Universal Registration Document 2020

Atos

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Annual Financial Report items are clearly identified in this summary with the aid of the pictogram AFR

Universal Registration Document 2020

including **annuel financial report**

AMF

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

The French version of this universal registration document was filed on April 7, 2021 with the Autorité des Marchés Financiers (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document is available on the websites of the AMF (www.amf-france.org) and the issuer (www.atos.net).

Introduction

2020 has been an exceptional year. The global pandemic has changed the way we live and work. Our focus has been on the safety and well-being of our 105,000 employees and making sure we can support our customers through this time.

It has been a period of global acceleration in scientific knowledge. Reliance on technology and a digital first approach has increased. So too has acceptance of advancing technologies and faith in their ability to make things better, solve problems and create value.

This is a positive shift but increases the importance of security and sustainability in the digital environment. At Atos, we see this as part of our core values and our ambition to be the global leader in secure and decarbonized digital.

This year in a very specific context, we have used our exceptional capabilities to support our clients and society, offering remote collaboration tools to help people work safely, super computing power and the Atos Quantum Learning Machines to search for a vaccine and enabling remote consultations for patients.

Our raison d'être, enshrined into our bylaws in 2019, is to help enable everyone to live, work and develop in the digital space sustainably, safely and securely. Staking our position as a global organization, grounded in, and working for, society.

This document enables the reader to understand our vision and strategy. Our business model is focused on creating value for all our stakeholders through financial, environmental and societal achievements, including our ambitious commitment to reaching net-zero carbon emissions as soon as 2028 on scope 1,2 & 3 and following the principles of the United Nations Sustainable Development Goals. We lead our sector in all Environment, Social and Governance (ESG) criteria.

In unprecedented times, we have taken this opportunity to look within but also outside our organization at what role we play in the communities we operate within and in society at large, now and into the future.

For further information, please see our website atos.net.

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Group overview

Chairman's interview

"The Board of Directors joins me in thanking all our people for successfully implementing our ambitious plans with energy and enthusiasm."

Bertrand Meunier
Chairman of Atos SE Board of Directors

Successfully transforming Atos for the future

Your Board of Directors is responsible for determining and approving the Company's strategic Direction and overseeing its implementation. In what has been an extraordinary year, Atos has shown its capacity to carry out its ambitious strategy for change and deliver record results. 2020 has undoubtedly been a year of significant achievements. The resilience and relevance of Atos's business model have been much in evidence throughout the year, especially during a period of continued volatility when our customers across the world faced multiple waves of the COVID-19 crisis.

Equally importantly in 2020, Atos has built the foundations for the growth agenda that we announced last year and presented at the OGM of shareholders on October 27th. We have significantly strengthened the business, organically and with acquisitions, particularly in digital, cloud, security and decarbonization. The Spring initiative has transformed the organization to be fully aligned with the industries it serves. Through the deep knowledge of our client's industries and their businesses, our value to clients has been enhanced. Spring has also enabled the Company to strengthen its focus on innovation, quality and competitiveness.

Sincere thanks

I would like to express my sincere gratitude to all our people for their enormous efforts in a year which has entailed many significant personal challenges. Throughout this time, the safety of our employees has been our first priority and we have made every effort to understand the reality of what our employees were experiencing across the 71 countries in which we operate. We are delighted that these efforts have been recognized in the outstanding achievements of our Great Place to Work scores.

Despite these challenges, Atos's personnel have delivered real value for our clients and all stakeholders. Given everything that has been achieved this year, the Board of Directors joins me in thanking all our people for successfully implementing our ambitious plans with energy and enthusiasm.

Main perspectives for 2021

We are confident that Atos's strategy to reinforce its capabilities in digital, cloud, security and decarbonization is the right one and we intend to continue to drive it forward.

A major part of our success is due to our deeply held belief in the Atos Purpose. This extends beyond the business to encompass the whole of society, enabling it to live, work and grow sustainably in a safe and secure information space.

Never has this been more important. After almost a year of enduring the COVID-19 pandemic, Atos has learned a great deal about helping clients navigate the crisis. On the one hand, we have seen major disruptions in working practices, business models, travel regulations and security. On the other hand, we have initiated some impressive and innovative approaches to adapting to all of these challenges. What we have learnt will serve us in good stead in 2021 and beyond.

