. 21 - 20158 - Milan - Italy
<b>Lebanon</b>				
Bull SAL	100	FC	100	69 Rue Jal el Dib - Secteur 1 – BP 60208 - 12412020 Metn - Lebanon
<b>Lithuania</b>				
UAB "Bull Baltija"	100	FC	100	40 Gostauto Street - 01112 Vilnius - Lithuania
<b>Luxembourg</b>				
Atos Luxembourg PSF S.A.	100	FC	100	2, rue Nicolas Bové - L1253 Luxembourg
Communication-System & Business Consulting	100	FC	100	CAP2 Parc d'Activities of Capellen 40 - L8308 Luxembourg
<b>Mauritius</b>				
Bull Indian Ocean Limited	100	FC	100	C&R Court, 49, rue La Bourdonnais, PORT-LOUIS - Mauritius
<b>Madagascar</b>				
Bull Madagascar SA	100	FC	100	12, rue Indira Gandhi - Tsaralana BP 252 - Antananarivo - Madagascar



	% of Interest	Consolidation method	% of Control	Address
<b>Morocco</b>				
Atos IT Services	100	FC	100	Avenue Annakhil - Espace High-Tech - hall B 5th floor - Hayryad Rabat - Morocco
Atos ITS Nearshore Center Maroc SARL	100	FC	100	Casablanca - shore 7, 1100 boulevard Al Oods – quartier Sidi Maârouf, - Casablanca - Morocco
Bull Morocco	100	FC	100	Casaneashore 1100, bd El Oods (Sidi Maârouf) 20270 Casablanca - Morocco
<b>Namibia</b>				
Bull Information Technology Namibia Pty. Ltd.	100	FC	100	C/o Deloitte & Touche - Namdeb Center, 10 Bulow street - PO Box 47 - Windhoek - Namibia
<b>Poland</b>				
AMG.net	100	FC	100	29 rue de Lakowa - 90554 Lodz - Poland
Atos IT Services SP ZOO	100	FC	100	Ul. Woloska 5Postepu 18 X p. (Taurus Neptun Building) 02-675 676 Warsaw - Poland
Atos IT Solutions and Services SP. z.o.o.	100	FC	100	Ul. Woloska 5Postepu 18 X p. (Taurus Neptun Building) 02-675 676 Warsaw - Poland
<b>Portugal</b>				
Atos Soluções e Serviços para Tecnologias de Informação, Unipessoal, Ltda	100	FC	100	Rua Irmaos Siemens - 1 e 1-A - 2700 172 Amadora - Portugal
<b>Romania</b>				
Atos IT Solutions and Services s.r.l.	100	FC	100	Calea Floreasca 169A - Sector 1 - 014459 Bucharest - Romania
Bull Romania s.r.l	100	FC	100	12 A Burghilea Street, 2nd district - 024032 Bucharest - Romania
<b>Russia</b>				
Atos IT Solutions and Services LLC	100	FC	100	1st Kozhevicheski per. 6, bld. 1 115114 Moscow - Russian Federation
<b>Senegal</b>				
Bull Senegal	100	FC	100	Avenue Malick Sy - Immeuble Batimat - BP 3183 Dakar - Senegal
<b>Serbia</b>				
Atos IT Solutions and Services d.o.o.	100	FC	100	Pariske komune No. 22 - 11070 Belgrade - Serbia
<b>South Africa</b>				
Atos (PTY) Ltd	74	FC	100	204 Rivonia Road - Sandton private bag X 136 - Bryanston 2021 - South Africa
<b>Spain</b>				
Mundivia SA	100	FC	100	Calle Real Consulado - s/n Poligono Industrial Candina - Santander 39011- Spain
Worldline Iberia SA	70,34	FC	100	Avda. Diagonal, 210-218 - Barcelona 08018 - Spain
Atos Consulting Canarias, SA	100	FC	100	Paseo Tomás Morales, 85 1º - Las Palmas de Gran Canaria 35004 - Spain
Bull (España) SA	100	FC	100	Paseo de las Doce Estrellas, nº2 - Campo de las Naciones - 28042 Madrid - Spain
Centro de Tecnologías Informáticas, SA	80	FC	100	Paseo de la Condesa de Sagasta, 6 Oficina 1 - León 24001 - Spain
Infoservicios SA	100	FC	100	Albarracin 25 - Madrid 28037 - Spain
Atos, Sociedad Anonima Espanola	100	FC	100	Albarracin 25 - Madrid 28037 - Spain
Atos IT Solutions and Services Iberia SL	99,91	FC	100	Ronda de Europa, 5 - 28760 Madrid - Spain
Atos Worldgrid SL	100	FC	100	Real Consulado s/n - Poligono Industrial Candina - Santander 39011- Spain
Desarrollo de Aplicaciones Especiales SA	100	FC	100	Juan de Ollás 1 - Madrid 28020 - Spain
MSL Technology SL	50	FC	100	C/ Marqués de Ahumada - 7 - 28028 Madrid - Spain
<b>Slovakia</b>				
Atos IT Solutions and Services s.r.o.	100	FC	100	Einsteinova 11 - 851 01 - Bratislava - Slovakia
<b>Sweden</b>				
Atos IT Solutions and Services AB	100	FC	100	Johanneslundsvägen 12-14 - 194 87 Upplands Väsby - Sweden
<b>Switzerland</b>				
Atos AG	100	FC	100	Freilagerstrasse 28 - 8047 Zurich - Switzerland
Cambridge Technology Partners Ltd	100	FC	100	Chemin de Précoissy 27 - 1260 Nyon - Switzerland

	% of Interest	Consolidation method	% of Control	Address
<b>Turkey</b>				
Atos Bilisim Danismanlik ve Musteri Hizmetleri Sanayi ve Ticaret A/S	99,92	FC	100	Yakacak Caddesi No: 111 – 18, 34870, Kartal, Istanbul - Turkey
<b>United Arab Emirats - Dubai</b>				
Atos FZ LLC	100	FC	100	Office G20 - Building DIC-9 Dubai Internet City - PO Box.500437 Dubai - United Arab Emirates
ATOS FZ LLC Abu Dhabi Branch	100	FC	100	The Galleries - Building No. 2 Level 2 - Downtown Jebel Ali Dubai - United Arab Emirates
<b>Saudi Arabia</b>				
Atos Saudia	49	PC	49	P. O. Box number 8772 - Riyadh -11492 - Kingdom of Saoudi Arabia
<b>Qatar</b>				
ATOS QATAR Llc	100	FC	100	Sheikh Suhaim bin Hamad Street - No.89858 - Doha - Qatar
<b>Egypt</b>				
Atos IT SAE	100	FC	100	50 Rue Abbass El Akkad - Nasr city - Cairo - Egypt
<b>THE UNITED KINGDOM</b>				
Atos Consulting Limited	100	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Atos IT Services Limited	100	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Atos IT Solutions and Services Limited	100	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Atos UK Holdings Limited	100	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Atos Esprit Limited	95	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Bull Information Systems Limited	100	FC	100	Maxted Road - Hemel Hempstead - Hertfordshire HP2 7DZ- United Kingdom
Shere Limited	100	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Canopy The Open Cloud Company Limited	89	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG- United Kingdom
Atos Scotland GP Limited (*)	100	FC	100	Collins House, Rutland Square - Edinburgh, EH1 2AA - United Kingdom
Atos Scotland LP (*)	100	FC	100	Collins House, Rutland Square - Edinburgh, EH1 2AA - United Kingdom
Atos APF Scotland GP Limited (*)	100	FC	100	3 Ponton Street - Edinburgh, EH3 9QQ - United Kingdom
Atos APF Scotland LP (*)	100	FC	100	3 Ponton Street - Edinburgh, EH3 9QQ - United Kingdom
Atos ASPS Scotland GP Limited (*)	100	FC	100	3 Ponton Street - Edinburgh, EH3 9QQ - United Kingdom
Atos ASPS Scotland LP (*)	100	FC	100	3 Ponton Street - Edinburgh, EH3 9QQ - United Kingdom
<b>ASIA PACIFIC</b>				
<b>Australia</b>				
Atos (Australia) Pty. Ltd	100	FC	100	885 Mountain Highway 3153 Bayswater - Victoria - Australia
<b>China</b>				
Atos Covics Business Solutions Ltd	100	FC	100	No. 1 Building - No. 99, Qinjiang Rd-Shanghai - China
Atos Information Technology (China) Co. Ltd	100	FC	100	Room 05.161 - Floor 5 - Building E - No.7 - Zhonghuan Nanlu - Wangjing - Chaoyang District - Beijing - China
Atos Worldgrid Information Technology (Beijing) Co Ltd	100	FC	100	Room 05.162 - Floor 5 - Building E - No. 7 - Zhonghuan Nanlu - Wangjing - Chaoyang District - Beijing - China
Bull Information Systems (Beijing) Co. Ltd	100	FC	100	11/F, Jing Guang Centre Office - Building Hu Jia Lou Chao Yang District - 100 020 Beijing P.R - China



	% of Interest	Consolidation method	% of Control	Address
<b>Hong Kong</b>				
Atos Information Technology HK Ltd	100	FC	100	8/F Octa Tower - 8 Lam Chak Street - Kowloon Bay - Kowloon- Hong Kong
Bull Information Systems (Hong Kong) Limited	100	FC	100	RM 1401 - Hutchison House - 10, Harcourt Road - Hong Kong
<b>India</b>				
Atos India Private Limited	100	FC	100	Godrej & Boyce Complex - Plant 5 - Pirojshanagar - LBS Marg - Vikhroli(W) - Mumbai - 400079 - India
Worldline India Private Ltd	70,34	FC	100	701, Interface 11 - Malad (West) - Mumbai 400064 - India
<b>Indonesia</b>				
PT Worldline International Indonesia	70,34	FC	100	Wisma Keiai number 1707 - Jalan Jenderal Sudirman Kav 3 - Jakarta 10220 Indonesia
<b>Japan</b>				
Atos KK	100	FC	100	20 F, Shinjuku ParkTower - Nishi Shinjuku 3 - 7 -1 - Shinjuku - ku - Tokyo - Japan
Evidian-Bull Japan KK	100	FC	100	Cerulean Tower 15F - 26-1 Sakuragaoka-cho - Shibuya-ku - Tokyo - Japan
<b>Malaysia</b>				
Atos Services (Malaysia) SDN BHD	100	FC	100	16-A (1st Floor) Jalan Tun Sambanthen - 3 Brickfields - 50470 Kuala Lumpur - Malaysia
<b>Philippines</b>				
Atos Information Technology Inc.	99,94	FC	100	23/F Cyber One Building - Eastwood City - Cyberpark - 1110 Libis, Quezon City - Philippines
<b>Singapore</b>				
Atos Information Technology (Singapore) Ptd Ltd	100	FC	100	620A Lorong 1 Toa Payoh - TP4 Level 5 - 319762 Singapore
Amesys Singapour PTE Ltd	100	FC	100	988 Toa Payoh North number 08-01 - Crystal Time Building - 319002 Singapore
<b>Taiwan</b>				
Atos (Taiwan) Ltd	100	FC	100	5F, No.100, Sec.3, Min Sheng E. Road - Taipei 105 -Taiwan - R.O.C.
Bull Information Systems (Taiwan) Limited	100	FC	100	5F, No 100 Sec 3, Min Sheng E. Road - Taipei -Taiwan
<b>Thailand</b>				
Atos IT Solutions and Services Ltd	100	FC	100	2922/339 Charn Issara Tower II - 36th Floor - New Petchburi Road - Bangkok - Huay Kwang - 10310 Bangkok - Thailand
<b>AMERICAS</b>				
<b>Argentina</b>				
Atos Argentina SA	100	FC	100	Cnel. Manuel Arias 3751, piso 18, PB, C.A.B.A.- C1430DAL - Argentina
Atos IT Solutions and Services SA	70,34	FC	100	Cnel. Manuel Arias 3751, piso 18, PB, C.A.B.A.- C1430DAL - Argentina
Bull Argentina SA	100	FC	100	Manuela Saenz 323 5to. Piso Of. 506 - C 1107 bpa - Buenos aires - Argentina
<b>Brazil</b>				
Atos Brasil Ltda	100	FC	100	Rua Wemer Von Siemens - 111 - Prédio 6, 5º andar - Parte A - Bairro Lapa - CEP : 05069-900 - Município de São Paulo - Estado de São Paulo - Brazil
Atos Serviços de Tecnologia da Informação do Brasil Ltda	100	FC	100	Rua WernerVon Siemens - 111 - Prédio 6 - 5º andar - Parte C - Lapa - CEP:05069-900 - Município de São Paulo - Estado de São Paulo - Brazil
Atos Soluções e Serviços de tecnologia da informação LTDA	100	FC	100	Rua Werner Von Siemens, 111 - Prédio 6 - Lapa - São Paulo -SP - CEP 05069-900 - Brazil
Bull Ltda.	100	FC	100	Avenida Angelica - 903 Higienópolis - 01227-901 Sao Paulo 6 - Brazil



	% of Interest	Consolidation method	% of Control	Address
<b>Canada</b>				
Atos Inc.	100	FC	100	6375 Shawson Drive - L5T 1S7 Mississauga - Ontario - Canada
Amesys Canada Inc.	100	FC	100	1 place Ville-Marie - H3B 2C4 Montreal, Quebec - Canada
<b>Chile</b>				
Worldline Chile S.A	70,34	FC	100	Avenida Providencia 1760 Piso 17, Comuna de Providencia - 8320000 Santiago de Chile - Chile
<b>Colombia</b>				
Atos IT Solutions and Services S.A.S	100	FC	100	Autopista Norte - Carrera 45 No 108-27 Torre 2 - oficina 1505 - Bogotá - Colombia
<b>Mexico</b>				
Atos IT Business services S de RL de CV	100	FC	100	Avenida Santa Fe No. 505 Piso 9 - Colonia Cruz Manca Santa Fe Delegación Cuajimalpa de Morelos - Código Postal 05349 - México Distrito Federal - Mexico
<b>The United States of America</b>				
Atos IT Solutions and Services Inc.	100	FC	100	2500 Westchester Avenue - Suite 300 - Purchase, NY 10577 - United States of America
Bull HN Information Systems Inc.	100	FC	100	285 Billerica Road, Suite 200 - Chelmsford, MA 01824-4174- United States of America
Evidian Systems Inc.	100	FC	100	285 Billerica Road, Suite 200 - Chelmsford, MA 01824-4174- United States of America
<b>Uruguay</b>				
Bull Uruguay SA	100	FC	100	Av. Dr Luis A. de Herrera, 2802 - 1160 Montevideo - Uruguay

(\*) The Group has an interest in six Scottish limited partnerships, which are fully consolidated into these Group financial statements. The Group has taken advantage of the exemption conferred by Regulation 7 of the Partnerships (Accounts) Regulations 2008 under United Kingdom law, and therefore separate accounts for the partnerships are not required to be, and have not been, filed at Companies House in the United Kingdom.

## Note 31 Auditors' fees

	Total		Deloitte		Grant Thornton				
	2014	2013	2014	2013	2014	2013			
	Amount	%	Amount	%	Amount	%	Amount		
<i>(in € thousand and %)</i>									
<b>Audit</b>									
Statutory & consolidated accounts	8,348.0	82%	7,250.0	5,180.0	75%	4,273.0	3,168.0	97%	2,977.0
Parent company	2,185.0	22%	2,066.0	1,317.0	19%	1,204.0	868.0	27%	862.0
Subsidiaries	6,163.0	61%	5,184.0	3,863.0	56%	3,069.0	2,300.0	71%	2,115.0
Other services directly related to audit	1,622.0	16%	1,175.0	1,528.0	22%	1,060.0	94.0	3%	115.0
Parent company	1,214.0	12%	720.0	1,210.0	18%	720.0	4.0	-	-
Subsidiaries	408.0	4%	455.0	318.0	5%	340.0	90.0	3%	115.0
<b>Subtotal Audit</b>	<b>9,970.0</b>	<b>98%</b>	<b>8,425.0</b>	<b>6,708.0</b>	<b>98%</b>	<b>5,333.0</b>	<b>3,262.0</b>	<b>100%</b>	<b>3,092.0</b>
Non audit services									
Legal, tax and social	158.0	2%	148.0	158.0	2%	148.0	-	-	-
<b>Subtotal Non Audit</b>	<b>158.0</b>	<b>2%</b>	<b>148.0</b>	<b>158.0</b>	<b>2%</b>	<b>148.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>10,128.0</b>	<b>100%</b>	<b>8,573.0</b>	<b>6,866.0</b>	<b>100%</b>	<b>5,481.0</b>	<b>3,262.0</b>	<b>100%</b>	<b>3,092.0</b>

## E.5 Parent company summary financial statements

### E.5.1 Statutory auditors' report on the financial statements for the year ended December 31, 2014

*This is a free translation into English of the statutory auditors' report on the annual financial statements issued in the French language and it is provided solely for the convenience of English speaking users.*

*The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures*

*This report also includes information relating to the specific verification of information given in the management report and in the document addressed to the shareholders.*

*This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying financial statements of Atos SE;
- the justification of our assessments;
- the specific verification and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

#### I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities, of the financial position of the Company as at December 31, 2014 and of the results of its operations for the year then ended in accordance with French accounting principles.

#### II. Justification of our assessments

In accordance with Article L. 823-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

Participating interests, with a net book value of € 4,348,843 thousands in the balance sheet as at December 31, 2014, are valued at

acquisition cost and depreciated based on its value-in-use according to the principles described in the note "Financial fixed assets" of the "Rules and accounting methods" section to the financial statements. Our work consisted on appreciating the data and assumptions on which these estimations are based, especially the cash-flow projections prepared by Atos Management, reviewing the calculations performed by the entity and scrutinizing the approval procedure of these estimations by Management.

These assessments were made as part of our audit of the financial statements, taken as a whole and therefore contributed to the opinion we formed which is expressed in the first part of this report.

#### III. Specific verifications and information

We have also performed the specific verifications required by French law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris, March 27, 2015

The statutory auditors

Deloitte & Associés

Christophe Patrier

Grant Thornton

French member of Grant Thornton International

Victor Amselem

## E.5.2 Statutory auditor's special report on regulated agreements - year ended December 31, 2014

*This is a free translation into English of the statutory auditors' special report on regulated agreements that is issued in the French language and is provided solely for the convenience of English speaking users. This report on regulated agreements should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby report to you on regulated agreements and commitments with third parties.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (Code de Commerce), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the implementation during the year of agreements and commitments previously approved by the Shareholders' 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 engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

### Agreements and commitments submitted for approval by the shareholders' meeting

#### A. Agreements and commitments authorized during the year

Pursuant to Article L. 225-40 of the French Commercial Code, we have been advised of the following agreements and commitments previously authorized by your Board of Directors.

##### 1. With the company Worldline SA

Director concerned: Mr. Thierry Breton, Chairman and Chief Executive Officer of Atos SE and Chairman of the Board of Directors of Worldline SA since April 30, 2014

- Revolving credit facility entered into by Atos SE and Worldline SA for a principal amount of € 300 million

The purpose of this agreement entered into by Atos SE and its subsidiary Worldline SA is to provide the latter with a revolving credit facility for a maximum principal amount of € 300 million, made available by Atos SE, aimed at covering its liquidity requirements during a period of two years from the listing of Worldline's shares on the regulated market of Euronext Paris. Facilities are granted at standard market terms and conditions, depending on the term of the facilities.

This agreement was previously authorized by the Board of Directors at its meeting of June 26, 2014 and signed on the same day.

No drawing has taken place as of today. Financial income relating to the non-utilization fee amounted to € 383.8 thousand for the year ended December 31, 2014.

- Underwriting Agreement entered into by Atos SE, Worldline SA and the financial intermediaries in connection with the initial public offering of Worldline SA

The purpose of this agreement between the companies Atos SE and Worldline SA, on the one hand, and the financial intermediaries (Barclays Bank Plc, BNP Paribas, Deutsche Bank AG, London Branch, Goldman Sachs International, Merrill Lynch International and Société Générale), on the other hand, was to set entrust the placement of Worldline SA's shares in connection with their admission to the negotiations on the regulated market of Euronext Paris.

In accordance with the terms of the Underwriting Agreement, the financial intermediaries, acting severally and not jointly, committed each to procure a maximum number of Worldline's shares subject to the public offering, and to make them acquired and paid at the settlement and delivery date (either Worldline's shares sold by Atos SE or shares subscribed in respect with the capital increase of Worldline SA).

Moreover, the Underwriting Agreement provided that Atos SE would grant the financial intermediaries, under an over-allotment option, the option to acquire an additional maximum number of Worldline's shares during a period of 30 days starting from June 26, 2014, which is the day the offer price was set.

The Board of Directors previously authorized this agreement at its meeting of June 26, 2014. Settlement and delivery of the offering took place on July 1, 2014 and the deadline to exercise the over-allotment option was July 26, 2014.

- Agreement between Atos SE and Worldline SA on the sale of the Data Center located in Vendôme

In connection with the initial public offering of the company Worldline SA and the transfer for its benefit of the assets required to manage its activity, the company Worldline SA has expressed its interest to purchase the Data Center owned by Atos SE in Vendôme, which had previously been subject to leasing for the purpose of its payment and transactional services activities.

This agreement was previously authorized by the Board of Directors at its meeting of July 28, 2014.

The sale was completed by notarial deed on January 7, 2015, with the usual warranties, with a selling price of € 900,000 excluding taxes and duties, in accordance with a valuation performed by an independent real estate expert.

## 2. With the company Bull SA

Director concerned: Mr. Thierry Breton, Chairman and Chief Executive Officer of Atos SE and Chairman of the Board of Directors of Bull SA since August 19, 2014

Revolving credit facility entered into by Atos SE and Bull SA for a principal amount of € 300 million

The purpose of this agreement between Atos SE and its subsidiary Bull SA is to allow Bull SA, during a period of two years as from that company's takeover in the context of a public tender offer, to enjoy a revolving credit facility for a maximum amount of € 300 million, made available by Atos SE, to cover its liquidity requirements. Facilities are granted at standard market terms and conditions, depending on the term of the facilities.

This agreement was previously authorized by the Board of Directors at its meeting of July 28, 2014, and was then entered into on August 19, 2014. This agreement was terminated on December 8, 2014.

Financial income relating to this agreement amounted to € 720.3 thousand for the year ended December 31, 2014.

### B. Agreements and commitments authorized since the year-end closing

We have been informed of this commitment which had been authorized after closing and had received prior approval by the Board of Directors.

#### Agreement concluded with Mr. Thierry Breton, Chairman and Chief Executive Officer - Amendments to the supplementary defined benefit pension plan

All Executive Committee members of Atos Group, including the Chairman and Chief Executive Officer, provided that they finish their career at Atos SE or Atos International SAS, benefit from a supplementary defined benefit pension plan. The implementation of this pension plan for the benefit of the current Chairman and Chief Executive Officer, Mr. Thierry Breton, was authorized by the Board of Directors on March 26, 2009, approved by the Shareholders' Meeting on May 26, 2009 and then confirmed by the Board of Directors on December 17, 2009. The Board of Directors also observed its compliance with the AFEP-MEDEF principles at its meeting on December 19, 2013.

Amendments have been brought to the defined benefit pension plan, and are described in an agreement whose implementation to the benefit of the Chairman and Chief Executive Officer was previously authorized by the Board of Directors at its meeting of March 26, 2015.

The Board of Directors noticed that the modification of the pension scheme with defined benefits is of real interest for the company Atos SE as it allows linking the conditions in which the Chairman and Chief Executive Officer benefits from the scheme to the Atos Group's financial results. Moreover, these

developments are likely to reduce the Atos Group's commitments considering that the validation of the rights is subject to performance conditions, which are uncertain by nature. Finally, the change from a differential calculus mode (pension calculated by deduction of the legal scheme and AGIRC/ARRCO pensions) to an additive mode will allow the company Atos SE not to face the consequences of the degradations of the AGIRC/ARRCO schemes' returns.

The main amendments are presented hereafter:

#### • Conditioning the acquisition of rights under the supplementary pension scheme to performance conditions determined by the Board of Directors:

The Board of Directors has decided to condition the acquisition of rights under the supplementary pension scheme to performance conditions under the following conditions:

- These performance conditions will be set annually by Atos SE's Board of Directors which may in particular refer to the performance conditions contained in stock option plans or free shares plans or to any other condition which it will consider relevant.
- At the end of each year, the Board of Directors will meet in order to verify the completion of the performance conditions during the preceding year.
- Entire calendar quarters for periods after January 1, 2015 are only be taken into account to assess the amount of the additional pension if they relate to a year during which the performance conditions set by the Board of Directors will have been achieved. Failing that, the corresponding quarters will not be taken into account to determine the additional pension.
- The periods prior to January 1, 2015 are also subject to performance conditions and will only be taken into account to determine the amount of the additional pension if for each year, the performance conditions then set by the Board of Directors, either for the vesting of stock-options plans or for the vesting of free performance shares plans, were met. Thus failing any performance conditions assessed for 2008, no entire calendar quarters related to this year will be taken into account in the assessment of the amount of the additional pension. Entire calendar quarters from January 1, 2009 to January 1, 2015 will only be taken into account in the assessment of the amount of the additional pension if they indeed relate to a year during which the annual performance conditions were met.

Moreover, for the award of the additional annuity it is expected that at least two-thirds of the years are validated under the performance conditions here above mentioned, during Mr. Thierry Breton's membership in the Executive Committee while performing his various terms of office. The Board of Directors will meet at the end of the term of office of the concerned person to verify whether this two-thirds requirement is satisfied. If that is the case, Mr. Thierry Breton will hence automatically enjoy an additional pension. Failing that, he will not be provided with any additional annuity.

- **Other modifications of the scheme on the following items:**

- The membership requirement at the Executive Committee level is extended to five years.
- The minimum age to benefit from the scheme is aligned on the statutory retirement age set by article L. 161-17-2 of the French Social Security Code (Code de la sécurité sociale) (i.e. between 60 to 62 years depending on the year of birth according to the current legislation).
- The age for liquidation of the supplementary pension is the age at which the person may liquidate his full pension under the general scheme. This age cannot in any case be less than the one foreseen in article L 161-17-2 of the French Social Security Code.

- **Change of the terms and conditions for determining the amount of Mr. Thierry Breton's additional pension:**

The annual additional pension amounts to 0.625% of the reference compensation per entire calendar quarters of seniority recognized by the scheme. The reference compensation is the average of the last sixty monthly compensation multiplied by twelve.

For the assessment of this reference compensation, only the followings are taken into account:

- the basic compensation of the Executive Director,

- the annual on-target bonus actually paid to the Executive Director excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation;

- **Cap of Mr. Thierry Breton's additional pension:**

The amount of the annual supplementary pension paid under the present scheme to Mr. Thierry Breton cannot exceed the difference between:

- 33% of the reference compensation above mentioned,
- and the annual amount of the basic additional and supplementary pensions.

While waiting for the approval by the Shareholders' Meeting or failing that, Mr. Thierry Breton will keep on benefiting from the supplementary pension scheme with defined benefits currently applicable to Executive Directors and employees members of the Executive Committee, as mentioned in the introduction.

### **Agreements and commitments already approved by the Shareholders' Meeting**

We hereby inform you that we have not been advised of any agreements or commitments already approved by the General Meeting of Shareholders, whose implementation continued during the year.

Neuilly-sur-Seine and Paris, March 27, 2015

#### **The statutory auditors**

Deloitte & Associés

Christophe Patrier

Grant Thornton

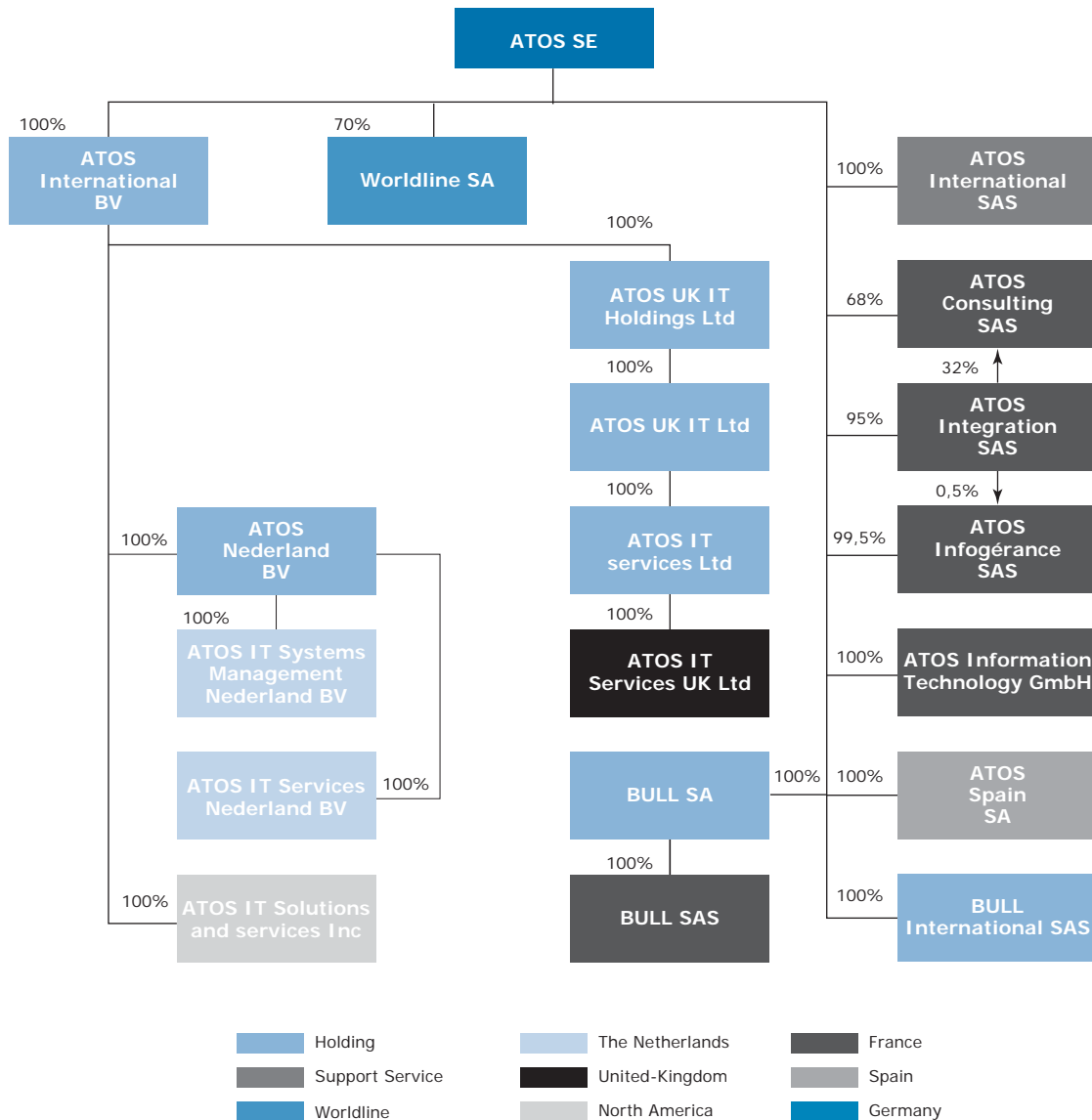
*French member of Grant Thornton International*

Victor Amselem

### E.5.3 Parent company's simplified organization chart

As of December 31, 2014, the Group issued common stock amounted to € 101.3 million comprising 101,332,527 fully paid-up shares of € 1 per value each.

Atos shares are traded on the Paris Euronext market under ISIN FR0000051732. The shares are not listed on any other stock exchange. Worldline SA shares are also traded on the Paris Euronext market and Atos SE and Worldline SA are the only listed companies of the Group.



## E.5.4 Atos SE Financial statements

## E.5.4.1 Balance sheet

<i>(in € thousand)</i>	Notes	31 December 2014	31 December 2013
<b>ASSETS</b>			
Intangible fixed assets	Note 1	1,468	1,689
Tangible fixed assets	Note 2	46	46
Participating interests	Note 3	4,348,843	3,277,230
Other financial investments	Note 3	791,534	775,336
<b>Total fixed assets</b>		<b>5,141,891</b>	<b>4,054,301</b>
Trade accounts and notes receivable	Note 4	4,987	19,889
Other receivables	Note 4	179,439	821,285
Cash and cash equivalent	Note 5	1,002,037	836,006
<b>Total current assets</b>		<b>1,186,463</b>	<b>1,677,180</b>
Prepayments, deferred expenses	Note 6	27,434	6,392
<b>TOTAL ASSETS</b>		<b>6,355,788</b>	<b>5,737,873</b>

<i>(in € thousand)</i>	Notes	31 December 2014	31 December 2013
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Common stock		101,332	98,165
Additional paid-in capital		2,653,358	2,463,918
Legal reserves		10,096	8,570
Other reserves and retained earnings		771,376	770,746
Net income for the period		336,393	71,022
<b>Shareholders' equity</b>	<b>Note 7</b>	<b>3,872,555</b>	<b>3,412,421</b>
Provisions for contingencies and losses	Note 8	19,354	57,073
Borrowings	Note 9	1,759,375	1,223,866
Trade accounts payable	Note 10	37,833	32,609
Other liabilities	Note 10	645,867	1,011,904
<b>Total liabilities</b>		<b>2,443,075</b>	<b>2,268,379</b>
Unrecognised exchange gains		20,804	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>6,355,788</b>	<b>5,737,873</b>

**E.5.4.2 Income statement**

(in € thousand)

	Notes	31 December 2014	31 December 2013
<b>Revenue</b>	<b>Note 11</b>	<b>116,648</b>	<b>122,527</b>
Other income			494
<b>Total operating income</b>		<b>116,648</b>	<b>123,021</b>
Cost of sales		-14,096	-10,140
Taxes		-873	-2,229
Depreciation amortisation and provisions			
Other expenses	Note 12	-32,952	-26,653
<b>Total operating expenses</b>		<b>-47,921</b>	<b>-39,022</b>
<b>Operating margin</b>		<b>68,727</b>	<b>83,999</b>
Net financial result	Note 13	-66,701	55,618
<b>Net income on ordinary activities</b>		<b>2,026</b>	<b>139,617</b>
Non-recurring items	Note 14	337,829	-74,338
En employee profit sharing		-736	-589
Corporate income tax	Note 15	-2,726	6,332
<b>NET INCOME FOR THE PERIOD</b>		<b>336,393</b>	<b>71,022</b>



## E.5.5 Notes to the Atos SE statutory financial statements

### DETAILED SUMMARY OF NOTES

<b>Note 1</b>	Intangible assets	233	<b>Note 10</b>	Trade accounts, notes payable and other liabilities	240
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<b>Note 6</b>	Prepayments and deferred expenses	237	<b>Note 15</b>	Tax	243
<b>Note 7</b>	Shareholders' equity	237	<b>Note 16</b>	Off-balance sheet commitments	244
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### Atos SE Activity

Atos SE main activities are:

- the management of the Atos trademark;
- the management of Group participating interests;
- the management of Group financing activities.

Revenue included trademark fees received from Group subsidiaries.

The company Atos SE is the parent company of the Atos Group and consequently establishes consolidated financial statements.

### Highlights

- IPO Worldline

In the context of the initial public offering of Worldline (IPO), Atos SE has sold existing shares of Worldline SA on the regulated market of Euronext Paris (Compartment A; ISIN code: FR0011981968; ticker: WLN).

Worldline's shares started to be traded on June 27, 2014 and the delivery occurred only on July 1.

The gross proceeds from the French public offering and the international offering amount to a total of € 384.1 million of existing shares (i.e. 23,415,465 existing shares) sold by Atos SE:

- on July 1, 2014, Atos has sold first 19,492,013 of existing Worldline shares for € 16.4 per share which led to the recognition of € 319.7 million of proceeds,
- finally, end of July 2014, the over-allotment option covering 3,923,452 additional existing shares sold by Atos, at the

offering price of € 16.4 per share, corresponding to a total amount of approximately € 64.3 million.

At the end of the initial public offering (including the full exercise of the over-allotment option), Atos SE hold 70.43% stake of Worldline SA.

- Public offer on group Bull

On May 26, 2014, Atos launched a public offer targeting all of Bull's outstanding shares and instruments. This € 4.90 cash offer on the shares and € 5.55 on the Bull OCEANE valued Bull's share capital at c. € 620 million on a fully diluted basis, which represented a 30% premium compared to the company's three-month volume weighted average share price of € 3.77 before the Offer.

As of the settlement date set on August 18, 2014, Atos consequently held 84.25% of Bull's share capital and voting rights based on the total number of shares outstanding as of July 31, 2014, and 18.41% of the company's outstanding OCEANES. In accordance with the provisions of Article 232-4 of the AMF General Regulation, the offer was reopened during 10 trading days from September 9 to 22, 2014, with the same offer prices of € 4.90 per share and € 5.55 per OCEANE.

Following the settlement and delivery of the reopened friendly tender offer on Bull's shares at € 4.90 per share and at € 5.55 per OCEANE (bonds convertible and/or exchangeable into new or existing shares), and the acquisitions of shares made at the same price after the announcement of the result of such offer, Atos had crossed upwards the 95% threshold of the share capital and voting rights of Bull and held 116,993,469 shares representing 95.56% of the share capital and voting rights of Bull and holds 11,871 Bull's OCEANES, representing 20.25% of outstanding Bull's OCEANES.

On December 1, 2014, Bull decided to proceed with an early redemption of all the OCEANE bonds, in compliance with the provision of the issuance prospectus (the outstanding OCEANE bonds represented less than 10% of the total number of OCEANE initially issued).

Based on the squeeze-out on Bull's remaining shares, Atos SE owned 100% of equity instruments as of December 16, 2014.

Having gained control over Bull following the public offer, the Group has consolidated Bull since September 1, 2014.

### Rules and accounting methods

In application with ANC 2014-03, the financial statements of Atos SE have been prepared in accordance with generally accepted accounting principles in France and with the provisions of the French General Accounting Plan (Plan Comptable Général).

General conventions were applied, in the respect of:

- principle of prudence;
- principle of going concern;
- permanence of the accounting methods from one exercise to another;
- cut-off principle.

As a principle, items are booked in the accountancy based on the historical cost method. The annual accounts are established and presented in thousands of euros.

### Intangible assets

Intangible assets consist of software and merger deficit.

The software are booked at the acquisition cost and amortized on a straight-line basis over their expected useful life.

The merger deficit acquired before 2004 is amortized on a straight-line basis over 20 years. The Company applied the regulation CRC 2004-01 relating to the accounting treatment of mergers and similar operations which occurred from January 1, 2004. Those merger deficits are subject to an annual impairment test. An impairment loss is recognized when the sum of the merger deficit and the related gross value of the participating interest exceed the enterprise value.

The enterprise value is computed on the basis of expected three year future cash flow through assumptions approved by the management of the Company.

### Tangible assets

The tangible fixed assets (buildings/fittings) are booked at their acquisition value excluding any financial expenses.

The depreciation calculation is based on a straight-line method over the useful life of the assets, as follows:

- buildings: 20 years;
- fixtures and fittings: 5 to 10 years.

### Financial assets

Financial assets consist of participating interests and other financial investments (treasury stock, loans).

Participating interests are booked at their acquisition cost; an impairment loss is recognized when the acquisition cost exceeds the value-in-use determined as follows:

- for the operational subsidiaries, the value-in-use is determined on the basis of the enterprise value described above;
- for the holding subsidiaries, the value-in-use is calculated based on their shareholding equities.

Loans are mainly intra-group transactions.

### Trade accounts and notes receivable

Trade accounts and notes receivable are recorded at their nominal value. They are calculated individually and, if necessary, are subject to an impairment loss.

Trade accounts and notes receivable denominated in foreign currency are booked at their fair value at the closing date. The difference between their historical value and their fair value at year-end is booked as unrecognized exchange gain or loss.

### Cash and cash equivalents

Treasury stocks are recorded at their acquisition cost in the context of a liquidity contract or in the intention to grant them as free shares plan or stock-options plan.

For the shares acquired in the context of the liquidity contract a depreciation charge is recognized when the carrying value exceeds the weighted average market price of Atos stock for the month of December.

### Prepayments, deferred expenses

Deferred expenses relate exclusively to costs for issuing borrowings. Those costs are recognized over the duration of the borrowings on a straight-line basis.

### Provisions

The amount of the provisions is based on the best estimate of the outflow of resources necessary to extinguish the underlying obligation.

When the participating interest is fully impaired, an additional provision for risk may be required when the carrying value exceeds the value in-use.

**Note 1 Intangible assets****Net value of intangible fixed assets**

<i>(in € thousand)</i>	31 December 2013	Acquisitions/charges	Disposals/ reversals	31 December 2014
<b>Intangible assets</b>	<b>113,918</b>	-	-	<b>113,918</b>
Amortisation	-9,739	-221	-	-9,960
Depreciation	-102,490	-	-	-102,490
<b>Total of amortisation &amp; depreciation</b>	<b>-112,229</b>	<b>-221</b>	-	<b>-112,450</b>
<i>Of which:</i>				
• non-recurring items		-221		
• financial result				
<b>Net value of intangible assets</b>	<b>1,689</b>	<b>-221</b>	-	<b>1,468</b>

The intangible assets were mainly composed of a merger deficit resulting from the transfer of assets and liabilities from Atos Investissement 6 to Atos SE in 2004.

This merger deficit is allocated to the various assets brought to allow a proper follow-up and is broken down as follows:

- France € 40.8 million;
- Spain € 63.1 million.

The other merger deficit acquired before 2004 amounts to € 9.7 million in gross value, are depreciated on a straight line basis.

The depreciation charge of the merger deficit was related to:

- France € 39.4 million;
- Spain € 63.1 million.

**Note 2 Tangible fixed assets****Net value of tangible fixed assets**

<i>(in € thousand)</i>	31 December 2013	Acquisitions/Charges	Disposals/ Release	31 December 2014
Tangible fixed assets	113	-	-	113
Depreciation of tangible fixed assets	-67	-	-	-67
<b>Net value of tangible fixed assets</b>	<b>46</b>	-	-	<b>46</b>

**Note 3 Financial fixed assets****Change in financial fixed assets - Gross value**

<i>(in € thousand)</i>	31 December 2013	Acquisition	Decrease	31 December 2014
Investments in consolidated companies	3,565,784	1,837,123	-640,846	4,762,061
Investments in non-consolidated companies	124	-	-	124
Other investments	85	-	-	85
<b>Total Investments</b>	<b>3,643,034</b>	<b>1,837,123</b>	<b>-640,846</b>	<b>4,762,270</b>
<b>Intercompany loans and accrued interests</b>	<b>451,173</b>	<b>286,190</b>	<b>-250,000</b>	<b>487,363</b>
Others	324,163	-	-19,992	304,171
Total Other financial assets	680,915	286,190	-269,992	791,534
<b>TOTAL</b>	<b>4,323,949</b>	<b>2,123,313</b>	<b>-910,838</b>	<b>5,553,804</b>

### Acquisition of participating interest and other movements

Atos SE increased the capital of the following entities:

- Atos International BV for € 1,069.9 million;
- Atos Infogérance for € 76.3 million;
- Atos Investissement 10 for € 35.0 million;
- Atos Integration for € 32.9 million;
- Atos Management France for € 20.4 million.

Atos SE acquired the shares in the entity Bull SA for an amount of € 602.7 million.

In the context of the IPO, Atos SE decreased the investment of Worldline SA for € 22.2 million.

Atos Investissement 5 merged in Atos SE; consequently the investment decreased for € 618.7million.

### Others financial assets

Other financial assets at closing date corresponded to deposit under securitization program for € 304.2 million.

### Change in financial fixed assets - Impairment

<i>(in € thousand)</i>	31 December 2013	Depreciation	Release	31 December 2014
Investments in consolidated companies	-288,554	-124,664	-	-413,218
Investments in non-consolidated companies	-124	-	-	-124
Other investments	-85	-	-	-85
<b>TOTAL</b>	<b>-309,758</b>	<b>-124,664</b>	<b>0</b>	<b>-413,427</b>
<i>Of which financial</i>				

### Net value of the financial fixed assets

<i>(in € thousand)</i>	Gross amount	Depreciation	Net value
Investments in consolidated companies	4,762,061	-413,218	4,348,843
Investments in non-consolidated companies	124	-124	-
Other investments	85	-85	-
Loans and accrued interests	487,363	-	487,363
Others	304,171	-	304,171
<b>TOTAL</b>	<b>5,553,804</b>	<b>-413,427</b>	<b>5,140,377</b>

### Maturity of loans and other financial fixed assets

<i>(in € thousand)</i>	Gross amount 31 December 2014	Up to 1 year	1 to 5 years
Loans and accrued interests	487,363	133,353	354,010
Others	304,171	304,171	-
<b>TOTAL</b>	<b>791,534</b>	<b>437,524</b>	<b>354,010</b>

Accrued interests amounted to € 4.4 million (2013: € 0.4 million).

## Main subsidiaries and investments

<i>(in € thousand)</i>	Gross value at 31 December 2014	Net value at 31 December 2014	% interest	Net Income at 31 December 2014	Shareholders' equity
<b>DETAILED INFORMATION</b>					
<b>A Subsidiaries (50% or more of common stock)</b>					
<b>France</b>					
Worldline SA	87,849	87,849	70%	1,789	363,114
Bull SA	602,680	602,680	100%	-142,654	41,090
Atos Infogérance	223,058	20,251	100%	-56,032	18,414
Atos Intégration	160,313	160,313	95%	-6,923	13,172
Atos Consulting	16,539	16,539	68%	33	2,373
Atos Participation 2	30,616	16,046	100%	-67	16,055
Atos International	62,278	-	100%	583	-6,186
Atos Investissement 10	46,140	-	100%	-206	15,613
Atos Management France	25,922	1,335	100%	-6,687	1,334
Atos Investissement 12	40	21	100%	-3	21
Atos Meda	8,840	5,144	100%	596	544
Atos Investissement 19	37	37	100%	-3	19
Atos Investissement 20	37	18	100%	-3	19
Atos Investissement 21	37	16	100%	-7	16
Atos Worldgrid	32,328	32,328	100%	21	14,478
<b>Italia</b>					
Atos Multimédia	68	68	100%	-4	161
Atos Origin Srl	57,183	59	100%	-6	53
<b>Benelux</b>					
St Louis RE	2,174	2,174	100%	-	2,175
<b>Spain</b>					
Atos Spain SA	80,390	78,951	100%	6,453	34,394
GTI	751	234	33%	56	290
<b>Germany</b>					
Atos Information Technology GMBH	587,072	587,072	100%	-25,931	597,106
<b>The Netherlands</b>					
Atos International BV	2,726,496	2,726,496	100%	1,149	2,230,430
<b>Turkey</b>					
Atos Bilisim	11,212	11,212	81%	-6,131	8,014
<b>TOTAL</b>	<b>4,762,061</b>	<b>4,348,843</b>			

The total of subsidiaries and investments corresponded to investments in consolidated companies and investments in non-consolidated companies presented in the table "Net value of the financial fixed assets" above.

#### Note 4 Trade accounts, notes receivable and other receivables

##### Trade accounts, notes receivable and other receivables

<i>(in € thousand)</i>	Gross amount at 31 December 2014	Depreciation	Net value 31 December 2014	Net value 31 December 2013
Trade accounts and notes receivable and doubtful debtors	5,010	-245	4,765	5,758
Invoices to be issued	222	-	222	14,130
State and income tax	6,573	-	6,573	1,973
VAT receivable	6,505	-	6,505	5,286
Intercompany current account	161,906	-	161,906	767,716
Other debtors	4,455	-	4,455	46,311
<b>TOTAL</b>	<b>184,671</b>	<b>-245</b>	<b>184,426</b>	<b>841,174</b>
<i>Of which operating</i>		-245		

In 2013, Atos SE managed the cash pool of Worldline SA and its subsidiaries; just before the IPO, the current accounts with the Worldline group have been paid, explaining partly the decrease of these accounts (€ 381 million).

### Maturity of trade accounts receivable and other debtors

<i>(in € thousand)</i>	Gross amount at 31 December 2014	Up to 1 year	1 to 5 years
Trade accounts and notes receivable and doubtful accounts	5,010	4,721	289
Invoices to be issued	222	222	-
State and income tax	6,573	6,573	-
VAT receivable	6,505	6,505	-
Intercompany current account	161,906	161,906	-
Other debtors	4,455	4,455	-
<b>TOTAL</b>	<b>184,671</b>	<b>184,382</b>	<b>289</b>

### Accrued income

<i>(in € thousand)</i>	31 December 2014	31 December 2013
Accrued income included in Receivable accounts		
Other debtors	1,132	616
<b>TOTAL</b>	<b>1,132</b>	<b>616</b>

## Note 5 Cash and cash equivalents

### Cash and cash equivalents and mutual funds

<i>(in € thousand)</i>	Gross amount at 31 December 2014	Depreciation	Net value 31 December 2014	Net value 31 December 2013
Mutual funds	158,445	-	158,445	309,097
Treasury stocks – owned shares	105,644	-1,968	103,676	2,281
Short Term Bank deposits	601,375	-	601,375	452,946
Cash at bank	138,541	-	138,541	71,682
<b>TOTAL</b>	<b>1,004,005</b>	<b>-1,968</b>	<b>1,002,037</b>	<b>836,006</b>

### Movement in Treasury stocks - owned shares

The own shares have been acquired in 2014 in the framework of:

- acquisition of 1,735,759 shares and transfer of the shares to the Dutch pension plan following the global agreement signed on December 18, 2013; Under this agreement, Atos SE paid € 113 million in Atos' shares during the first semester of 2014, based on the arrangement approved by the Annual General Meeting on December 27, 2013;

- acquisition of 1,884,012 shares for the performance plan of which 230,750 shares have been attributed to employees.

The existing 1,689,417 shares at December 31, 2014 will be attributed in the framework of the performance plan.

Depending on market conditions and short-term cash flow expectations, Atos SE from time to time invests in money market funds or bank deposits with a maturity period not exceeding three months.

**Note 6** Prepayments and deferred expenses

<i>(in € thousand)</i>	31 December 2014	31 December 2013
Translation losses	20,927	235
Prepaid expenses	127	1,481
Deferred expenses	6,380	4,676
<b>TOTAL</b>	<b>27,434</b>	<b>6,392</b>

**Note 7** Shareholders' equity

## Common stock

	31 December 2014	31 December 2013
Number of shares	101,332,527	98,165,446
Nominal value (in €)	1	1
<b>Common stock (in € thousand)</b>	<b>101,333</b>	<b>98,165</b>

## Capital ownership structure over three years

	31 December 2014		31 December 2013		31 December 2012	
	Shares	%	Shares	%	Shares	%
Siemens	12,483,153	12.3%	12,483,153	12.7%	12,483,153	14.6%
Financière Daunou 17	9,502,125	9.38%	9,399,376	9.6%	18,077,790	21.1%
Board of Directors	416,450	0.4%	49,024	0.0%	18,042	0.0%
Employees	2,790,656	2.8%	1,688,640	1.7%	1,762,583	2.1%
Treasury stocks	1,689,417	1.7%	36,155	0.0%	137,193	0.2%
Public	74,450,726	73.5%	74,509,098	75.9%	53,224,669	62.1%
<b>TOTAL</b>	<b>101,332,527</b>	<b>100.0%</b>	<b>98,165,446</b>	<b>100.0%</b>	<b>85,703,430</b>	<b>100.0%</b>

The shares owned by employees are held through mutual funds and corporate savings plans.

The 13<sup>th</sup> resolution of the Annual General Meeting of May 27, 2014 renewed the authorization to trade in the Group's shares. The number of shares purchased may not exceed 10% of the Company's common stock. At December 31, 2014, the Company held 1,689,417 shares of treasury stocks representing 1.7% of the common stock.

During 2014, the Group was informed of the downward threshold crossing by BlackRock Inc., acting on behalf of clients and funds which it manages, on November 28, 2014, of the statutory threshold of 5% of the share capital and voting rights of the Company, resulting from the sale of shares on the market. At

that date, Blackrock Inc. declared holding 4.98% of the share capital and voting rights of the Company.

The free-float of the Group shares exclude stakes held by the reference shareholders, namely the two main shareholders, Financière Daunou 17 (PAI Partners) holding 9.4% of the share capital as at December 31, 2014, and Siemens AG holding a stake of 12.3% of the share capital which it committed to keep until June 30, 2016.

No other reference shareholder has announced its will to maintain a strategic shareholding in the Group's share capital. Stakes owned by the employees and the management, are also excluded from the free float.

	31 December 2014			31 December 2013		
	Shares	% of capital	% of voting rights	Shares	% of capital	% of voting rights
Siemens	12,483,153	12.3%	12.3%	12,483,153	12.7%	12.7%
Financière Daunou 17	9,502,125	9.4%	9.4%	9,399,376	9.6%	9.6%
Board of Directors	416,450	0.4%	0.4%	49,024	0.0%	0.0%
Employees	2,790,656	2.8%	2.8%	1,688,640	1.7%	1.7%
Treasury stock	1,689,417	1.7%	-	36,155	0.0%	-
Free float	74,450,726	73.5%	73.5%	74,509,098	75.9%	75.9%
<b>TOTAL</b>	<b>101,332,527</b>	<b>100.0%</b>	<b>100.0%</b>	<b>98,165,446</b>	<b>100.0%</b>	<b>100.0%</b>

### Changes in shareholders' equity

(in € thousand)	31 December 2013	Dividends	Appropriation of result	Capital increase	Net Income 2013	31 December 2014
Common stock	98,165			3,167		101,332
Additional paid-in capital	2,463,918			189,440		2,653,358
Legal reserve	8,570		1,247	279		10,096
Other reserves	25,511					25,511
Retained earnings	745,235	-69,146	69,775			745,864
Net income for the period	71,022		-71,022		336,393	336,393
<b>TOTAL OF THE SHAREHOLDERS' EQUITY</b>	<b>3,412,421</b>	<b>-69,146</b>	<b>-</b>	<b>192,886</b>	<b>336,393</b>	<b>3,872,554</b>

### Capital increase

During the year, Atos SE increased its common stock by:

- issuing new shares and incorporating additional paid-in-capital for € 139.7 million, resulting in the creation of 3,167,081 new shares composed of:
  - the 567,574 new shares resulting from the payments of the 2013 dividend in shares,

- the creation of 699,100 new shares resulting from the subscription by employees to SPRINT, the Group shareholding program,
- the exercise during the year 2014 of 1,900,407 share options;
- recording a merger premium of € 52.9 million consequently to the merger with Atos Investissement 5.

### Potential common stock

Based on 101,332,527 shares issued, the common stock could be increased by 2,806,747 new shares representing an increase of 2.8% vesting.

	31 December 2014	31 December 2013	Variation
<b>Number of shares outstanding</b>	<b>101,332,527</b>	<b>98,165,446</b>	<b>3,167,081</b>
Stock options	2,806,747	5,015,053	-2,208,306
Performance shares		1,212,490	-1,212,490
<b>TOTAL POTENTIAL COMMON STOCK</b>	<b>104,139,274</b>	<b>104,392,989</b>	<b>-253,715</b>

On the total of 2,806,747 of stock options, no option had a price of exercise higher than € 66.3 (year-end stock price at December 31, 2014).



## Note 8 Provisions

### Provisions

<i>(in € thousand)</i>	31 December 2013	Charges	Release used	Release unused	31 December 2014
Subsidiary risk	47,172	-	-	-37,719	9,453
Contingencies	9,901	235	-	-235	9,901
Litigations	-	-	-	-	0
<b>TOTAL</b>	<b>57,073</b>	<b>235</b>	<b>0</b>	<b>-37,954</b>	<b>19,354</b>
<i>Of which</i>					
• <i>operating</i>					0
• <i>financial</i>		235		-37,954	-37,719
• <i>exceptional</i>		-	-	-	0

The evaluation of the participating interest led to a release for the following subsidiaries:

- Atos Investissement 10 € 24.8 million;
- Atos Management France € 12.4 million;
- Atos International € 0.6 million.

## Note 9 Financial borrowings

### Closing net debt

<i>(in € thousand)</i>		Up to 1 year	1 to 5 years	Gross value 31 December 2014	Gross value 31 December 2013
Bank overdraft		880,098	-	880,098	840,765
Other borrowings		879,277	-	879,277	383,101
<b>Total Borrowings</b>		<b>1,759,375</b>	<b>-</b>	<b>1,759,375</b>	<b>1,223,866</b>
Cash at bank	Note 5	138,541		138,541	71,682
<b>CLOSING NET DEBT</b>		<b>1,620,834</b>	<b>-</b>	<b>1,620,834</b>	<b>1,152,184</b>

Financial borrowings included mainly:

- syndicated loan for € 200.0 million;
- profit-sharing for € 11.8 million;
- intercompany loans for € 656.5 million;
- borrowing EUROFACTOR for € 5.1 million;
- borrowing Rothschild for € 5.8 million.

Deferred expenses related to other borrowings amounted to € 6.4 million (€ 4.7 million in 2013).

### Syndicated loan (2014-2019)

On November 6, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021. The facility is available for general corporate purposes and replaced the existing € 1.2 billion facility signed in April 2011.

The revolving credit facility includes one financial covenant which under the terms is the consolidated leverage ratio (net debt divided by operating margin before depreciation and amortization) which may not be greater than 2.5 times.

**Note 10 Trade accounts, notes payable and other liabilities****Maturity of trade accounts, notes payable and other liabilities**

<i>(in € thousand)</i>	<b>Gross amount 31 December 2014</b>	<b>Up to 1 year</b>	<b>1 to 5 years</b>	<b>Gross amount 31 December 2013</b>
Accounts payable	37,833	37,833	-	32,609
Social security and other employee welfare liabilities	1,647	1,647	-	1,700
VAT payable	73	73	-	2,992
Intercompany current account liabilities	574,048	574,048	-	989,513
Other liabilities	70,099	70,099	-	17,699
<b>TOTAL</b>	<b>683,700</b>	<b>683,700</b>	<b>-</b>	<b>1,044,513</b>

**Terms of payments**

The general terms of purchases were sixty days as from the date of issuance of the invoice except lawful or agreed contrary provisions between the parties.

The breakdown of accounts payable at the end of the financial year was as follows:

<i>(in € thousand)</i>	<b>31 December</b>	<b>Associated companies</b>	<b>Other</b>	<b>Overdue for more than one year</b>	<b>Overdue for less than one year</b>	<b>Invoices non due at 31 December</b>
<b>2014</b>						
<b>Accounts payable and liabilities</b>	<b>37,833</b>	<b>29,505</b>	<b>8,328</b>	<b>85</b>	<b>14,329</b>	<b>23,419</b>
	100.0%			0.2%	37.9%	61.9%
Accounts payable	15,282	14,070	1,212	85	14,329	868
Invoices to be received	22,551	15,435	7,116	-	-	22,551
<b>2013</b>						
<b>Accounts payable and liabilities</b>	<b>32,609</b>	<b>29,556</b>	<b>3,053</b>	<b>224</b>	<b>25,199</b>	<b>7,186</b>
	100.0%			4.3%	11.9%	83.8%
Accounts payable	25,753	25,122	631	224	25,199	330
Invoices to be received	6,856	4,434	2,422	-	-	6,856

**Deferred Expenses**

<i>(in € thousand)</i>	<b>31 December 2014</b>	<b>31 December 2013</b>
<b>Deferred Expenses included in the trade payable accounts</b>		
Invoices to be received	22,551	6,856
Other liabilities	490	497
State and employee related liabilities	188	287
<b>TOTAL</b>	<b>23,229</b>	<b>7,640</b>

**Note 11 Revenue****Revenue split**

	31 December 2014		31 December 2013	
	(in € thousand)	(%)	(in € thousand)	(%)
Trademark fees	110,324	94.6%	116,945	95.4%
Re-invoicing	2,229	1.9%	2,193	1.8%
Parental guarantees	4,095	3.5%	3,389	2.8%
<b>Total revenue by nature</b>	<b>116,648</b>	<b>100.0%</b>	<b>122,527</b>	<b>100.0%</b>
France	17,651	15.1%	20,137	16.4%
Foreign countries	98,997	84.9%	102,390	83.6%
<b>Total revenue by geographical area</b>	<b>116,648</b>	<b>100.0%</b>	<b>122,527</b>	<b>100.0%</b>

**Note 12 Other expenses****Expenses**

(in € thousand)	31 December 2014	31 December 2013
Expenses of the functions' Group	-32,428	-26,143
Directors' fees	-490	-497
Other expenses	-34	-13
<b>TOTAL</b>	<b>-32,952</b>	<b>-26,653</b>

Expenses detailed above mainly included marketing, communication, investor relations and human resources expenses invoiced by Atos International SAS and other holdings subsidiaries to the Company including fees paid to the International Olympic Committee.

Atos SE had no employee in 2014 and in 2013.

**Note 13 Financial result***(in € thousand)*

	<b>31 December 2014</b>	<b>31 December 2013</b>
Dividends received	45,096	104,793
Intercompany current account interests	3,318	2,683
Other financial assets income	22,161	8,989
Investment banking revenues	1,771	1,151
Reversal of provisions on investments in consolidated companies		89,617
Reversal of provisions on treasury stock		22
Reversal of other financial provisions	37,955	2,257
Disposal of short-term investment	1,037	904
Foreign exchange gains	131	3,355
Other financial income		11,241
<b>Total of the financial expenses</b>	<b>111,469</b>	<b>225,012</b>
Interests on borrowings	-4,757	-11,668
Securitisation interests	-1,669	-1,595
Intercompany loans interests	-18,202	-1,873
Intercompany current accounts interests	-20	-3
Provision for goodwill depreciation		-1,579
Provision for depreciation on investments in consolidated companies	-124,664	-68,643
Provision for deferred expenses	-4,629	-2,513
Other financial provisions	-2,204	-38,943
Short term borrowing interests	-3,448	-2,848
Foreign exchange losses	-203	-2,950
Other financial expenses	-18,374	-36,779
<b>Total of the financial expenses</b>	<b>-178,170</b>	<b>-169,394</b>
<b>NET FINANCIAL RESULT</b>	<b>-66,701</b>	<b>55,618</b>

Dividends received in 2014 were paid mainly by Worldline SA. The release of other provision was mainly due to the evaluation of participating interest and had been disclosed in the Note 8 Provisions.

The other financial expenses for € 18.4 million are mainly related to the:

- granting of the free shares for € 15.8 million;

- loss incurred on the NL pension fund for € 2.6 million between the amount paid in the share buy-back program (€ 115.6 million) and the value paid by Atos NL (€ 113.0 million).

The depreciation on investments has been disclosed in the Note 3 Financial Assets – Impairment.

The other financial provisions were mainly due to the evaluation of participating interest and had been disclosed in Note 8 Provisions.

**Note 14 Non-recurring items**

Non-recurring items coming from ordinary activities were those whose realization was not related to the current operations of the Company due to their unusual, abnormal and infrequent nature.

<i>(in € thousand)</i>	<b>31 December 2014</b>	<b>31 December 2013</b>
Selling price from disposal of financial investments	384,014	18,072
Other income	245	11,034
<b>Total of non recurring income</b>	<b>384,259</b>	<b>29,106</b>
Amortization of merger loss	-221	-445
Net book value of financial investments sold	-33,847	-91,000
Provisions for liabilities and charges		-9,645
Other expenses	-12,362	-2,354
<b>Total of non recurring expenses</b>	<b>-46,430</b>	<b>-103,444</b>
<b>NON RECURRING ITEMS</b>	<b>337,829</b>	<b>-74,338</b>

The proceeds from the sale of assets mainly come from the disposals of Worldline SA for € 384 million.

Net book value of participating interest includes the decreases of the investment disclosed in Note 3 and the costs linked to the sales of Worldline SA.

The provisions are disclosed in the Note 5; the other exceptional expenses include mainly the costs linked to the acquisition of participating interests.

**Note 15 Tax****Tax consolidation agreement**

As per Article 223-A of the French Fiscal Code, Atos SE signed a Group tax consolidation agreement with a certain number of its French subsidiaries with effect as of January 1, 2001.

Atos SE as parent company of the Group is designated as the only entity liable for the corporate tax of the Group tax consolidation.

The main features of the agreement are:

- The result of the consolidated companies is determined as if they had been taxed individually;
- Tax savings related to the use of the tax losses of the tax consolidation members will be only temporary since the subsidiaries concerned will still be able to use them;
- Atos SE is the only company liable for any additional tax to be paid in the event of an exit by a subsidiary from the Group.

**Decrease and increase of the future tax charge of Atos SE taxed separately**

At year end, decreases and increases of the future tax charge were broken down as follows:

<i>(in € thousand)</i>	<b>Basis Decrease</b>	<b>Basis Increase</b>
Non-deductible provisions for timing differences	-	236
<b>TOTAL</b>	<b>-</b>	<b>236</b>

No deferred tax assets or liabilities had been recognized.

### Breakdown between net income on ordinary activities and non-recurring items

<i>(in € thousand)</i>	Before tax	Computed tax	Net amount
Net income on ordinary activities	2,026	-	2,026
Non-recurring items and employee participation	337,093	-	337,093
Tax Charge	-	-2,726	-2,726
<b>TOTAL</b>	<b>339,119</b>	<b>-2,726</b>	<b>336,393</b>

At December 2014, there was no risk of repayment of the tax credit booked in the frame of the French tax consolidation as per the French tax consolidation agreement.

The tax that would have been paid in the absence of French tax consolidation was an expense of € 21.6 million. The result of

the fiscal consolidation is a profit of € 13.7 million before use of losses carried forward. After use of the losses carried forward the taxable profit 2014 was an amount of € 6.3 million with a tax charge of € 2.6 million. The total amount of the losses carried forward was € 241.5 million.

### Note 16 Off-balance sheet commitments

<i>(in € thousand)</i>	31 December 2014	31 December 2013
Performance Guarantees	3,810,685	3,238,115
Bank guarantees	324	325
<b>TOTAL</b>	<b>3,811,009</b>	<b>3,238,440</b>

For various large long term contracts, the Group provides performance guarantees to its clients. These limited guarantees amounted to € 3,810.7 million as of December 31, 2014, compared with € 3,238.1 million at the end of December 2013. This increase of € 572.6 million is mainly due to new parental guarantees issued in 2014 including the Ministry of Justice (The United Kingdom) for GBE 150.0 million (€ 190.7 million), Achmea Holding N.V. (The Netherlands) for € 180.7 million and Schlumberger (France) for € 112.3 million.

In the framework of the contract for the provision of IT services signed by Atos IT Services UK Limited with the International Olympic Committee (IOC), Atos SEE (Spain) has granted a full performance guarantee to the IOC by which it commits to perform the contract in case the signing entity (or any other affiliate to whom the signing entity could have assigned all or part of the rights and obligations under the contract) is unable to provide services required under the contract.

In relation to the multi-currency revolving facility signed in November 2014, Atos SE issued a parental guarantee to the benefit of the consortium of banks represented by BNP Paribas, in order to cover up to € 660.0 million the obligations of its subsidiary, Atos Telco Services B.V. and Atos International B.V.

Atos SE has given a € 204.0 million guarantee to Ester Finance in relation to a securitization program involving certain of its subsidiaries.

Atos SE or Atos International B.V. has given for various subsidiaries guarantees of general financial support at the request of auditors or to comply with local regulations.

Finally, as part of the general agreement with Siemens in respect of transfer of SIS UK pension liabilities, the Board of Atos SE, during its March 29, 2011 meeting, has agreed to provide a 20 year guarantee to the Atos 2011 Pension Trust set up to accommodate the transfer. The maximum amount of the guarantee is GBE 200.0 million.

## Note 17 Risk analysis

### Market risks: fair value of financial instruments

#### Cash at bank and short term deposits, trade accounts receivable, bank overdraft and trade accounts payable

Due to the short term nature of these instruments, the Group considers that the book value constitutes a reasonable estimate of their market value as of December 31, 2014.

#### Long and medium term liabilities

As of December 31, 2014, Atos SE presents a long and medium term liabilities of 200 million related to the syndicated loan.

### Liquidity risk

#### Syndicated loan

The major financing tool of Atos is a € 1.8 billion multi-currency revolving facility renewed on November 6, 2014. The maturity of the new revolving credit facility is until November 2019. Atos has an option to extend the maturity of the facility until November 2021; the facility is used to finance the needs of the group and replace the existing facility of € 1.2 billion with a maturity until April 2016.

The revolving credit facility includes the financial covenants which the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) may not be greater than 2.5 times under the multi-currency revolving facility.

#### Liquidity risk at December 31, 2014

Instruments	Fix/Variable	Line (in € million)	Maturity
Syndicated loan	Variable	1,800	November 2019
Securitization program	Variable	200	June 2018

#### Credit risk

The Group has a fully-integrated process concerning credit risk. In its trade relations, the Group manages its credit risk with a portfolio of diversified customers and follow-up tools.

Financially, the Group monitors the credit risk on its investments and its market operations by rigorously selecting leading

#### Securitization program

Atos securitization program of trade receivables has been renewed for 5 years on June 18, 2013 for 5 years with an amount maximum of receivable sold of € 500.0 million and an amount of financing of maximum € 200.0 million.

The new program is structured with two compartments, called ON and OFF:

- Compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold;
- Compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity.

As of December 31, 2014, Atos SE has sold:

- in the compartment "ON" € 314.2 million in receivables of which € 10.0 million were received in cash;
- in the compartment "OFF" € 41.5 million in receivables of which all risks and rewards associated with the receivables was transferred to a third party financial institution.

The Group aligned its contractual obligations under this program on the most favorable conditions of the renewable multicurrency credit facility described above.

financial institutions and by using several banking partners. The Group thus considers its credit risk exposure as being limited.

#### Market risk

The group monetary assets comprise receivables and loans, securities investments and cash at bank. Monetary liabilities comprise financial, operating and other liabilities.



**Interest rate risk**

The exposure to interest rate risk encompasses two types of risks:

- a price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the Company is exposed to potential opportunity losses should interest rates fall. A change in interest rates would impact the market value of fixed-rate financial assets and liabilities. However, this loss of opportunity would not impact financial income and expenses as reported in the Company's Income Statement and, as such, future net income of the Company up to maturity of these assets and liabilities;

- a cash-flow risk on floating-rate financial assets and liabilities. The Company considers that a variation in rates would have little effect on floating-rate financial assets and liabilities.

Atos objective is to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the existing floating-rate financial debt. Authorized derivative instruments used to hedge the debt are swap contracts, entered into with leading financial institutions and centrally are managed by the Group's treasury department.

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**Note 18** **Related parties**

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There is no transaction made by the Company (trade mark fees, financing operations and tax consolidation) that were not performed under market conditions.





# F

## Risks analysis

[G4-14]

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F



The Company conducted a review of risks that could have a material adverse impact on its business, or results (or its ability to achieve its objectives) and considers that there are no significant risks other than those presented hereafter.

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## F1 External risk factors

[G4-I3]

### F1.1 The market

Faced with major budgetary pressure, Government and Public Services are delivering breakthrough performance improvement through the digitalization of their processes and citizens relationships.

Challenged by low interest rates, low volatility, and new capital adequacy regulations, Financial Services companies are refocusing their portfolio of businesses and keeping a strong focus on Operational excellence and cost optimization.

Manufacturing customers have seen an improvement of their profitability, due to productivity improvement programs completed in the recent past, which allows for increase in IT investments especially to support growth.

Faced with the continuing changes in regulations and even more aggressive competition, Telecom, Media & Utilities companies are transforming to data-driven business models supported by Cloud and Big Data.

### F1.2 Country risks

Atos operates in 66 countries. Some countries are more exposed than others to political or economic risks that may affect the Group's business and profitability.

The Group makes a periodic Strategic Operational Review of its activities in order to fully revisit all options in respect of portions of the business which would not have the critical size on their market, as well as activities considered as being non-core business.

### F1.3 Clients

The Group delivers services to a large number of clients which are large international groups or public organizations throughout different markets and countries, which limits its

risk of dependency on one particular client. The Group's top 10 customers generated 28% of total Group revenues in 2014 and the top 50 customers generate 51% of total Group revenues.

### F1.4 Suppliers

Atos works hard to consolidate its expenses with a small number of key vendors across all categories and in particular for the supply of software used in the design, implementation and operation of IT systems. While there are alternative solutions for most software, there is always the chance of possible failure of those suppliers to continue producing innovative software, or the inability to renew agreements on acceptable terms, which may have an adverse impact on Atos operations.

Major risks associated with key IT, Non-IT and Staffing vendors are managed by the Global Procurement function. This function is responsible for managing the cost base of Atos and with

managing vendors including their identification and selection, input into customer bids, contract negotiation and signature, cost savings actions, innovation ideas and their overall relationship with Atos.

Regarding the ranking of the main vendors of Atos, the largest one accounted for 4.1% of total Group purchases in 2014, the five biggest represented 13.2% of the total and the ten biggest amounted to 21.2%.

At December 31, 2014, there was no binding commitment with vendors for capital expenditures higher than € 5 million.

## F.1.5 Partnerships and subcontractors

[G4-10] and [G4-EC8]

Atos sometimes relies on partners and/or subcontractors to deliver services in particular contexts. Having recourse to third parties is a common practice in the industry but represents a business risk that must be closely monitored on the basis of quality, cost, delivery, innovation, management and sustainability requirements.

Partnerships may be formed or subcontractors may be used in areas where the Group does not have the specific expertise necessary to fulfill the terms of a particular contract or requires such skills for a limited period of time only, or to comply with

local legislation. All requests to enter into partnerships or use subcontractors are initiated locally by the operational team evaluating the proposal or in specific case at Group level.

Subcontracting is managed by Global HR Workforce Managers working in the GBU's; but the commercial relationship is through contracts negotiated by the Global Procurement function.

At the end of 2014, the Group had around 4,700 full-time equivalents (FTE) subcontractors working across more than 49 countries.

## F.1.6 Counterparty risk

Payments services expose Atos to a counterparty risk in the case a counterparty (mainly card issuer client) would be in default while the clearing and settlement are processed (which may take a few days depending on the type of processing, the day of the week and the card scheme).

To mitigate these risks, Worldline has developed a methodology for:

- defining the type of risk, calculating and managing risk exposures;
- evaluating and monitoring its counterparties' financial standing.

The main objective is to mitigate the impact of significant counterparty credit events on the Company. This framework has been fully implemented for banks and is being implemented for merchants.

# F.2 Business risks

[G4-13]

## F.2.1 Technology and IT risks

IT system breakdowns could be critical both for the Group's internal operations and its customers' needs in respect of the services provided. The Group has implemented specific programs and procedures to ensure the proper management of IT risks, covering security and back-up systems and effective insurance cover.

IT production sites, offshore development centers, maintenance centers and data-centers are specifically subject to extensive administrative and technical procedures for safeguarding and monitoring, covering physical and IT system access, energy supply breakdown or disruption, fire, regulation of extreme temperature changes, data storage and back-up, contingency and disaster recovery plans.

Atos has also deployed an information security management system relying on ISO 27001 standard (which for most of it is certified) for strengthening its defense capabilities and for preventing unauthorized access to information and systems.

However, the visibility of Atos and its clients may attract hackers to conduct attacks on Atos systems that could compromise the security of data. An information breach in the system and loss of confidential information (especially in payments activities) could have a longer and more significant impact on the business operations than a hardware failure. The loss of confidential information could result in losing the customers' confidence and thus the loss of their business, as well as imposition of fines and damages.

In order to minimize the impact of security incidents, reduce delay of reaction and enforce its cyber security defenses, Atos has implemented a CSIRT (Computer Security Incident Response Teams) that centralizes all security events and security incidents worldwide, coordinates remediation actions on a 24x7 basis follow the sun while providing forensic and threat management forces and expertise.

## F.2.2 Risks related to contracts and project performance

The IT services provided to customers are sometimes a critical element for the performance of their commercial activities. Oftentimes IT solutions also play a key role in the development of their businesses. Any inadequate implementation of sensitive IT systems or any deficiency in the performance of services, either related to delays or to unsatisfactory levels of services, may result in significant prejudicial consequences for clients and may result in penalty claims or litigations.

Below are some of the key risks Atos needs to manage:

- degraded performance resulting from third party products and/or product customization:** Systems Integration frequently involves products (whether software or hardware, standard or adapted or specifically developed for customized requirements) designed and developed by third parties and which, by definition, the IT service provider cannot control. In addition, the particular requirements of certain clients who wish for specific functionalities may disrupt the operation of the product or generate significant delays or difficulties in providing the services;
- exposure due to assessment or delivery failures:** Also, it is a practice of the IT sector to enter into certain contracts on a fixed-rate basis whereas other contracts are invoiced according to the service provided. For fixed-rate contracts, an under assessed scope of the provided services or dedicated resources to a specific project may lead to a budget or agreed timeframe overrun, and lead to an operating loss, by exceeding budget or payments of penalties for late performance.

The Group seeks to minimize the risks described above through a rigorous review processes right from the offer stage. A dedicated specific process is in place, called Atos Rainbow, under which service proposals are reviewed, with an inventory of risks being kept for tracking purposes. This process also covers the execution phase of the contract, including updates of the risk registers. This allows the Group to take any mitigating action where appropriate and follow up on outstanding actions.

In order to further strengthen Atos' operational excellence, a Group Contract Management program was launched in 2013 on major accounts to globalize and homogenize contract management activities, combining risk management, contractual obligations and performance management.

## F.2.3 Acquisition/External growth risk

Acquisitions/external growth operations may have adverse impacts on the achievement of the Group's objectives, especially in the case of:

- under-performing contracts which were not properly identified during the acquisition process;
- ineffective integration efforts preventing expected level of synergies from being reached or ineffective integration of employees.

In the context of the acquisition of Bull, Atos has rolled out an integration program closely monitored by General Management through a weekly "Integration Committee". This program aimed to improve efficiency in Bull activities through the use of Atos best practices, and included notably an in-depth review of contracts at risk in all countries in order to assess properly the fair value of contracts and implement corrective actions.

## F.2.4 Human Resources

### F.2.4.1 Dependence on qualified personnel

In today's IT services market, companies remain dependent on the skills, the experience and the performance of their staff and the key members of their management teams. The success of organizations in this field depends on their ability to retain key qualified staff and to use their competences for the benefit of customers. Therefore, Atos is focused on providing challenging career opportunities and job content. Over the reporting period,

Atos has been able to continue its focus on employability furthermore developing the workforce management and offering better career perspective supported by competency development through the Atos University programs, with particular efforts on e-learning solutions and on sales workforce in 2014.

### F.2.4.2 Employee attrition

To enhance the Group ability to attract and retain staff, the Human Resources department has developed competitive rewarding structures. In addition it has continued to strengthen the internal offerings for training and development programs through the Atos University using e-learning techniques. During 2014, specific attention was paid to key skills, such as Sales, Project Management, SAP, Lean and Talent Development,

resulting in lower rates of attrition in the targeted groups of people. Meanwhile, wider distance learning opportunities have been made available for thousands of employees on English language, as well as IT and business topics.

These programs allowed faster adaptation of people to client needs and led to greater mobility, which also helped to balance attrition.

### F.2.4.3 Offshoring

Atos increasingly fulfils its client contracts using offshore facilities in order to optimize its cost structure. Offshoring is used in Systems Integration and Managed Services. To keep up with increasing demand, the Group developed its offshore capacity with more than 18,000 staff at the end of December 2014, mainly based in India. The combination of insourcing and offshoring for the delivery of projects led the Group to adapt

and optimize the insourced resources to other contracts. Given Atos' ongoing need to attract and to deploy Human Resources, the Group made sure it was able to optimize resource utilization rate. The Group processes in this area are mature and the offshore facilities of the Company have been certified. Atos is therefore well positioned and ready in any case of business risks associated with offshoring.