It is my strong conviction that Atos is very well positioned to accompany our clients and their businesses as well as society at large and to help them embrace the new technology related imperatives of the post COVID-19 era and face the exciting times that lie ahead with confidence.

I now present to you our URD for the 2020 financial year.

CEO interview

“We are leading the conversation about how to move forward in the post-COVID-19 era and prepare for the rebound we are all hoping for.”

Elie Girard
Chief Executive Officer

This has been a complex year for companies around the world. How did Atos fare in this context?

This year, the safety of our employees and their families has been my greatest concern. Using our expertise and knowledge, we were able to fully adopt home working across the Group, moving from 20% to 96% of our employees worldwide working from home in a matter of days.

This resilience enabled us to fully support our clients throughout the year. Our business continuity plans and security capabilities ensured service availability for all clients, including seamless continuation of mission-critical activities across healthcare, the public sector and critical infrastructure.

We also joined the fight against COVID-19, leveraging our technologies to support vaccine research at numerous centers and labs around the world.

Now, we are leading the conversation about how to move forward in the post-COVID-19 era and prepare for the rebound we are all hoping for. Together with clients and our Scientific Community, we are exploring new ways to enable businesses and governments to become more resilient and sustainable in the long term.

I am incredibly grateful to all Atos colleagues for their truly exceptional work, dedication and agility over this year.

What important milestones did Atos achieve in 2020?

First and foremost, more clients put their trust in us. We have delivered a record year for commercial sales. The Spring transformation is driving our ambition to be the leader in secure, decarbonized digital — creating a phenomenal response from clients and accelerating our commercial momentum throughout the year.

It is not only a matter of book to bill, which has been strong throughout the year, leading to 119%. We are also very pleased that the digital component of our sales has increased: 46% of our 2020 revenue was achieved in the Digital, Cloud, Security and Decarbonization areas, up from 40% in 2019 and towards 65% mid-term.

In 2020, we signed 10 acquisitions to propel Atos towards its ambition. We also strengthened our partnerships and enlarged our ecosystem, not only with major players but also with startups that drive innovation - through Atos Scaler, our new accelerator.

We also launched Atos OneCloud with a €2 billion investment. OneCloud is the only solution on the market that blends customized industry consulting with application transformation expertise in an end-to-end set of services.

Our portfolio of decarbonization solutions is already delivering results for our clients and driving growth. As an organization, we are doing more for the planet than any other company in our sector. Atos itself has been carbon-neutral since 2018 and we are on track to achieve net zero by 2028.

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What are your perspectives and priorities for 2021?

In 2021, we will deliver an important milestone of our growth agenda and mid-term plan. First and foremost, there is a clear drive within Atos to achieve our transformation towards much stronger growth. The current high levels of commercial activity will definitely support our return to growth in 2021.

In that context, our priority is to maintain the commercial momentum and high performance levels we saw in 2020, while focusing on additional structural actions in both cost (to improve profitability) and cash (to increase the conversion to free cash flow).

Another priority is improving our business mix towards digital, cloud, security and decarbonization—areas which are also supported by our acquisition strategy.

Finally, we have made significant steps in the ESG domain. An ethos of social responsibility is part of the Atos DNA that all our employees share, which we leverage for the benefit of our clients and our shareholders.

Introduction to the Atos raison d'être

The Atos raison d'être, as included in its articles of association, describes how the Company's entire operations contribute to the common good. Its scope is not limited to a corporate social responsibility (CSR) program. The raison d'être inspires Atos engagements with stakeholders, or its "ecosystem": employees, customers, shareholders, industrial partners. It fundamentally aligns the Company's business lines with its contribution to the public interest.

Atos adopted its raison d'être on April 30, 2019, at the General Meeting of shareholders, who overwhelmingly approved the statement.

"Atos's mission is to help design the future of the information technology space. Its services and expertise, multiculturally delivered, support the development of knowledge, education and science and contribute to the development of scientific and technological excellence. Across the world, the Company enables its customers, employees and as many people as possible to live, work and develop sustainably and confidently in the information technology space."

Atos's raison d'être is structured around the notion of the digital space and making it safe, sustainable and accessible to all. The Atos raison d'être is rooted in the Company's understanding of its special responsibilities, and rolls out as per a contribution architecture, as described below.