## F.3 Compliance and reputation risk

### F.3.1 Regulatory risks

The activities of the Group are in general not subject to specific legal, administrative or regulatory authorizations.

However, activities related to payments in Belgium have been subject since 2011 to the European Payments Institution

regulation. A dedicated follow-up is performed to ensure that the requirements of this regulation are met by the entities concerned.

### F.3.2 Personal data protection

As an employer and as a service provider, Atos is regularly exposed to Personal Data Protection regulations, which protect the identity, privacy and liberties of individuals in the digital world. Compliance with those regulations, when managing and storing personal data, requires a good understanding of each specific situation and local regulations. Claims related to the non-respect of personal data could affect the Group's

reputation and have a negative impact on the Group's business. Atos has therefore deployed a data protection organization in its main entities to provide training, support and expertise to the operations. On November 4, 2014, Atos has obtained the approval by the European Data Protection Authorities of its Binding Corporate Rules (BCR) for processing personal data on behalf of its clients and for itself.

### F.3.3 Export control and sanctions regulations

As part of its general compliance program, Atos has reinforced the checks regarding export control and sanctions regulations in early 2014: Said checks are now included in the mandatory "RAINBOW" business reviews. During 2014, a specific focus has been given to the sanctions and embargo regulations.

In 2015, the checks in this area of regulation will be further increased, also benefitting from the expertise brought by Bull in this field.

### F.3.4 Intellectual property protection

The Group's intellectual property may be challenged or infringed and the Group may be subject to infringement claims or license requirements under open source.

The Group relies on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect its proprietary technology. Third parties may challenge, invalidate, circumvent, infringe or misappropriate its intellectual property.

While the Group strives to ensure that its intellectual property is sufficient to permit to conduct its business independently, others, including its competitors, may develop similar technology, duplicate its services or design around its intellectual property. In such cases the Group could not assert its intellectual property rights against such parties or may have to obtain licenses from these third parties (including in the context of cross license agreements, pursuant to which the Group would also grant a license under its intellectual property). The Group may have to litigate to enforce or determine the scope and enforceability

of its intellectual property rights, trade secrets and know-how, which is expensive, could cause a diversion of resources and may not prove successful. The loss of intellectual property protection or the inability to obtain third party intellectual property could harm the Group's business and ability to freely operate.

Due to their complexity, the technology domains addressed by the Group are subject to an increase in the number of risks related to intellectual property but also in the financial impact they may have. In order to tackle these risks and to manage them efficiently, the Group develops its own strategy by means of specific governance and is providing dedicated resources which are entrusted with the implementation of appropriate policies and processes. This governance is headed by an intellectual property steering committee which convenes on a quarterly basis and gathers top management representatives and internal stakeholders and ramifies deeply into operations by means of an Intellectual Property Managers network active at Service Lines or local level.

### F.3.5 Reputation risks

Media coverage of possible difficulties, especially related to the implementation of significant or sensitive projects, could affect the credibility and image of the Group vis-a-vis its customers, and consequently, its ability to maintain or develop some activities.

A crisis management policy, at Group and Service Line levels, ensures that an appropriate response and escalation to the appropriate level of management are performed in case of major incidents.

## F.4 Financial markets risks

Atos has not been affected by the liquidity crisis that has impacted the financial markets over the past years.

The Group proceeds to a specific review of its liquidity risk and considers itself as being able to face future requirements. Atos' policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and future developments.

On November 7, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021. The facility is available for general corporate purposes and replaced the existing € 1.2 billion facility signed in April 2011.

Atos renewed its securitization program of trade receivables on June 18, 2013 for 5 years, with a maximum amount of transferable receivables of € 500.0 million and a maximum financing amount of € 200.0 million.

The new program is structured into two compartments, called ON and OFF:

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold; This compartment was used at its lower level;
- compartment "OFF" is designed so that the credit risk (insolvency and overdue) of the debtors eligible for this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

Securitization program financial covenants are in line with those of the € 1.8 billion multi-currency credit facility.

More details on liquidity risk, cash flow interest rate risk, foreign exchange risk, market value of financial instruments, price risk and credit risk are described in section E.4.7.3 Financial risk management of this document and in Note 23 to the consolidated financial statements (E.4.7.4).

The risk on shares is limited to treasury shares.

## F.5 Risk management activities

In addition to managing the risk embedded in each process, dedicated activities are also deployed for a transversal management of risks.

### F.5.1 Business risk assessment and management

Atos has a robust business risk management approach reinforced during the last years, based on specific processes and organization.

### F.5.2 Business risk management system

Atos Rainbow™ is a set of procedures and tools that provides a formal and standard approach to bid execution and contract monitoring. The Group operates a risk management system that facilitates the analysis (by identification and assessment) and treatment (by control and financing) of business risks throughout the life cycle of a project. This process is integrated with the control and approval process when entering into new contracts. The objective is to ensure that the Group only bids for projects that can be delivered effectively and to provide an

early warning system for any project that encounters problems or diverges from its original targets. Specifically, the risk management process:

- identifies potential exposures, including technical, legal and financial risks that could have an impact during the life cycle of the project;
- evaluates, both qualitatively and quantitatively, the significance and materiality of any such exposures;



## Risks analysis

### F5 Risk management activities

- ensures that appropriate and cost-effective risk control or risk mitigation measures are initiated to reduce the likelihood and impact of negative outcomes on the project; and,
- manages residual exposure through a combination of external risk transfer instruments and internal contingency reserves in order to optimize the use of exposed capital.

All operational contracts are monitored on a monthly basis using the Rainbow Delivery Dashboard, providing status on both financial, delivery and technology, customer, legal and supplier KPI's.

#### F.5.2.1 Bid Control and Business Risk Management organization

The control and approval process governing the bidding and contracting activities report to the Group Senior Vice President for Bid Control and Business Risk Management, ensuring the capturing and ongoing tracking of risks identified at the bidding stage throughout the delivery cycle.

Bid Control and Business Risk Management report directly to the Group Chief Financial Officer, with the risk managers in the GBUs and the Global Service Lines reporting directly to the Group Senior Vice President for Bid Control and Business Risk Management, shortening the lines of command.

#### F.5.2.2 Group Risk Management Committee

A Group Risk Management Committee convenes on a monthly basis to review the most significant contracts and the sensitive ones. The Committee is chaired by the Group CFO and lead by the Senior Vice President for Bid Control and Business Risk Management. Permanent members of the Committee include the Senior Executive Vice President Operations, Executive Vice Presidents in charge of the Global Service Lines and several

other representatives from the Global Functions, including Finance, and Legal. Twice a year, the Audit Committee conducts a thorough review of all the major contracts considered to be high risk; these are updated quarterly. Either the global Service Lines or the Risk Management Committee perform the monitoring.

### F.5.3 Insurance

Global insurance policies have been taken out with reliable international insurance companies, providing the Group with appropriate insurance coverage for its worldwide operations. The total cost of these policies in 2014 represented circa 0.20% of total Group revenue.

The most important global insurance programs are bought and managed centrally at renewal on January 1 for Liability insurance and on April 1 for Property Damage and Business Interruption insurance. In 2014, the Property Damage and Business Interruption policy and Professional Indemnity policies were both renewed for limits respectively of € 200 million and € 150 million. Several additional policies cover insurable business risks such as general liabilities or car fleet, and are maintained at cover limits commensurate with the Group's size and risk exposures.

Deductible retentions are used both to promote good risk management practices and to control the quantity of claims and level of premiums.

Each country also contracts insurance policies in accordance with local regulations, customs and practice. These include employers' liability, workers compensation and employee travel.

Atos' wholly-owned reinsurance company provides insurance for some layers of the property policy and professional indemnity policies, which are the most critical policies for the Group's operations.

Insurable losses are not a frequent occurrence. This is partly due to quality risk management processes deployed at all key locations to protect assets from fire and other unexpected events as well as ensuring business continuity in the event of damage or loss. In offers and contracts a uniform and mandatory process of risk management is used as described in previous chapter.

Risks are also monitored by the Underwriting Committee of the Atos reinsurance company who maintains adequate net equity and technical reserves commensurate with the level of insured risks, and ensures a satisfying diversification of external reinsurer. The Underwriting Committee also carries out regular surveys and analysis to monitor the relevance of Atos' insurance cover.



## F.6 Claims and litigation

The Atos Group is a global business operating in some 66 countries. In many of the countries where the Group operates there are no claims, and in others there are only a very small number of claims or actions made involving the Group. Having regards to the Group' size and revenue, the level of claims and litigation remains low.

The low level of claims and litigation is attributable in part to self-insurance incentives and the vigorous promotion of the quality of the services performed by the Group and the intervention of a fully dedicated Risk Management department, which effectively monitors contract management from offering through delivery and provides early warnings on potential issues and issues. All potential and active claims and disputes are carefully

monitored, reported and managed in an appropriate manner and are subject to legal reviews by the Group Legal department.

During the second half-year of 2014 some significant claims made against the Group were successfully resolved in terms favorable to the Group.

Group Management considers that sufficient provisions have been made.

The total amount of the provisions for litigation risks, in the consolidated accounts closed as of December 31, 2014, to cover for the identified claims and litigations, added up to € 92.28 million (including tax and social contribution claims but excluding labour claims).

### F.6.1 Tax and Social Contribution claims

The Group is involved in a number of routine tax & social contribution claims, audits and litigations. Such claims are usually solved through administrative non-contentious proceedings.

A number of the tax & social contribution claims are in Brazil, where Atos is a defendant in some cases and a plaintiff in others. Such claims are typical for companies operating in this region. Proceedings in this country usually take a long time to

be processed. In other jurisdictions, such matters are normally resolved by simple non-contentious administrative procedures.

Following the decision in a reported test case in the UK, there is substantial ongoing court claim against the UK tax authorities for a tax (Stamp Duty) re-imburement of an amount over € 9 million.

The total provision for tax & social contribution claims, as inscribed in the consolidated accounts closed as at December 31, 2014, was € 17.26 million.

### F.6.2 Commercial claims

There are a small number of commercial claims across the Group. Litigations are handled by the Group Legal department.

Some claims were made from 2006 by a company for services allegedly supplied to the Group in the past. After a thorough investigation, the Group concluded that the claims were not legitimate. These claims were thus rejected, no payment was made by the Group and, consequently, several judicial proceedings were made. These proceedings are still pending before the courts.

The Group is facing a very small number of IP cases of a highly speculative nature in which the claims are heavily inflated and without merit.

There were a number of significant on-going commercial cases in various jurisdictions that the Group acquired through the acquisition of Siemens IT Solutions and Services, and more recently, with the acquisition of Bull Group. Some of these cases involve claims on behalf of the Group and in 2014 a number were successfully resolved.

The total provision for commercial claim risks, as inscribed in the consolidated accounts closed as at December 31, 2014, was € 75.03 million.



### F.6.3 Labor claims

There are over 86,000 employees in the Group and relatively few labour claims. In most jurisdictions there are no or very few claims. Latin America is the only area where there is a significant number of claims but such claims are often of low value and typical for companies operating in this region.

The Group is a respondent in a few labor claims of higher value in Brazil and the UK, but in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

There are 19 claims against the Group which exceed € 300,000. The provision for these claims, as inscribed in the consolidated accounts closed as at December 31, 2014 was € 2.88 million.

### F.6.4 Representation & Warranty claims

The Group is a party to a very small number of representation & warranty claims arising out of acquisitions/dispositions.

### F.6.5 Miscellaneous

To the knowledge of the Company, there are no other administrative, governmental, judicial, or arbitral proceedings, pending or potential, likely to have or having had significant

consequences over the past semester on the Company's and the Group's financial situation or profitability.



# G

## Corporate governance and capital

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## G.1 Management of the Company

Thierry Breton has been the Chairman and Chief Executive Officer of the Company since February 10, 2009 when the statutory governance was changed from a Supervisory Board and Management Board system to a system with a Board of Directors. This evolution has simplified and unified the governance by adapting it to the Company's situation. On the occasion of the vote concerning the Company's transformation from a "Société Anonyme" (public limited-liability company) into a "Societas Europaea" (European public limited-liability company or "European company") decided by the Annual

General Meeting of May 30, 2012, this unitary Board structure was upheld by the shareholders in the Articles of Association of the Company that were submitted for their approval, and Thierry Breton's mandate as Director was renewed. The Board of Directors then confirmed the choice of governance by deciding to unify the functions of Chairman and Chief Executive Officer and confirming Thierry Breton as Chairman and Chief Executive Officer for his three-year term of office.

The reason for this management structure is detailed hereunder in the section entitled "Management Mode".

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## G.2 Legal Information

### G.2.1 Transformation into a Societas Europaea (European Company)

[G4-7]

The Company, which was initially incorporated as a "Société Anonyme" (public limited-liability company) was transformed into a European public limited-liability company ("Societas Europaea" (European Company) or "SE") pursuant to a decision of the Extraordinary General Meeting of May 30, 2012. It is governed by applicable European Community and national provisions on "Sociétés Anonymes" as well as by the Articles of Association.

Following the acquisition of SIS, a subsidiary of Siemens on July 1, 2011, the Company became a leading information technology services provider in Europe. The new scope of the Company has expanded and has been strengthened by new European offices and especially in Germany, in Northern Europe, Eastern Europe and Central Europe. In order to reflect this enhanced European dimension, the Board of Directors of the Company suggested in 2012 changing the Company's form from a French "Société Anonyme" to a "Societas Europaea" (European Company). As a result, the Company now benefits from a homogeneous framework within the European Union, as this legal status is recognized in most countries where it operates, consistent with its new economic reality, both relating to its employees and to its customers.

The Board of Directors held on December 20, 2012 acknowledged that the conditions for the transformation had been met and,

since January 8, 2013, Atos SE has been registered as a "Societas Europaea" (European company) with Board of Directors in the Pontoise Trade and Companies Register.

The effects of the transformation from a "Société Anonyme" into a "Societas Europaea" (European company) are limited:

- the transformation of the Company into a "Societas Europaea" (European company) does not lead to the dissolution of the Company nor does it entail the creation of a new legal entity;
- the term, the corporate purpose and the registered offices of the Company are not modified;
- the share capital still remains at the same amount and the same number of shares with a nominal value of one euro each; these shares are still traded on the Euronext Paris stock exchange;
- the duration of the financial year is not modified as a result of the adoption of the "Societas Europaea" (European Company) corporate form and the financial statements are drawn up, presented and controlled under the terms and conditions set forth in the Company's Articles of Association under its new corporate form and the provisions of the French Commercial Code regarding the "Societas Europaea" (European Company).

## G.2.2 Corporate purpose and other information

- **Corporate purpose:** under article 2 of the Articles of Association, the Company's purpose in France and elsewhere is as follows:
  - the processing of information, systems engineering, studies, advice and assistance notably in the finance and banking sectors;
  - the research into, study, realization and sale of products or services which help in promoting or developing the automation and broadcasting of information and notably: the design, application and implementation of software, computer, on-line and office automation systems;
  - it can also operate, either by itself or using any other method, without any exception, or create any company, make all contributions to existing companies, merge or create alliances therewith, subscribe to, purchase or resell all shares and ownership rights, take all interests in a partnership and grant all loans, credits and advances; and
  - more generally any commercial, industrial, real-estate, movable property or financial transactions, either directly or indirectly related to one of the above mentioned purposes.
- **Company name:** The corporate name of the Company has been changed to "Atos SE" (previously "Atos") upon the transformation into a "Societas Europaea" (European Company) (article 3 of the Articles of Association).
- **Nationality:** French.
- **Registered office and principal place of business:** Under article 4 of the Articles of Association, the registered offices of Atos SE are located at 80 quai Voltaire – 95870 Bezons, France – +33 (0) 1 73 26 00 00;
- **Registered** in the Pontoise under Siren number 323 623 603.
- **Business identification code (APE code):** 7010Z.
- **Date of incorporation and term:** The Company was incorporated in 1982 for a period of 99 years, i.e. up to March 2, 2081.

## G.2.3 Provisions of the Articles of Association

### Members of the Board of Directors (articles 13, 14 and 15 of the Articles of Association)

The Company is managed by a Board of Directors composed of a minimum of three members and a maximum of twelve members that are appointed by the Ordinary General Meeting of shareholders. The Board of Directors will be renewed annually by rotation in such a way as to allow a rotation of one third of the members of the Board of Directors. The term of office of the Directors is three years. The number of members of the Board of Directors over the age of 70 must not be greater than one third of the total serving members. Pursuant to an amendment to article 15 of the Articles of Association, as approved by the Combined General Meeting held on May 29, 2013, each Director now is required to own at least 500 Company shares during the term of his or her office (this rule however does not apply to the Director representing employee shareholders).

### Chairman (article 21 of the Articles of Association)

The Board of Directors elects a Chairman from among its members. The Chairman represents the Board of Directors. He organizes and directs the Board's activities, on which he reports at General Meetings of Shareholders. He oversees the proper functioning of the Company's bodies and makes sure, in particular, that the Directors are able to carry out their assignments.

### Chief Executive Officer (article 23 of the Articles of Association)

Pursuant to the choice made by the Board of Directors, the general management is handled either by the Chairman, or by an individual appointed by the Board of Directors who has the title of Chief Executive Officer. The Chief Executive Officer has the broadest powers to act in all circumstances in the name

of the Company. He exercises these powers within the limits of the Company's purpose and what the law, the Articles of Association and the internal rules of the Board of Directors expressly assign to the General Meetings of shareholders or the Board of Directors. The Chief Executive Officer represents the Company in its relationship with third parties.

### Notices to attend Board meetings and decisions of the Board of Directors (article 18 of the Articles of Association)

The Board of Directors convenes as often as the Company's interest demands and at least every three months. Notice of Board meetings is sent to Directors by the Chairman. If no Board meeting has been called for over two months, at least one third of the Directors are empowered to ask the Chairman to call a meeting in order to handle the specific matters included on the agenda. The Chief Executive Officer is also empowered to ask the Chairman to call a Board meeting in order to discuss specific matters included on the agenda. Decisions are taken by majority of the members present or represented. In the event of a tie in the voting, the Chairman has a casting vote.

### Powers of the Board of Directors (article 17 of the Articles of Association)

The Board of Directors determines the orientations of the Company's business and monitors their implementation. With the exception of powers expressly assigned to General Meetings of shareholders and within the limits of the Company's purpose, it handles all matters involving the proper functioning of the Company and settles matters through its deliberations. The Board of Directors sets the limitation of the Chief Executive Officer's powers, where required, in its internal rules, by indicating the decisions which require a prior authorization of the Board of Directors.

### Related-party agreements (article 25 of the Articles of Association)

Any agreement entered into (directly, indirectly or through an intermediary) between the Company and its Chief Executive Officer, one of its Deputy Chief Executive Officers, any of its Directors or one of its shareholders holding a fraction of the voting rights greater than 10% or, if it is a Company shareholder, the company that controls it in the meaning of article L. 233-3 of the French Commercial Code, must receive the prior authorization of the Board of Directors. Agreements between the Company and another company, if the Chief Executive Officer, one of the Deputy Chief Executive Officers or one of the Directors of the Company is an owner, indefinitely responsible partner, manager, Director, member of the Supervisory Board or,

in general, a senior manager of this company, are also subject to prior authorization. Such prior approval does not apply to agreements covering standard operations that are concluded under normal conditions.

### Directors' compensation (article 20 of the Articles of Association)

The members of the Board of Directors may receive as Directors' fees (jetons de presence), a compensation, the aggregate amount of which, as determined by the General Meeting, is freely allocated by the Board of Directors. The Board of Directors may in particular allocate a greater share to the Directors who are members of the committees.

## Rights, privileges and restrictions attached to shares

### Voting rights

Each share carries one voting right. There is no share with double voting right.

### Participation in General Meetings of Shareholders (article 28 of the Articles of Association)

All shareholders may participate in General Meetings either in person or by proxy. All shareholders may be represented by their spouses, by another shareholder, or by partners with whom a civil solidarity pact ("PACS") has been concluded. They may also be represented by any other natural person or legal entity of their choice. The proxy must show evidence of this delegation.

The right of shareholders to participate in General Meetings is subject to the registration of the shares in the name of the shareholder or the financial intermediary registered on its behalf according to the regulations in force. Such financial intermediaries shall deliver to holders of bearer shares a shareholding certificate ("Participation certificate") enabling them to participate in the General Meeting.

The shareholders, upon decision of the Company's Board of Directors, may take part in General Meetings through video conference or by telecommunication means, including the internet. Article 28 of the Articles of Association provides for the terms and conditions of shareholders' participation in General Meetings in particular by means of an electronic voting form made available on the Company's website. Until now, this procedure has not been used by the Board of Directors.

### Identifiable bearer shares

The Company may proceed to the identification of holders of bearer shares at any time (article 9 par. 3 of the Articles of Association).

### Changes to shareholders' rights

Any amendment to the Articles of Association, which set out the rights attached to the shares, must be approved by a two-thirds majority at an Extraordinary General Meeting. A unanimous shareholder vote is required to increase the liabilities of shareholders.

### Terms and conditions for calling and general conduct of Ordinary General Meeting and Extraordinary General Meeting

General Meetings of shareholders are considered to be "Extraordinary" when the decisions relate to a change in the Articles of Association or Company's nationality or where required by law; and, "Ordinary" in all other cases. The Extraordinary General Meeting rules by a majority of two-third of the expressed votes, and the Ordinary General Meeting rules by the majority of expressed votes; expressed votes do not include blank and null votes of the present or represented shareholders, or shareholders voting by mail (articles 34 and 35 of the Articles of Association).

General Meetings are called and conducted in accordance with the terms and conditions of French law.

### Disclosure of threshold crossing (article 10 of the Articles of Association)

In addition to the thresholds defined by applicable laws and regulations, all private individuals and legal entities, acting alone or in concert, who acquire, directly or indirectly, a fraction of the share capital equal to or greater than 2% or, following a shareholding of 2%, any multiple of 1% are required to inform the Company, by registered letter with return receipt requested, within 5 trading days from the date on which one of these thresholds is crossed, of the total number of shares, voting rights or securities giving access to the share capital or voting rights of the Company held by them.

Failure to comply with the above requirements results in rescission of the voting rights attached to those shares relating to the unreported fraction at all General Meetings of Shareholders held during a two-year period following the date or regularization filing of the aforementioned notice. Application of this penalty is subject to a request by one or more shareholders holding at least 5% of the Company's share capital or voting rights mentioned in the minutes of the General Meeting.

The same information obligation applies, within the same terms and conditions, each time the fraction of the share capital or voting rights of a shareholder decreases to less than one of the above-mentioned thresholds.

## Financial statements (articles 37, 38 and 39 of the Articles of Association)

### Legal Reserve

5% of the statutory net profit for each year, reduced by prior losses if any, has to be allocated to the legal reserve fund before dividends may be paid with respect to that year. Funds must be allocated until the amount in the legal reserve is equal to 10% of the share capital, and shall be allocated again if, for any reason whatsoever, the legal reserve falls below that threshold.

### Approval of dividends

Dividend payments are approved by General Meeting of Shareholders, in accordance with articles L. 232-12 to L. 232-18

of the French Commercial Code. The General Meeting of shareholder may offer the Shareholders, for all or part of the dividend available for distribution, an option for cash payments or payments in the form of new shares of the Company under the terms and conditions set by law.

### Control of the issuer

No provisions in the Articles of Association, or in any charter or regulation, may delay, postpone or prevent a change of control in the Company's management.

## G.2.4 Board of Directors

[G4-39]

The Company's Annual General Meeting held on May 27, 2014 approved the renewal of the terms of office of the Directors Colette Neuville and Nicolas Bazire, Roland Busch and Michel Paris. The term of office of Lionel Zinsou-Derlin which expired at the General Meeting was not renewed. Jean-Paul Béchat died in November 2014 and was not replaced as of December 31,

2014. As a result the Board of Directors was composed of 11 members as of December 31, 2014, as listed below. It is additionally specified that Michel Paris resigned from his office as Director and Member of the Audit Committee of the Company with effect as of the end of the Board of Directors meeting dated March 26, 2015.

## Composition of the Board of Directors

### Thierry BRETON

**Number of shares:**  
406,914

**Date of birth:**  
January 15, 1955

**Nationality:**  
French

**Date of renewal:**  
May 30, 2012

**Term expires on:**  
AGM ruling on the accounts of the 2014 fiscal year

#### Biography - Professional Experience

##### Chairman and Chief Executive Officer of Atos SE

Thierry Breton graduated from the Paris École Supérieure d'Électricité (Supelec), and the *Institut des Hautes Études de Défense Nationale* (IHEDN, 46<sup>th</sup> class). In 1986, he became Project Manager of the Poitiers Futuroscope theme park, and then headed its teleport operations. He later served as an advisor to Education Minister René Monory in the area of new information technologies. He also served in the Poitou-Charentes Regional Council from 1986 to 1992 (as Vice-Chairman from 1988 on).

He then joined Bull as Director of Strategy and Development before becoming Deputy Managing Director. Member of the Board of Directors in February 1996, he was successively named Vice-Chairman of the Board then group delegated Director.

After being appointed Chairman and Chief Executive Officer of Thomson (1997-2002) then Chairman and Chief Executive Officer of France Telecom (2002-2005), he was France's Minister for the Economy, Finance and Industry between February 25, 2005 and May 16, 2007, before becoming a professor at Harvard University (USA) for "Leadership, Corporate Accountability".

In November 2008, he became Chairman of the Management Board of Atos Origin. He is today Chairman and Chief Executive Officer of Atos SE.

#### Directorships and positions

##### Other directorships and positions as at December 31, 2014

###### France:

- Chairman of Board of Directors: Worldline\*\*, Bull
- Director: Carrefour SA\*\*, Sonatel\*\*

##### Previous positions held

- Minister of Economy, Finance and Industry (France)
- Chief Executive Officer of Atos International

\*\* Listed company.

**Nicolas BAZIRE\***

Chairman of the Nomination and Remuneration Committee

**Number of shares:**  
1,012

**Date of birth:**  
July 13, 1957

**Nationality:**  
French

**Date of renewal:**  
May 27, 2014

**Term expires on:**  
AGM ruling on the accounts of the 2016 financial year

**Biography - Professional Experience****General Manager of Groupe Arnault SAS**

Nicolas Bazire is a graduate of the École Navale (1978), the Paris *Institut d'Études Politiques* (1984), former student of the *Ecole Nationale d'Administration*, Magistrate on the French Cour des Comptes (Court of Audit). Nicolas Bazire was an auditor then Conseiller Référendaire with the Cour des Comptes.

In 1993 he became Cabinet Director for French Prime Minister Édouard Balladur. He served as a Managing Partner at Rothschild & Cie Banque from 1995 to 1999, when he was named Chairman of the Conseil des Commanditaires.

He was appointed General Manager at Groupe Arnault in 1999, and became a member of the LVMH Board of Directors; he is also a member of the Executive Committee.

Nicolas Bazire is a Reserve Officer in the French Naval Reserve. He is an Officer in the French *Ordre National du Mérite* (National Order of Merit) and a Chevalier in the French Légion d'honneur.

**Directorships and positions****Other directorships and positions as at December 31, 2014****France:**

- Member of the Supervisory Board: Montaigne Finance SAS, Semyrhamis SAS
- Vice-President of the Supervisory Board: Les Échos SAS
- Deputy CEO: Groupe Arnault SAS
- Director: LVMH Moët Hennessy Louis Vuitton SA\*\*, Agache Développement SA, Europatweb SA, Financière Agache Private Equity SA, Groupe les Échos SA, LV Group SA, Suez Environnement Company SA\*\*, Carrefour SA\*\*, Fondation Louis Vuitton pour la Création (foundation)

**Permanent Representative:**

- Groupe Arnault SAS, Director of Financière Agache SA
- Ufipar SAS, Director of Louis Vuitton Malletier SA
- Montaigne Finance SAS, Director of GA Placements SA

**Positions held during the last five years**

- President: Société Financière Saint-Nivard SAS
- Member of the Supervisory Board: Lyparis SAS
- Director: Ipsos SA\*\*, Marignan Investissements SA, Tajan SA and Go Invest SA (Belgium)

\* Independent Director.

\*\* Listed company.

**Roland BUSCH**

Member of the Audit Committee

**Number of shares:**  
1,000

**Date of birth:**  
November 22, 1964

**Nationality:**  
German

**Date of renewal:**  
May 27, 2014

**Term expires on:**  
AGM ruling on the accounts of the 2016 financial year

**Biography - Professional Experience****Member of the Management Board of Siemens AG (Germany)**

Roland Busch is a graduate of the University of Friedrich Alexander (Germany) where he received a PHD in Physics and the University of Grenoble.

He is a member of the Management Board of Siemens AG.

During the past five years, Roland Busch was appointed Chairman of Infrastructure & Cities and Chief of Strategy with Siemens AG in Germany.

**Directorships and positions****Other directorships and positions as at December 31, 2014****Abroad:**

- Executive Vice-President, Member of the Management Board of Siemens\*\* (Germany)
- Chairman Asia-Pacific, Siemens\*\* (Germany)
- Head of Corporate Sustainability Office, Siemens\*\* (Germany)
- Vice-Chairman of the Board of Directors, Member of the Audit Committee and of the Strategic and Technological Committee, OSRAM Licht AG\*\* (Germany)

**Positions held during the last five years**

- Chairman of Infrastructures & Cities, Siemens AG\*\*
- Chief of Strategy, Siemens AG\*\* (Germany)

\*\* Listed company.



**Jean FLEMING**

Director representing the employee shareholders

**Number of shares:**  
500

**Date of birth:**  
March 4, 1969

**Nationality:**  
British

**Date of renewal:**  
May 29, 2013

**Term expires on:**  
AGM ruling on the accounts of the 2016 financial year

**Biography - Professional Experience****Operations Director, Business Process Services at Atos IT Services UK Ltd (United Kingdom)**

Jean Fleming is a graduate of the London South Bank University where she obtained an MSc in Human Resources and from Brunel University where she obtained a BA in Business Administration.

She is Operations Director, Business Process Services, at Atos in the United-Kingdom.

Jean Fleming was appointed Director representing the employee shareholders.

**Directorships and positions****Other directorships and positions as at December 31, 2014**

- None

**Positions held during the last five years**

- None

**Bertrand MEUNIER\***

Member of the Nomination and Remuneration Committee

**Number of shares:**  
1,000

**Date of birth:**  
March 10, 1956

**Nationality:**  
French

**Date of renewal:**  
May 30, 2012

**Term expires on:**  
AGM ruling on the accounts of the 2014 financial year

**Biography - Professional Experience****Managing Partner of CVC Capital Partners Ltd (United Kingdom)**

Bertrand Meunier is a graduate of the *École Polytechnique* and of Paris VI University. He joined PAI Partners in 1982 up until 2009. Bertrand Meunier joined CVC Capital Partners as a Managing Partner in 2012.

**Directorships and positions****Other directorships and positions as at December 31, 2014**

- CVC Group Ltd (Luxembourg)
- Continental Food (Belgium)
- Parex (France)
- Vedici (France)

**Positions held during the last five years**

- Chairman: M&M Capital SAS, Financière Le Play SAS
- Director: CVC Capital Partners (Luxembourg)

\* *Independent Director.*

**Colette NEUVILLE\***

**Number of shares:**  
1,012

**Date of birth:**  
January 21, 1937

**Nationality:**  
French

**Date of renewal:**  
May 27, 2014

**Term expires on:**  
AGM ruling on the accounts of the 2016 financial year

**Biography - Professional Experience****Chairman (founder) of the ADAM**

Colette Neuville is a law graduate, and a graduate of the Paris *Institut d'Études Politiques* and holds a post-graduate degree in economics and political science.

She served as an Economist for NATO, the Moroccan administration (National Office for Irrigation), and the Loire-Bretagne agency. Ms. Neuville is the founding Chairman of ADAM (*Association de Défense des Actionnaires Minoritaires*) and member of the commission "*Épargnants et Actionnaires Minoritaires*" (Retail Investors and Minority shareholders) of the *Autorité des Marchés Financiers* (French Financial Markets Authority).

She is the Lead Director of the Board of Directors, member of the Audit Committee and Chairman of the Appointments and Remuneration Committee of Groupe Eurotunnel SA. She is Director and member of the Audit Committee of Numericable SFR since November 2014. She is member of the Governance Committee of the Paris "*Ecole de Droit et de Management*". She is member of the Board of Directors of the FAIDER and the ARCAF.

**Directorships and positions****Other directorships and positions as at December 31, 2014****France:**

- Director: Groupe Eurotunnel SA\*\* (also member of the Audit Committee and Chairman of the Remuneration Committee and Lead Director since February 2014), Numericable SFR\*\* (also member of Audit Committee), ARCAF (association des fonctionnaires épargnants pour la retraite), FAIDER (fédération des associations indépendantes de défense des épargnants pour la retraite)
- Member: of the Consultative Commission "*Épargnants et actionnaires minoritaires*" ("Retail Investors and Minority shareholders") of the *Autorité des Marchés Financiers* (French Financial Markets Authority), of the Conseil de Gouvernance de l'École de Droit & Management de Paris, of the Club of the Chairmen of Remuneration Committees of the Institut Français des Administrateurs

**Positions held during the last five years**

- Member of the Supervisory Board then censor: Atos SA\*\*
- Member of the European Forum for Corporate Governance, with the European Commission

\* Independent Director.

\*\* Listed company.

**Aminata NIANE\***

Member of the Audit Committee

**Number of shares:**  
1,012

**Date of birth:**  
December 9, 1956

**Nationality:**  
Senegalese

**Date of renewal:**  
May 29, 2013

**Term expires on:**  
AGM ruling on the accounts of the 2015 financial year

**Biography - Professional Experience****Interim Manager for the Return of the African Development Bank to its registered offices in Abidjan**

After getting a Bachelor in high school John F. C Kennedy in Dakar, Aminata Niane left to continue her studies in Toulouse, Rennes and Montpellier in France. These studies have been finalized by a Master in Chemistry and an Engineering Degree in Science and Technology of Food Industries.

Then she started her career in 1983 as an engineer in large Senegalese companies in food-processing sector. (SIPL and SONACOS).

This experience continued in 1987 in the Senegalese administration (Ministry of Commerce, Senegalese Institute for Standardization), then in 1991 in the first structures supporting the private sector, financed by the French Cooperation and the World Bank (Support Unit to the Business Environment and Private Sector Foundation).

Finally, after several years of entrepreneurial experience in strategy consulting, she was appointed in 2000 Managing Director of APIX, National Agency for Investment Promotion and Major Projects. She handled the creation and the management until May 2012. Then, she was Special Advisor of the President of the Republic of Senegal until May 2013.

Today she is Interim Manager for the Return of the African Development Bank to its registered offices in Abidjan, after being Lead Advisor-Officer of the Vice-President Infrastructure, Private Sector and Regional Integration at that Bank.

**Directorships and positions****Other directorships and positions as at December 31, 2014**

- None

**Positions held during the last five years**

- Chief Executive Officer of the Agence Nationale chargée de la promotion de l'Investissement et des Grands Travaux (APIX) which became APIX SA (Senegal)
- Chairman of the Board of Directors: Société Aéroport International Blaise Diagne (ABID SA, Senegal)

\* Independent Director.



### Lynn PAINE\*

<p><b>Number of shares:</b> 1,000</p> <p><b>Date of birth:</b> July 17, 1949</p> <p><b>Nationality:</b> American</p> <p><b>Date of Appointment:</b> May 29, 2013</p> <p><b>Term expires on:</b> AGM ruling on the accounts of the 2015 financial year</p>	<b>Biography - Professional Experience</b>		
	<p><b>Senior Associate Dean of Harvard Business School/John G. McLean Professor of Business Administration</b></p> <p>Lynn Paine is Senior Associate Dean of Harvard Business School where she is former chair of the General Management unit and a specialist in corporate governance. An American specialist with worldwide recognition, she continues to teach in the Senior Executive Program for China.</p> <p>She co-founded and chaired the "Leadership and Corporate Accountability" required courses, which she has taught in the MBA program as well as the Advanced Management Program.</p> <p>In addition to providing executive education and consulting services to numerous firms, she has served on a variety of advisory Boards and panels. In particular, she was a member of the Conference Board Commission on Public Trust and Private enterprise.</p>		
	<b>Directorships and positions</b>		
	<table border="1"> <tr> <td style="vertical-align: top;"> <p><b>Other directorships and positions as at December 31, 2014</b></p> <p><b>Abroad:</b></p> <ul style="list-style-type: none"> <li>Governing Board (Public Member), Center for Audit Quality, Washington, D.C.</li> <li>Academic Advisory Council, Hills Program on Governance – Center for Strategic and International Studies, Washington, D.C.</li> <li>Selection Panel, Luce Scholars Program, Henry Luce Foundation, NYC</li> </ul> </td> <td style="vertical-align: top;"> <p><b>Positions held during the last five years</b></p> <ul style="list-style-type: none"> <li>Advisory Board, Conference Board Governance Center, NYC (2009-2011)</li> <li>Director, RiskMetrics Group (merged with MSCI June 2010) (2008-2010) and member of the Compensation and Human Resources Committee</li> <li>Member, Conference Board Task Force on Executive Compensation NYC (2009)</li> </ul> </td> </tr> </table>	<p><b>Other directorships and positions as at December 31, 2014</b></p> <p><b>Abroad:</b></p> <ul style="list-style-type: none"> <li>Governing Board (Public Member), Center for Audit Quality, Washington, D.C.</li> <li>Academic Advisory Council, Hills Program on Governance – Center for Strategic and International Studies, Washington, D.C.</li> <li>Selection Panel, Luce Scholars Program, Henry Luce Foundation, NYC</li> </ul>	<p><b>Positions held during the last five years</b></p> <ul style="list-style-type: none"> <li>Advisory Board, Conference Board Governance Center, NYC (2009-2011)</li> <li>Director, RiskMetrics Group (merged with MSCI June 2010) (2008-2010) and member of the Compensation and Human Resources Committee</li> <li>Member, Conference Board Task Force on Executive Compensation NYC (2009)</li> </ul>
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\* Independent Director.

### Michel PARIS\*<sup>1</sup>

<p>Member of the Audit Committee</p> <p><b>Number of shares:</b> 1,000</p> <p><b>Date of birth:</b> September 9, 1957</p> <p><b>Nationality:</b> French</p> <p><b>Date of renewal:</b> May 27, 2014</p> <p><b>Term expires on:</b> AGM ruling on the accounts of the 2016 financial year</p>	<b>Biography - Professional Experience</b>		
	<p><b>Managing Director of PAI Partners SAS</b></p> <p>Michel Paris graduated from the Lyon École Centrale and the Reims École Supérieure de Commerce.</p> <p>Michel Paris joined PAI Partners SAS in 1984. He is Chairman of the Investment Committee and Managing Director. He is also responsible for the Business Services, General Industrials and Retail &amp; Distribution sector teams.</p> <p>Michel Paris has almost 30 years of investment experience with this company. He had previously worked two years at Valeo.</p>		
	<b>Directorships and positions</b>		
	<table border="1"> <tr> <td style="vertical-align: top;"> <p><b>Other directorships and positions as at December 31, 2014</b></p> <p><b>France</b></p> <ul style="list-style-type: none"> <li>Chief Investment Officer and Managing Director: PAI Partners SAS</li> <li>Director: Kiloutou SA, IPH, EMG, Labeyrie</li> </ul> <p><b>Abroad</b></p> <ul style="list-style-type: none"> <li>Director: Xella (Germany), Cortefiel (Spain), Hunkemöller (the Netherlands), Perstorp (Sweden), Swissport (Switzerland)</li> </ul> </td> <td style="vertical-align: top;"> <p><b>Positions held during the last five years</b></p> <ul style="list-style-type: none"> <li>Director: Spie SA, Kaufman &amp; Broad SA** (France), Gruppo Coin (United Kingdom), Speedy 1 Ltd (United Kingdom), GCS (France), The Nuance Group (Switzerland)</li> </ul> </td> </tr> </table>	<p><b>Other directorships and positions as at December 31, 2014</b></p> <p><b>France</b></p> <ul style="list-style-type: none"> <li>Chief Investment Officer and Managing Director: PAI Partners SAS</li> <li>Director: Kiloutou SA, IPH, EMG, Labeyrie</li> </ul> <p><b>Abroad</b></p> <ul style="list-style-type: none"> <li>Director: Xella (Germany), Cortefiel (Spain), Hunkemöller (the Netherlands), Perstorp (Sweden), Swissport (Switzerland)</li> </ul>	<p><b>Positions held during the last five years</b></p> <ul style="list-style-type: none"> <li>Director: Spie SA, Kaufman &amp; Broad SA** (France), Gruppo Coin (United Kingdom), Speedy 1 Ltd (United Kingdom), GCS (France), The Nuance Group (Switzerland)</li> </ul>
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\* Independent Director.