The origins of the Atos raison d'être

Digital transformation is redefining the way we live, work and interact. Its continuing progress creates new areas for exploration, in which companies are reinventing the ways in which they produce and exchange information, create value and form ties. Breaking free from old frameworks also gives rise to new risks and new contradictions.

The technological players designing these new territories or models have a direct responsibility to shape the digital space: to make it safe, habitable by all and protective of the environment. The commitment made by Atos, a global digital company, is dictated by its very purpose. Atos must, along with its ecosystem of stakeholders and partners which it brings together, contribute to the safe and ethical construction of this digital space.

The terms of Atos's raison d'être reflect the ambition of this contribution. By enshrining its raison d'être in its articles of association, Atos sets itself apart from other major digital companies operating at the global level. It demonstrates an ability to reflect on its businesses and its role in society, and has chosen to take the responsibilities that come with it, fully considering the social, economic and legal impacts of the technological revolution.

Organization and activities supporting the raison d'être

To ensure that its raison d'être is duly served, Atos has set up a cross-functional organization coordinated by the General Secretary and under the supervision of the Chief Executive Officer, who reports to the Board of Directors. This organization is based on a working group of some 50 Atos employees from various operational and support functions with management or expertise roles. They are responsible for both deploying and promoting the raison d'être within their areas of activity. The Board of Directors regularly reviews progress on the Company's work in this matter.

During 2020, despite Covid-19 restrictions, this cross-functional team participated in more than 20 videoconference meetings to cover all dimensions of the raison d'être including employee activities and sentiment. The output from these workshops was presented by management to the Board of Directors on October 21, 2020, and is reflected in this section. The raison d'être, specific environmental objectives and non-financial contributions were also discussed publicly in 2020 at the June Analyst Day event and July stakeholders meeting.

In 2021, Atos is focusing on the following areas:

Strengthening the organization to consolidate and align Company and employee actions and initiatives to the three pillars of the raison d'être.

Implementing the right process to monitor the Company's progress toward its defined purpose over time.

Improving internal sharing and communication to ensure that all employees feel ownership of the common purpose described by the raison d'être.

Building an empowerment program that allows employees to take time to participate in socially relevant community-service projects.

Architecture of Atos's contribution

Atos organized its raison d'être into three pillars:

- Guaranteeing security, inclusion and trust in the digital space
- Contributing to tackling climate change
- Promoting scientific and technological excellence

This separation in three pillars helps to explain the Company's commitments, and its employees to share and implement the same guideline. While they are separate pillars, they are also interdependent and share the following three dimensions:

A vision of the key issues at stake

By setting out its sense of purpose, Atos instituted its contribution to three major societal issues of the 21st century.

Building a trusted digital space

Since the end of the 20th century, the digital space has been formed without its most influential actors always considering the direct and indirect impacts of their actions on society. Atos is helping to bring the digital space into a new era by facilitating the secure use of digital technologies and countering the risks faced by individuals, companies and states. The shift-to-digital model led by companies like Atos has proven to be even more relevant in the context of the Covid-19 pandemic.

Atos approaches the issues of privacy, process and algorithm transparency, data protection and sovereignty with the conviction that shaping the digital space means building a digital world that is inhabitable by all. To this end, Atos casts its actions inclusively by offering everyone, irrespective of gender, origin, disability or social trajectory; the possibility to work and live in a safe digital space.

Tackling climate change

Although digital was responsible for around 4% of global greenhouse gas (GHG) emissions in 2019, Atos believes digital could be a net contributor to decarbonization with the potential to decrease GHG emissions by 9% to 20% by 2030 (source: Global Enabling Sustainability Initiative). In order to address the climate emergency and to make digital technologies resilient, the environmental performance of digital products and services must be accelerated, and technology must be turned into a lever for tackling climate change. Atos believes that its unique solutions such as high-performance computing can help the world achieve ambitious data-volume reduction objectives in support of the Paris Agreement on climate.

Contributing to scientific and technological excellence

Outstanding developments in distributed computing. Unparalleled advances in artificial intelligence in the last decade. Disruptive success of digital startups across new digital territories. These are proof of the great momentum that digital science and technology can bring. Atos supports, with its ecosystem, scientific and technological research to ensure that this momentum benefits the largest possible number of people and diminishes the digital divisions of age, geography and disability. This is evidenced by the company's R&D investments to improve digital products and services, its understanding of clients' needs in the long-term, and knowledge-sharing across communities.

Unique commitments

Consistent with the above-mentioned challenges, Atos has been mobilizing its teams and stakeholders around three commitments, specifying the ambitions of the three pillars on which its raison d'être is based:

Providing everyone with the skills to use digital technologies confidently, and to mitigate the risk exposure of individuals, companies and states in the digital space.

Improving the environmental performance of digital solutions and turning new technologies into allies in the fight against global warming.

Contributing to excellence in scientific and technological advancement, knowledge-sharing and research.

Actions, objectives and indicators in support of the raison d'être

Atos's raison d'être and related commitments are reflected in its operational plans, its leadership and resilience in exceptional circumstances linked to the health crisis, and its refreshed organization and strategy under the Spring program. All the communities that make up the Atos ecosystem are thus aligned. Through its actions and governance, Atos creates value while steering and enforcing positive sustainable, environmental and social practices.

Security, inclusion and trust in the digital space (for more details, see para. [2.3.6])

Atos is uniquely positioned, with its capabilities, to contribute to designing and deploying technologies that maintain security and trust for those who navigate in the digital space. It was ranked third global provider and top European provider of *Managed Security Services* by Gartner in 2020. And its military-grade solutions are certified by national authorities such as the ANSSI (French National Agency for the Security of Information Systems), as well as international certification bodies. Many global institutions, including the International Olympic Committee and NATO, entrust the protection of their IT systems to Atos, with its 6,000 security experts and network of 15 security operations centers worldwide. Atos also protects regional clients such as Asian Paints, in India, and the Virginia Information Technology Authority in the US.

Contributions to security

Atos contributes to the security of connected objects, people, companies and public authorities, and more generally data flows. Much of the R&D effort at Atos concerns analytics and digital security, such as digital identities and prescriptive digital security solutions based on artificial intelligence and automation. Atos is a key contributor to the future world of secure data as illustrated by recent steps toward quantum-safe cryptography and hardened product lifecycle management:

- quantum-safe cryptography is key to protecting data from the increasing threat of cyberattacks using quantum technology. As hardware producer and cybersecurity provider, Atos has a unique opportunity to provide a new path. International standards for quantum-safe cryptography are public, and Atos is integrating them to deliver solutions to citizens, businesses and governments;
- in 2021, Atos is strengthening its security product development lifecycle management for products and software to integrate security-by-design throughout the development lifecycle. The company's goal is 100% of its security products featuring post-quantum standards by 2024 (via an evolution of the range or by adding to existing equipment), with disclosure of these standards in 2022.

Atos demonstrated its commitment at the highest level when, in February 2018, it joined Siemens and other large companies and institutions as a founding member of the Charter of Trust (CoT). CoT is the world's first common charter for enhanced cybersecurity. This initiative, aimed at making the physical and digital worlds more secure, also intends to contribute to public debate. CoT members build trusted relationships based on ten defined principles while working on definitions, commitments and KPIs that will become industry standards. Atos is influencing digital standardization by implementing CoT's principles not only to itself but also to its supply chain (abiding by Principle #2 of CoT). A first indicator has been established by Atos to monitor its application of CoT Principle #2 beginning in 2021. Atos will track the total number of suppliers with recorded security self-assessments, including top suppliers that are actively managed by Atos global procurement function.

Atos is further raising awareness of its digital security behavior and performance with transparency of standards, practices and products. Atos promotes its self-developed security dashboard, allowing to disclose the following indicators measuring its own improvements in 2020:

- four randomized anti-phishing campaigns performed by Atos Group Security (only less than 4.5% of Atos employees were successfully phished in the anti-phishing campaigns)
- 25 global security internal communications to all employees
- 93% employee attendance in mandatory security and safety trainings
- ten red-team assessments of operations (i.e., Atos computer emergency response teams hunting for threats in its own environment)
- 97 security alerts managed by the security operations center every 24 hours (or 35,000/year)
- 47 Continuous Assurance Audits of operations, equating to 2,600 audit days.