\*\* Listed company.

<sup>1</sup> Michel Paris resigned from his office as Director and Member of the Audit Committee of the Company with effect as of the end of the Board of Directors meeting dated March 26, 2015.

**Pasquale PISTORIO\***

Lead Director Member of the Nomination and Remuneration Committee <b>Number of shares:</b> 1,000 <b>Date of birth:</b> January 6, 1936 <b>Nationality:</b> Italian <b>Date of renewal:</b> May 30, 2012 <b>Term expires on:</b> AGM ruling on the accounts of the 2014 financial year	<b>Biography - Professional Experience</b> <b>Chairman of the Pistorio Foundation (Switzerland) (charity)</b> Pasquale Pistorio graduated in Electrical Engineering from the Polytechnic school of Turin. He began his career as a salesman for Motorola products and in 1967 he joined Motorola in Italy, rising through the ranks to become Director of International Marketing and Vice Chairman of Motorola Corporation in 1977. In 1978 he was promoted to General Manager of Motorola's International Semiconductor Division. In 1980 he was appointed Chairman and Chief Executive Officer of the SGS Group and oversaw, with success, in 1987, the integration of SGS with Thomson Semiconducteurs. The new company will be renamed STMicroelectronics in 1998. In 2005, Pasquale Pistorio is appointed Honorary Chairman of the Board of Directors and ambassador of ST Microelectronics.	
	<b>Other directorships and positions as at December 31, 2014</b> <b>Abroad:</b> <ul style="list-style-type: none"> <li>Honorary Chairman: STMicroelectronics Corporation (Switzerland), ST Foundation (Switzerland) and of the Kyoto Club (Italy) (charities)</li> <li>Independent director: Brembo S.p.A** (Italy), Stats ChipPac** (Singapore), XiD (Singapore)</li> </ul>	<b>Positions held during the last five years</b> <ul style="list-style-type: none"> <li>Director: Accent (Luxembourg)</li> <li>Chairman, then independent Director: Sagem Wireless** (now Mobiwire-up**)</li> <li>Independent Director: Fiat S.p.A.**</li> <li>Vice-president: Confindustria in charge of innovation and research (Italy)</li> <li>Director: Chartered Semiconductor Manufacturing Ltd (Singapore)</li> </ul>

\* Independent Director.

\*\* Listed company.

**Vernon SANKEY\***

Member of the Audit Committee Chairman of the Audit Committee (Appointment confirmed on February 18, 2015) <b>Number of shares:</b> 1,000 <b>Date of birth:</b> May 9, 1949 <b>Nationality:</b> British <b>Date of renewal:</b> May 29, 2013 <b>Term expires on:</b> AGM ruling on the accounts of the 2015 financial year	<b>Biography - Professional Experience</b> <b>Officer in companies</b> Vernon Sankey graduated from Oriol College, Oxford University (United Kingdom). He joined Reckitt and Colman plc in 1971, and became Chief Executive Officer in Denmark, France, the USA and in Great Britain. He was group Chief Executive Officer in the period 1992-1999. Since then, he has held several non-executive positions as Chairman or Board member (Pearson plc, Zurich AG, Taylor Woodrow plc, Thomson Travel plc, Gala plc, Photo-Me plc, Firmenich SA, etc.) and was a member of the Management Board of the FSA (Food Standards Agency) UK. Vernon Sankey has acted as Chairman of the Audit Committee since November 6, 2014. His appointment as Chairman of the Audit Committee was confirmed on February 18, 2015.	
	<b>Other directorships and positions as at December 31, 2014</b> <b>Abroad:</b> <ul style="list-style-type: none"> <li>Chairman, former Director: Harrow School Enterprises Ltd (United Kingdom):</li> <li>Advisory Board member: GLP LLP (United Kingdom)</li> <li>Member: Pi Capital (private equity investment group) (United Kingdom)</li> </ul>	<b>Positions held during the last five years</b> <ul style="list-style-type: none"> <li>Chairman: Firmenich (Switzerland)</li> <li>Director: Zurich Insurance AG (Switzerland)</li> </ul>

\* Independent Director.

## Declarations related to the members of the Board of Directors

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To the best of the Company's knowledge, there have been no official public incrimination and/or sanctions taken by statutory or regulatory authorities (including designated professional organisms) against any of the members of the Board of Directors. No court has, over the course of the past five years at least, prevented the members of the Board of Directors from acting as

member of an administrative, managing or supervisory body of an issuer or from participating in the management or oversight of an issuer's business. No Board member has been convicted of fraud over the past five years at least. No Board member has taken part as senior manager in a bankruptcy, receivership or liquidation over the past five years.

## Potential conflict of interest and agreements

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To the Company's knowledge, there are no existing service agreements between the members of the Board of Directors and Atos SE or one of its subsidiaries which would provide for benefits.

To the best of the Company's knowledge, save for the case of Dr. Roland Busch whose appointment was proposed pursuant to the agreements signed with Siemens in connection with the acquisition of Siemens Information Technology Services, which provided for the possibility for Siemens to submit an applicant as a Director of the Company, there are no arrangements, or any type of agreement with the shareholders, clients, service providers or others by which one of the members of the Board of Directors was selected as member of an administrative,

managing or supervisory body or as a member of the general management of the Company.

To the best of the Company's knowledge, there are no parental relationships between any executive officers and Directors of the Company.

Finally, to the best of the Company's knowledge, there are no restrictions accepted by the members of the Board of Directors concerning the sale of their potential shareholding in the Company's share capital other than the provision of the Articles of Association under which each Director must own at least 500 shares of the Company and the retention obligations that the Board of Directors defined for the Chairman and Chief Executive Officer of the Company.



## G.3 Report of Chairman of the Board of Directors on corporate governance and Internal Control

Dear shareholders,

Pursuant to article L. 225-37 of the French Commercial Code, as Chairman of the Board of Directors of Atos SE (hereinafter the "Company"), let me first of all present the preparation and organization conditions of the works of the Board of Directors since January 1, 2014, and secondly, the internal control procedures set up within the Atos Group.

The Board of Directors approved this report during its meeting of March 26, 2015.

The rules and principles that the Company used to determine the remuneration and benefits attributed to its senior managers and executive officers are described in the "Executive compensation and stock ownership" section of the Registration Document.

The rules regarding the shareholders' participation in General Meetings are described in the "Legal Information" section of the Registration Document.

The factors which may have an influence on public takeover bids are described in the "Shareholders Agreements" section of the Registration Document.

### G.3.1 Corporate governance

[G4-13], [G4-34], [G4-38], [G4-40] and [G4-41]

#### G.3.1.1 Compliance with the AFEP-MEDEF Code - Frame of reference on corporate governance

French legislation and rules published by the financial market regulatory authorities apply to the Company's corporate governance.

The Company refers to the recommendations set out in the Corporate Governance Code of Listed Companies issued by the AFEP-MEDEF (revised version of June 2013) and has decided to use the Code, as soon as published, as a reference in terms of corporate governance, and to follow it up, through an Annual Board Meeting entirely dedicated to these issues.

In that respect, and as happens every year, Atos' Board of Directors met on December 18, 2014 to perform an annual review of the implementation by the Company of these governance principles. Following this meeting, also attended by members of the Participative Committee (body stemming from the European Company Council), the Board considered that the Company's governance practices are compliant with the recommendations of the AFEP-MEDEF Code.

The detail of the Board's assessment items on the implementation of the recommendations of the AFEP-MEDEF Code is available in its entirety on Atos' website: [www.atos.net](http://www.atos.net).

As at the date of publication of this Registration Document, and in compliance with the rule "Comply or Explain" set forth under article L. 225-37 of the Commercial Code and article 25.1 of the AFEP-MEDEF Code, the Company has deviated from the following recommendation for the reasons hereafter indicated:

#### Recommendation of the AFEP-MEDEF Code

##### Directors' compensation (article 21.1 of the AFEP-MEDEF Code)

It shall be recalled that the method of allocation of Directors' compensation, the total amount of which is determined by the meeting of shareholders, is set by the Board of Directors. It should take account, in such ways as it shall determine, of the Directors' actual attendance at meetings of the Board and Committees, and therefore include a significant variable portion.

#### Justification

The Board of Directors, noting the Directors' excellent attendance rate at Board meetings (87.91% in 2013, 83.5% in 2014), considered that modifying the Directors' fees distribution rules was not justified for the Company, and upon proposal from the Nomination and Remuneration Committee, chose to renew in 2015 the Director's fees distribution rules adopted for the previous years. These are detailed in section G.4.1 of this Registration Document.

Moreover, upon the Chairman of the Board of Directors' initiative corporate governance issues are regularly addressed during Board meetings. The Board has indeed consistently expressed its will to take into account, and sometimes anticipate, recommendations on the improvement of corporate governance for listed companies whenever such recommendations are in line with the interests of the Company and of its shareholders.

This includes, in particular, the appointment of a Lead Director, the reinforcement of conditions for stock option or performance share plans for which the senior managers of the Company are beneficiaries, the reinforcement of the presence of women on the Board of Directors, or the consultation of the Shareholders' General Meeting on the strategic orientation plan for the next three years.

### G.3.1.2 Management Mode

On the occasion of the vote concerning the Company's transformation from a "Société Anonyme" (public limited-liability company) into a "Societas Europaea" (European public limited-liability company or "European Company") decided by the Annual General Meeting of May 30, 2012, the unitary Board structure, with Board of Directors, was upheld by the shareholders in the Articles of Association of the Company that were submitted to their approval, and Thierry Breton's mandate as Director was renewed. The Board of Directors then confirmed the choice of governance by deciding to unify the functions of Chairman and Chief Executive Officer and confirming Thierry Breton as Chairman and Chief Executive Officer for a new three-year term (2012-2015).

The Board of Directors believes that this unified management structure allows for the necessary proactivity which enabled the Chief Executive Officer to implement the Company reconstruction since 2009, the successful integration of Siemens IT Solutions and Services since 2011, and the successful three-year strategic plan 2011-2013.

The powers of the Chairman of the Board and Chief Executive Officer are described in the "Legal information" section of the Registration Document. The reserved matters of the Board of Directors which require the Board's prior authorization are defined in the Board of Directors internal rules:

- Purchase or sale of shareholdings exceeding € 100 million;
- Purchase or sale of assets exceeding € 100 million;
- Purchase of assets or shareholdings beyond the Group's usual activities;
- Purchase or sale of real property exceeding € 100 million;
- Strategic alliance or partnership which may have a structural impact for the Group;
- Parental company guarantees exceeding the scope of the delegation granted to the Chairman and Chief Executive Officer.

### G.3.1.3 The Board of Directors: composition and functioning

#### Mission of the Board of Directors

The mission of the Board of Directors is to determine the strategy and trends of the Company's activity and to oversee their implementation. Moreover, the Board of Directors appoints senior executive officers and rules on the independence of Directors on a yearly basis, possibly imposes limitations on the powers of the Chief Executive Officer, approves the Chief Executive Officer report, convenes the General Meetings and decides on the agenda, undertakes the controls and verifications which it deems opportune, the control and audit of the sincerity of the financial statements, the review and approval of the financial statements, the communication to the shareholders and reviews communications to the market of high quality information.

#### Composition of the Board of Directors

As at December 31, 2014<sup>1</sup>, the Board of Directors was composed of eleven members: Thierry Breton (Chairman of the Board and Chief Executive Officer), Nicolas Bazire, Dr. Roland Busch, Jean Fleming (Director representing employee shareholders), Bertrand Meunier, Aminata Niane, Colette Neuville, Lynn Paine, Michel Paris<sup>2</sup>, Pasquale Pistorio and Vernon Sankey.

Article 14 of the Articles of Association of the Company provides for an annual renewal mechanism by rotation of the Company's Directors, allowing one third of the Directors to be renewed each year, pursuant to the recommendations of the AFEP-MEDEF Code of Corporate Governance.

<sup>1</sup> Jean Paul Béchat was Director and Chairman of the Audit Committee of Atos SE up until November 24, 2014 when he died.

<sup>2</sup> Michel Paris resigned from his office as Director and Member of the Audit Committee of the Company with effect as of the end of the Board of Directors meeting dated March 26, 2015.



Name	Nationality	Age	Date of appointment/renewal	Committee member	End of office term	Number of shares held
Thierry Breton	French	59	2012		AGM 2015	406,914
Nicolas Bazire <sup>1</sup>	French	57	2014	N&R*	AGM 2017	1,012
Roland Busch	German	50	2014	A*	AGM 2017	1,000
Jean Fleming <sup>2</sup>	British	46	2013		AGM 2017	500
Bertrand Meunier	French	59	2012	N&R	AGM 2015	1,000
Colette Neuville	French	78	2014		AGM 2017	1,012
Aminata Niane	Senegalese	58	2013	A	AGM 2016	1,012
Lynn Paine	American	65	2013		AGM 2016	1,000
Michel Paris <sup>3</sup>	French	57	2014	A	AGM 2017	1,000
Pasquale Pistorio	Italian	79	2012	N&R	AGM 2015	1,000
Vernon Sankey <sup>4</sup>	British	65	2013	A	AGM 2016	1,000

\* AGM: Annual General Meeting; N&R: Nomination and Remuneration Committee; A: Audit Committee.

<sup>1</sup> Chairman of the Nomination and Remuneration Committee.

<sup>2</sup> Director representing the employee shareholders appointed for 4 years pursuant to the Articles of Association (art. 16).

<sup>3</sup> Michel Paris resigned from his office as Director and Member of the Audit Committee of the Company with effect as of the end of the Board of Directors meeting dated March 26, 2015.

<sup>4</sup> Acting as Chairman of the Audit Committee since November 6, 2014 and whose appointment was confirmed on February 18, 2015.

Pursuant to the Articles of Association, each Director must own at least 500 shares.

The Director representing employee shareholders is expressly designated as member of the Board in the Internal Rules. In that respect, he participates to the meetings and deliberations of the Board. He has the same obligations as any other Directors, in particular confidentiality, save for the obligation to hold at least 500 shares of the Company.

The Company has not designated an employee Director within the meaning of article L. 225-27-1 of the French Commercial Code as it is under no obligation to establish a Works Council, and in this case, these provisions are not applicable.

The Board is composed for more than half of it (55%) of Directors of foreign nationality, thus reflecting the Group's international dimension.

### Internal Rules

Internal Rules govern the work of the Board of Directors. They specify the rules on composition, functioning and the role of the Board, remuneration of Directors, evaluation of the works of the Board, information of Directors, the role, competence, and operating rules of the Committees of the Board, missions and prerogatives of the Lead Director, the specific missions which can be granted to a Director and the confidentiality obligations imposed on Directors. The Internal Rules also specify the terms and conditions of attendance by the Participative Committee representatives (set up pursuant to the agreement dated December 14, 2012 between the Company and the European Company Council – see infra) to the meetings with the Board representatives and the Board plenary meeting on the review of the Company's compliance practices with rules of corporate governance.

As soon as appointed, a copy of the Internal Rules as well as the Charter of the Board of Directors and the Guide to the

prevention of insider trading are given to the Directors who subscribe to these documents. The content of these documents is described more specifically in the "Codes and Charts" section of the Registration Document. When a new Director is taking office, various sessions are proposed with the main Group Executives on business and the organization thereof.

### Lead Director

In accordance with the *Autorité des Marchés Financiers'* (French Financial Markets Authority) recommendation of December 7, 2010 in the "*Autorité des Marchés Financiers'* supplemental report on corporate governance, executive compensation and internal control", upon proposal of the Nomination and Remuneration Committee, the Board of Directors appointed Pasquale Pistorio as the new Lead Director during its meeting of December 22, 2010. The Board of Directors meeting held following the General Meeting of May 30, 2012, decided to renew the term of office of Pasquale Pistorio as Lead Director.

The Lead Director is in charge of ensuring continuous commitment and the implementation of best corporate governance standards by the Board of Directors. In that respect, he is in charge, in particular, of the assessment of the Board's work, carried out every year under his supervision. A detailed presentation of the works carried out in that respect is available in section G.3.1.8. He is also in charge of arbitrating potential conflicts of interest. He is questioned on the functioning of the Board. The Board of Directors may assign specific governance-related tasks to the Lead Director.

### Evolution of parity at Board level

As at December 31, 2014, the Board of Directors was composed of 36% of women. The Company is fully complying with the 20% rate of women Directors set forth by law No.°2011-103 dated January 27, 2011.



### An innovative system for employee's participation

The Company has implemented an innovative scheme of participation of employees through the creation of the European Company Council of Atos SE and the designation, among such council members, or within Atos' employees, of a Participative Committee made up of four persons, which meets with members

of the Board of Directors and discusses on topics on the agenda of Atos SE's Board meetings. In addition, the Company has voluntarily submitted to the Shareholders' General Meeting held in 2013 the re-appointment of a Director representing employee shareholders. With the implementation of both these schemes, the Company has showed its great interest for employee representation within the Group.

## G.3.14 Directors' independence

### Definition of an independent Director

The AFEP-MEDEF Code of Corporate Governance, as amended in June 2013, defines as independent, a Director when "he or she has no relationship of any kind whatsoever with the corporation, its group or the management of either that may colour his or her judgment". The AFEP-MEDEF Code also determines that a certain number of criteria must be reviewed in order to determine the independence of a Director:

- the Director shall not be an employee or Executive Director of the corporation, or an employee or Director of its parent or a company that the latter consolidates, and not having been in such a position for the previous five years;
- the Director shall not be an Executive Director of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an Executive Director of the corporation (currently in office or having held such office for less than five years) is a Director;
- the Director shall not be (or be bound directly or indirectly to) a customer, supplier, investment banker or commercial banker:
  - that is material for the corporation or its group,
  - for a significant part of whose business the corporation or its group accounts;
- the Director shall not be related by close family ties to an Executive Director;
- the Director shall not have been an auditor of the corporation within the previous five years;
- the Director shall not have been a Director of the corporation for more than twelve years.

As regards Directors representing significant shareholders of the Company, these may be considered as being independent, provided that they do not take part in the control of the Company. In excess of a 10% holding of stock or votes, the Board, upon a report from the Nomination and Remuneration Committee, should systematically review the qualification of a Director as an independent Director, having regard to the make-up of the Company's share capital and the existence of a potential conflict of interest.

The Board of Directors also defined several criteria in connection with the assessment of how significant the relationship with the Company or its Group is, and in particular a criterion of 2% of the Company's turnover, on the basis of which the independence of some Directors was acknowledged.

### Review of the Directors' independence

The Board of Directors, during its meeting of December 18, 2014, relying on the preliminary work of the Nomination and Remuneration Committee, reviewed the independent status of each of its members, on the basis of the above-mentioned criteria. On this basis, eight out of the eleven members of the Board (i.e. 72%), are considered as independent, i.e. more than half of the Board members, in conformity with the AFEP-MEDEF recommendations. In particular, the Audit Committee and the Nomination and Remuneration Committee are both chaired by an independent Director.

Three out of eleven members of the Board are not considered as independent, namely, Thierry Breton due to his office as Chief Executive Officer, Roland Busch due to his relations with Siemens which he represents (12.32% of the share capital of the Company being held by Siemens); and Jean Fleming, Director representing the employee shareholders, by virtue of her quality as employee of a subsidiary of the Company.

## G.3.15 Board of Directors meetings

Pursuant to the Articles of Association and the Internal Rules, the Board of Directors has met as often as necessary. During the 2014 financial year, the Board of Directors met 16 times. Attendance of Directors at these meetings was an average of 83.5%.

The Board of Directors met to discuss the following topics:

### As far as financial statements, budget and financial commitments are concerned:

- Review and approval of the 2015 budget;
- Review of the financial information and quarterly reports and forecasts;



- Review of and closure of consolidated half-year and yearly financial statements;
- Review of financial presentations and press releases;
- Approval of parental company guarantees and review of off-balance commitments;
- Approval of the renewal of the Group syndicated facility and the financing strategy.

**As far as strategic projects and operations are concerned:**

- Review of the strategic trends of the Group, especially the external growth operations;
- Regular review and approval of Worldline's IPO project;
- Regular review and approval of the project related to the public offer followed by the squeeze-out offer on Bull securities;
- Review and approval of the project related to the acquisition of Xerox ITO;
- A strategic seminar dedicated to Security.

**As far as compensation is concerned:**

- Confirming the elements of the Chairman and Chief Executive Officer's compensation, setting the objectives of the variable part, and confirming his variable compensation paid in 2014;
- Setting up of a performance shares allocation plan and deciding on the delivery method of performance shares;

- Approval of an employee stock ownership plan;
- Review of the exercise of stock options granted by the Company.

**As far as governance is concerned:**

- Convening the Annual General Meeting, and including on the agenda the option for the payments of the dividend in the form of new shares;
- Review of the operation of the corporate bodies and corporate governance (renewal of the delegation of powers of the Chairman and Chief Executive Officer, propositions of renewal of Directors, assessment of the Board's work, review of the independence of Directors, conformity review of the Company's practices with the AFEP-MEDEF recommendations, review and approval of the Chairman's report on governance and internal control).

The Board regularly heard the review of the statutory auditors as well as the works of the two permanent committees of the Board of Directors: the Audit Committee and the Nomination and Remuneration Committee.

The powers of these Committees are governed by the Internal Rules of the Board of Directors. The Committees are solely advisory in preparing the works of the Board which is the only decision-making and liable body. They report to the Board of Directors. Their recommendations are discussed at length during the meetings, where applicable, on the basis of the documentation generated by the Committees.

### G.3.16 The Audit Committee

#### Mission

Within its relevant fields of competence pursuant to the provisions of the Internal Rules of the Board of Directors, the Audit Committee shall have the task of preparing and facilitating the work of the Board of Directors. For this purpose it shall assist the Board of Directors with its analysis of the accuracy and sincerity of the Company's corporate and consolidated accounts

The Committee formulates all opinions or recommendations to the Board of Directors within the area described here below. The Committee particularly receives from the Board of Directors the following assignments:

**With respect to the accounts:**

- to proceed with the prior examination of and give its opinion on the draft annual, half-yearly and, where applicable, quarterly company and consolidated accounts prepared by the financial management;
- to examine the relevance and the permanence of the accounting principles;
- to be presented with the evolution of the perimeter of consolidated companies;

- to meet, whenever it deems necessary, the auditors, the general management, the financial, treasury and accounting management, internal audit or any other member of the management; these hearings may take place, when appropriate, without members of the general management being present;
- to examine the financial documents distributed by the Company at the annual accounts closing as well as the important financial documents and press releases.

**With respect to the external control of the Company:**

- to examine questions concerning either the appointment or renewal of the statutory auditors and amount of fees to be determined for the performance of their assignments concerning legal supervision;
- to pre-approve any assignment entrusted to the statutory auditors other than the legal audit, and more generally, to ensure compliance with principles that guarantee the independence of the auditors, to ensure the rotation of signatories, to be informed of the amounts of fees paid in the network to which the statutory auditors belong.

### With respect to the internal control and risk-monitoring of the Company:

- to assess, along with the persons responsible at Group level, the efficiency and the quality of the systems and procedures for internal control of the Group, to examine the significant off-balance sheet risks and commitments, to meet with the person responsible for internal audit, to give its opinion on the organization of the department and to be informed of its work program. The Committee shall be provided with the internal auditor's reports or a periodic summary of these reports;
- to assess the reliability of the systems and procedures that are used for establishing the accounts, as well as the methods and procedures for reporting and handling accounting and financial information;
- to regularly make itself aware of the financial situation, the situation of the treasury and any significant commitments or risks, notably through a litigation review, and to examine the procedures adopted to assess and manage such risks.

### Composition

During the 2014 financial year, the Audit Committee was composed as follows<sup>1</sup>:

- Jean-Paul Béchat\* (Former Chairman, and member up until November 24, 2014);
- Dr. Roland Busch ;
- Aminata Niane\*;
- Michel Paris<sup>2\*</sup>;
- Vernon Sankey\* (acting as Chairman of the Committee since November 6, 2014 and whose appointment was confirmed on February 18, 2015).

i.e. 5 members, up until November 24, 2014, among whom the representative of the reference shareholder Siemens. During the Summer 2014, the Company specified that Michel Paris representing PAI Partners was nevertheless considered as an independent Director by the Company, taking into account the partial sale of PAI's interest in the Company in November 2013 resulting in its participation dropping under the 10% threshold of the share capital and voting rights. Since November 24, 2014, date of the death of Jean-Paul Béchat, and for the 2014 financial year, the Audit Committee was composed of 3 independent Directors out of 4.

Vernon Sankey has acted as Audit Committee Chairman since November 6, 2014.

Jean-Paul Béchat, Chairman of the Audit Committee up until November 6, 2014, had financial and accounting skills, acquired by virtue of his professional experience, as Chairman of the Management Board of Safran (and previously as Chairman and Chief Executive Officer of Snecma) from June 1996 to August 2007.

Vernon Sankey, acting as Chairman of the Audit Committee as from November 6, 2014 has financial and accounting skills acquired over the years by virtue of his mandates as Chief Executive Officer, Chairman and Board members of various companies, located in Switzerland and the UK.

### Operating rules

Under the Internal Rules of the Board of Directors, the Audit Committee members should be provided, at the time of appointment, with information relating to the Company's specific accounting, financial and operational features. The Audit Committee should interview the statutory auditors, and also the persons responsible for finance, accounting and treasury matters. As far as internal audit and risk control are concerned, the Committee must interview those responsible for the internal audit. It should be informed of the program for the internal audit and receive internal audit reports or a regular summary of those reports. The Committee may use external experts as needed.

In 2014, the Audit Committee, in its operation, could benefit from Company internal skills, in particular the Group Chief Financial Officer, the Group Deputy Chief Financial Officer, the Internal Audit and Group Chief Security Officer, the Head of Risk and Rainbow process (monitoring bid management), the Group Senior Vice president Controlling & Accounting, the Group General Counsel as well as the statutory auditors who attended, as applicable and upon request from the Committee Chairman, meetings of the Audit Committee. All documentation presented to the Committee was communicated to the Committee by the Group Chief Financial Officer at the latest two days prior to the meetings.

### Works in 2014

During the 2014 financial year, the Audit Committee met seven times. Attendance of members to the meetings was an average of 70.5%.

During the 2014 financial year, the Audit Committee reviewed the accounting and financial documents, including the statements related to off-balance sheet, before their presentation to the Board; the Committee also reviewed the main accounting items. The Audit Committee examined the quarterly financial reports on the Group's performance, and the draft financial press releases before their submission to the Board of Directors. The Audit Committee reviewed the forecast information.

The Audit Committee reviewed the annual mission plan of the Internal Audit department, and was regularly informed of the conclusions of the main missions and reviewed the summary reports concerning the activities of the internal audit. The Committee also supervised the update of the risk mapping. The Committee was informed on a regular basis of the monitoring and management of risk of the significant contracts. The Committee also reviewed the state of the declared claims and litigations and the provisions. The Committee was involved in

<sup>1</sup> Independent Directors are identified by this symbol: \*.

<sup>2</sup> Michel Paris resigned from his office as Director and member of the Audit Committee of the Company with effect as of the end of the Board of Directors meeting dated March 26, 2015.



the drafting of the "Chairman's report". The Committee was regularly informed on the state of the Group's treasury and financing needs. The Committee heard the intermediate and final reports of the statutory auditors concerning the annual and half-yearly accounts, as well as the reports of their other works carried out in connection with their general audit mission; the Committee examined the fees and the independence of the statutory auditors.

The Audit Committee was informed of the progress of the Worldline IPO and of the conditions for distribution of dividend, in particular the option for the payments of the dividend in shares. The Committee finally reviewed the Bull Opening Balance Sheet process and the Bull Purchase Price Allocation.

### G.3.1.7 The Nomination and Remuneration Committee

[G4-52] and [G4-53]

#### Mission

Within its relevant fields of competence, the Nomination and Remuneration Committee shall have the task of preparing and facilitating the decisions of the Board of Directors.

With respect to nominations, the general field of competence of the Nomination and Remuneration Committee is to seek and examine any application for an appointment to the position of member of the Board of Directors or to a position of executive officer of the Company and to formulate an opinion on these applications and/or a recommendation to the Board of Directors.

The Nomination and Remuneration Committee examines major operations involving a risk of a conflict of interest between the Company and the members of the Board of Directors. The qualification of an independent Director shall be discussed by the Nomination and Remuneration Committee and reviewed and discussed each year by the Board of Directors before the publication of the Registration Document.

With respect to remuneration, the Nomination and Remuneration Committee's task is to formulate proposals regarding the remuneration of the Chairman and Chief Executive Officer (the amount of the fixed remuneration and definition of the rules governing variable remuneration, ensuring the consistency of these rules with the annual assessment of the performances and with the medium-term strategy of the Company, as well as checking the annual application of such rules).

The Nomination and Remuneration Committee also contributes to the preparation of the profit sharing policy of the staff of the Company and its subsidiaries. In particular, the Committee's task is to formulate proposals regarding the decisions to grant options for the subscription and/or purchase of Company shares of Company performance shares to the benefit of executive officers and Directors and any or all employee staff members of the Company and its subsidiaries.

The rules relating to the remuneration of senior executives are described in the "Executive Compensation and Stock Ownership" section of the Registration Document.

Concerning the members of the Board of Directors, the Committee is responsible for proposing each year the total amount of the Directors' fees (jetons de présence) which shall be submitted to the approval of the General Meeting of shareholders and the way in which such Directors' fees shall be distributed among the Directors, particularly taking into account the presence of the members at the Board of Directors meetings and the committees of which they are members, the level of liability incurred by the Directors and the time dedicated to their functions.

The Committee also makes observations and/or recommendations related to the pension and insurance plans, payments in kind, various financial rights granted to executive officers and Directors of the Company and their subsidiaries.

#### Composition

During the 2014 financial year, the Nomination and Remuneration Committee was composed as follows<sup>1</sup>:

- Nicolas Bazire (Chairman)\*;
- Bertrand Meunier\*;
- Pasquale Pistorio\*.

All of its members are independent, being in perfect conformity with the recommendations of the AFEP-MEDEF Code. The Nomination and Remuneration Committee does not include an employee Director within the meaning of article L. 225-27-1 of the French Commercial Code as these provisions are not applicable to the Company.

#### Operating rules

The Nomination and Remuneration Committee meets without the Chairman and Chief Executive Officer's presence for the assessment of this latter's performance on the occasion of the allocation of his variable compensation. The Nomination and Remuneration Committee delivers an opinion to the Board of Directors on the performance of the Chairman and Chief Executive Officer.

The Chairman and Chief Executive Officer is associated to the works of the Committee relating to appointments.

#### Works in 2014

During the 2014 financial year, the Nomination and Remuneration Committee met 5 times. Attendance of members to the meetings was 93.3%.

The Nomination and Remuneration Committee met in 2014 in order to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- the review of variable compensation of the Chairman and Chief Executive Officer that is due for the second semester of 2013 and the first semester of 2014;
- the definition of the performance objectives applicable to the variable compensation of the Chairman and Chief Executive Officer for the second semester of 2014, and for the first semester of 2015;

<sup>1</sup> Independent directors are identified by this symbol: \*.

- the review of the conformity with the recommendations of the revised AFEP-MEDEF Code regarding the Chairman and Chief Executive Officer's compensation;
- the validation of performance terms and conditions of certain currently valid performance share plans;
- the setting of terms and conditions of certain currently valid performance share plans (including performance conditions, shares delivery method);
- the review of a project of an employee stock ownership plan;
- the review of a performance shares allocation plan in favor of the Chairman and Chief Executive Officer and a number of employees of the Group;
- the review of the presentation of the elements of compensation of the Chairman and Chief Executive Officer to be submitted to the advisory vote of the shareholders during the 2014 Annual General Meeting in accordance with the provisions of the AFEP-MEDEF Code ("Say on Pay");
- the composition of the Board of Directors and the renewal of Directors mandates during the 2014 Annual General Meeting;
- the total amount of Directors' fees (jetons de présence) envelope that was proposed during the 2014 General Meeting and the terms and conditions of allocation of these Directors' fees;
- the review of proposed designations of new Directors of Bull SA in case of success of the public offer;
- the review of the composition of the Audit Committee;
- the review of the Board members' independence.

### G.3.1.8 Assessment of the works of the Board of Directors

[G4-44]

As mentioned in the Internal Rules of the Board of Directors, the Board of Directors must assess its capacity to meet the expectations of the shareholders by periodically analyzing its composition, organization and its functioning, as well as the composition, organization and functioning of its Committees.

The Internal Rules of the Board of Directors provide that for this purpose, once a year, the Board of Directors shall devote one item on its agenda to the discussion of its operation and inform the shareholders each year, in the Registration Document, of the conducting of these assessments and the subsequent follow-up.

In accordance with the AFEP-MEDEF recommendations, the Board of Directors has undertaken since 2009 the annual assessment under the direction of its Lead Director, Pasquale Pistorio. For the 2014 financial year, the Board decided during its meeting held on December 18, 2014, to proceed to a formalized assessment under the same conditions as for the previous years.

The formalized assessment carried out on the works of the Board and its Committees during the 2014 fiscal year, allowed to deepen the appreciation of the works achieved at the Board level as well as in the Committees, as to the conditions in which these meetings are prepared and in particular at the Committees' level (the latter also being subject to an assessment).

The assessment was carried out pursuant to the following procedure:

- Under the supervision of the Lead Director, each Director answers a questionnaire which he is individually provided, with the possibility of individual interviews with the Lead Director;
- At the end of these works, an item was put on the agenda of the Board of Directors' meeting of February 18, 2015 in order to report the conclusions of this assessment and consider the improvements to retain.

The results of the assessment are very positive, as for the previous years. The following points emerged from the Lead Director's analysis and, were shared with all the Directors:

- The Directors were fully satisfied with the diversity of the composition of the Board of Directors, with an increased proportion of women (4/11, i.e. 36% of members) and of Directors of foreign nationality (6/11, i.e. 55% of members). They also mentioned that the diversity of skills was appropriate at the Board level;
- They expressed the wish to have at least one Board meeting per year on such issues as strategy, growth and Atos positioning towards competitors;
- The functioning of the Board and its Committees was most appreciated, the Directors generally underlined the high quality of the supporting documentation.

The assessment of the action of the Chief Executive Officer took place twice in 2014, during the Board of Directors' meetings that ruled in February and July, respectively for the second semester 2013 and the first semester 2014, on the achievement of the performance criteria of the Chairman and Chief Executive Officer's variable compensation.

## G.3.2 Internal control

The internal control system whose definition is stated in section G.3.2.1 below and designed within Atos relies on the internal control reference framework prescribed by the AMF (*Autorité des Marchés Financiers*).

The “general principles” section of the AMF framework has been used to describe in a structured manner the components of the internal control system of Atos — section *G.3.2.3 Components of*

*the internal control system*. Specific attention has been given to the internal control system relating to accounting and financial information — section *G.3.2.4 Systems related to accounting and financial information*, in compliance with the application guide of the AMF.

Internal control players are described in section *G.3.2.2 Internal control system players*.

### G.3.2.1 Internal control definition and objectives

Internal control system designed throughout the Group aims to ensure:

- compliance with applicable laws and regulations;
- application of instructions and directional guidelines settled by general management;
- correct functioning of Company's internal processes particularly those implicating the safeguarding of its assets;

- reliability of financial information.

One of the objectives of internal control procedures is to prevent and control risks of error and fraud, in particular in the accounting and financial areas. As for any internal control system, this mechanism can only provide reasonable assurance and not an absolute guarantee against these risks.

### G.3.2.2 Internal control system players

The main bodies involved in the implementation of internal control procedures at Atos are as follows:

#### Board of Directors supported by Audit Committee

The Board of Directors prepares governance rules detailing the Board's role supported by its Committees. Those Committees enlighten the Board as to the quality of the internal control system. The Audit Committee, in particular, is informed of the content and the implementation of internal control procedures used to ensure the reliability and accuracy of financial information and stays informed about the proper implementation of the Internal Control System.

#### General management and Executive Committee

General management is responsible for the management of the Group's business and focuses on strategic aspects to develop the Group. As part of its role, general management defines the framework of the internal control system.

The Executive Committee leads the operational performance of the Group. Management at different levels is responsible for implementing and monitoring the internal control system within their respective areas of responsibility.

#### Risk Management Committee

Risk Management monitors, reviews and inspects the bidding, engaging in and the execution of contracts to achieve an optimum balance between risk and reward and identifies improvements in operational processes, including controls where applicable.

#### Audit, Risk and Compliance (ARC) Committees

At Global Service Line level, ARC has been setup under the supervision of Group Internal Audit, in order to strengthen the local supervision of Internal Control topics. Their purpose is to share the main audit conclusions with local management, and to review action plans related to identified weaknesses or potential risks.

#### Internal control & ERM (Enterprise Risk Management)

Internal control & ERM function is to ensure the coordination of the internal control system, like the implementation of the Book of Internal Control and its continuous improvement within the Group. Internal control also runs the Enterprise Risk assessment.

Internal control relays in each Global Function/Service Line/GBU assist in the deployment of the various initiatives.

## Internal Audit

The Internal Audit organization is centralized which enables a global working practice following one Group audit plan and a consistent audit methodology. Internal Audit operating principles are defined in the Group Internal Audit Charter, which was validated by general management. The Audit Committee also received regular reports on the Internal Audit work plan, objectives of assignments, and associated results and findings.

The Internal Audit department liaises with the statutory auditors to ensure an appropriate co-ordination between internal and external control.

In 2014, Group Internal Audit department obtained the renewal of the French Institute for Internal Audit's IFACI certification. This accreditation attests to the quality of the Internal Audit (IA) function in organizations, the level of compliance with international standards and IA's degree of control over key challenges.

### G.3.2.3 Components of the internal control system

#### A - Organization / control environment

The organization, competencies, systems and policies (methods, procedures and practices) represent the ground layer of the internal control system and the fundamentals of the Group. The main components are presented in this section.

**Matrix organization:** the Company runs a matrix organization structure that combines operational management (Global Business Units (Geographies) / Service Lines) and Functional Management (Sales & Markets and Support Functions). This matrix structure allows a dual view on all operations and therefore enhances the control environment.

**Compliance coordination:** compliance is managed by a committee chaired by the Group General Counsel, in order to ensure that the organizations, processes and activities effectively support the compliance policy of Atos.

**Responsibilities and powers:** the following initiatives aim to frame the assignment of responsibilities:

- **Delegation of authority:** in order to ensure efficient and effective management control from the country level to general management level, a formal policy sets out the authorization of officers of subsidiaries to incur legal commitments on behalf of the Group with clients, suppliers and other third parties. The delegation of authority policy has been updated in January 2014, approved by the Board of Directors and rolled-out under the supervision of the Group Legal & Compliance department;
- **Segregation of duties:** updated policy for segregation of duties (SOD) has been published in 2014, defining accountability for implementing and monitoring organizational and technical measures proportionate to the risks of errors or fraud. A tool has been used to perform automatic assessments of those rules in the main systems.