Atos also deployed and enforced multi-factor authentication (MFA) to all its employees with proprietary smartcard authentication technology. Atos is today at 92% enforcement of MFA authentication to connect to corporate applications. Atos will keep investing in and building on its MFA technology.

However, the digital space is not limited to security.

Atos considers the ethics of digital civilization

Ethical thinking is infused into its own business practices and those of its clients, particularly through contributions by the Atos Scientific Community. Additionally, ethics reviews are integrated into strategic decision-making processes starting from the top. The Atos Ethics by Design framework establishes a clear set of principles, policies and guidelines for ethical business operations, which are in turn evaluated and measured through ethics checklists and dashboards.

In the rapidly evolving world of artificial intelligence, the application of ethical principles is critical. Atos is a leading member of the etami industry-academia consortium, whose mission is to help shape the standards and practices that will lead to formal certification of ethical and trustworthy machine intelligence.

A digital space that is secure and protective must also be an inclusive space, designed and deployed to meet the specific needs of each of its users. It is for this reason that Atos has not only been the first digital company to sign the Valuable 500 charter but has also developed unique expertise in assistive technology for people with disabilities. Its internal and external programs are aligned to shape how businesses deal with disability. A member of the Valuable 500 advisory board, Atos has developed new KPIs measuring the number of partners it recruits to the Valuable 500. This recruitment is part of a pilot initiative conducted by Atos Spain [5.2.1.2] regarding additional improvement targets to encourage all types of diversity in the workplace.

Tackling climate change (for more details, see para. [5.2])

Tackling climate change

Technology plays a critical role in the fight against climate change. Although it is energy- and resource-intensive, it is also one of the key levers in helping a large number of businesses move toward carbon-neutrality. For this reason, Atos's efforts continue on two fronts. First, eco-design: Optimizing the energy consumption of applications, infrastructures and servers allows technology to drive the environmental transition. Second, decarbonization: Optimizing an organization's business processes with digital solutions including smart grids, IoT, blockchain and edge computing reduces its carbon intensity. Also, Atos acquired EcoAct in 2020, a market-leading consultancy in net-zero strategies for the benefit of clients. With such strategies in which digital transformation and green IT also play a key role, Atos has reduced its own operational CO_2 emissions by nearly 50% per million euros of revenue since 2012.

Atos's carbon emission reduction targets include the following according to the methodology used by Atos (see para. [5.2.1.3]):

- in 2020, Atos aligned its carbon emission reduction target with the most demanding objective of the Science-Base Target initiative (SBTi) , which aims to keep global warming at 1.5°C;
- as part of this initiative, Atos committed to reducing its own emissions by 50% by 2025 (Scopes 1, 2 and 3, compared to 2019), five years ahead of the most demanding recommendations of the SBTi. Furthermore, all emissions from Atos' carbon operational perimeter are offset since 2018;
- in addition, Atos committed to achieving Net Zero emissions as early as 2028 (i.e. 22 years ahead of the Paris COP 21 Agreement) by offsetting all of its residual emissions.

To extend and supplement this effort, in 2020, Atos introduced an internal carbon price (€80/ton CO_2). And in order to drive business decisions toward decarbonization, this carbon price materializes in the P&L and the incentives or variable pay of Atos managers. In addition, environmental performance has been incorporated into the long-term compensation of Atos leaders. For the performance-based share plan implemented in 2020 (for Atos's first managerial lines including the Chief Executive Officer, key employees and experts), which includes CSR criteria, the Board of Directors added a criterion specific to the Company's carbon intensity reduction at the end of a three-year period (in 2022) (see para. [4.3.1.4]).

In 2020, Atos ranked first in the IT and software services sector on the DJSI World and Europe sustainable development indexes. Between 2019 and 2020, Atos decreased CO_2 emissions by around 37% for it's carbon operational perimeter (reaching around 149K CO_2 in absolute) and by around 15% for all is GHG emissions (Scopes 1, 2 and 3). A reduction fully in line with its new commitments (-50% between 2019 and 2025).

Scientific and technological excellence (for more details, see para. [2.4])

Since its foundation, and according to its latest commitments, Atos puts scientific and technological excellence at the heart of its developments targeted toward society's needs, working with its ecosystem to spread knowledge and respond to today's challenges.