**Policies and procedures:** the key policies and procedures contributing to an appropriate control environment include:

- **The Code of Ethics:** in line with Atos commitment to Corporate Social Responsibility (Atos has signed the UN Global Compact), this Code, part of each employee's work contract outlines the importance paid by Atos for:

- complying with all laws, regulations and internal standards,
- acting honestly and fairly with clients, shareholders and partners,
- playing by the rules of fair competition,
- never using bribery or corruption in any form,
- being loyal to the Company and in particular, avoiding any conflicts of interest,
- protecting the Group's assets and preventing and combating against fraud,
- protecting confidentiality and insider information.

It is complemented by several Codes and charts (as detailed in section *G.6 Code and charts*), and enforced throughout the Group by communications and training sessions.

- **Atos Rainbow™:** Rainbow is a set of procedures and tools that provides a formal and standard approach to bid management, balancing sales opportunities and risk management for all types of opportunities. Rainbow is the means by which Atos' management is involved in controlling and guiding the acquisition of the Group's contracts. Above specific thresholds Rainbow reviews are performed at general management level.
- **Operational policies and procedures** have also been implemented in all departments. The main impacting policies and procedures in terms of internal control include "Payments & Treasury Security Rules", "Pension Governance", "Investment Committee", "Data Protections", "Contributions", "Safety and Physical Security" and "Credit Risk Policy". They are gathered in the Book of Internal Policies.

**Process management:** Along with the centralization of the Group Policies, the "Business Process and Organization Management" (BPOM) department focuses on creating an Atos Business Process Center of Excellence (BPCOE) in coordination with business process owners and the functions related to Internal Control, Quality, security etc. The BPCOE community, supported by process analysts, is responsible for documenting existing and targeted business processes, including the supporting organization, KPIs, and internally and externally mandated compliance parameters.



**Human Resource Management:** the Group Human Resource management policy relies on the Global Capability Model (GCM) which is a standard for categorizing jobs by experience and expertise across the Group. A Group Policy on bonus scheme completes this system by setting incentives.

**Information Systems:** Group Business Process and Internal IT department is in place to provide common internal IT infrastructures and applications for Atos staff worldwide. It supports functions like Finance (accounting and reporting applications), Human Resources (resourcing tool, corporate directory), Communication (Group websites and intranet) or Project Managers (capacity planning and project management).

Security and access to these infrastructures and applications as well as their reliability and performance are managed by this department and benefit from the core expertise and resources from the Group.

### B - Communication of relevant and reliable information

Several processes are in place to ensure that relevant and reliable information is provided within the Group.

**Monthly reviews** of operational performance by Service Line and Operational Entity are organized under the responsibility of the Group Chief Financial Officer and in the presence of the relevant Executive Vice Presidents.

**A shared ERP system** is deployed and used in most countries of the Group, enabling easier exchange of operational information. It allows producing cross border reporting and analysis (cross border project analysis, customer profitability...) as well as business reports through different analytical axis (service line, geographical and market axis).

**Formal information reporting lines** have been defined, following the operational and the functional structures. This formal reporting, based on standard formats, concerns both financial and non-financial information as well as operational risks (through Risk Management Committees), treasury (with Payments and Treasury Security Committee), or financial restructuring (Equity Committee).

This bottom-up communication is accompanied by top-down instructions, issued regularly, and especially for budgeting and financial reporting sessions.

### C - System for risk management

Risk management refers to means deployed in Atos to identify, analyze and manage risks. Although risk management is part of a manager's day to day decision making process, specific formal initiatives have been led concerning risk management:

**A risk mapping** has been updated in 2014 under the sponsorship of general management. The selected methodology involves the managers of the Group TOP 200 through workshops and questionnaires, to collect their perception of the main risks, their relative importance (inherent risk) and mitigation effectiveness (residual risk).

This assessment has covered potential risks related to environment (stakeholders, natural disasters), the transformation & business development (technology change, organization, market positioning), operations (clients, people, IT, processes) and the information used for decision making (financial and operational).

This recurring process, allows identifying evolutions from one year to another. Improvement plans for the main residual risks are designed at GBU and Group level, with assigned owners and milestones/timelines for follow-up and completion in 2015.

Results have been shared with general management and Group Executive Committee, to ensure that appropriate measures are deployed to manage the main risks, and presented to the Audit Committee of the Board of Directors.

**The Risk Analysis** (as detailed in the section *F. Risks analysis* of the 2014 Registration Document) presents the Group's vision of the main business risks, as well as the way those risks are managed. This includes the contracting of several insurance policies to cover primary insurable risks including the protection of Group assets (production sites and datacenters) and people. Operational risks on projects have been managed by the risk management function (including a Group Risk Management Committee who met monthly to review the most significant and challenging contracts). Risks related to logical or physical security are managed through a Security Organization coordinated at Group level. Control activities have also been implemented (through the Book of Internal Control), on the basis of main risks identified, as described next section related to "control activities".

### D - Control activities

Atos key control activities are described in the Book of Internal Control (BIC). This document, sent out to all entities by the general management, complements the different procedures by addressing the key control objectives of each process to achieve an appropriate level of internal control.



It doesn't cover only the financial processes, but also delivery processes (like contract management), support processes (including legal, purchasing, HR or IT) and some management processes (Mergers and Acquisitions).

An updated version of the Book of Internal Control has been released and distributed throughout the Group in August 2014, in order to take into account additional controls and some improvements in various processes. This framework will continue to evolve, according to evolving maturity of processes and emerging risks.

An IT control framework (part of the BIC) has been defined, detailing control activities related to client service. This framework has been used to issue "ISAE3402" reports<sup>1</sup> for several Atos clients.

### E - Monitoring

Monitoring of internal control system is the responsibility of the Group and Local Management, and is also supported by Internal Audit missions.

Control self-assessments are performed by the main Functions through questionnaires filled by GBUs / SBUs, and reviewed at Group level. Action plans are initiated when deviations were reported.

Internal Audit is ensuring, through its reviews, that the internal control procedures are properly applied and supports the

development of internal control procedures. Internal Audit also defined, in partnership with Group and Local management, action plans for continuously improving internal control processes.

In 2014, Internal Audit carried out a total of 46 audit assignments (including investigations at the request of general management) assessing the functioning of internal control system: 21 in the domain of support functions (Finance, Human Resources, Purchasing, Sales) and 25 related to Operations/core business. All assignments have been finalized by the issuance of an audit report including action plans to be implemented by the related division or country.

Twice a year, a full review of high and medium open recommendations is performed by Internal Audit with concerned owners, and reported up to the Group Executive Committee. End 2014, 78% of audit recommendations have been implemented in due time.

Internal audit has also actively contributed to help the business meeting the compliance requirements to maintain the "payments institution" status for Worldline Belgium. An annual assessment has therefore been included in the audit plan.

Audits on Service Organization Controls (SOC) have been performed by independent auditors for the main service providers who run processes on behalf of Atos, notably in the areas of payroll processing, accounts payable management or general ledger accounting processing.

## G.3.2.4 Systems related to accounting and financial information

The financial governance of the Group relies on a set of global financial processes, that are part of the Internal Control system of the Group and for which a specific attention is paid due to their sensitivity:

- Finance processes: budget and forecast, consolidation and reporting, treasury, credit risk management.
- "Expert" functions processes: taxes, insurance, pensions, real estate transactions.
- Operational processes: bidding, contract execution, financial business model.

### A - Local and Group financial organization

The management of the Finance function is performed through two main committees that meet on a bi-monthly basis and are chaired by the Group CFO:

- **The Group Finance Committee** (GFC) physically gathers the Directors of the main functions within Finance organization and Finance Directors of Service Lines. This Committee deals with transversal topics critical for the Group.

- **The Operational Finance Committee** (OFC) gathers CFOs from GBUs, Treasury and Controlling Directors (and other Directors according to the agenda). It deals with operational topics and GBU specific issues.

This organization is cascaded at country level.

Direct reporting to Group Function, as for the other support functions, reinforces the integration of the financial function and contributes to the full alignment of key processes and provides an appropriate support to operational entities of the Group.

Group Finance department is in charge of piloting the financial processes, especially through the financial consolidation, the monitoring of compliance matters, the supply of expertise and the control of the reported financial information. It has reviewed significant accounting options, as well as potential Internal Control weaknesses and has initiated required corrective actions.

<sup>1</sup> ISAE3402 (International Standards for Assurance Engagements (ISAE) No. 3402). A global assurance standard for reporting on controls at a service organization used for auditor's report on internal control of a service to a third party. Activities of Atos typically have an impact on the control environment of its clients (through information systems), which may require the issuance of "ISAE3402 reports" for the controls ensured by Atos.

## B - Group Finance policies & procedures

Group Finance has drawn up a number of Group policies and procedures to control how financial information is processed in the subsidiaries. These policies and procedures were discussed with the statutory auditors before issuance and included the following main elements:

**Financial accounting policies** include a set of manuals such as the Group reporting and accounting principles handbooks applicable to the preparation of financial information, including off-balance sheet items. The handbooks set out how financial information must be prepared, with common presentation and valuation standards. It also specifies the accounting principles to be implemented by Atos entities in order to prepare budget, forecast and actual financial reporting required for Group consolidation purposes. Group reporting definitions and internal guidelines for IFRS, and particularly accounting rules applicable in the Operations, are regularly updated.

An expertise center managed by the expert function at Group level is in charge of proper implementation of Group accounting principles (and their compliance with international standards), of the implementation of financial Internal Control, process standardization and of the knowledge transfer to the shared service center in charge of transactional processing for the entities in the main European countries.

Training and information sessions are organized regularly in order to circulate these policies and procedures within the Group. A dedicated intranet site is accessible to all accounting staff, which facilitates the sharing of knowledge and issues raised by members of the Atos financial community.

**Instructions and timetable:** Financial reporting including budget, forecast and financial information by subsidiary is carried out in a standard format and within a timetable defined by specific instructions and procedures. Group Finance liaised with statutory auditors to coordinate the annual and half-year closing process.

## C - Information systems

Information systems have played a key role in the control system related to the accounting and financial information, as they have both strongly structured the processes and provided automated preventive controls, but have also provided monitoring and analysis capabilities.

**An integrated ERP system** has supported the production of accounting and financial information almost all the subsidiaries except for those acquired recently.

**A unified reporting and consolidation tool** is used for financial information (operational reporting and statutory figures). Each subsidiary reported its financial statements

on a standalone basis in order to be consolidated at Group level. There was no intermediary consolidation level and all accounting entries linked to the consolidation remain under the direct control of Group Finance. Off balance sheet commitments were reported as part of the mainstream financial information and are examined by Group Finance.

## D - Monitoring and control

In addition to the financial processes defined, monitoring and control processes aims to ensure that accounting and financial information complies with rules and instructions.

**The Closing File** (linked with the Book of Internal Control) has been deployed at local level. It was required for the main subsidiaries to elaborate on a quarterly basis, a standard closing file formalizing key internal controls performed over financial cycles and supporting closing positions. Templates created by Group Finance illustrate the expected level of control for the main items.

**Functional reviews** are performed by Group financial support functions on significant matters relating to financial reporting, such as tax issues, pensions, litigations, off balance sheet items or business performance and forecast.

**Operational and financial reviews:** Group controlling is supporting Operations and general management in the decision making process through monthly reviews and by establishing a strong link with country management in financial analysis & monitoring, enhancing control & predictability of operations and improving the accuracy & reliability of information reported to the Group;

**Representation letters:** during the annual and half-year accounts preparation, the management and financial head of each subsidiary was required to certify in writing:

- they have complied with the Group's accounting rules and policies;
- they are not aware of cases of proven or potential fraud that may have an impact on the financial statements;
- the estimated amounts resulting from the assumptions made by management enable the Company to execute the corresponding actions; and
- that, to the best of their knowledge, there was no major dysfunction in the control systems in place within their respective subsidiaries.

**Internal Audit department:** the review of the internal control procedures linked to the processing of financial information was a component of the reviews conducted by the Internal Audit department. The Internal Audit department works together with Group Finance to identify the main risks and to focus its audit plan consequently.

### G.3.2.5 Outlook and related new procedures to be implemented

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In 2015, financial, commercial and social development programs, as well as other transformation initiatives, will pursue their effects to improve and streamline processes, with benefits for the Internal Control System. In particular, recently acquired Bull entities will be fully integrated in Atos internal control system.

Initiatives identified through the updated risk mapping will be monitored to ensure that proper attention is given to those topics.

The Internal Audit department will pursue the internal review program updated following the risk assessment performed in 2014, and the follow-up of its recommendations.

#### Conclusion

Based on the above, we have no other observation with regard to internal control and procedures implemented by the Group.

The above elements participate to guarantee the appropriate level of internal control even if they cannot provide an absolute guarantee that the Group's goals in this respect will be achieved and that all risks will have been completely eliminated.

**Thierry Breton,**  
*Chief Executive Officer and Chairman, Atos SE*



### G.3.3 Statutory auditors' report prepared in accordance with article L. 225-235 of French Commercial Code (Code de Commerce) on the report prepared by the Chairman of the Board of Directors of Atos SE

*This is a free translation into English of the statutory auditors' report issued in French prepared in accordance with article L. 225-235 of French Commercial Code on the report prepared by the Chairman of the Board of Directors issued in French and is provided solely for the convenience of English speaking users.*

*This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.*

To the shareholders,

In our capacity as statutory auditors of Atos S.E. and in accordance with article L. 225-235 of French Commercial Code (Code de Commerce), we hereby report on the report prepared by the Chairman of your Company in accordance with article L. 225-37 of French Commercial Code (Code de Commerce) for the year ended December 31, 2014.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the Company and containing the other disclosures required by article L. 225-37 of French Commercial Code (Code de Commerce), particularly in terms of corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information; and
- to attest that this report contains the other disclosures required by article L. 225-37 of French Commercial Code (Code de Commerce), being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

#### Information on the internal control procedures and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information

provided in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the Company's internal control procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with article L. 225-37 of French Commercial Code (Code de Commerce).

#### Other disclosures

We attest that the Chairman's report includes the other disclosures required by article L. 225-37 of French Commercial Code (Code de Commerce).

Neuilly-sur-Seine and Paris, March 27, 2015

The statutory auditors

Deloitte & Associés

Christophe Patrier

Grant Thornton

*French member of Grant Thornton International*

Victor Amselem

*French member of Grant Thornton International*

## G.4 Executive compensation and stock ownership

### G.4.1 Directors' fees

[G4-51]

In accordance with a resolution adopted at the General Meeting of May 27, 2014, the 2014 annual envelope for Directors' fees was set at € 500,000.

The rules of payment of the Directors' fees are set by the Board of Directors, based on the proposal of its Nomination and Remuneration Committee. For 2014, the fees were allocated on the basis of the following principles:

- For the Board of Directors: a fixed remuneration of € 25,000 per Director plus a variable fee of € 1,000 per meeting (this fee is dependent on attendance at the meetings of the Board of Directors);
- For the Committees: remuneration is dependent on attendance at the meetings: € 1,500 per meeting for the Chairman of the said Committee and € 750 per meeting for each member of the Committee;
- The Lead Director receives an additional € 1,000 for each meeting attended.

Thierry Breton has renounced to the benefit of his Director's fees.

With the exception of Thierry Breton, Chairman and Chief Executive Officer and Jean Fleming, Director representing employee shareholders, the members of the Board did not receive any compensation from any subsidiaries of Atos SE.

### Director's fees paid and due to the members of the Board of Directors according to their attendance at the Board and Committees meetings

(in €)	2014		2013	
	Paid <sup>a</sup>	Due <sup>b</sup>	Paid <sup>c</sup>	Due <sup>d</sup>
René Abate	15,205 <sup>1</sup>	N/A	33,000	15,205 <sup>1</sup>
Nicolas Bazire	45,000	48,500	38,000	45,000
Jean-Paul Béchat	49,500	42,966 <sup>2</sup>	43,500	49,500
Thierry Breton	-	-	-	-
Roland Busch	34,250 *	36,500 *	32,250 *	34,250 *
Jean Fleming <sup>3</sup>	38,000 *	39,000 *	31,000 *	38,000 *
Bertrand Meunier	39,000 *	44,750 *	35,000 *	39,000 *
Colette Neuville	39,000	41,000 *	33,000	39,000
Aminata Niane	38,750 *	36,250 *	36,500 *	38,750 *
Lynn Paine	21,795 <sup>4</sup> *	41,000 *	N/A	21,795 <sup>4</sup> *
Michel Paris	41,500	44,500	38,250	41,500
Pasquale Pistorio	54,000 *	51,250	43,250 *	54,000 *
Vernon Sankey	44,250 *	48,393 <sup>5</sup> *	36,500 *	44,250 *
Lionel Zinsou-Derlin	37,000	18,068 <sup>6</sup>	33,000	37,000
<b>TOTAL</b>	<b>497,250</b>	<b>492,177</b>	<b>433,250</b>	<b>497,250</b>

N/A: Non applicable

\* These fees granted to Directors residing outside of France correspond to the amounts before withholding tax paid or due by Atos SE.

a Directors' fees paid in 2014 for the year 2013.

b Directors' fees due for the year 2014.

c Directors' fees paid in 2013 for the year 2012.

d Directors' fees due for the year 2013.

1 The term of office of René Abate ended at the Combined General Meeting of May 29, 2013. The fixed portion of his Directors' fees for 2013 was calculated on a pro rata basis up to this date.

2 Jean-Paul Béchat died on November 24, 2014. The fixed portion of his Directors' fees for 2014 was calculated on a pro rata basis up to this date.

3 Jean Fleming, Director representing employee shareholders is employed by Atos IT Services UK.

4 Lynn Sharp Paine was appointed Director during the Combined General Meeting of May 29, 2013. The fixed portion of the Directors' fees for 2013 was calculated on a pro rata basis as from this date.

5 An additional € 2,143 was paid to Vernon Sankey to compensate his activity as Acting Chairman of the Audit Committee during the last months of 2014.

6 The term of office of Lionel Zinsou-Derlin ended at the Combined General Meeting of May 27, 2014. The fixed portion of his Directors' fees for 2014 was calculated on a pro rata basis up to this date.

## G.4.2 Executive compensation [G4-51]

Thierry Breton was appointed Chairman of the Management Board on November 16, 2008 and has been Chairman of the Board and Chief Executive Officer since February 10, 2009. On May 30, 2012, following the General Meeting of the Atos shareholders, the Board of Directors renewed Thierry Breton's

mandate as Chairman of the Board and Chief Executive Officer, which will end in 2015 on the date of the Shareholders' General Meeting validating the 2014 consolidated financial statements. This mandate is subject to renewal during the next May 28, 2015 Shareholders Meeting.

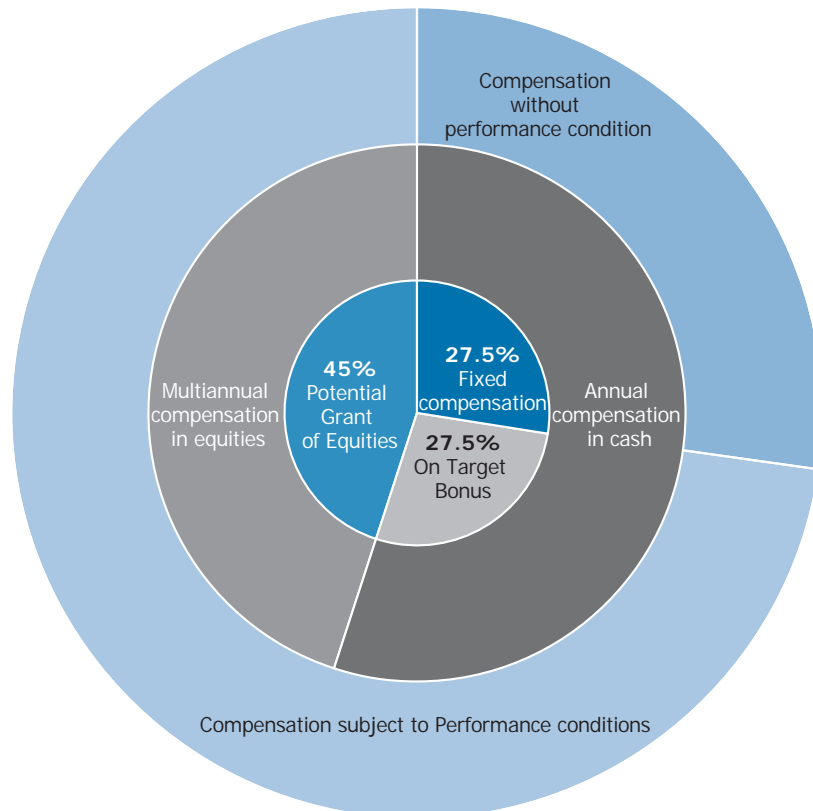
### G.4.2.1 Principles of the compensation of Thierry Breton - Chairman and Chief Executive Officer

The principles of the compensation of the Chairman and CEO of Atos SE are recommended by the Nomination and Remuneration Committee and validated by the Board of Directors. The Nomination and Remuneration Committee's role and composition are detailed in a dedicated paragraph in the corporate governance Section of this document.

The principles governing the determination of the compensation of the CEO are established in the framework of the AFEP-MEDEF recommendations (revised version of June 2013):

- principle of **balance**: the Nomination and Remuneration Committee ensures that no element represents a disproportionate share of the Chairman and CEO's compensation;
- principle of **competitiveness**: the Nomination and Remuneration Committee also ensures the competitiveness of the remuneration of the Chairman and CEO, through regular compensation surveys;

- **related to performance**: the Chairman and CEO's compensation is closely linked to **Company performance**, notably through a variable remuneration plan determined on a half-year basis. The payment of the semester bonuses is subject to the achievement of specific objectives which are simple and measurable and closely linked with the Company's objectives, as regularly disclosed to the shareholders. In order to develop a **community of interest with the Group's shareholders** and to associate Atos managers and Chairman and CEO with the performance and financial results of the Company in a long-term perspective, a part of their compensation is delivered in Atos equities, including Performance Shares. Finally, the compensation policy of the Chairman and CEO supports Atos' commitment to corporate responsibility. In this context, performance criteria related to the **social and environmental responsibility** of the Company have been established in the Performance Share Plans granted in 2013 and 2014.



### G.4.2.2 Elements of the compensation of Thierry Breton - Chairman and Chief Executive Officer

The elements of the compensation of Thierry Breton, Atos SE Chairman and CEO, were decided by the Board of Directors during a meeting held on December 22, 2011, upon recommendation of the Nomination and Remuneration Committee. This decision has been confirmed following the General Meeting of Shareholders held on May 30, 2012, on the renewal of Thierry Breton's mandate, as well as during the meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016.

Moreover, for the first time, Atos submitted to the vote of the shareholders, during the General Meeting held on December 27, 2013, a resolution on the main strategic guidelines of the Group for the period 2014-2016, which was adopted with 99.63% of the vote. This resolution also included all the various elements composing the compensation of the Chairman and CEO of the company Atos SE for the period 2014-2016, which are consubstantial with the Strategic Plan, and as they have been approved by the Board of Directors. These elements include:

- a total compensation in cash, from January 1, 2012, which has been maintained for the three-year plan "2016 Ambition", and which is composed of:
  - Fixed Annual Compensation of € 1.35 million,
  - Variable Compensation, subject to performance conditions, annual target being equal to € 1.35 million, with a maximum payment capped at 130% of the target variable compensation, in accordance with the rules applicable to the whole Executive Committee.

In order to monitor **Company's performance** more closely and establish a proactive way to support its strategic plan, the performance objectives for the Chairman and CEO are set and reviewed on a half-year basis. As a consequence, the variable compensation is paid every 6 months (usually in February or March, for the payment of the second semester of the previous year's bonus, and in August for the payment of the current year first semester's bonus).

Thus, **Due Remuneration** reflects amounts due for the first and second semesters of the relevant year; and **Paid Remuneration** reflects amounts paid for the second semester of the previous year and the following first semester.

It should also be specified that the variable compensation of the Chairman and CEO is conditional, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives. The objectives are fully aligned with the Group Ambitions, as they are regularly presented to the shareholders.

Regarding the 2014 year, the nature and weighting of each indicator of the variable on-target Bonus of the Chairman and CEO is the following:

- Group Operating Margin (40%),
  - Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%),
  - Group External Revenue (30%);
- **grant of Atos Long Term Incentives (Equities)**: the Atos Board of Directors, during the meeting held on May 30, 2012, and upon recommendation of the Nomination and Remuneration Committee, has set the weight of Long Term Incentives (Equities) in the total compensation of the Chairman and Chief Executive Officer. Thus, according to the recommendations of the AFEP-MEDEF, and with consideration of market practices documented in the Registration Documents of CAC 40 companies, the Board of Directors ensured that compensation in the form of options and shares valued in accordance with IFRS standards, does not represent a disproportionate percentage of the Chairman and CEO's total compensation, by setting a maximum percentage of the total compensation.

Thus, for the period of the three-year plan "2016 Ambition", awards of Atos shares (share options or Performance Shares) to the Chairman and CEO are maintained, representing in the aggregate per annum 45% of the Total Compensation Package, such awards being subject to achieving several demanding performance conditions determined by the Board of Directors, whether internal or external, and based on financial criteria (such as: profitability, free cash flow and External Revenue) and Corporate Social Responsibility objectives;

- **the fringe benefits** granted to the Chairman and CEO since his appointment have remained unchanged.



### G.4.2.3 Summary of the Compensation and Stock-Options and Performance Shares granted to the Chairman and CEO - AMF Table 1

	2014 <i>(in €)</i>	2013 <i>(in €)</i>
<b>Thierry Breton - Chairman and CEO</b>		
Due remuneration for the relevant year	2,480,582	2,690,261
Value of options granted during the year	-	-
Value of Performance Shares granted during the year	1,543,058	2,250,773
<b>TOTAL</b>	<b>4,023,640</b>	<b>4,941,033</b>

In 2012, the Chairman and CEO was not granted any Performance Shares or any Options to subscribe or purchase Shares of the Company.

As a reminder, Performance Shares granted by Atos Board of Directors to the Chairman and CEO, on July 24, 2013 according to the authorization granted by the Atos Shareholders'

General Meeting held on May 30, 2012 (18<sup>th</sup> resolution), and on July 28, 2014, according to the authorization granted by the Atos Shareholders' General Meeting held on May 29, 2013 (15<sup>th</sup> resolution) have been valued based on fair value as determined pursuant to the IFRS 2 method retained for the consolidated accounts.

### G.4.2.4 Summary of the Chairman and CEO's remuneration, paid by the Company and its subsidiaries - AMF Table 2

<i>(in €)</i>	2014		2013	
	Due	Paid	Due	Paid
Fixed remuneration	1,350,000	1,350,000	1,350,000	1,350,000
Variable remuneration	1,121,783	1,092,150	1,332,045	1,385,100
Exceptional remuneration	-	-	-	-
Atos SE Director's fees	-	-	-	-
Fringe benefits	8,800	8,800	8,216	8,216
<b>TOTAL</b>	<b>2,480,582</b>	<b>2,450,950</b>	<b>2,690,261</b>	<b>2,743,316</b>

In 2013, the financial objectives were over achieved for the first semester (achieving 101.9%) when achievement for the second semester was 95.4%. For 2013, the annual variable compensation due to the Chairman and CEO corresponds to 98.7% of his target annual variable compensation. In 2014,

the financial objectives were achieved for the first semester at 66.4% when achievement for the second semester was 99.83%. For 2014, the annual variable compensation due to the Chairman and CEO corresponds to 83% of his target annual variable compensation.

### G.4.2.5 Fringe benefits of the Executive Director - AMF Table 11

The Chairman and CEO does not have an employment contract and will not receive a severance payment at the end of his mandate. The terms of the supplementary pension plan are described in paragraph "Compliance of global executive compensation with AFEP-MEDEF recommendations."

	Employment contract		Supplementary pension plan		Payments or benefits effectively or potentially due in the event of termination or change of position		Non compete clause payment	
	YES	NO	YES	NO	YES	NO	YES	NO
<b>Chairman and Chief Executive Officer</b>								
Thierry Breton Chairman of the Management Directory November 16, 2008 – February 10, 2009 Chief Executive Officer February 10, 2009 to date		NO	YES			NO		NO



### G.4.3 Performance Share Plans and Option plans for Stock Subscription or Purchase

[G4-51]

Atos is strongly committed to associating its employees with the long-term performance and results of the Company, notably through Long-Term Incentive plans. Beneficiaries of such LTI plans are mostly Top Managers of the Group, including the Chairman and CEO.

Following the integration of Siemens IT Solutions and Services, upon proposal of the Nomination and Remuneration Committee, Atos Board of Directors, during the meeting held on December 22, 2011 decided to implement a Performance Share Plan to associate the managers of the new Atos in the Group's success in the years 2012-2013. On July 24, 2013, the Board of Directors also decided to grant Performance Shares, with performance conditions related to 2013 and 2014 (the plans are detailed below).

In line with the Group main strategic guidelines over the period 2014-2016, in order to associate Atos Chairman and CEO and

Top managers with the performance and financial results of the Company, the Board of Directors, upon proposal of the Nomination and Remuneration Committee, decided during its meeting held on July, 28, 2014, to implement a Performance Share Plan, with performance conditions related to 2014 and 2015. As detailed below, an additional demanding internal performance criterion has been set up in this 2014 Plan: on top of Operating Margin, Free Cash Flow and Environmental and Social Responsibility criteria, the Board of Directors has decided to include External Revenue Growth, as growth is a key element of the Atos Group's strategy, and thus strengthening the requirement of the performance conditions.

The Rules of the Performance Share Plans and the previous grants of Performance Shares and Options to subscribe or purchase Shares of the Company to the Chairman and CEO are detailed in the following paragraphs.

#### G.4.3.1 Terms and conditions of the Performance Share Plan decided on December 22, 2011 of which the Chairman and CEO is one of the beneficiaries

Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on July 1, 2011 (fourth resolution), and upon recommendation of the Nomination and Remuneration Committee, the Board of Directors, during its meeting held on December 22, 2011, granted Performance Shares to the top 1% first managers of the Group, including the Chairman and CEO of Atos SE. This grant was based on specific and quantifiable operational criteria to reflect the priority given to operational performance related to the successful integration of Siemens IT Solutions and Services.

Acquisition of these Performance Shares is subject to the following conditions, which reproduce and strengthen the criteria used in the previous three-year plan for stock options (which are described in the below Reminder of the Terms and Conditions of the stock option plan dated December 23, 2008):

1. **Employment condition:** subject to exceptions provided in the Performance Shares plan<sup>1</sup>, the grant of Performance Shares is conditional on the continued employment of the beneficiary, with an employee or Director status, within Atos Group during the vesting period described below in item "3. Vesting and conservation period";

2. **Performance conditions:** the acquisition of Performance Shares is also subject to the achievement of the following two cumulative internal performance conditions calculated respectively for the years 2012 and 2013:

- the **Group free cash flow** before dividend and acquisition/sales results for the relevant year is at least equal to one of the two following amounts:
  - (i) 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or
  - (ii) the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

And

- the **Group operating margin** for the relevant year is at least equal to one of the two following amounts:
  - (i) 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  - (ii) the amount of the Group operating margin from the previous year with a 10% increase;

<sup>1</sup> Such as: death or disability.

- subject to the aforementioned employment condition:
  - (i) achieving both performance conditions for the year 2012 will lead to the beneficiaries acquiring 50% of the Performance Shares which they were granted, and
  - (ii) achieving both performance conditions for the year 2013 will lead to the beneficiaries acquiring 50% of the remaining Performance Shares which they were granted;
- 3. **Vesting and conservation periods:** the grant of Performance Shares proposed by the Atos Board of Directors on December 22, 2011, in accordance with the authorization given by the fourth resolution adopted during the General Meeting of the shareholders on July 1, 2011, provides for two plans (France and International).

**International Plan:** the beneficiaries employed by a company of the Group incorporated outside of France, will definitively acquire the granted Performance Shares on the fourth anniversary of the grant date, subject to the achievement of

the above mentioned performance and employment conditions, without any obligation of conservation of the shares which could be immediately sold.

**France Plan:** the beneficiaries employed by a company of the Group incorporated in France, will definitively acquire the granted Performance Shares on the second anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions. The beneficiaries are also required to remain owner of their acquired shares for an additional period of two years. The Chairman and CEO is eligible to the Performance Share Plan for France.

For the France plan mentioned above, the shares subject to performance conditions for the year 2012 (Tranche 1) and for the year 2013 (tranche 2) were respectively definitively acquired on December 22, 2013, and on March 17, 2014; the beneficiaries are also required to remain owner of their acquired shares for a period of two years, the above-mentioned shares could be sold starting December 22, 2015 and March 17, 2016 respectively.

### G.4.3.2 Terms and conditions of the Performance Share Plan decided on July 24, 2013 of which the Chairman and CEO is one of the beneficiaries

Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on May 30, 2012 (eighteenth resolution), the Board of Directors, during its meeting held on July 24, 2013, upon recommendation of the Nomination and Remuneration Committee, decided to proceed with the grant of 723,335 Atos Performance Shares, including the Chairman and CEO.

The performance conditions of this new plan focus on annual internal financial criteria related to profitability and free cash flow, which have been strengthened compared to the previous plan of December 22, 2011. It is indeed necessary to achieve all of the performance conditions for both concerned years (2013 and 2014) to definitively acquire 100% of the granted shares. Moreover, the requirement of the plan has been strengthened by the addition of an external condition, linked to the social and environmental performance of the Company. The Board noted the particularly demanding nature of these performance conditions.

It is stated that if one any of the performance conditions both internal and external were not achieved for the first or second year of the plan, Performance Shares would become null and void.

The performance plan's characteristics are the following:

1. **Employment condition:** subject to exceptions provided in the Performance Shares plan<sup>1</sup>, the grant of Performance Shares is conditional on the continued employment of the beneficiary, with an employee or Director status, within Atos Group during the vesting period described below in item "3.Vesting and conservation period";
2. **Performance conditions:** The acquisition of Performance Shares is also subject to the achievement of the five following internal and external performance conditions calculated for the consecutive years 2013 and 2014.

<sup>1</sup> Such as: death or disability.

**Internal Performance conditions**

For each of the concerned year 2013 and 2014\*:

- the **Group free cash flow** before dividend and acquisition/sales results for the relevant year is at least equal to one of the two following amounts:
  - (i) 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or
  - (ii) the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

**And**

- the Group operating margin for the relevant year is at least equal to one of the two following amounts:
  - (i) 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  - (ii) the amount of the Group operating margin from the previous year with a 10% increase;

Being specified that the four performance conditions criteria described above will be calculated at constant exchange rates and perimeter.

\* *Further to Bull acquisition by Atos, Atos financial accounts include Bull from September 1, 2014 onwards. Upon recommendation of Atos Nomination and Compensation Committee, Atos Board of Directors, during its meeting held on October 24, 2014, took the decision to take into account the new scope and did adjust the 2014 performance targets related to Free Cash Flow and Operating Margin in accordance with the plan rules.*

**And****External Performance conditions**

For the year 2013, and for the year 2014, Atos must fulfill the requirement of GRI A application level, validated by the GRI (or equivalent); or, be part of the Dow Jones Sustainability Index (World or Europe).

3. **Vesting and conservation periods:** The free grant of Performance Shares proposed by the Atos Board of Directors on July 24, 2013, provides for two plans (France and International).

**International Plan:** the beneficiaries employed by a company of the Group incorporated outside of France, will definitively acquire the granted Performance Shares on the fourth anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions, without any obligation of conservation of the shares which could be immediately sold.

**France Plan:** the beneficiaries employed by a company of the Group incorporated in France, will definitively acquire the granted Performance Shares on the second anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions. The beneficiaries are also required to remain owner of their acquired shares for an additional period of two years.

The Chairman and CEO is eligible to the Performance Share Plan for France.

### G.4.3.3 Terms and conditions of the Performance Share Plan decided on July 28, 2014 of which the Chairman and CEO is one of the beneficiaries

Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on May 29, 2013 (fifteenth resolution), the Board of Directors, during its meeting held on July 28, 2014, upon recommendation of the Nomination and Remuneration Committee, decided to proceed with the grant of 691,000 Atos Performance Shares, for the benefit of the Atos first lines of managers, including the Chairman and CEO.

The performance conditions of this new plan have been strengthened compared to the previous plan of July 24, 2013, by the addition of the External Revenue Growth as an annual internal financial criterion, on top of profitability and free cash flow. The Board noted the particularly demanding nature of these performance conditions.

The performance plan's characteristics are the following:

1. **Employment condition:** subject to exceptions provided in the Performance Shares plan<sup>1</sup>, the grant of Performance Shares is conditional on the continued employment of the beneficiary, with an employee or Director status, within Atos Group during the vesting period described below in item "3. Vesting and conservation period";

\* *Such as: death or disability.*

2. **Performance conditions:** The acquisition of Performance Shares is also subject to the achievement of the following internal and external performance conditions calculated for the consecutive years 2014 and 2015.

**Internal Performance conditions**

For each of the concerned year 2014\* and 2015:

- the **Group free cash flow** before dividend and acquisition/sales results for the relevant year is at least equal to one of the two following amounts:
  - (i) 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or
  - (ii) the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;



And

- the **Group operating margin** for the relevant year is at least equal to one of the two following amounts:
  - (i) 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  - (ii) the amount of the Group operating margin from the previous year with a 10% increase;

And

- the **Group revenue growth** for the relevant year, is at least equal to one of the following two amounts:
  - (i) revenue growth rate as mentioned in the Company's Budget for the year in question minus a percentage decided by the Board of Directors, or
  - (ii) yearly growth rate per reference to the Group growth targets communicated in the framework of the 3 year Plan (2014-2016);

It being specified that the internal performance criteria described above will be calculated at constant exchange rates and perimeter.

\* Further to Bull acquisition by Atos, Atos financial accounts include Bull from September 1, 2014 onwards. Upon recommendation of Atos Nomination and Compensation Committee, Atos Board of Directors, during its meeting held on October 24, 2014, took the decision to take into account the new scope and did adjust the 2014 performance targets related to Free Cash Flow and Operating Margin in accordance with the plan rules.

And

**External Performance conditions**

For the year 2014, and for the year 2015, Atos must fulfill the requirement of GRI A application level, validated by the GRI (or equivalent); or, be part of the Dow Jones Sustainability Index (World or Europe).

It is stated that, for each of the concerned year, at least 2 of 3 internal performance conditions must be achieved. If one criterion is not met in the first year, the same will become compulsory for the following year. And for each of the concerned year, the external Performance Condition related to the Environmental and Social Responsibility of the Company must be achieved.

3. **Vesting and conservation periods:** The free grant of Performance Shares proposed by the Atos Board of Directors on July 28, 2014, provides for two plans (France and International).

**International Plan:** the beneficiaries employed by a company of the Group incorporated outside of France, will definitively acquire the granted Performance Shares on the fourth anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions, without any obligation of conservation of the shares which could be immediately sold.

**France Plan:** the beneficiaries employed by a company of the Group incorporated in France, will definitively acquire the granted Performance Shares on the second anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions. The beneficiaries are also required to remain owner of their acquired shares for an additional period of two years.

The Chairman and CEO is eligible to the Performance Share Plan for France.

**G.4.3.4 Achievement of the 2014 performance conditions related to the performance share plans dated July 24, 2013 and July 28, 2014**

Internal performance conditions have been achieved for the 2014 year.

	2014
<b>Group Operating Margin</b>	
<b>Budget Achievement (%)</b>	<b>102.7%*</b>
85% of Budget or + 10% vs previous year achieved	YES
<b>Group Free Cash-Flow</b>	<b>2014</b>
<b>Budget Achievement (%)</b>	<b>107.6%*</b>
85% of Budget or + 10% vs previous year achieved	YES
<b>Group Revenue Growth**</b>	<b>2014</b>
<b>Growth objective achievement (%)</b>	<b>92.5%*</b>
85% of growth objective or positive growth vs previous year achieved	YES

\* Targets adjusted to reflect actual 2014 exchange rates.

\*\* Performance condition of the Performance Share Plan dated July 28, 2014.

As a consequence,

- the internal Performance conditions of the Performance Share Plan dated 24, July 2013 related to the year 2014 are achieved;
- the internal Performance conditions of the Performance Share Plan dated 28, July 2014 related to the year 2014 are achieved.

The Performance Share Plans dated July 24, 2013 and July 28, 2014 also include a cumulative external performance condition related to the social and environmental responsibility of the Company:

As a reminder, for the year in question, the Group must obtain a minimum GRI rating of A (or equivalent); or, be part of Dow Jones Sustainability Index (Europe or World).

In 2014, for the third year in a row, Atos has been selected as an index component of the Dow Jones Sustainability Indices (DJSI) which selects among the world's largest 2,500 companies, the 10% of them recognized as the most efficient in terms of corporate responsibility, both from a standpoint of governance and of environmental and social performance.

The external condition of the Performance Share Plans, dated July 24, 2013 and dated July 28, 2014, has thus been achieved for the 2014 year.

### G.4.3.5 Past grants of Performance Shares - AMF Table 10

Performance Share Plans allocated by Atos are listed below. For each grant, the table shows the dates of the Board's decisions, the number of granted shares, the number of beneficiaries, and the end date of vesting period. Performance Share Plans and especially their related performance conditions are described in the previous paragraphs.

The total of 1,822,370 rights for performance shares is representing 1.8% of Atos Share Capital as of December 31, 2014.

Assembly date	Board of Directors date	Plan details*	Number of beneficiaries	Number of Shares							Acquisition date	Availability date
				Number of Granted Shares	Including Board of Directors members	Change of plan following International Mobility	Cancelled or forfeited	Number of vested shares at 12/31/2014	Including Board of Directors members	Situation at 12/31/2014		
07/01/2011	12/22/2011	plan FR Tranche 1	187	233,300	32,500	-11,700	3,350	218,250	32,500	-	12/22/2013	12/22/2015
07/01/2011	12/22/2011	plan FR Tranche 2	187 <sup>1</sup>	233,300	32,500	-11,700	3,800	217,800	32,500	-	03/17/2014	03/17/2016
07/01/2011	12/22/2011	plan INT tranche 1	553	262,225	-	+11,700	51,725	500 <sup>4</sup>	-	221,700	12/22/2015	12/22/2015 <sup>3</sup>
07/01/2011	12/22/2011	plan INT tranche 2	553 <sup>2</sup>	262,225	-	+11,700	56,975	500 <sup>4</sup>	-	216,450	03/17/2016	03/17/2016 <sup>3</sup>
07/01/2011	03/29/2012	plan FR	9	9,700	-	-	-	9,700	-	-	03/29/2014	03/29/2016
07/01/2011	03/29/2012	plan INT	20	10,150	-	-	500	-	-	9,650	03/29/2016	03/29/2016
05/30/2012	07/24/2013	plan FR	194	332,580	45,000	-	5,660	-	-	326,920	07/24/2015	07/24/2017
05/30/2012	07/24/2013	plan INT	511	390,755	-	-	32,555	-	-	358,200	07/24/2017	07/24/2017
05/29/2013	07/28/2014	plan FR	169	301,195	46,000	-	400	-	-	300,795	07/28/2016	07/28/2018
05/29/2013	07/28/2014	plan INT	515	389,805	-	-	1,150	-	-	388,655	07/28/2018	07/28/2017
									<b>TOTAL</b>	<b>1,822,370</b>		

1, 2 Same beneficiaries.

3 Five beneficiaries in Belgium have chosen an additional 2 years conservation period after shares acquisition.

4 The 500 vested shares are due to a beneficiary's death.

\* FR: France, plan 2+2: INT: International, plan 4+0.



### G.4.3.6 Performance shares granted during the year to the Chairman and CEO - AMF Table 6

The below table shows the Performance Shares granted to the Chairman and CEO, and in particular those granted during the year. Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on May 29, 2013 (fifteenth resolution), the Board of Directors, during its meeting held on

July 28, 2014, upon recommendation of the Nomination and Remuneration Committee, decided the free grant of Performance Shares. Atos Chairman and CEO is one of the beneficiaries of this grant.

	Plan date	Number of shares	Acquisition date	Availability date	Share valuation (in €)*
Chairman and CEO	December 22, 2011	32,500	December 22, 2013	December 22, 2015	926,957
	December 22, 2011	32,500	March 17, 2014	March 17, 2016	913,680
	July 24, 2013	45,000	July 24, 2015	July 24, 2017	2,250,773
	July 28, 2014	46,000	July 28, 2016	July 28, 2018	1,543,058

\* Valuation of the shares at their grant date, pursuant to the application of the IFRS 2, after taking account of any discount related to performance criteria and the probability of presence in the Company after the vesting period, but before spreading the load under IFRS2 throughout the vesting period. In 2014, a probability of realization of the performance criteria has been included.

### G.4.3.7 Performance shares that have become available during the year for the Chairman and CEO - AMF Table 7

During 2014, Performance Shares granted on December 22, 2011, became definitively acquired by their beneficiaries, according to the France Plan Rules. The performance conditions of this Tranche were related to 2013. The Atos Chairman and CEO is a beneficiary of this plan. Acquisition terms are described

above, in the paragraphs related to the terms and conditions of the Performance Share Plan decided on December 22, 2011. Furthermore, beneficiaries are required to remain owner of their acquired shares for an additional period of two years; the shares will become available for possible sale on March 17, 2016.

	Plan date	Number of shares definitively acquired during the year	Vesting date	Number of shares available during the financial year	Availability date
Chairman and CEO	December 22, 2011				
	Tranche 2	32,500	March 17, 2014	0	March 17, 2016

### G.4.3.8 Past awards of subscription or purchase options – AMF Table 8

The plans of subscription or purchase options granted by Atos are listed below. For each grant, the table shows the dates of the Board's decisions, the number of granted options, the number

of beneficiaries, the start date of the vesting period, and the number of cancelled or exercised options.

Date of shareholders' meeting	Date of Board meeting	Exercise period start date	Exercise period end date	Strike Price (in €)	Options granted	Of which to members of the Board*	Numbers of beneficiaries	Options exercised	Options cancelled or expired	Situation at December 31, 2014	Value of unexercised options (in € million)
10/31/2000	02/09/2004	01/01/2006	02/09/2014	54.14	1,172,125	0	1,220				
01/22/2004	02/09/2004	02/09/2008	02/09/2014	54.14	414,750	0	686	1,202,693	384,182	0	0.0
06/04/2004	01/10/2005	01/10/2008	01/10/2015	49.75	805,450	0	803				
06/04/2004	01/10/2005	01/10/2009	01/10/2015	49.75	347,250	0	567	775,190	134,473	243,037	12.1
06/04/2004	04/28/2005	04/28/2008	04/28/2015	49.98	750	0	1				
06/04/2004	04/28/2005	04/28/2009	04/28/2015	49.98	6,750	0	5	1,750	1,833	3,917	0.2
06/04/2004	10/26/2005	10/26/2009	10/26/2015	58.04	5,200	0	3	0	1,999	3,201	0.2
06/04/2004	12/12/2005	12/12/2008	12/12/2015	57.07	20,000	0	1				
06/04/2004	12/12/2005	12/12/2009	12/12/2015	57.07	15,000	0	1	4,000	6,666	24,334	1.4
06/04/2004	03/29/2006	29/03/2009	03/29/2016	59.99	810,130	0	828				
06/04/2004	03/29/2006	03/29/2010	03/29/2016	59.99	337,860	0	420	272,178	196,323	679,489	40.8
06/04/2004	12/01/2006	12/01/2010	12/01/2016	43.87	50,000	0	1	0	0	50,000	2.2
06/04/2004	12/19/2006	12/19/2009	12/19/2016	43.16	15,100	0	24				
06/04/2004	12/19/2006	12/19/2010	12/19/2016	43.16	4,050	0	6	9,002	3,745	6,403	0.3
05/23/2007	10/09/2007	10/09/2010	10/09/2017	40.35	20,000	0	1	20,000	0	0	0.0
05/23/2007	10/09/2007	10/09/2011	10/09/2017	40.35	5,000	0	1	5,000	0	0	0.0
05/23/2007	03/10/2008	03/10/2014	03/10/2018	34.73	190,000	0	3	0	140,000	50,000	1.7
05/23/2007	07/22/2008	07/22/2011	07/22/2018	34.72	5,000	0	1	5,000	0	0	0.0
05/23/2007	07/22/2008	07/22/2012	07/22/2018	34.72	2,500	0	1	0	0	2,500	0.1
05/23/2007	12/23/2008	04/01/2010	03/31/2018	18.40	459,348	233,334	24	368,750	3,334	87,264	1.6
05/23/2007	12/23/2008	04/01/2011	03/31/2018	22.00	459,326	233,333	24	345,657	6,666	107,003	2.4
05/23/2007	12/23/2008	04/01/2012	03/31/2018	26.40	459,326	233,333	24	151,939	9,999	297,388	7.9
05/23/2007	03/26/2009	01/07/2010	06/30/2018	20.64	611,714	0	74	479,189	43,336	89,189	1.8
05/23/2007	03/26/2009	07/01/2011	06/30/2018	24.57	611,643	0	74	383,283	78,330	150,030	3.7
05/23/2007	03/26/2009	07/01/2012	06/30/2018	29.49	611,643	0	74	358,186	101,661	151,796	4.5
05/26/2009	07/03/2009	07/01/2010	06/30/2018	25.00	481,414	0	438	315,622	46,696	119,096	3.0
05/26/2009	07/03/2009	07/01/2011	06/30/2018	30.00	481,108	0	438	260,089	90,313	130,706	3.9
05/26/2009	07/03/2009	07/01/2012	06/30/2018	35.00	480,978	0	438	175,468	109,784	195,726	6.9
05/26/2009	09/04/2009	07/01/2010	06/30/2018	34.28	86,347	0	24	62,238	3,502	20,607	0.7
05/26/2009	09/04/2009	07/01/2011	06/30/2018	40.81	86,334	0	24	41,265	6,834	38,235	1.6
05/26/2009	09/04/2009	07/01/2012	06/30/2018	48.97	86,319	0	24	38,329	7,829	40,161	2.0
05/26/2009	12/31/2010	07/01/2011	06/30/2019	40.41	124,842	0	18	36,170	0	88,672	3.6
05/26/2009	12/31/2010	07/01/2012	06/30/2019	48.11	124,830	0	18	9,166	3,333	112,331	5.4
05/26/2009	12/31/2010	07/01/2013	06/30/2019	57.74	124,828	0	18	2,500	6,666	115,662	6.7
<b>TOTAL</b>					<b>9,516,915</b>	<b>700,000</b>		<b>5,322,664</b>	<b>1,387,504</b>	<b>2,806,747</b>	<b>114.4</b>

\* Current members of the Board of Directors.



### G.4.3.9 Stock options granted to the top ten employees who are not Company officers, and options exercised by the ten employees with the highest number of options purchased or subscribed during 2014 - AMF Table 9

	Total number of granted or exercised options	Average Price	Plans
Options granted during the year by the issuer to the ten employees having the highest number of options granted (Global Information)		No Grant of Atos Stock-option in 2014	
Options held on the issuer exercised during the financial year by the ten employees of the issuer having the highest number of options purchased or subscribed (Global Information)	245,484	€ 30.65	Plans granted: January 10, 2005, March 29, 2006, December 23, 2008 (3 tranches), March 26, 2009 (3 tranches), July 3, 2009 (tranches 2 and 3) September 4, 2009 (3 tranches) and December 31, 2010 (tranche 1)

### G.4.3.10 Stock options granted during the year to the Chairman and CEO - AMF Table 4

During 2014, Thierry Breton, Chairman and CEO, was not granted any options to purchase or buy shares of the Company.

Chairman and CEO	Date of the plan	Nature of the options (purchase or subscription)	Valuation of the options according to the method used for consolidated financial statements	Number of options awarded during the financial year	Exercise Price	Exercise Period
Thierry Breton	-	-	-	-	-	-

### G.4.3.11 Subscription or purchase options exercised during the financial year by the Chairman and CEO - AMF Table 5

	Plan date (Grant date)	Number of options exercised during the year	Exercise price (in €)
Thierry Breton Chairman and CEO	Plan 12/23/2008 Tranche 1	230,044	18.40
	Plan 12/23/2008 Tranche 2	230,043	22.00
	Plan 12/23/2008 Tranche 3	29,913	26.40
<b>TOTAL</b>		<b>490,000</b>	

Among the 490,000 shares issued from the exercise of the above options, Atos Chairman and CEO did sold one third of

those. The 336,914 remaining shares are currently held by Thierry Breton on a nominative account.



## G.4.4 Compliance of the Executive Director's compensation with AFEP-MEDEF recommendations

The Company committed in 2008 to implementing the AFEP-MEDEF Corporate Governance Code for listed companies, relating to, notably, the conditions of compensation of senior corporate officers, and it regularly reports thereon. The Board of Atos met on December 18, 2014 to perform an annual review of the implementation by the Company of these governance principles.

The Board wanted to assess the implementation of these provisions with regard to the Company's Registration Document for 2013, compared against the statistics set out in the yearly report of October 2014 on the implementation of the listed companies Code of Corporate Governance issued by the Haut Comité de Gouvernement d'Entreprise (High Committee for Corporate Governance) dated October 2014. Following this meeting, to which participated some elected representatives of the Company's employees (pursuant to an agreement dated December 14, 2012 in connection with the transformation of Atos to a European Company), the Board of Atos considered that the system put in place by the Company on corporate governance, including on the CEO's compensation, was compliant with the recommendations of the AFEP-MEDEF Code.

The complete and detailed document which supported this Board assessment is made available on Atos' website.

**Employment contract:** because he has never been an employee of the Company, the Chairman and CEO is not bound by any employment contract.

In the context of the Atos 2016 Ambition, the Board of Directors confirmed the elements of the compensation of Thierry Breton, Atos SE Chairman and CEO, as they have been approved by the Board of Directors following the General Meeting of Shareholders held on May 30, 2012, at the time of the renewal of Thierry Breton's mandate, and in particular a **total compensation in cash**, from January 1, 2012, which has been maintained for the period of the Ambition 2016 Plan, and which is composed of:

- **Fixed Annual Compensation** of € 1.35 million;
- **Variable Compensation, subject to performance conditions**, annual target being equal to € 1.35 million (€ 675,000 per semester) with a maximum payment capped at 130% of the target variable compensation, in accordance with the rules applicable to the Executive Directors of Atos.

Clear and demanding operating performance criteria were established and documented to condition the obtaining of the variable part on the achievement of objectives. In order to monitor Company's performance more closely and establish a proactive way to support its strategic plan, the performance objectives for the Chairman and CEO are set and reviewed on a half-year basis. For the 2014 second semester, the following performance criteria have been set with reference to the target budget: Group Operating Margin (40%), Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%), Growth of Group External Revenue (30%).

**Severance pay:** there is no severance pay of any kind (golden parachutes, non-compete clauses, etc.)

**Supplementary Pension Plan:** the Chairman and CEO benefits from the supplementary pension plan reserved for members of the Group's Executive Committee ending their career at Atos SE and Atos International SAS. The beneficiary group is thus wider than the inner circle of executive Directors.

The implementation of the Pension Plan of the Executive Committee members for the benefit of the present Chairman and CEO was authorized by the Board of Directors on March 26, 2009, was approved by the General Assembly on May 26, 2009 under the 4<sup>th</sup> resolution, and confirmed by the Board of Directors on December 17, 2009.

The benefit of this scheme is subject to a presence condition within the companies Atos SE and Atos International SAS upon the liquidation of pension's rights in accordance with the article L. 137-11 of the French Social Security Code.

The amount of the additional pension benefit corresponds to the difference between 1% of the reference remuneration per full calendar quarter of seniority recognized by the plan (with a maximum of 60 quarters) and the annual amount of pension benefits paid by the legal, complementary and supplementary pension's plans. It is stated that a newcomer to the plan who is over 50 years old (e.g. aged 50 + n-years) receives a benefit based on n-years of contributions, up to a maximum of 5 years. Practically, a minimum of 10 years of cumulated seniority recognized by the plan is required to receive benefits under this plan, with a maximum of 15 years.

The reference remuneration used to determine the supplementary pension is the fixed remuneration (disregarding variable remuneration or any other additional compensation).

Each year of seniority under this plan allows the acquisition of a percentage of rights equal to 4% of the sole fixed remuneration which is, in fact, 2% of the fixed remuneration plus the variable on-target remuneration for the Chairman and CEO.

The reference to the fixed remuneration was preferred to the total compensation (fixed + variable) in order to prevent windfall effects and to allow a greater predictability of accrual amounts.

In any event, the rules for calculating the rights acquired under this scheme will prevent the Chairman and CEO from receiving an annual pension of an amount exceeding 45% of his average annual compensation during the period of membership in this plan (real fixed and variable remunerations) and will prevent the potentially acquired rights in respect of each year of membership in this scheme from exceeding 5% of his remuneration for the relevant year (real fixed and variable remunerations).

Furthermore, the Board of Directors examined the opportunity of **strengthening the acquisition of future rights under the plan by providing for an acquisition of these rights conditioned upon the achievement of performance criteria**.

In this context, on the basis of the report and recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company authorized on March 26, 2015 the revision of the existing collective supplementary pension scheme with defined benefits to the benefit of the members of the Executive Committee ending their career within Atos SE or Atos International SAS, in what applies to the Chairman and Chief Executive Officer:

- the Board of Directors has decided to condition the acquisition of rights under the supplementary pension scheme to performance conditions under the following conditions:
  - these performance conditions will be set annually by Atos SE Board of Directors which may in particular refer to the performance conditions contained in stock option plans or free shares plans or to any other condition which it will consider more relevant<sup>1</sup>,
  - at the end of each year, the Board of Directors will meet in order to verify the completion, of the performance conditions during the preceding year,
  - entire calendar quarters for periods after January 1, 2015 are only taken into account to assess the amount of the pension supplement if they relate to a year during which the performance conditions set by the Board of Directors will have been achieved. Failing that, the corresponding quarters will not be taken into account to determine the pension supplement,
  - the periods prior to January 1, 2015 are also subject to performance conditions and, likewise, will only be taken into account to determine the amount of the pension supplement if for each year, the performance conditions then set by the Board of Directors, either for the vesting of stock-options plans or for the vesting of free performance shares plans, were met,
  - thus failing any performance conditions assessed for 2008, no entire calendar quarters related to this year will be taken into account in the assessment of the amount of the pension supplement.
- other modifications of the scheme on the following items:
  - the membership requirement at the Executive Committee level is extended to five years,
  - the minimum age to benefit from the scheme is aligned on the statutory retirement age set by article L. 161-17-2 of the Social Security Code (i.e. between 60 to 62 years depending on the year of birth according to the current legislation),
  - the age for liquidation of the pension supplement is the age at which the person may liquidate his full pension under the general scheme. This age cannot in any case be less than the one foreseen in article L. 161-17-2 of the Social Security Code;
- change of the terms and conditions for determining the amount of the Executive Director's pension supplement
  - the annual amount of the pension supplement is 0.625% of the reference compensation per entire calendar quarters of seniority recognized by the scheme. The reference compensation is the average of the last sixty monthly compensation multiplied by twelve,
  - for the assessment of this reference compensation, only the followings are taken into account:
    - the basic compensation of the Executive Director,
    - the annual on-target bonus actually paid to the Executive Director excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation;
- cap of the Executive Director's pension supplement:
  - The annual amount of the pension supplement paid under the present scheme to the Chairman and Chief Executive Officer cannot be superior to the difference between:
    - 33% of the reference compensation above mentioned, and
    - the annual amount of the basic, complementary and supplementary pensions;

Moreover, for the award of the additional pension it is expected that at least two-thirds of the years are validated under the performance conditions here above mentioned, during Mr. Thierry Breton's membership in the Executive Committee while performing his various terms of office. The Board of Directors will meet at the end of the term of office of the concerned person to verify whether this two-thirds requirement is satisfied. If that is the case, Mr. Thierry Breton will hence enjoy a pension supplement. Failing that, he will not be provided with any additional pension.

- the Board of Directors noticed that the modification of the pension scheme with defined benefits was of real interest for Atos SE as it allows linking the conditions in which the officer benefits from the scheme to the Company's results. Moreover, these developments are likely to reduce the Group's commitments considering that the validation of the rights is subject to the performance conditions, which are uncertain by nature. Finally, the change from a differential calculus mode (pension calculated by deduction of the legal schemes and AGIRC/ARRCO pensions) to an additive mode allows ATOS not to face the consequences of the degradations of the AGIRC/ARRCO schemes' returns.

<sup>1</sup> For the year 2015, the Board of directors decided on March 26, 2015, under this new scheme, to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2014.

- these modifications will be submitted to the vote of the Company's next General Meeting to be held on May 28, 2015, in accordance with the procedure of related-parties agreements.

While waiting for the approval by the General Meeting or failing that, Mr. Thierry Breton will keep on benefiting from the complementary pension scheme with defined benefits currently applicable to Executive Directors and employees members of the Executive Committee, ending their career at Atos SE or Atos International SAS and resulting from an authorization of the Board of Directors on March 26, 2009, approved by the General Meeting on May 26, 2009 under the 4<sup>th</sup> resolution, then confirmed by the Board of Directors on December 17, 2009. This scheme, which Mr. Thierry Breton benefits from, was ongoing during the 2014 financial year without giving rise to performance.

**Option plans for Stock Subscription or Purchase:** in 2014, the Chairman and CEO was not granted any Options to subscribe or purchase Shares of the Company.

- **Hedging instruments:** the use by beneficiaries of any option hedging instruments is formally prohibited.
- **Retention of a percentage of shares** from exercised stock options: the Board decided that if options are exercised, the Executive Director should retain, while still part of the Company, at least 5% of the acquired shares in a nominative account. Thierry Breton, Chairman and CEO of Atos is currently holding a significant number of Atos shares on a nominative equities account, including 5,000 voluntarily purchased upon his appointment as Chairman of the Management Board (Président du Directoire) on November 16, 2008<sup>1</sup>.

#### Performance Shares

- **Performance Share Plan granted on July 28, 2014:** on July 28, 2014, the Board of Directors granted 46,000 Performance Shares to the Chairman and CEO, valued at € 1,543,058 according to the IFRS 2 method recognized by the consolidated accounts of the Company. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code regarding the executive officer, as well as elements of the Chairman and CEO's remuneration to three years as approved by the decision of the Board of Directors on May 30, 2012 on the renewal of Thierry Breton's mandate, as well as during the meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016. In its analysis, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considered the following elements:

- **proportion of allocated shares:** the grant of 46,000 Performance Shares to Atos Chairman and CEO represents 6.7% of the total number of shares allocated;
- **allocated volume:** performance shares granted to the Chairman and Chief Executive Officer pursuant to the July 28, 2014 plan represented remuneration in shares of 38% of his 2014 total compensation;
- **conservation obligation:** in the context of this Plan, the Chairman and CEO is subject to a conservation obligation of 15% of the Performance Shares granted for the duration of his mandate;
- **scheme for employees benefiting from the Company's Performance:** according to the article L. 225-197-6 of the French Code de Commerce, Atos Group has implemented a derogatory profit-sharing scheme.

The Performance Share Plan decided by the Board of Directors on July 28, 2014 includes clear and demanding Performance conditions, internal and external.

- **Performance Share Plan granted on December 22, 2011:** In 2014, the 32,500 Performance Shares granted to Atos Chairman and CEO on December 22, 2011, according to the France Plan, the performance conditions of which were related to 2013, became definitively acquired. The beneficiaries are also required to remain owner of their acquired shares for a period of two years, and will be available for possible sale on March 17, 2016.
- **Conservation obligation:** in the context of this Plan, the Board of Directors meeting held on December 22, 2011 decided that the Chairman and CEO is subject to a conservation obligation of 25% of the Performance Shares granted for the duration of his mandate.
- **Hedging instruments:** According to Atos Performance Share Plans Rules use of hedging instruments is formally prohibited.

**In conclusion, at the end of the meeting held on December 18, 2014, to which the elected representatives of the employees of the Company have been invited (in accordance with the December 14, 2012 agreement related to the transformation of Atos into a European Company), Atos Board of Directors considered that the governance principles implemented in Atos, and especially regarding the Chairman and CEO's compensation, were in conformity in all respects with the recommendations of the AFEP-MEDEF Code.**

<sup>1</sup> Cf. paragraph G.4.3.10.

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## G.5 Resolutions

### G.5.1 Resolutions submitted to the Annual General Meeting

Resolutions submitted to the shareholders' vote will be published in the "Bulletin des Annonces Légales Obligatoires" (official legal gazette for listed companies) in a notice of meeting which will be followed by a convening notice to the Annual General Meeting

which will be held on May 28, 2015. These notices will be posted on the Atos Group website ("Investors" section) as required by applicable laws and regulations.

### G.5.2 Elements of the compensation due or awarded at the end of the closed financial year to the Executive Director, submitted to the shareholders' vote

According to the revised AFEP-MEDEF Code of June 2013 (article 24.3), Code to which Atos SE is referring in accordance with article L. 225-37 of the French Commercial Code (Code de Commerce), the following elements of the compensation due or awarded to the Executive Director related to 2014 must be submitted to the shareholders' vote at the Annual General Meeting:

- the fixed part;
- the annual variable part and where necessary the multi-annual variable part with the objectives that contribute to the determination of this variable part;
- exceptional compensation;
- stock options, Performance Shares, and any other element of long-term compensation;

- benefits linked to taking up or terminating office;
- supplementary pension scheme;
- any other benefits.

In this context, the following elements of the compensation due or awarded to Thierry Breton, Atos SE Chairman and CEO related to 2014 are submitted to the shareholders' vote at the Annual General Meeting.

In this respect, it is reminded that the shareholders approved, with 99.63% of the vote, a resolution related to Atos' strategic plan over the 2014-2016 period. This resolution included all the components of the compensation of the Atos SE Chairman and CEO for the 2014-2016 period, as decided by the Board of Directors, on May 30, 2012, following the General Meeting of the Atos shareholders, when Thierry Breton's mandate has been renewed.

**ELEMENTS OF THE COMPENSATION DUE OR AWARDED AT THE END OF THE CLOSED FINANCIAL YEAR 2014 TO THIERRY BRETON, ATOS SE CHAIRMAN AND CEO, SUBMITTED TO THE SHAREHOLDERS' VOTE**

Compensation Components	Amounts	Comments
<b>Fixed compensation</b>	€ 1,350,000	The total remuneration in cash, as from January 1, 2012, has been set by the Board of Directors on December 22, 2011, upon recommendation of the Nomination and Remuneration Committee. This decision has been confirmed following the General Meeting of Shareholders held on May 30, 2012, on the renewal of Thierry Breton's mandate, as well as during the meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016. It is composed of a fixed part set at € 1.35 million, and of a variable part described below.
<b>Variable compensation</b>	€ 1,121,783 due with respect to the 2014 year i.e. 83% of the annual target variable compensation	<p>The variable on-target Bonus subject to performance conditions of Thierry Breton, Chairman and CEO is set at 100% of the fixed part of his compensation, with a maximum payment capped at 130% of the target in case of over performance, in accordance with the rules applicable to the Executives' Committee Members of Atos.</p> <p>The variable compensation of the Chairman and CEO is conditional, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives. In 2014, the nature and weighting of each indicator of the variable on-target bonus of the Chairman and CEO are the following:</p> <ul style="list-style-type: none"> <li>• Group Operating Margin (40%);</li> <li>• Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%);</li> <li>• Group External Revenue (30%).</li> </ul> <p>In order to monitor Company performance more closely and establish a proactive way to support its strategic plan, the performance objectives for the Chairman and CEO are set and reviewed on a half-year basis by Atos Board of Directors upon recommendation of the Nomination and Remuneration Committee.</p> <p>Achievement of the performance criteria and the resulting variable compensation amount have been validated by the Board during the meetings held on July 25, 2014 and February 12, 2015: for the first semester of 2014, the variable bonus of Thierry Breton, Chairman and CEO, stood at <b>€ 447,930 (66.4%</b> of the semester on-target bonus), and at <b>€ 673,852.50 (99.83%</b> of the semester on-target bonus) for the second semester of 2014.</p>
<b>Multiannual variable compensation</b>	N/A	Thierry Breton, Chairman and CEO, receives no variable multiannual compensation.
<b>Director's fees</b>	N/A	Thierry Breton, Chairman and CEO, has declined to accept his Director's fees.
<b>Fringe benefits</b>	€ 8,800	Thierry Breton, Chairman and CEO, has a company car with driver.
<b>Extraordinary compensation</b>	N/A	For the year 2014, there is no exceptional compensation due to Thierry Breton, Chairman and CEO.
<b>Severance pay</b>	N/A	There is no severance pay of any kind (golden parachutes, non-compete clauses etc.)
<b>Attribution de stock-options et/ou d'actions de performance</b>	No stock-option Grant ~ Grant of 46,000 Performance Shares Shares valuation € 1,543,057 Share valuation method is the fair value determined according to IFRS 2 method recognized by the consolidated accounts.	<p>The total compensation in equities, as from January 1, 2013, has been set by the Board of Directors on May 30, 2012, upon the recommendation of the Nomination and Remuneration Committee.</p> <ul style="list-style-type: none"> <li>• During 2014, Thierry Breton, Chairman and CEO, was not granted any options (either to purchase or to buy shares of the Company);</li> <li>• On July 28, 2014, the Board of Directors granted 46,000 Performance Shares to the Chairman and CEO, valued at € 1,543,057 according to the IFRS 2 method recognized by the consolidated accounts of the Company. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code regarding the executive officer, as well as elements of the Chairman and CEO's remuneration to three years as approved by the decision of the Board of Directors on May 30, 2012, as well as during the meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016.</li> </ul> <p>In its analysis, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considered the following elements:</p> <ul style="list-style-type: none"> <li>• the grant of 46,000 Performance Shares to Atos Chairman and CEO represents 6.7% of the total number of shares allocated, and 0.05% of the share capital of the Company on July 1, 2014;</li> <li>• Performance shares granted to the Chairman and Chief Executive Officer pursuant to the July 28, 2014 plan represented remuneration in shares of 38% of his 2014 total compensation. The definitive acquisition of the Performance Shares granted under this plan is subject to the achievement of the following cumulative performance conditions:</li> <li>• Group Free Cash Flow before acquisition/disposal and variation of equity and dividends for 2014 and for 2015 (above or equal to 85% of the amount disclosed in the Group Budget for the concerned year, or, above or equal to the previous year's results + 10%);</li> <li>• Group Operating Margin for 2014 and for 2015 (above or equal to 85% of the amount disclosed in the Group Budget for the concerned year, or, above or equal to the previous year's results + 10%);</li> <li>• Group Revenue Growth for 2014 and 2015 (Revenue Growth Rate as mentioned in the Company's Budget for the year in question minus 1.2%, or, 0% for 2014 and 1% for 2015);</li> <li>• Social and Environmental Responsibility criteria in 2014 and in 2015 (fulfill the requirement of GRI A application level, validated by the GRI, or being part of the European or Worldwide Dow Jones Sustainability Index).</li> </ul>

\* For the year 2015, the Board of directors decided on March 26, 2015, under this new scheme, to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2014.



Compensation Components	Amounts	Comments
		<p>It is stated that, for each of the concerned year, at least 2 of 3 internal performance conditions must be achieved. If one criterion is not met in the first year, the same will become compulsory for the following year. And for each of the concerned year, the Performance Condition n°4 related to the Social and Environmental and Social Responsibility of the Company must be achieved.</p> <p>The definitive acquisition of the Performance Shares will take place on the second anniversary of the grant date (subject to compliance with the presence condition); beneficiaries will also be required to hold their acquired shares for a period of two years after that date.</p> <p>It has also been decided by the Board of Directors that the Chairman and CEO is subject to a conservation obligation of 15% of the Performance Shares granted for the duration of his mandate.</p>
Defined benefit supplementary pension scheme	Does not apply	<p>The Chairman and CEO benefits from the supplementary pension plan reserved for members of the Group's Executive Committee ending their career at Atos SE and Atos International SAS. The beneficiary group is thus wider than the inner circle of Executive Directors.</p> <p>The implementation of the Pension Plan of the Executive Committee members for the benefit of the present Chairman and CEO was authorized by the Board of Directors on March 26, 2009, was approved by the General Assembly on May 26, 2009 under the 4<sup>th</sup> resolution, and confirmed by the Board of Directors on December 17, 2009.</p> <p>The benefit of this scheme is subject to a presence condition within the companies Atos SE and Atos International SAS upon the liquidation of pension's rights in accordance with the article L. 137-11 of the French Social Security Code.</p> <p>The amount of the additional pension benefit corresponds to the difference between 1% of the reference remuneration per full calendar quarter of seniority recognized by the plan (with a maximum of 60 quarters) and the annual amount of pension benefits paid by the legal, complementary and supplementary pension's plans. It is stated that a newcomer to the plan who is over 50 years old (e.g. aged 50 + n-years) receives a benefit based on n-years of contributions, up to a maximum of 5 years. Practically, a minimum of 10 years of cumulated seniority recognized by the plan is required to receive benefits under this plan, with a maximum of 15 years.</p> <p>The reference remuneration used to determine the supplementary pension is the fixed remuneration (disregarding variable remuneration or any other additional compensation).</p> <p>Each year of seniority under this plan allows the acquisition of a percentage of rights equal to 4% of the sole fixed remuneration which is, in fact, 2% of the fixed remuneration plus the variable on-target remuneration for the Chairman and CEO.</p> <p>The reference to the fixed remuneration was preferred to the total compensation (fixed + variable) in order to prevent windfall effects and to allow a greater predictability of accrual amounts.</p> <p>In any event, the rules for calculating the rights acquired under this scheme will prevent the Chairman and CEO from receiving an annual pension of an amount exceeding 45% of his average annual compensation during the period of membership in this plan (real fixed and variable remunerations) and will prevent the potentially acquired rights in respect of each year of membership in this scheme from exceeding 5% of his remuneration for the relevant year (real fixed and variable remunerations).</p> <p>Furthermore, the Board of Directors examined the opportunity of <b>strengthening the acquisition of future rights under the plan by providing for an acquisition of these rights conditioned upon the achievement of performance criteria.</b></p> <p>In this context, on the basis of the report and recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company authorized on March 26, 2015 the revision of the existing collective supplementary pension scheme with defined benefits to the benefit of the members of the Executive Committee ending their career within Atos SE or Atos International SAS, in what applies to the Chairman and Chief Executive Officer:</p> <ul style="list-style-type: none"> <li>• The Board of Directors has decided to condition the acquisition of rights under the supplementary pension scheme to performance conditions under the following conditions: <ul style="list-style-type: none"> <li>– these performance conditions will be set annually by Atos SE Board of Directors which may in particular refer to the performance conditions contained in stock option plans or free shares plans or to any other condition which it will consider more relevant*,</li> <li>– at the end of each year, the Board of Directors will meet in order to verify the completion, of the performance conditions during the preceding year,</li> <li>– entire calendar quarters for periods after January 1, 2015 are only taken into account to assess the amount of the pension supplement if they relate to a year during which the performance conditions set by the Board of Directors will have been achieved. Failing that, the corresponding quarters will not be taken into account to determine the pension supplement,</li> <li>– the periods prior to January 1, 2015 are also subject to performance conditions and, likewise, will only be taken into account to determine the amount of the pension supplement if for each year, the performance conditions then set by the Board of Directors, either for the vesting of stock-options plans or for the vesting of free performance shares plans, were met,</li> </ul> </li> </ul>

\* For the year 2015, the Board of directors decided on March 26, 2015, under this new scheme, to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2014.

Compensation Components	Amounts	Comments
		<ul style="list-style-type: none"> <li>– thus failing any performance conditions assessed for 2008, no entire calendar quarters related to this year will be taken into account in the assessment of the amount of the pension supplement,</li> <li>– moreover, for the award of the additional pension it is expected that at least two-thirds of the years are validated under the performance conditions here above mentioned, during Mr. Thierry Breton's membership in the Executive Committee while performing his various terms of office. The Board of Directors will meet at the end of the term of office of the concerned person to verify whether this two-thirds requirement is satisfied. If that is the case, Mr. Thierry Breton will hence enjoy a pension supplement. Failing that, he will not be provided with any additional pension;</li> <li>• Other modifications of the scheme on the following items: <ul style="list-style-type: none"> <li>– the membership requirement at the Executive Committee level is extended to five years,</li> <li>– the minimum age to benefit from the scheme is aligned on the statutory retirement age set by article L. 161-17-2 of the Social Security Code (i.e. between 60 to 62 years depending on the year of birth according to the current legislation),</li> <li>– the age for liquidation of the pension supplement is the age at which the person may liquidate his full pension under the general scheme. This age cannot in any case be less than the one foreseen in article L. 161-17-2 of the Social Security Code;</li> </ul> </li> <li>• Change of the terms and conditions for determining the amount of the executive Director's pension supplement <ul style="list-style-type: none"> <li>– the annual amount of the pension supplement is 0.625% of the reference compensation per entire calendar quarters of seniority recognized by the scheme. The reference compensation is the average of the last sixty monthly compensation multiplied by twelve.</li> <li>– for the assessment of this reference compensation, only the followings are taken into account: <ul style="list-style-type: none"> <li>- the basic compensation of the Executive Director,</li> <li>- the annual on-target bonus actually paid to the Executive Director excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation;</li> </ul> </li> </ul> </li> <li>• Cap on the Executive Director's pension supplement <ul style="list-style-type: none"> <li>– The annual amount of the pension supplement paid under the present scheme to the Chairman and Chief Executive Officer cannot be superior to the difference between: <ul style="list-style-type: none"> <li>– 33% of the reference compensation above mentioned, and</li> <li>– the annual amount of the basic, complementary and supplementary pensions;</li> </ul> </li> </ul> </li> <li>• The Board of Directors noticed that the modification of the pension scheme with defined benefits was of real interest for Atos SE as it allows linking the conditions in which the officer benefits from the scheme to the Company's results. Moreover, these developments are likely to reduce the Group's commitments considering that the validation of the rights is subject to the performance conditions, which are uncertain by nature. Finally, the change from a differential calculus mode (pension calculated by deduction of the legal schemes and AGIRC/ARRCO pensions) to an additive mode allows ATOS not to face the consequences of the degradations of the AGIRC/ARRCO schemes' returns;</li> <li>• These modifications will be submitted to the vote of the Company's next General Meeting to be held on May 28, 2015, in accordance with the procedure of related-parties agreements. While waiting for the approval by the General Meeting or failing that, Mr. Thierry Breton will keep on benefiting from the complementary pension scheme with defined benefits currently applicable to Executive Directors and employees members of the Executive Committee, ending their career at Atos SE or Atos International SAS and resulting from an authorization of the Board of Directors on March 26, 2009, approved by the General Meeting on May 26, 2009 under the 4<sup>th</sup> resolution, then confirmed by the Board of Directors on December 17, 2009. This scheme, which Mr. Thierry Breton benefits from, was ongoing during the 2014 financial year without giving rise to performance.</li> </ul>

\* For the year 2015, the Board of directors decided on March 26, 2015, under this new scheme, to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2014.