Research and development

For Atos, research and scientific excellence are shared goals. Its technologies support the digital transformation of its customers where ethical, trust and social issues are central. Atos commits to increasing its R&D in these areas and supporting its decarbonization objectives with the creation of university chairs, research centers, laboratories, and the development of partnerships with start-ups and clients.

Atos reinforces its investment in long-term development of strategic technologies, embarking on strong technological partnerships with a view to creating value and making people's lives better. Atos makes it a priority to address the most pressing issues through digital solutions and transformation. For example: personalizing healthcare, managing disease, and predicting weather events and climate change — as well as decreasing its clients' carbon footprints. Through its participation in GAIA-X and IDSA associations, and its expertise in cybersecurity, Atos is committed to defining sectoral and sovereign clouds, and providing the safety of secured full-stack cloud services or multisided digital platforms needed by customers.

World-renowned technological innovation clusters have been established: the CEA and Atos are co-developing the future Exa1 supercomputer, leading the way to the exaflopic computers of the future, while the Science and Technology Facilities Council (STFC) Hartree Centre is equipped with the Atos Quantum Learning Machine. Atos will reinforce its innovation culture through co-development, commitments to open source, and development of its innovation communities. Ensuring innovation flow in disruptive technologies allows Atos to anticipate the technological shifts and business challenges its clients will face.

Scientific and technological excellence (cont'd)

Leading-edge technology R&D supported by academia

The company's academic partnerships drive progress and lead to profound societal benefits as well as commercial opportunities across the industries in which Atos operates.

During 2020, a new University Technology Partnerships function was established to provide additional focus on these activities. Atos has developed an academic engagement framework to measure and recognize the value of these activities, which include (a) Joint research and development aligned with eight strategic technologies defined by the Atos Chief Technology Officer; (b) PhD students working within Atos teams, applying research topics in practice; (c) University chairs with joint customer funding; and (d) teaching and other curriculum-related activities.

The Atos Joseph Fourier Prize and Atos IT Challenge engineering competitions have attracted university undergraduate and research teams from more than 35 countries, including Harvard and MIT in the USA. Atos's program to develop technical leaders runs in conjunction with Cambridge University in the UK and Paderborn in Germany. Sponsorship of PhD research including the topics of quantum computing, HPC, autonomous vehicles and artificial intelligence; is undertaken with universities across Austria, the Netherlands and France. The Universities of Technology of Munich and Passau, as well as the Ecole Normale Supérieure Paris-Saclay, are partners in the Atos summer school on artificial intelligence. Atos is working with the École Polytechnique, HEC and Ahmedabad University on multicultural leadership topics. Finally, Atos is forming many ties at the local level, such as in Bydgoszcz (Poland) and Nottingham (UK).

In it's drive to increase the excellence of the services delivered to its clients, the Group combined it's tier-one university program and added partner universities (recognized worldwide and locally) with the full sponsorship and moderating of Group Management Committee. This approach has resulted in an increase of over 300% since 2016 in the hiring of graduates coming from this selected pool of tier-one and partner universities, with more than 2,410 recent graduates joining the Group in 2020.

Innovation

Research leads to innovation, and Atos as technology leader encourages this flow. By identifying the technology trends that will have the greatest impact for its clients in the coming years, understanding them in depth and ensuring innovation flows in disruptive technologies, Atos anticipates the technological shifts and business challenges its clients will face. Atos fuels this flow of innovation, leveraging its R&D capabilities and roadmaps by industries as enablers for the digital transformation of its clients.

Atos elaborates competitive technology intelligence, rewards its patent inventors and links patents to its strategic technologies to give investment and research direction, monitoring its inventors as a technological campus would.

The Atos innovation dynamic is driven by a two-way relationship with its ecosystem. With partners and start-ups, and its Scaler innovation program, Atos designs unique solutions for its clients. This enables it to find funding and participate in leading-edge consortiums. With leading universities aligned with its technology domains, Atos creates medium to long-term alliances to further understand and influence the technology trends that will impact the future.

Atos supports higher engagement of its employees by organizing an Innovation Week event each year, during which use cases are shared to promote strategies and best practices. Atos employees' curiosity and willingness to anticipate and understand the future are key success factors to their culture of innovation. Various other internal initiatives leverage Atos's diversity to enrich outputs. This is notably the case through SpringYourIdea, an internal ideation contest organized to help solve clients' industry challenges.