### G.5.3 Board of Directors report to the Ordinary General Meeting on the transaction on the shares of the Company

Dear shareholders,

We hereby inform you that the following transactions have been made on the Company's shares by the Company's executive officers and Directors and senior managers during 2014:

Name	Number of shares purchased	Number of shares sold	Date	Purchase price/ Sale price (in €)
Patrick Adiba	11,288		02/27/2014	20.64
		6,338	02/27/2014	67.5
	11,287		02/27/2014	24.57
		7,057	02/27/2014	67.5
	11,287		02/27/2014	29.49
		7,807	02/27/2014	67.5
	4,000		02/28/2014	59.99
		4,000	02/28/2014	69.9349
	4,000		02/28/2014	49.75
		4,000	02/28/2014	69.935
Thierry Breton	228,909		02/24/2014	18.4
		63,000	02/24/2014	67
	228,909		02/24/2014	22
		75,318	02/24/2014	67
	28,778		02/24/2014	26.4
		11,364	02/24/2014	67
	1,135		02/25/2014	18.4
		1,135	02/25/2014	67.9
	1,134		02/25/2014	22
		1,134	02/25/2014	67.9
Charles Dehelly	16,300 <sup>1</sup>		01/14/2014	18.4
	6,578 <sup>2</sup>		03/12/2014	18.4
	3,800		04/29/2014	22
		1,360	04/29/2014	62
	22,878		04/29/2014	26.4
		9,800	04/29/2014	62
	7000 <sup>3</sup>		09/12/2014	22
Colette Neuville	12 <sup>4</sup>		06/24/2014	54.43

1 Subscribed shares transferred into Atos Group saving plan.

2 Subscribed shares transferred into Atos Group saving plan.

3 Subscribed shares transferred into Atos Group saving plan.

4 Acquisition of 12 shares resulting from the payment of the 2013 dividend in shares.



## G.6 Code and charts

[G4-15] and [G4-56]

### G.6.1 United Nations Global Compact

Since June 2010, Atos has been participating to the United Nations Global Compact, asserting its commitment to the ten principles in the areas of human rights, labor, environment and anti-corruption which enjoy universal consensus. Atos

is fully and proactively committed, both at company and top management level, to conduct its business in accordance with these principles.

### G.6.2 Code of Ethics

In 2010, Atos adopted a new Code of Ethics which covers a wider range of principles: the first principle introduced reminds employees the need to act honestly, impartially and with integrity in their day-to-day work in compliance with the legal framework applicable to each country where Atos conducts its business.

Since 2012, an Ethics Committee, composed of independent and highly respected external personalities, has been created to think about the strategy and impulse realizations in terms of Ethics within Atos, with the support of the Group Chief Compliance Officer, the Group Human Resources Director and the global Compliance team. This Committee has reviewed Atos Code of Ethics and has presented a number of constructive proposals to the Board of Directors for consideration.

Since January 2011, the Code has been being attached to the employment contract.

In July 2013, Atos launched an e-learning module, explaining the principles of the Code of Ethics. This training is mandatory

for all employees, regardless of their position in Atos. 75% of Atos employees have completed this e-learning module since its launch.

In addition, top managers and for all persons considered directly concerned by the principles in their day-to-day activity, are trained in classroom by lawyers on the Code of Ethics. Classroom training sessions have been launched throughout the world since the beginning of 2011 (for further information see Section *D.4.1.1 Compliance*).

In addition, suppliers, partners or third parties who assist Atos in its expansion must formally commit to respecting the principles of the Code. These principles are included in the Supplier Sustainability Charter supplier they must sign.

Atos treats its employees as well as third parties with integrity, based on merits and qualifications prohibiting any form of discrimination.

#### G.6.2.1 No Bribery or corruption

Atos refuses any form of corruption or dishonest or illegal practice with the aim to obtain a commercial advantage or other, as well as any money laundering. As participant to the United Nations Global Compact, Atos subscribes to the anti-bribery in "all its forms, including extortion and bribery". In

2014, Atos elaborated several contract templates based on a risk approach, to ensure better risk prevention in its relations with intermediaries or consultants (for further information see Section *D.4.1.1 Compliance*).

#### G.6.2.2 Fair competition

Atos treats its customers, suppliers, partners, intermediaries with respect and shall not take unfair advantage nor practice discriminatory conditions. As a consequence, Atos refuses that its employees or third parties when assisting Atos in developing

business take part in an agreement, understanding or concerted practice which would contravene the applicable laws and regulations concerning anti-competitive practices (for further information see Section *D.4.1.1 Compliance*).



### G.6.2.3 Conflicts of Interest

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Atos undertakes to ensure that all decisions taken by anyone of its employees within the framework of professional duty are taken objectively and impartially, in the interest of Atos and not based on personal interest, whether financial or family. As a

consequence, employees are asked to inform the Company in the event they would be in a situation of conflict of interest with competitors, clients or suppliers of Atos.

### G.6.2.4 Protection of Atos assets - Fraud

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The assets owned by Atos which consist in material such as hardware, or intellectual property rights or financial equity are used only for conducting Atos business and pursuant to the

law and rules defined by the Group: reporting must be of high quality, reliable and relevant, translating exactly the activities of the Company.

### G.6.2.5 Protection of confidentiality and privileged information

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Atos protects both its own confidential information and that provided by its customers, suppliers or partners. Moreover, Atos

set up rules in order to prevent insider trading and misconduct.

## G.6.3 Other applicable provisions

The Code of Ethics' principles are not the only mandatory provisions applicable within Atos. A standard of policies set up by the different departments and adopted by the Group governs the activities of each employee, who must comply with these rules regarding delegation of authority, applicable clauses to

client and supplier contracts, the selection of potential employees and their training or the selection process for business partners.

Upon the appointment of an employee as corporate Officer, the Group Legal department ensures he is informed of rights and obligations of the function.

## G.6.4 Privileged information and insider trading

In order to ensure market transparency and integrity in Atos SE securities, the Company aims at providing its investors and shareholders, under conditions that are equal for all, information on its activities and performance. The Company requires

all senior managers or employees having access to critical information to follow the insider trading rules and regulations that can be found in the Prevention guide that was updated on December 20, 2011.

### Insider trading

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The use or disclosure of inside information constitutes a stock market regulation or legal violation which are liable to criminal, regulatory (Autorité des Marchés Financiers, the French Financial Market Authority) and civil proceedings. Accordingly,

no employee may disclose any inside information to third parties or deal in Atos securities when he or she is in possession of any inside information.

### Dealing during closed periods

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Employees who are likely to have access on a regular basis to privileged information must not deal in Atos SE securities, whether directly or indirectly, during any "closed period", which is defined as six weeks prior to the publication of Atos SE' annual

financial statements and four weeks prior to the publication of Atos SE' first semester financial statements or of the financial information concerning the first and third quarters.

## Hedging of stock-options and performance shares

All staff members are prohibited to put in place, by means of derivatives or otherwise, hedging operations (right to purchase or sell at a certain price or any other terms and conditions) against Atos SE stock price changes from their exposure to the potential value of:

- stock-options they are entitled to until the beginning of such options' exercise period;
- performance shares they were awarded, during acquisition and blocking periods.

In accordance with the new requirement of the revised AFEP-MEDEF Code, the Chairman and Chief Executive Officer, on the occasion of the award of performance shares on July 28, 2014, formally undertook to comply with this prohibition, as he has done for all the previous plans which he was a beneficiary of.

## G.6.5 Internal rules and Charter of Board of Directors

The Board of Directors of Atos SE has approved Internal Rules that were updated during its meeting held on December 19, 2013 and to which is attached a Charter of the Board of Directors and a Guide to the prevention of insider trading. The Charter of the Board of Directors summarizes the mission and obligations of the members of the Board of Directors. This charter

covers in particular the following points: prohibition to hold a corporate office and an employee contract, Company interests, attendance, diligence, loyalty, independence, confidentiality, trading in the Group's shares, conflicts of interest, information of members. The following paragraphs are extracted from the Charter of the Atos SE Board of Directors.

### Appointment

Before accepting their mandate, each Director must be aware of his rights and obligations binding upon him. In particular, he/she must acknowledge the applicable laws and regulations applicable to his/her office, the provisions of the Articles of Association of the Company, the Internal Rules of the Board of

Directors, the Charter of the Board of Directors and the Guide to the prevention of insider trading. Directors must own in their own name at least five hundred nominative shares and, if they do not own such shares at appointment, they must acquire them within three months of their date of appointment.

### Directorship and employment are mutually exclusive

A senior manager who becomes an executive Officer or Director of the Company shall undertake to terminate his or her employment contract with the Company (if such employment

contract exists), either by contractual termination or by resignation. This provision obviously does not apply to the Director representing the employee shareholders.

### Defending the interests of the Company

Each Director represents all shareholders and must act at all times in their interest and in the interest of the Company. He or she must warn the Board of Directors of any event brought

to his or her attention that he or she deems, could affect the interests of the Company.

### Conflicts of interest

The Director strives to strictly avoid any conflict that may arise between his or her own moral and material interests and those of the Company. Directors must inform the Board of Directors of any actual or potential conflict of interest that they are aware of. He/ She must strictly refrain from participating in discussions and decisions on such matters where he or she should be in a situation of a conflict of interest. A conflict of interest arises when

a Director or a member of his or her family could personally benefit from the way the Company's business is conducted, or could maintain a relationship of any kind with the Company, its affiliates or its management that could compromise the Director's judgment (particularly as a client, supplier, business banker, legal representative).



## Acceptance of new social mandates

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The internal rules of the Board of Directors provide that the Chairman and Chief Executive Officer seeks the Board of

Directors' opinion before accepting new social mandate in a listed company, whether French or foreign, outside the Group.

## Attendance - Diligence

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By accepting their mandate, each Director agrees to spend the necessary amount of time and care in performing their duties. Unless prevented from doing so, each Director must attend all Board meetings and the meetings of all Board Committees to which they belong. He or she shall keep informed about the work and specifics of the Company, including its stakes and values, by inquiring, if necessary, its management. He or she

shall make a point of keeping updated on the knowledge that enables him or her to perform his or her functions.

The Director shall request any documents that he or she considers essential to be able to deliberate on the issues on the agenda. If a Director considers that he or she does not have full knowledge of the facts, it is his or her duty to inform the Board and to demand any essential information.

## Loyalty

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Each Director is under an obligation of loyalty towards the Company. He or she shall not take any initiative that could harm the interests of the Company or other companies or entities within the Atos Group and shall act in good faith in all circumstances. He or she shall not take on any responsibilities

on a personal basis in any company or business practicing any activities in direct competition with those of the Company without prior approval of the Chairman of the Board of Directors and of the Chairman of the Nomination and Remuneration Committee.

## Independence

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The Director carries out his or her functions in complete independence. He or she undertakes to preserve in all circumstances, his or her independence of analysis, judgment, decision and action. He or she does not tolerate being influenced

by any factor outside of the corporate interest, which he or she undertakes to protect. He or she commits to inform the Board of any known issue which appears to be of such a nature as to affect the interest of the Company.

## Confidentiality

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The Directors are required to uphold professional secrecy, which exceeds the mere obligation of discretion provided for in the law, in regards to any information gathered during or outside of the Board of Directors' meetings. They commit to keep

strictly confidential any information that has not been publicly disclosed, of which they have been informed or become aware during their mandate, as well as the contents of discussions and votes of the Board of Directors and of its Committees.

## Inside information and trading in the Company's securities

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Directors shall strictly refrain from using any privileged information he or she has access to, to his or her personal advantage or to the advantage of anyone else. He or she may not trade in the Company's securities other than in compliance with legal and regulatory provisions. He or she commits to

comply with the "Guide to the prevention of insider trading" approved by the Board of Directors. Board members must inform the Autorité des Marchés Financiers (French Financial Market Authority), in accordance with applicable rules, of any dealings in the securities of the Company.

## G.7 Common stock evolution and performance

### G.7.1 Basic data

Atos SE shares are traded on the Paris Euronext Market under code ISIN FR0000051732. The shares have been listed in Paris since 1995. The shares are not listed on any other stock exchange.

#### G.7.1.1 Information on stock

Number of shares:	101,332,527
Sector classification:	Information Technology
Main index:	CAC All Shares
Other indices:	CAC IT, CAC IT20, CAC Next20, Euronext 100, SBF120
Market:	Euronext Paris Compartment A
Trading place:	Euronext Paris (France)
Tickers:	ATO (Euronext)
Code ISIN:	FR0000051732
Payability PEA/SRD:	Yes/Yes

The main tickers are:

Source	Tickers	Source	Tickers
Euronext	ATO	Reuters	ATOS.PA
AFP	ATO	Thomson	ATO FR
Bloomberg	ATO FP		

The Euronext sector classification is as follows:

#### Euronext: sector classification Industry Classification Benchmark (ICB)

9000 AEX Technology
9530 AEX Software and Computer services
9533 Computer Services

The shares are also components of the following indices:

Index	Type	Code ISIN	Market Place
Euronext (Compartment A)	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext CAC 70	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext 100	Global Europe	FR0003502079	Paris-Amsterdam-Brussels-Lisbon
SBF 80	Global	FR0003999473	Paris PX8
SBF 120	Global	FR0003999481	Paris PX4
SBF 250	Global	FR0003999499	Paris PX5
CAC IT20	Sector	QS0010989091	Paris CIT20
CAC IT	Sector	FR0003501980	Paris PXT
DJ Euro Stoxx Techno	Sector	EUR0009658541	Germany-Xetra SX8E
CAC Technology	Sector	QS0011017827	Paris
CAC Software & Computer Services	Sector	FR0000051732	Paris

Sustainable development: DJSI World, FTSE4Good, Ethibel Excellence (both Euro and Europe zone), Vigeo.



## G.7.1.2 Free float

The free-float of the Group shares excludes stakes held by the two main shareholders as at December 31, 2014, namely Financière Daunou 17 (PAI Partners) holding 9.38% of the share capital and Siemens AG holding a stake of 12.32% of the share capital (which it committed to keep until June 30, 2016) as at December 31, 2014.

As at December 31, 2014, no other shareholder has announced holding more than 5% of the Company's share capital. Stakes owned by the employees and the management, are also excluded from the free float.

As at December 31, 2014	Shares	% of share capital	% of voting rights
Siemens	12,483,153	12.32%	12.53%
PAI Partners	9,502,125	9.38%	9.54%
Board of Directors	416,450	0.41%	0.42%
Employees	2,790,656	2.75%	2.80%
Treasury stock	1,689,417	1.67%	-
Free float	74,450,726	73.47%	74.72%
<b>TOTAL</b>	<b>101,332,527</b>	<b>100.0%</b>	<b>100.0%</b>

On February 25, 2015, PAI Partners announced the sale of most of its stake in the share capital of Atos SE, i.e. 9,200,000 ordinary shares of the Company.

## G.7.2 Stock ownership

Principal changes in the ownership of the Group's shares in the past three years have been as follows:

	December 31, 2014		December 31, 2013		December 31, 2012	
	Shares	%	Shares	%	Shares	%
Siemens	12,483,153	12.32%	12,483,153	12.7%	12,483,153	14.6%
PAI Partners	9,502,125	9.38%	9,399,376	9.6%	18,077,790	21.1%
Board of Directors	416,450	0.41%	49,024	0.0%	18,042	0.0%
Employees	2,790,656	2.75%	1,688,640	1.7%	1,762,583	2.1%
Treasury stock	1,689,417	1.67%	36,155	0.0%	137,193	0.2%
Public	74,450,726	73.47%	74,509,098	75.9%	53,224,669	62.1%
<b>TOTAL</b>	<b>101,332,527</b>	<b>100.0%</b>	<b>98,165,446</b>	<b>100.0%</b>	<b>85,703,430</b>	<b>100.0%</b>

The Group's shares which are owned by employees are mainly managed by Group mutual funds. As at December 31, 2014, the shareholding of current and former Atos Group employees into Atos SE represented an overall 2.75% of the share capital.

The treasury stock evolution is described below in section *G.7.7.6 Treasury stock and liquidity contract*.

The threshold crossings which took place in 2014 are described in section *G.7.7.3 Threshold crossings*.

### G.7.3 Dividend policy [G4-EC1]

During its meeting held on February 18, 2015, the Board of Directors decided to propose at the next Ordinary General Meeting of shareholders the payments in 2015 of a dividend of € 0.80 per share on the 2014 results.

During the past three fiscal periods, Atos SE paid the following dividends:

Fiscal period	Dividend paid per share (in €)
2013	€ 0.70
2012	€ 0.60
2011	€ 0.50

### G.7.4 Shareholder documentation

In addition to the Registration Document, which is published in English and French, the following information is available to shareholders:

- A half year report;
- Quarterly revenue and operational review;
- Regular press releases, regulated information and general Group's information, available through the Atos website at [www.atos.net](http://www.atos.net).

### G.7.5 Financial calendar

April 22, 2015	First quarter 2015
May 28, 2015	Annual General Meeting
July 29, 2015	First half 2015 results

### G.7.6 Contacts

Institutional investors, financial analysts and individual shareholders may obtain information from:

**Gilles Arditti**

Executive Vice-President Mergers & Acquisitions and Investor Relations & Financial Communication  
Tel: +33 1 73 26 00 66  
[gilles.arditti@atos.net](mailto:gilles.arditti@atos.net)

Requests for information can also be sent by email to [investors@atos.net](mailto:investors@atos.net)



## G.7.7 Common stock

## G.7.7.1 At December 31, 2014

As at December 31, 2014, the Group's issued common stock amounted to € 101.3 million divided into 101,332,527 fully paid-up shares of € 1.00 par value each.

Compared to December 31, 2013 share capital, the share capital was increased by the issuance of 3,167,081 new shares, split as follows:

- 1,900,407 new shares resulting from the exercise of stock options;
- 699,100 new shares resulting from an increase in the share capital reserved to employees, under the 14<sup>th</sup> resolution of the Combined General Meeting of May 29, 2013;
- 567,574 new shares resulting from the payments of the 2013 dividend in shares.

## G.7.7.2 Over the 5 last five years

Year	Change in common stock	Date	New shares	Total number of shares	Common stock	Additional paid in capital	New common stock
					(in € million)		
2010	Exercise of stock options	03/31/2010	10,250	69,730,712	0.0	0.3	69.7
	Exercise of stock options	06/30/2010	10,526	69,741,238	0.0	0.2	69.7
	Exercise of stock options	09/30/2010	72,870	69,814,108	0.1	1.5	69.8
	Exercise of stock options	12/31/2010	99,969	69,914,077	0.1	2.2	69.9
2011	Exercise of stock options	03/31/2011	62,524	69,976,601	0.1	1.4	70.0
	SIS Acquisition	07/01/2011	12,483,153	82,459,754	12.5	401.7	82.5
	Exercise of stock options	10/04/2011	128,716	82,588,470	0.1	2.9	82.6
	Capital increase for employees	12/14/2011	950,468	82,538,938	1.0	25.9	82.5
2012	Exercise of stock options	12/30/2011	27,830	83,566,768	0.0	0.7	83.6
	Exercise of stock options	04/02/2012	180,732	83,747,500	0.1	4.4	83.7
	Exercise of warrants	05/30/2012	30,093	83,777,593	0.03	1.1	83.8
	Payment of the dividend with shares	06/29/2012	676,014	84,453,607	0.6	26.4	84.5
	Exercise of stock options	06/29/2012	141,347	84,594,954	0.1	3.8	84.5
	Exercise of stock options	10/01/2012	345,060	84,940,014	0.3	11.3	84.9
	Capital increase for employees	12/12/2012	570,510	85,510,524	0.5	22.8	85.5
2013	Exercise of stock options	12/31/2012	192,906	85,703,430	0.2	6	85.7
	Exercise of stock options	03/31/2013	349,226	86,052,656	0.3	13.2	86.0
	Vesting of performance shares	03/31/2013	1,000	86,053,656	0.0	0.0	86.0
	Payment of the dividend in shares	06/21/2013	702,606	86,756,262	0.7	33.7	86.7
	Exercise of stock options	07/01/2013	354,741	87,111,003	0.4	9.8	87.1
	Exercise of stock options	09/30/2013	536,902	87,647,322 <sup>1</sup>	0.5	21.9	87.6
	Early redemption of 2009 Convertible Bonds (OCEANes)	09/30/2013	103	87,647,425	0.0	0.004	87.6
	Early redemption of 2009 Convertible Bonds (OCEANes)	10/18/2013	5,571,749	93,219,174	5.6	247.6	93.2
	Early redemption of 2011 Convertible Bonds (OCEANes)	12/18/2013	3,676,658	96,895,832	3.7	166.1	96.9
	Exercise of stock options	12/31/2013	1,269,614	98,165,446	1.2	50.6	98.1
2014	Exercise of stock options	04/03/2014	1,361,294	99,526,740	1.4	50.5	99.5
	Payment of the dividend in shares	06/19/2014	567,574	100,094,314	0.6	30.3	100.1
	Exercise of stock options	07/02/2014	167,356	100,261,670	0.2	5.2	100.3
	Capital increase reserved to employees <sup>2</sup>	07/31/2014	699,100	100,960,770	0.7	34.6	101
	Exercise of stock options	09/30/2014	40,360	101,001,130	0.0	1.1	101
	Exercise of stock options	12/31/2014	331,397	101,332,527	0.3	15.1	101.3

<sup>1</sup> The amount of the common stock pursuant to this exercise of stock options takes into account the acknowledgment of the cancellation of an exercise of 583 stock-options made in February 2013.

<sup>2</sup> Under the 14<sup>th</sup> resolution of the Combined General Meeting of May 29, 2013.

A total of 1,900,407 stock options were exercised during the period, representing 37.9% of the total number of stock options at December 31, 2013.



### G.7.7.3 Threshold crossings

During 2014, the Group was informed of the downward threshold crossing by BlackRock Inc., acting on behalf of clients and funds which it manages, on November 28, 2014, of the statutory threshold of 5% of the share capital and voting rights of the

Company, resulting from the sale of shares on the market. At that date, Blackrock Inc. declared holding 4.98% of the share capital and voting rights of the Company.

Name of entity notifying the threshold crossing	Date of reporting	Shares	% <sup>1</sup>	% of voting rights <sup>2</sup>
BlackRock Inc.	December 3, 2014	5,026,853	4.98%	4.98%

1 Percentage of the share capital on that date of threshold crossing.

2 In percentage of the share capital including treasury shares on that date pursuant to article 223-11 al. 2 of the Règlement Général de l'Autorité des Marchés Financiers (French Financial Market Authority General Regulations).

The Company was not informed of any other statutory threshold crossing, in accordance with article L. 233-7 of the Commercial Code, in 2014.

### G.7.7.4 Voting rights

Voting rights are in the same proportion as shares held. No shares carry double voting rights.

### G.7.7.5 Shareholders' agreements

On the occasion of the acquisition by the Company from Siemens of Siemens' former subsidiary SIS, the Siemens group committed to keep its shareholding in the Company, amounting to 12,483,153 shares, until June 30, 2016.

In addition, on December 27, 2013, and January 8, 2014, the Group notified the Autorité des Marchés Financiers of the signature on December 18, 2013 of a "Run-Off and Settlement Agreement" between Atos SE, Atos Nederland BV and Stichting Pensioenfondsen Atos which aimed at ending a dispute between the parties over the refinancing of the Dutch employee pension fund of Atos Nederland BV by setting up a new defined benefit pension scheme for these employees. Under the agreement, a partial payment of the amount owed by Atos Nederland BV to the pension fund could take place either in cash or in Atos SE shares, and be made either directly by Atos Nederland BV or by Atos SE on its account. In case of payment in Atos SE shares,

the pension fund undertook to keep the shares for a three years period starting from the given payment in shares, subject to the possibility to transfer the shares<sup>1</sup> as follows: (i) 30% of Atos SE shares received in payment between the first and the second anniversary of the date of such payment; (ii) 35% of Atos SE shares received in payment between the second and the third anniversary of the date of such payment; and (iii) 35% of Atos SE shares received in payment as from the third anniversary of the date of such payment.

As announced on January 8, 2014, Atos implemented a second tranche of its share buy-back program to pay in Atos SE shares for a maximum amount of € 115 million to the Atos Dutch employee pension fund as authorized by the Ordinary General Meeting of December 27, 2013. Following payments in shares have been completed:

Date of transfer	Shares
02/13/2014	435,611
03/13/2014	423,623
04/11/2014	423,463
05/14/2014	453,062

This amount was in addition to the € 43 million amount already paid in cash. Final payment of all the sums due under the agreement took place on July 1, 2014.

The Group has not received notice of any shareholder agreements for filing with the stock exchange authorities and,

to the best knowledge of the Group Management, no "action de concert" or similar agreements exist.

To the Company's knowledge, there is no other agreement capable of having a material effect, in case of public offer on the share capital of the Company.

<sup>1</sup> Within the daily limit of 25% of the average daily volumes over the 20 trading days preceding the transfer (save in case of block transfer off market).



## G.7.7.6 Treasury stock and liquidity contract

### Treasury Stock

As at December 31, 2014, the Company owned 1,689,417 shares which amounted to 1.67% of the share capital with a portfolio value of € 112,008,347, based on December 31, 2014 market price, and with book value of € 103,676,142. These shares were purchased in the context of a share buyback program and were assigned to the allocation of shares to employees or executive officers and Directors of the Company or its Group, and correspond to the hedging of its undertakings under the performance shares plans.

The Company proceeded to the following purchases of its own shares pursuant to the share buyback program (i.e. apart from the liquidity contract):

Pursuant to a mandate entrusted with a financial intermediary:

- (i) from February 20 to March 12, 2014: 223,000 shares;
- (ii) from June 27 to July 28, 2014: 834,533 shares;
- (iii) from December 19 to December 31, 2014: 826,479 shares.

Pursuant to a mandate entrusted with a financial intermediary in order to proceed to the transfers of shares on behalf of Atos Nederland BV to the Dutch employee pension fund in connection with the "Run-Off and Settlement Agreement" (see supra part G.7.7.5):

- (i) from January 8 to May 2, 2014: 1,735,759 shares.

Additionally, the Company proceeded with the following transfers of treasury shares in 2014:

- On February 13, a transfer of 435,611 shares to the Group Dutch employee pension fund;

- On March 13, a transfer of 423,623 shares to the Group Dutch employee pension fund;
- On March 17, a transfer of 213,050 shares in connection with the vesting of performance shares granted pursuant to the plan dated December 22, 2011;
- On March 31, a transfer of 9,700 shares in connection with the vesting of performance shares granted pursuant to the plan dated March 29, 2012;
- On April 11, a transfer of 423,463 shares to the Group Dutch employee pension fund;
- On May 14, a transfer of 453,062 shares to the Group Dutch employee pension fund;
- On July 31, a transfer of 3,500 shares in connection with the vesting of performance shares granted pursuant to the plan dated December 22, 2011;
- On October 15, a transfer of 4,500 shares in connection with the vesting of performance shares granted pursuant to the plan dated December 22, 2011.

### Liquidity Contract

By Contract dating February 13, 2006, Atos SE entrusted Rothschild & Cie Bank, for a one-year period, renewable by tacit consent, with the implementation of a liquidity contract compliant with the Deontology Charter of the AMAFI. € 15 million were originally allocated for this purpose to the implementation of this contract. On July 1, 2012, an amendment to the liquidity contract dated February 13, 2006 was signed, under which the Company decided to make an additional cash contribution of € 10 million in order to allow Rothschild & Cie Banque to ensure the continuity of the interventions under the contract.

The transactions carried out in 2014 under the liquidity contract are as follows:

Cumulated gross flows as at December 31, 2014	Cumulated Purchases	Cumulated Sales
Number of Shares	1,463,434	1,463,434
Average Sale/Purchase price	60.7431	60.8527
Total Amount of Purchases/Sales	88,893,517.8	89,053,910.17

### Legal Framework

The 13<sup>th</sup> resolution of the Combined General Meeting of May 27, 2014, renewed in favour of the Board of Directors, the authorization to trade in the Group's shares, in connection with the implementation of a share buyback program. The number of shares purchased may not exceed 10% of the share capital of the Company, at any moment in time, such percentage applying to a capital adjusted in accordance with the operations which shall have an effect on the share capital subsequently to the General Meeting, it being specified that in the case of shares purchased within a liquidity contract, the number of shares taken into account to determine the 10% limit shall correspond to the number of shares purchased from which shall be deducted the number of shares resold during the duration of the authorization.

These purchases may be carried out by virtue of any allocation permitted by law, with the aims of this share buy-back program being:

- to keep them and subsequently use them for payment or exchange in relation to possible external growth operations, in accordance with market practices accepted by the Autorité des Marchés Financiers (French Financial Market Authority), it being specified that the maximum amount of shares acquired by the Company to this end shall not exceed 5% of the share capital;
- to ensure liquidity and an active market of the Company's shares through an investment service provider acting independently pursuant to a liquidity contract, in accordance with the Professional Conduct Charter accepted by the Autorité des Marchés Financiers (French Financial Market Authority);

- to attribute or sell these shares to the executive officers and Directors or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under articles L. 225-177 et seq. of the Commercial Code, and (iii) the free share issuance regime established by articles L. 225-197-1 et seq. of the Commercial Code and (iv) a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions laid down by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations in relation to the issuance of such securities, under the terms and conditions laid down by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides; or
- to cancel them as a whole or in part through a reduction of the share capital pursuant to the fourteenth resolution of the Combined General Meeting held on May 27, 2014;
- to transfer the shares acquired to the Dutch employee pension fund called Stichting Pensioenfonds Atos, with registered address located in Utrecht, the Netherlands, in connection with the settlement agreement (Run-off and Settlement Agreement) entered into between the Company and its subsidiary Atos Nederland BV, either via Atos Nederland BV or directly, it being specified that in this latter case, the payment will be made by the Company on behalf of its subsidiary Atos Nederland BV pursuant to a delegation of payment or any other mechanism.

The maximum purchase price per share may not exceed € 97 (fees excluded).

The Board of Directors may adjust the aforementioned purchase price in the event of incorporation of premiums, reserves or profits, giving rise either to an increase in the nominal value of the shares or to the creation and attribution of free shares, as well as in the event of division of the nominal value of the share or regrouping of the shares to take account of the effect of these operations on the value of the share.

As a result, the maximum amount of funds assigned to the share repurchasing program amounts to € 952,204,826.2 as calculated on the basis of the share capital as at December 31, 2013, this maximum amount may be adjusted to take into account the amount of the capital on the day of the General Meeting.

This authorization was granted for a period of eighteen (18) months as from May 27, 2014.

#### **Description of the share buy-back program submitted to approval of the General Meeting of May 28, 2015:**

In connection with the share buy-back program (and within the limit of 10% of the share capital), it is proposed to renew, during the General Meeting of May 28, 2015, the authorization to repurchase shares which was granted during the General Meeting of May 27, 2014, for 18 months, and which will expire on November 27, 2015.

In accordance with the Règlement Général of the Autorité des Marchés Financiers (General Rules of the French Financial Market Authority) (articles 241-1 to 241-7) and with article L. 451-3 of the French Monetary and Financial Code, this description of program is aimed at detailing the objectives and the terms and conditions of the new share buy-back program by Atos SE (the "Company") which will be subject to authorization by the General Meeting of shareholders of May 28, 2015.

The aims of this program are:

- to keep the shares or subsequently use them for payment or exchange in relation to possible external growth operations, in accordance with the market practices accepted by the Autorité des Marchés Financiers (French Financial Market Authority), it being specified that the maximum amount of shares acquired by the Company to this end shall not exceed 5% of the share capital;
- to ensure liquidity and an active market of the Company's share through an investment service provider acting independently pursuant to a liquidity contract, in accordance with the Professional Conduct Charter accepted by the Autorité des Marchés Financiers (French Financial Market Authority);
- to attribute or sell these shares to the executive officers and Directors or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set or accepted by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under articles L. 225-179 to L. 225-197-3. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 to L. 225-197-3 of the Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions laid down by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations in relation to the issuance of such securities, under the terms and conditions laid down by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides; or
- to cancel these shares as a whole or in part through a reduction of the share capital.

The acquisitions, sale, transfers or exchange of shares may be done by all means, according to the regulations in force by one or more installments, on a regulated market, on a multilateral trading facility, via a systematic internaliser, or by mutual agreements, in particular by block transactions (that may amount to the whole of the program), and where required, by using derivative financial instruments (traded on a regulated market, on a multilateral trading facility, a systematic internaliser, or by mutual agreements), or warrants or securities giving right to Company's shares or by the setting up of optional strategies such as purchasing or selling purchase or sale options, or by issuing financial instruments that give rights through conversions, exchange, reimbursement, exercise of a bond of



any other way, to the Company's shares owned by the latter, and at such times as the Board of Directors or the person acting upon its delegation, under the conditions provided by law, may determine, in accordance with applicable legal and regulatory provisions. The acquisitions, sale, transfers or exchange of shares under this resolution may however not be performed in case of public offer on the Company's securities.

The maximum purchase price is set at € 100 per share and the number of actions which may be acquired is 10% (theoretically

10,133,252 shares as calculated on the basis of the share capital as at December 31, 2014). This maximum amount can be adjusted to take into account the share capital amount on the day of the General Meeting.

As from its authorization by the General Meeting of May 28, 2015, this program will be in force until the next Annual General Meeting ruling on the 2015 financial year accounts without exceeding a maximum duration of 18 months, i.e. until November 28, 2016.

## G.7.7.7 Potential common stock

### Potential dilution

Based on 101,332,527 shares in issue, the common stock of the Group could be increased by 2,806,747 new shares, representing 2.7% of the common stock after dilution. This dilution could occur with the exercise of all stock subscription options granted to employees or through the acquisition of performance shares as follows:

<i>(in shares)</i>	December 31, 2014	December 31, 2013	Change	% dilution
<b>Number of shares outstanding</b>	<b>101,332,527</b>	<b>98,165,446</b>	<b>3,165,081</b>	
From convertible bonds 2009	0	0	0	0.0%
From convertible bonds 2011	0	0	0	0.0%
From stock subscription options	2,806,747	5,015,053	-2,208,306	2.7%
Performance shares	0	1,212,490	-1,212,490	0.0%
<b>Potential dilution</b>	<b>2,806,747</b>	<b>6,227,543</b>	<b>-3,420,796</b>	<b>2.7%</b>
<b>TOTAL POTENTIAL COMMON STOCK</b>	<b>104,139,274</b>	<b>104,392,989</b>	<b>-235,715</b>	

On the total of 2,806,747 of stock options, no option had a price of exercise higher than € 66.30 (year-end stock price at December 31, 2014).

### Stock options evolution

<b>Number of stock subscription options at December 31, 2013</b>	<b>5,015,053</b>
Stock subscription options granted in 2014	0
Stock subscription options exercised in 2014	-1,900,407
Stock subscription options cancelled in 2014	-307,399
Stock subscription forfeited in 2014	-500
<b>Number of stock subscription options at December 31, 2014</b>	<b>2,806,747</b>

The weighted average strike price of the above-mentioned options is summarized in the table below:

	December 31, 2014	Weighted average strike price (in €)	Value (in € million)	% total stock options
Strike price from € 10 to € 20	87,264	18.40	1.6	3%
Strike price from € 20 to € 30	914,502	24.68	23.2	33%
Strike price from € 30 to € 40	399,539	33.91	13.3	14%
Strike price from € 40 to € 50	582,756	44.45	27.3	21%
Strike price from € 50 to € 60	822,686	57.40	49.0	29%
<b>TOTAL STOCK OPTIONS</b>	<b>2,806,747</b>	<b>41.67</b>	<b>114.4</b>	<b>100%</b>

As of December 31, 2014, the total of stock options granted by the Group were all exercisable.

The weighted average strike price of stock options granted to employees was € 41.67 at the end of 2014, (-2% compared to € 40.87 at the end of December 2013), for a total value of € 114.4 million.

## Current authorizations to issue shares and other securities

Pursuant to the resolutions adopted by the General Meetings of May 27, 2014 and May 29, 2013, the following authorizations to issue shares and other securities are in force:

Authorization (in €)	Authorization amount (par value)	Use of the authorizations (par value)	Unused balance (par value)	Authorization expiration date
EGM May 27, 2014 13 <sup>th</sup> resolution Authorization to buyback the Company shares	10% of the share capital adjusted at any moment	1,661,012	Around 8.36% of the share capital	11/27/2015 (18 months)
EGM May 27, 2014 14 <sup>th</sup> resolution Share capital decrease	10% of the share capital adjusted as at the day of the decrease	0	10% of the share capital adjusted as at the day of the decrease	11/27/2015 (18 months)
EGM May 27, 2014 15 <sup>th</sup> resolution Share capital increase with preferential subscription right	29,878,460	0	29,878,460	07/27/2016 (26 months)
EGM May 27, 2014 16 <sup>th</sup> resolution Share capital increase without preferential subscription right by public offer* <sup>1</sup>	9,959,486	0	9,959,486	07/27/2016 (26 months)
EGM May 27, 2014 17 <sup>th</sup> resolution Share capital increase without preferential subscription right by private placement* <sup>1</sup>	9,959,486	0	9,959,486	07/27/2016 (26 months)
EGM May 27, 2014 18 <sup>th</sup> resolution Share capital increase without preferential subscription right to remunerate contribution in kind* <sup>1</sup>	9,959,486	0	9,959,486	07/27/2016 (26 months)
EGM May 27, 2014 19 <sup>th</sup> resolution Increase of the number of securities in case of share capital increase with or without subscription right* <sup>1 2</sup>	Maximum increase of 15% of the initial issuance	0	Maximum increase of 15% of the initial issuance	07/27/2016 (26 months)
E.G.M. May 27, 2014 20 <sup>th</sup> resolution Share capital increase through incorporation of premiums, reserves, benefits or other*	29,878,460	0	29,878,460	07/27/2016 (26 months)
EGM May 27, 2014 21 <sup>st</sup> resolution Share capital increase reserved to the employees*	1,991,897	0	1,991,897	07/27/2016 (26 months)
EGM May 27, 2014 22 <sup>nd</sup> resolution Grant of performance shares to employees and executive officers	995,948		995,948	07/27/2017 (38 months)
EGM May 29, 2013 15 <sup>th</sup> resolution Grant of performance shares to employees and executive officers	1,013,325	691,000	322,325	07/29/2016 (38 months)

\* Any share capital increase pursuant to the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> resolutions shall be deducted from the cap set by the 15<sup>th</sup> resolution.

1 The share capital increases without preferential subscription right carried out pursuant to the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup> and 19<sup>th</sup> resolutions are subject to an aggregate sub-cap corresponding to 10% of the share capital of the Company on the day of the Combined General Meeting of May 27, 2014 (i.e. a par value of € 9,959,486). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate sub-cap.

2 The additional issuance shall be deducted from (i) the cap of the resolution pursuant to which the initial issuance was decided, (ii) the aggregate cap set by the 15<sup>th</sup> resolution, and (iii) in case of share capital increase without preferential subscription rights, the amount of the sub-cap mentioned at (1) here above.

The number of new authorized shares that may be issued pursuant to the above-mentioned delegations of authority (the nineteenth resolution of the General Meeting of May 27, 2014 being set aside) amounts to 31,877,734.35, representing 31.47% of the share capital updated on December 31, 2014.



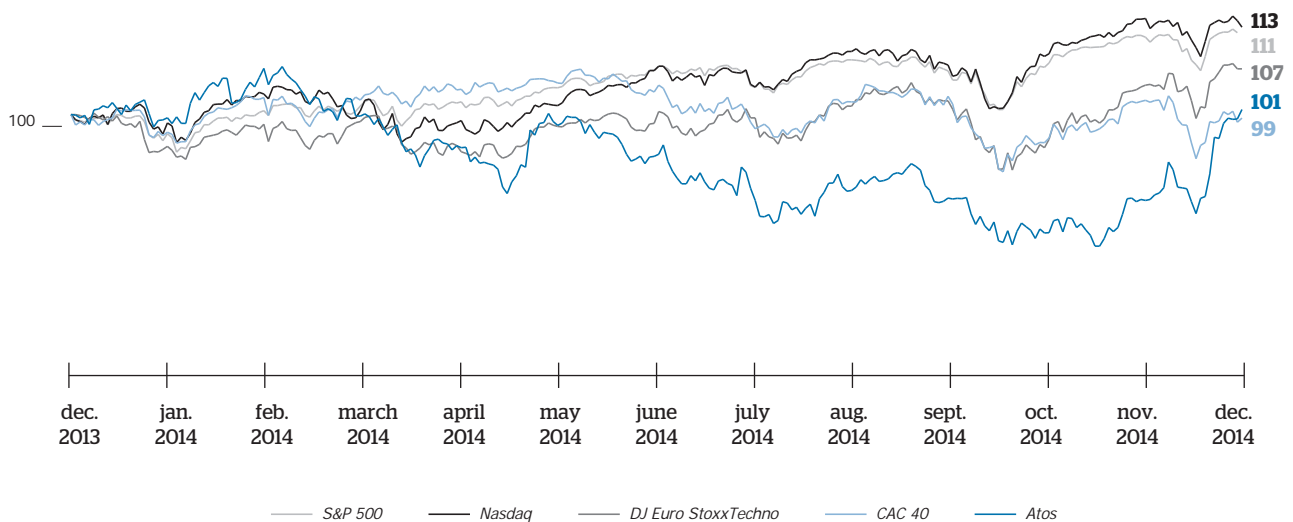
## G.7.8 Share trading performance

### G.7.8.1 Stock market overview

At € 66.30, Atos' share price finished the year in positive territory (+1%), slightly outperforming the French reference index (CAC 40; -1%) and broadly in line with its European peers of the technological sector (DJ Euro StoxxTech +7%). In the US, indices reached a higher range of performance with for example the Nasdaq index which increased by +13% in 2014 and the S&P 500 by +11%.

Atos market capitalization reached €6,718 million at the end of 2014.

#### ATOS' SHARE PERFORMANCE IN COMPARISON WITH INDICES (BASE 100 AT DECEMBER 31, 2013)



### G.7.8.2 Key figures

	2014	2013	2012	2011	2010
Highest (in €)	71.50	67.78	55.90	43.50	40.72
Lowest (in €)	50.92	49.81	34.54	30.24	29.82
Closing as of 31/12 (in €)	66.30	65.79	52.81	33.91	39.84
Average daily volume processed on Euronext platform (in number of shares)	309,968	347,532	280,353	294,530	296,552
Free-float	73.47%	75.89%	62.1%	61.3%	71.1%
Market capitalization as of 31/12 (in € million)	6,718	6,458	4,426	2,911	2,785
Enterprise Value as of 31/12* (in € million)	5,729	5,553	4,294	3,053	2,925
EV/revenue	0.63	0.64	0.47	0.44	0.58
EV/OMDA	6.23	6.42	5.41	4.71	5.5
EV/OM	8.16	8.61	7.40	7.04	8.7
P/E (year-end stock price ÷ normalized basic EPS)	15.0	13.9	12.5	15.6	12.7

\* Assuming that (Enterprise Value) = (Net Debt) + (Market Capitalization).

### G.7.8.3 Market capitalization

Based on a closing share price of € 66.30 on December 31, 2014 and 101,332,527 shares in issue, the market capitalization of the Group at December 31, 2014 was € 6,718 million compared to € 6,458 million at the end of December 2013.

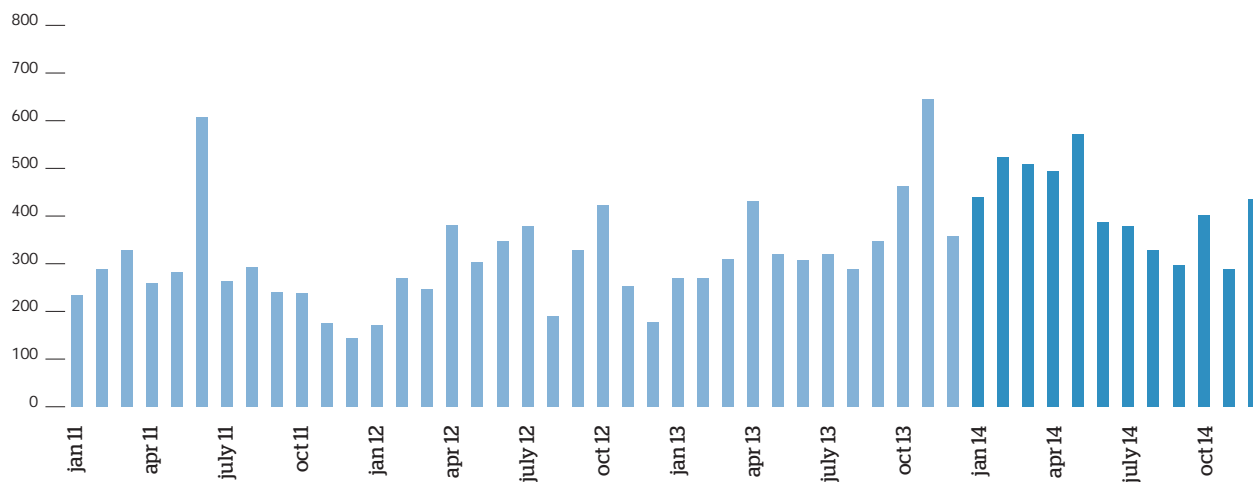
In terms of market capitalization as of December 31, 2014, Atos was ranked 42<sup>nd</sup> (vs. 52<sup>nd</sup> as of December 31, 2013) within the SBF 120 index, which includes the largest companies by market capitalization on the Paris exchange.

### G.7.8.4 Traded volumes

	Trading Volume (all platforms)	
	(in thousands of shares)	(in € million)
1 <sup>st</sup> Quarter 2014	61,229	1,419
2 <sup>nd</sup> Quarter 2014	62,659	1,401
3 <sup>rd</sup> Quarter 2014	46,240	967
4 <sup>th</sup> Quarter 2014	52,537	1,087
<b>TOTAL</b>	<b>222,665</b>	<b>4,874</b>

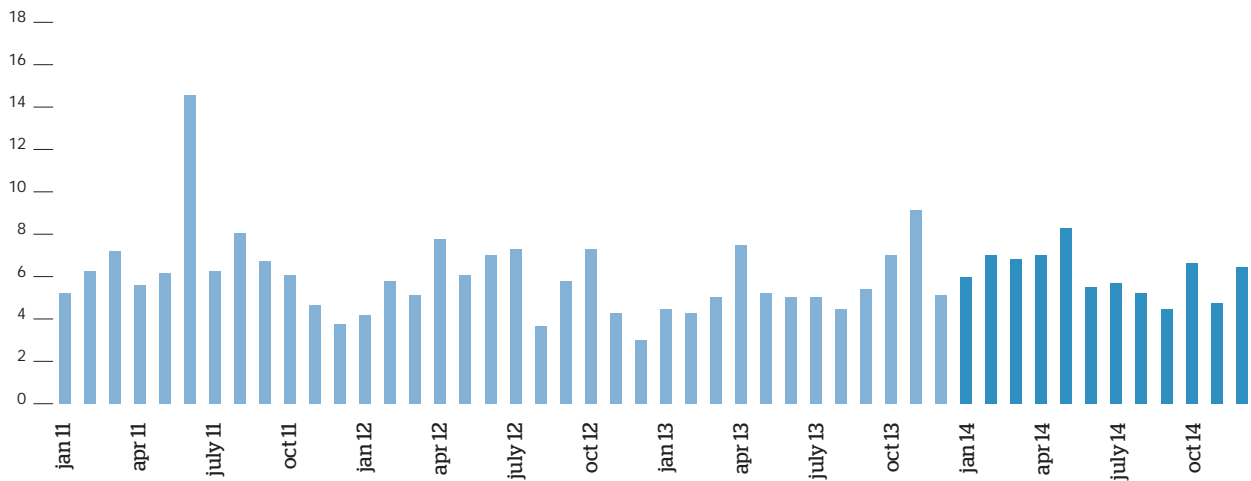
In 2014, the average daily number of shares traded reached 873 thousand on all platforms (of which 310 thousand on Euronext), compared to 757 thousand in 2013 (of which 284 thousand on Euronext).

#### MONTHLY TRADING VOLUME IN € MILLION





MONTHLY TRADING VOLUME IN MILLIONS OF SHARES



G.7.8.5 2014 and subsequent key trading dates

On February 19, 2014, Atos announced its 2013 annual results. With revenue at € 8,615 million, nearly stable compared to 2012 at constant scope and exchange rates, the Group strongly improved its operating margin to € 645.2 million, an increase of € 78.3 million to reach 7.5% of revenue, completely in line with the 7% to 8% target announced in December 2010 as part of the three-year plan. Net cash position was € 905 million at the end of 2013. The Group generated in 2013 € 365 million of free cash flow also in line with the € 350 to € 400 million target of the three-year plan 2011-2013.

Net income Group share stood at €262 million, up +17% compared to 2012 statutory figure. Earnings per share<sup>1</sup> was € 4.80 in 2013, up +50% compared to 2011 statutory. Order entry was € 8.8 billion. Book to bill ratio was 105%<sup>2</sup>.

The Group announced to plan increase of operating margin and free cash flow and ambition to complete IPO of Worldline.

On April 17, 2014, Atos reported revenue for the first quarter of 2014. Revenue was € 2,064 million, representing an organic evolution of -1.8% compared to the first quarter of 2013. Order entry was € 1,671 million leading to a book to bill ratio of 81%. Net cash position stood at € 830 million at the end of March 2014. All 2014 objectives were confirmed and the Group announced that Worldline was fully mobilized to complete its IPO on schedule,

depending on market conditions and after consultation of the appropriate employee representative organization.

On April 17, 2014, in reaction to speculation, Atos confirmed that the Group has held friendly discussions with key stakeholders of Steria over the last few months, including with its CEO and its Chairman.

On May 26, 2014, Atos and Bull, the trusted partner for enterprise data, together announced the intended public offer in cash by Atos for all the issued and outstanding shares in the capital of Bull. The offer values the fully diluted share capital of Bull Group at approximately €620 million. Atos offer is set at €4.90 per Bull's share in cash and at € 5.55 per outstanding Bull OCEANES.

On May 27, 2014, Atos held its Annual Shareholders' Meeting. All resolutions submitted by the Board of Directors have been approved by a large majority. The dividend payment of € 0.70 per share and the option for payment of the dividend in either shares or cash were also approved. The Shareholders' Meeting also renewed the terms of office of Directors Colette Neuville and Nicolas Bazire, Roland Busch and Michel Paris, as well as the terms of office of the principal Statutory and deputy Statutory Auditor, respectively Grant Thornton and IGEC.

On June 11, 2014, Atos acquired Cambridge Technology Partners (Cambridge), a leading IT consulting firm in the Swiss market. With 300 employees and reported revenues of CHF 40 million in 2013 (€ 35 million), the acquisition accelerate the growth of Atos

1 EPS adjusted, non-diluted and based on December 2011 number of shares. 2 Excluding Siemens.



and strengthen its position as a leading provider of IT consulting and services bringing digital marketing expertise in the Consumer Goods, Luxury, Pharma and Financial Market sectors.

On **June 24, 2014**, Atos proceeded to the dividend payment of € 0.70 per share and to the payment of the dividend in shares.

On **June 26, 2014**, Worldline, an Atos SE subsidiary, one of Europe's leading providers of electronic payment and transactional services and one of the largest such providers worldwide, announced the success of its initial public offering on the regulated market of Euronext Paris (Compartment A; ISIN code: FRO011981968; ticker: WLN). Offering price was € 16.40 per share, corresponding to a market capitalization of approximately € 2,161 million. Worldline raised approximately € 255 million through the sale of newly-issued shares. Following the global offering and with an over-allotment option exercised of 75%, Atos remains Worldline's main shareholder, with circa 70% of the outstanding shares.

On **July 29, 2014**, Atos announced its results for the first half of 2014. Revenue was € 4,176 million, representing an organic evolution of -1.9% compared to the first half of 2013. Operating margin was € 274.6 million, representing 6.6% of revenue, an improvement of +20bps compared to the same period last year. The Group generated € 124 million of free cash flow in the first half of 2014. Net cash position was € 845 million at the end of June 2014 including € 628 million restricted cash for the Bull acquisition (excluding € 639 million from the Worldline IPO received in July). Order entry was € 4,360 million, representing a book to bill ratio of 104% for the first half of the year. Net income Group share was € 76 million. Main highlights were the € 500 million of new significant contracts were won in June 2014; the Worldline IPO successfully completed according to initial planning and the offer on Bull still running until July 31, 2014.

On **November 7, 2014**, Atos published its revenue for the third quarter of 2014. Revenue was € 2,209 million, up +5.9% year-on-year and down -0.9% organically compared to the third

quarter of 2013. Order entry was € 2,222 million, representing a book to bill ratio\* of 101%. At the end of September 2014 the Group backlog was € 16.3 billion and the full weighted pipeline was € 5.4 billion. The Group generated € 2 million free cash flow in the third quarter of 2014. Net cash position was € 762 million at the end of September 2014. With revenue expected to be circa +5% in 2014 (nearly stable organically), full year objectives were reaffirmed by Atos.

On **December 19, 2014**, Atos would acquire Xerox's IT Outsourcing (ITO) business to almost triple its size in the US which would represent its largest operating geography. Global cash consideration for the transaction is € 840 million.

On **February 18, 2015**, Atos announced its 2014 annual results. Revenue was € 9,051 million, +5.1% year-on-year and -1.1% at constant scope and exchange rates. In the fourth quarter, revenue organic evolution was +0.1%. Operating margin was € 701.9 million, representing 7.8% of revenue, compared to 7.5% in 2013. Order entry was € 9.1 billion. Book to bill ratio was 101% led by Manufacturing, Retail & Transportation and Financial Services. Full backlog increased by €+0.9 billion to € 16.2 billion, representing 1.7 year of revenue. Net cash position was € 989 million at the end of 2014. Free cash flow was € 367 million in 2014 compared to € 365 million in 2013. Net income was € 283 million, up +8.8% year-on-year and net income Group share was € 265 million, up +1.4% compared to 2013.

The Group announced its objective in 2015 to increase revenue and profitability in line with the 3-year plan taking full advantage of 2014 achievements.

On **February 25, 2015**, PAI Partners sold to other investors via an Accelerated Bookbuilt Offering most of its remaining shares of Atos SE, which the investment funds it manages or advises held indirectly through its investment holding company Financière Daunou 17 SA, i.e. 9,200,000 shares representing 9% of the share capital, at a price per share of €63.25.

### G.7.8.6 Share value for "ISF" purposes

The closing share price on December 31, 2014 was €66.30. The average closing share price over the last 30 stock market trading days of 2014 was €59.13 compared to €63.00 for the same period in 2013.

### G.7.8.7 Purchase or sale by the Group of its own shares

The Group purchased or sold its own shares in 2014 as described within the section *G.7.7.6 Treasury stock and liquidity contract*. At December 31, 2014, the Group held 1,689,417 shares as treasury stock, but none related to the liquidity contact.





# H

## Appendix

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## H.1 Definitions

### Financial terms and Key Performance Indicators

- Operational Capital Employed
- Current and non-current
- DSO
- Net debt
- Gross margin and indirect costs
- Operating margin
- EBITDA
- Gearing
- Interest cover ratio
- Leverage ratio
- Operating income
- Normalized net income
- ROCE (Return On Capital Employed)
- EPS
- Cash flow from operations
- Free Cash Flow
- Change in net debt
- Attrition rate

### Business Key Performance Indicators

- External revenue
- Organic growth
- Book-to-bill
- TCV (Total Contract Value)
- Backlog/Order cover
- Order entry/bookings
- Pipeline
- Legal staff
- Full Time Equivalent (FTE)
- Subcontractors
- Interims
- Direct staff
- Indirect staff
- Permanent staff
- Temporary staff
- Ratio S
- Turnover
- Utilization rate and non-utilization rate

### Business terms

- BPO
- CMM
- CRM
- ERP
- LAN
- MMS
- TCO
- SCM
- WAN
- SEPA

### Market terms

- Consensus
- Dilutive instruments
- Dividends
- Enterprise Value (EV)
- Free float
- Free float capitalization
- Market capitalization
- PEG (Price Earnings Growth)
- PER (Price Earnings Ratio)
- Volatility

### H.1.1 Financial terms

**Operational capital employed:** Operational capital employed comprises net fixed assets and net working capital, but excludes goodwill and net assets held for sale.

**Current and non-current assets or liabilities:** A current and non-current distinction is made between assets and liabilities on the balance sheet. Atos has classified as current assets and liabilities those that Atos expects to realize, use or settle during its normal cycle of operations, which can extend beyond 12 months following the period-end.

Current assets and liabilities, excluding the current portion of borrowings and financial receivables, represent the Group's working capital requirement.

**DSO:** (Days' Sales Outstanding). DSO is the amount of trade accounts receivables (including work in progress) expressed in days' revenue (on a last-in, first-out basis). The number of days is calculated in accordance with the Gregorian calendar.

**Net debt:** Net debt comprises total borrowings (bonds, finance leases, short and long-term bank loans, securitization and other borrowings), short-term financial assets and liabilities bearing interest with a maturity of less than 12 months, less cash and cash equivalents (transferable securities, cash at bank and in hand).

**Gross margin and indirect costs:** Gross margin is composed of revenue less the direct costs of goods sold. Direct costs relate to the generation of products and/or services delivered to customers, while indirect costs include all costs related to indirect staff (defined hereafter), which are not directly linked to the realization of the revenue. The operating margin comprises gross margin less indirect costs.

**Operating margin:** Operating margin comprises operating income before major capital gains or losses on the disposal of assets, major reorganization and rationalization costs, impairment losses on long-term assets, net charge to provisions for major litigations and the release of opening balance sheet provisions no longer needed.

**EBITDA:** (Earnings Before Interest, Tax, Depreciation and Amortization). For Atos, EBITDA is based on Operating margin less non-cash items and is referred to as OMDA (Operating Margin before Depreciation and Amortization)

OMDA (Operating Margin before Depreciation and Amortization) is calculated as follows:

Operating margin:

- less - depreciation of fixed assets (as disclosed in the "financial report");
- less -oOperating net charge of provisions (composed of net charge of provisions for current assets and net charge of provisions for contingencies and losses, both disclosed in the "financial report");
- less - net charge of provisions for pensions (as disclosed in the "financial report");
- less - equity-based compensation.

**Gearing:** The proportion, expressed as a percentage of net debt to total shareholders' equity (Group share and minority interests).

**Interest cover ratio:** Operating margin divided by the net cost of financial debt, expressed as a multiple.

**Leverage ratio:** Net debt divided by OMDA.

**Operating income:** Operating income comprises net income before deferred and income taxes, net financial expenses, share of net income from associates and the results of discontinued operations.

**Normalized net income:** Net income (Group share) before unusual, abnormal and infrequent items, net of tax.

**ROCE** (return on capital employed): ROCE is net income (Group share), before the net cost of financial debt (net of tax) and the depreciation of goodwill, divided by capital employed.

**EPS** (earnings per share): Basic EPS is the net income divided by the weighted-average number of common shares outstanding during the period. Diluted EPS is the net income divided by the diluted weighted-average number of common shares for the period (number of shares outstanding + dilutive instruments with dilutive effect). Normalized EPS is based on normalized net income.

**Cash flow from operations:** Cash flow coming from the operations and calculated as a difference between the OMDA (Operating Margin DA), the net capital expenditures and the change in working capital.

**Free cash flow:** Represents the change in net cash or net debt, excluding equity changes, dividends paid to shareholders, net acquisitions/disposals.

**Change in net debt** (cash): Change in net debt or net cash.

## H.1.2 Business KPI's (Key Performance Indicators)

### Revenue

**External Revenue:** External Revenue related to Atos' sales to third parties (excluding VAT and pass-through sales with low margin).

**Organic growth:** Organic growth represents the percent growth of a unit based on a constant scope and exchange rates basis of which is excluded revenue from acquisitions and cessions of the year.

**Book-to-bill:** A ratio expressed in percentage terms based on order entry in the period divided by revenue of the same period.

**TCV** (Total Contract Value): The total value of a contract at signature (prevision or estimation) over its duration. It represents the firm order and contractual part of the contract excluding any clause on the decision of the client, as anticipated withdrawal clause, additional option or renewal.

**Order entry/bookings:** The TCV, orders or amendments signed during a defined period. When an offer is won (contract signed), the total contract value is added to the backlog and the order entry is recognized.

**Backlog/Order cover:** The value of signed contracts, orders and amendments that remain to be recognized over their contract lives.

**Pipeline:** The value of revenues that may be earned from outstanding commercial proposals issued to clients. Qualified pipeline applies an estimated percentage likelihood of proposal success.

## Human Resources

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**Legal staff:** The total number of employees under Atos employment contracts at the end of the period. Legal staff includes those on long sickness or long absence, apprentices, trainees, and employees on maternity leave, but excludes subcontractors and interims.

**FTE (Full-time equivalent staff):** The total number of staff calculated using information from time sheets on the basis of working time divided by standard contractual workable time per employee. In general, a person working on a full time contract is considered as one FTE, whereas a person working on a part time contract would be less considered than one FTE.

Calculations are based on contractual working time (excluding overtime and unpaid holidays) with potential workable time (in hours or days) = nominal time + overtime balance – unpaid vacation. For subcontractors and interim staff, potential workable hours are based on the number of hours billed by the supplier to Atos.

**Subcontractors:** External subcontractors are third-party suppliers. Outsourced activities (e.g. printing or call center activities) and fixed price subcontracting are excluded from the recorded number of subcontractors or interims.

**Interims:** Staff from an agency for temporary personnel. Interims are usually used to cover seasonal peaks or for situations requiring staff for a short period of time.

**Direct staff:** Direct staff includes permanent staff and subcontractors, whose work is billable to a third party.

**Indirect staff:** Indirect staff includes permanent staff or subcontractors, who are not billable to clients. Indirect staff is not directly involved in the generation of products and/or services delivered to clients.

**Permanent staff:** Permanent staff members have a contract for an unspecified period of time.

**Temporary staff:** Temporary staff has a contract for a fixed or limited period of time.

**Ratio S:** Measures the number of indirect staff as a percentage of total FTE staff, including both the Company's own staff and subcontractors.

**Staff turnover and attrition rate (for legal staff):** Turnover and attrition rates indicate the proportion of legal staff that has left the Group (voluntary and/or involuntary) in a defined period:

- turnover measures the percentage of legal staff that has left the business in a defined period;
- attrition measures the percentage of legal permanent staff that has voluntarily left the business in a defined period. Attrition rate is a ratio based on total voluntary leavers in the period on an annual basis divided by the average number of permanent staff in the period.

**Utilization rate and non-utilization rate:** Utilization rate + non-utilization rate = 100% of workable time for direct FTE, which excludes legal vacations, long-term sickness, long-term sabbaticals and parental leave. Workable time is composed of billed time, inactivity that is billable but not billed (exceptional holidays, sickness, on the bench which is between two assignments, other inactivity as delegation), and non-billable time (pre-sales, training, management meetings, research and development and travel). Utilization rate measures the proportion of workable time (hours or days) of direct FTE (own staff excluding subcontractors) that is billed to customer. The ratio is expressed in percentage terms based on billed hours divided by workable hours excluding vacations. Non-utilization rate measures the workable time (hours or days) of direct FTE (own staff excluding subcontractors) that is not billed or is non-billable to clients

### H.1.3 Business terms

**BPO (Business Process Outsourcing):** Outsourcing of a business function or process. e.g. administrative functions such as accounting, HR management, call centers, etc.

**CMM (Capability Maturity Model):** CMM is a method for evaluating and measuring the competence of the software development process in an organization on a scale of 1 to 5. CMMI, is the CMM Integration.

**CRM (Customer Relationship Management):** Managing customer relationships (after-sales service, purchasing advice, utilization advice, customer loyalty) has become a strategic component of a company's successful operation. Not only does CRM facilitate efficiency, it also leads to higher sales by building customer loyalty.

**ERP** (Enterprise Resource Planning): An ERP system is an integrated management software system built in modules, which is capable of integrating sales, manufacturing, purchasing, accounting and Human Resources systems into an enterprise-wide management information system.

**ICT** (Information and Communication Technologies) is encompassing all technics used in the processing and the transmission of the information, mainly in computing, in Internet and Telcos. The term is more largely referring a whole industry.

**LAN** (Local Area Network): A local network that connects a number of computers within a single building or unit.

**MMS** (Multimedia Message Service): A message capable of carrying text, sounds, fixed or animated color images, generally sent to a mobile phone.

**SCM** (Supply Chain Management): A system designed to optimize the logistics chain, aimed at improving cost management and flexibility.

**TCO** (Total Cost of Ownership): Total cost of ownership is quantification of the financial impact of deploying an information technology product over its life cycle.

**WAN** (Wide Area Network): A long-distance network that generally comprises several local networks and covers a large geographical area.

**SEPA** (Single Euro Payments Area): Regulating initiative from European countries involving the creation of a specific zone where all transactions will be considered as domestic in terms of billing (no longer cross-border electronic payments surcharge).

## H.1.4 Market terms

**Consensus:** Opinion that emerges from the financial community, in which financial analysts play a prominent role. Consensus can relate to earnings outlook (individual stock consensus) or to a group of companies in the same sector (market consensus).

**Dilutive instruments:** Financial instruments such as bonds, warrants, stock subscription options, free shares, which could be converted into shares and have therefore a potential dilutive impact on common stock.

**Dividends:** Cash or stock payments from a company's profits that are distributed to stockholders.

**Enterprise Value (EV):** Market capitalization + debt.

**Free float:** Free float is the proportion of a Company's share capital that is regularly traded on the stock exchange. It excludes shares in the six categories listed below (source Euronext):

- shares held by Group companies: Shares of the listed company held by companies that it controls within the meaning of article 233/3 of the French Commercial Code;
- shares held by founders: shares held directly or indirectly by the founders (individuals or family group) when these founders have managerial or supervisory influence (management positions, control by voting rights, influence that is a matter of public knowledge, etc.);
- shares held by the State: Interests held directly by the State, or by public sector or other companies which are themselves controlled by the State;

- shares within the scope of a shareholders' agreement: Shares subject to a shareholders' agreement within the meaning of article 233/10 and 11 of the French Commercial Code, and other than those held by founders or the State;
- controlling interest: Shares held by juridical persons (other than founders or the State) exercising control within the meaning of article 233/3 of the French Commercial Code;
- interests considered stable: Interests exceeding 5%, which have not declined by one percentage point or more, excluding the impact of dilution, in the three preceding years. This category also includes shareholders that, in addition to or in association with the link represented by share ownership, have recently entered into significant industrial or strategic agreements with the Group.

**Free-float capitalization:** The share price of a company multiplied by the number of free-float shares as defined above.

**Market capitalization:** The share price of a company multiplied by the number of its shares in issue.

**PER** (Price Earnings Ratio): Market capitalization divided by net income for a trailing (or forward) 12-month period.

**PEG** (Price Earnings Growth): Price-earnings ratio divided by year-on-year earnings growth.

**Volatility:** The variability of movements in a share price, measured by the standard deviation of the ratio of two successive prices.

## H.2 AMF cross-reference table

### H.2.1 Cross reference table for the Reference Document

This document is a full free translation of the original French text. The original document has been filed with the Autorité des Marchés Financiers (AMF) on April 1, 2015, in accordance with article 212-13 of the AMF's General Regulations. After filing, this document as a Reference Document could be used to support a financial operation if accompanied by a prospectus duly approved by the AMF.

The cross-reference table identifies the main information required by Regulation No. 809/2004 of the European Commission dated April 29, 2004 (the "Regulation"). The table indicates the pages of this Reference Document where is presented the information related to each item.

N°	Items of the Annex I of the regulation	Sections
<b>1.</b>	<b>PERSONS RESPONSIBLE</b>	
1.1	Indication of persons responsible	A.4.1
1.2	Declaration by persons responsible	A.4.2
<b>2.</b>	<b>STATUTORY AUDITORS</b>	
2.1	Names and addresses of the auditors	A.4.3
2.2	Indication of the removal or resignation of auditors Information regarding changes of statutory auditors during the period	N/A
<b>3.</b>	<b>SELECTED FINANCIAL INFORMATION</b>	
3.1	Historical financial information	A.5.1; E.3
3.2	Financial information for interim periods	N/A
<b>4.</b>	<b>RISK FACTORS</b>	<b>F.</b>
<b>5.</b>	<b>INFORMATION ABOUT THE ISSUER</b>	
<b>5.1.</b>	<b>History and Development of the issuer</b>	
5.1.1	The legal and commercial name of the issuer	G.2.2
5.1.2	The place and the number of registration	G.2.2
5.1.3	The date of incorporation and the length of life of the issuer	G.2.2
5.1.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office	G.2.2
5.1.5	The important events in the development of the issuer's business	A.5.2; A.6.1
<b>5.2.</b>	<b>Investments</b>	
5.2.1	Principal investments realized	N/A
5.2.2	Principal investments in progress	N/A
5.2.3	Principal future investments on which the management bodies have already made firm commitments	N/A
<b>6.</b>	<b>BUSINESS OVERVIEW</b>	
<b>6.1.</b>	<b>Principal Activities</b>	
6.1.1	Nature of the issuer's operations and its principal activities	A.1; A.2; C.2; C.3 C.4; C.5; C.6; C.7
6.1.2	New products or services developed	B.3; C.2; C.3; C.4; C.5; C.6; C.7
<b>6.2.</b>	<b>Principal Markets</b>	<b>A.1 ; A.2; B.2; C.2; E.1</b>
<b>6.3.</b>	<b>Exceptional factors</b>	<b>N/A</b>
<b>6.4.</b>	<b>Dependence on patents or licenses, industrial, commercial o financial contracts or new manufacturing processes</b>	<b>B.3.2.3; F.1; F.3.3</b>
<b>6.5.</b>	<b>Basis for statements made by the issuer regarding its competitive position</b>	<b>B.2</b>
<b>7.</b>	<b>ORGANIZATIONAL STRUCTURE</b>	
7.1.	Brief description of the Group	E.5.3
7.2.	List of significant subsidiaries	E.4.7.4; Note 30



N°	Items of the Annex I of the regulation	Sections
<b>8.</b>	<b>PROPERTY, PLANTS AND EQUIPMENT</b>	
8.1.	Material tangible fixed assets	E.4.7.4 - Note 13
8.2.	Environmental issues that may affect the utilization of the tangible fixed assets	D.5
<b>9.</b>	<b>OPERATING AND FINANCIAL REVIEW</b>	
9.1.	Financial Condition	E.1; E.3
9.2.	Operating Results	
9.2.1	Significant factors materially affecting the issuer's income from operations	E.1; E.3
9.2.2	Disclosure of material changes in net sales or revenues	E.1; E.3
9.2.3	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	E.1; E.3
<b>10.</b>	<b>CAPITAL RESOURCES</b>	
10.1.	Issuer's capital resources	E.3; G.7
10.2.	Sources and amounts of the issuer's cash flows	E.3.2
10.3.	Information on the borrowing requirements and funding structure	E.3.3
10.4.	Restrictions on the use of capital resources	N/A
10.5.	Anticipated sources of funds to fulfill commitments	E.3.3
<b>11.</b>	<b>RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES</b>	<b>B.3.2</b>
<b>12.</b>	<b>TREND INFORMATION</b>	
12.1	The most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year	B.1; B.2; B.3; C.3; C.4; C.5; C.6; C.7; E.1
12.2	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects	B.1; B.2; B.3; C.3; C.4; E.1
<b>13.</b>	<b>PROFIT FORECASTS OR ESTIMATES</b>	
13.1	Statement setting out the principal assumptions upon which the issuer has based its forecast or estimate	N/A
13.2	Report prepared by independent accountants or auditors	N/A
13.3	Preparation of the forecast or estimate	N/A
13.4	Statement on the correctness of a forecast included in the prospectus	
<b>14.</b>	<b>ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT</b>	
14.1.	Composition – statements	A.6.2; G.2.4; G.3.1.3
14.2.	Conflicts of interests	G.2.4; G.3.1.4; G.6.5
<b>15.</b>	<b>REMUNERATION AND BENEFITS</b>	
15.1.	Remuneration and benefits in kind	G.4
15.2.	Pension, retirement or similar benefits	G.4
<b>16.</b>	<b>BOARD PRACTICES</b>	
16.1.	Current term office	G.2.4
16.2.	Contracts providing benefits upon termination of employment	G.2.4
16.3.	Information about Audit and Remuneration Committee	G.3.1
16.4.	Statement related to corporate governance	G.3.1; G.4.3
<b>17.</b>	<b>EMPLOYEES</b>	
17.1.	Number of employees	D.4; E.1.7
17.2.	Shareholdings and stock options	G.4; G.7.1; G.7.2
17.3.	Arrangements involving the employees in the capital of the issuer	D.2.2.3
<b>18.</b>	<b>MAJOR SHAREHOLDERS</b>	
18.1.	Identification of the main shareholders	G.7.1; G.7.2; G.7.7
18.2.	Voting rights	G.7.1.2
18.3.	Ownership and control	G.7.1; G.7.2; G.7.7
18.4.	Arrangements which may result in a change in control of the issuer	G.7

N°	Items of the Annex I of the regulation	Sections
<b>19.</b>	<b>RELATED PARTY TRANSACTIONS</b>	<b>E.4.7.4 - NOTE 28</b>
<b>20.</b>	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	
<b>20.1.</b>	<b>Historical Financial Information</b>	<b>A.5; E.2; E.3; E.4; H.2.2</b>
<b>20.2.</b>	<b>Pro forma financial information</b>	<b>N/A</b>
<b>20.3.</b>	<b>Financial statements</b>	<b>E.4</b>
<b>20.4.</b>	<b>Auditing of historical annual financial information</b>	
20.4.1	Statement indicating that the historical financial information has been audited	E.4.1
20.4.2	Indication of other information which has been audited	N/A
20.4.3	Source of the data when financial data in the Registration Document is not extracted from the issuer's audited financial statements	N/A
<b>20.5.</b>	<b>Age of latest financial information</b>	<b>December 31, 2014</b>
<b>20.6.</b>	<b>Interim and other financial information</b>	
20.6.1	Quarterly or half yearly financial information	N/A
20.6.2	Interim financial information	N/A
<b>20.7</b>	<b>Dividend policy</b>	<b>G.2.3; G.7.3</b>
20.7.1	Amount of dividends	G.7.3
<b>20.8.</b>	<b>Legal and arbitration proceedings</b>	<b>F.6; D.5.2</b>
<b>20.9.</b>	<b>Significant change in the issuer's financial or trading position</b>	<b>E.3</b>
<b>21.</b>	<b>ADDITIONAL INFORMATION</b>	
<b>21.1.</b>	<b>Share Capital</b>	
21.1.1	Amount of issued capital	G.7
21.1.2	Shares not representing capital	N/A
21.1.3	Shares held by or on behalf of the issuer itself	G.7
21.1.4	Convertible securities, exchangeable securities or securities with warrants	G.7.7.7
21.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital	N/A
21.1.6	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	G.7
21.1.7	History of share capital	G.7
<b>21.2.</b>	<b>Memorandum and Articles of Association</b>	
21.2.1	Description of issuer's objects and purposes	G.2.2
21.2.2	Provisions of the issuer's Articles of Association, statutes, charter or bylaws with respect to the members of the administrative, management and supervisory bodies	G.2
21.2.3	Description of the rights, preferences and restrictions attaching to each class of the existing shares	G.2.3; G.7.3
21.2.4	Description of actions to change the rights of holders of the shares	G.2
21.2.5	Description of the conditions governing the manner in which Annual General Meetings and Extraordinary General Meetings of shareholders are called	G.2
21.2.6	Description of any provision that would have an effect of delaying, deferring or preventing a change in control of the issuer	G.2
21.2.7	Description of the conditions governing the ownership threshold above which shareholder ownership must be disclosed	G.2
21.2.8	Description of the conditions governing changes in the capital	N/A
<b>22.</b>	<b>MATERIAL CONTRACTS</b>	<b>E.1.5; F.1; F.2</b>
<b>23.</b>	<b>THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST</b>	
<b>23.1</b>	<b>Statement or report attributed to a person acting as an expert</b>	<b>N/A</b>
<b>23.2</b>	<b>Information sourced from third parties</b>	<b>N/A</b>
<b>24.</b>	<b>DOCUMENTS ON DISPLAY</b>	<b>G.2.1; G.2.2; G.7</b>
<b>25.</b>	<b>INFORMATION ON HOLDINGS</b>	<b>E.4.7.4 – NOTE 30</b>

## H.2.2 Cross reference table for the financial report

In order to facilitate the reading of this document, the cross-reference table, hereafter, allows identifying in this Reference Document, the information which constitutes the annual financial report having to be published by the listed companies in accordance with article L. 451-1-2 of the French Monetary and Financial Code and article 222-3 of the French Market Authorities' General Regulations.

Information	Sections
Company financial statements	E.5
Consolidated financial statements	E.4
Annual report	A.4.3; B.3; D; E; F; G;
Certificate of the annual financial report responsible	A.4.2
Statutory auditors' report on the Company financial statements	E.5.1
Statutory auditors' report on the consolidated financial statements	E.4.1
Statutory auditors fees	E.4.7.4 - Note 31
Report of the Chairman of the Board of Directors on corporate governance and Internal Control	G.2.3; G.3; G.4; G.7.7.5
Statutory auditors' report, on the report prepared by the Chairman of the Board of Directors, in accordance with article L. 225-235 of French Commercial Code (Code de commerce)	G.3.3

In accordance with the requirements of article 28 of EC regulation n° 809-2004 dated April 29, 2004 relating to documents issued by issuers listed on markets of states members of the European Union ("Prospectus Directive"), the following elements are enclosed by reference:

- the consolidated accounts for the year ended December 31, 2013 under IFRS, the related statutory auditors' reports and the Group management report presented within the Registration Document ("document de référence") n° D.14-0272 filed with the Autorité des Marchés Financiers (AMF) on April 3, 2014;
- the consolidated accounts for the year ended December 31, 2012 under IFRS, the related statutory auditors' reports and the Group management report presented within the Registration Document ("document de référence") n° D.13-0271 filed with the Autorité des Marchés Financiers (AMF) on April 3, 2013.

Atos is present in main cities to support customers. The addresses and phone numbers of the Group main offices can be found on the Locations page on website atos.net. Details of current job opportunities can be found in Careers pages. An email address for general questions and comments about the Atos' Internet site can be found at the bottom of the page.

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## H.3 Headquarters

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## H.4 Corporate Functions

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### **Americas**

**Argentina**

**Brazil**

**Canada**

**Chile**

**Colombia**

**Mexico**

**Uruguay**

**USA**

### **Asia-Pacific**

**Australia**

**China**

**Hong Kong**

**Indonesia**

**Japan**

**Malaysia**

**New-Zealand**

**Philippines**

**Singapore**

**Taiwan**

**Thailand**

### **Europe**

**Andorra**

**Austria**

**Belgium**

**Bulgaria**

**Croatia**

**Cyprus**

**Czech Republic**

**Denmark**

**Estonia**

**Finland**

**France**

**Germany**

**Greece**

**Hungary**

**Italy**

**Ireland**

**Lithuania**

**Luxembourg**

**Poland**

**Portugal**

**Romania**

**Russia**

**Serbia**

**Slovakia**

**Spain**

**Sweden**

**Switzerland**

**The Netherlands**

**United Kingdom**

### **India, Middle-East & Africa**

**Algeria**

**Benin**

**Burkina Faso**

**Egypt**

**Gabon**

**India**

**Ivory-coast**

**Lebanon**

**Madagascar**

**Mali**

**Mauritius**

**Morocco**

**Qatar**

**Saudi Arabia**

**Senegal**

**South Africa**

**Turkey**

**United Arab Emirates**





# I

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## 2014 Registration Document

This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail. The original document has been filed with the Autorité des Marchés Financiers (AMF) on April 1, 2015, in accordance with Article 212-13 of the AMF's general regulations. This document can be used for a specific financial operation, if completed by a prospectus approved by the AMF. This document has been issued by the Company and commits its signatories.

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