Communities

Atos capitalizes on its technological experts' skills and creates synergies among them, valuing knowledge-sharing and diversity to ensure its position as a technology leader. Two communities stand out among many outstanding Atos initiatives aimed at scientific and technological excellence:

- **the Atos Scientific Community** brings together around 160 leading scientific experts from across the company. For more than 10 years, the Scientific Community has been working to anticipate the technological upheavals and the commercial challenges that Atos customers will face in the future. This scientific community shares its thoughts through regular publications accessible to all, in particular the future-focused report entitled Journey. In 2020, Atos published its Journey 2024 report, Redefining Enterprise Purpose, sharing a vision for the changing world of business, society and technology while entering the post-Covid era.
- **the Atos Expert Community** is the driving force of innovation and technology expertise at the heart of Atos's value proposition. Launched in 2017 with the ambition to catalyst and stimulate collaboration, ideation, innovative research and development; the community steers business strategy, contributes to the Atos technology roadmap and boosts innovation by anticipating market needs. It is now composed of more than 2,600 experts in 51 countries. By creating synergies, leveraging experience and knowledge-sharing to facilitate a collective international expertise across technology domains, industries and regional business units, the Expert Community is an integral part of the innovation process offered to Atos clients.

Atos CTO Sophie Proust believes that credibility, diversity and sharing are key to ensuring Atos's position as a technology leader. Under her guidance, these communities are working to increase communications, better align the Atos portfolio with the CTO roadmap for the customer technology journey, and improve gender balance among community members. Expertise is a key driver of success, performance and differentiation in the market. By providing Atos experts with a supportive and stimulating environment, Atos encourages innovation, improves R&D capabilities, and spreads expertise-related know-how.

Atos profile

Atos is a global leader in secure and decarbonized digital with 105,000 employees in 71 countries and annual revenue of €11.2 billion.

We offer our clients a range of market-leading digital solutions and products alongside consultancy services, flawless digital security and decarbonization offerings: an end-to-end partnership approach.

This year, we have changed our organization and further developed our people's skills and competencies to ensure we are fully aligned to our customers. We have pivoted our business to streamline across the industries we serve. This ensures our clients benefit from digital solutions that meet their business challenges. It gives our customers a unified and simplified way of working with us.

We are focused on how we can use data to develop and improve services creating value for our clients and theirs, focusing on the questions that they want to be answered, in terms of:

- delivering an outcome-based service;
- enabling the best customer and employee experience;
- providing safety and sustainability – beyond cybersecurity through long-term digital security and decarbonization.

We believe we can deliver on these through seven digital breakthroughs underpinned by eight strategic technologies.

We are the Worldwide Information Technology Partner for the Olympic & Paralympic Games and we are on track to deliver Tokyo 2020 in 2021 – providing full cloud orchestration, digital security, digital testing as well as additional health and safety procedures and technology – whilst also preparing for the Beijing Winter Olympics in 2022.

We have a broader purpose also, which is to help design the future of the information space. Through our scientists, experts and R&D, we contribute to the development of scientific and technological excellence and released this year our vision of the upcoming technology trends "Journey 2024". We focus on being an inclusive employer that lives diversity.

We operate under the brands Atos and Atos|Syntel. Atos is a SE (Societas Europaea), listed on the CAC40 Paris stock index.

Maintaining our leadership in sustainability

SAM Sustainability Award Gold Class 2020 — Ranked for the third time in a row as the most sustainable company in the IT and software services sector by the Dow Jones Sustainability Indexes (DJSI) World and Europe.

ISS-oekom — Atos is ranked in the top 10% of its sector by ISS Oekom.

CDP — In the CDP's 'A List' in 2020 for our leading efforts to tackle climate change.

MSCI ESG Ratings AAA — Triple A score for Atos in the Environmental, Social, Governance rating by Morgan Stanley Capital International, which ranks Atos among the top 5 companies in the IT and software services sector.

EcoVadis — Platinum level from EcoVadis for corporate social responsibility assessment.

SASB — The 2020 Corporate Social Responsibility report included into the *Universal Registration Document* is aligned with the "Software & IT Services" industry standard of the Sustainability Accounting Standards Board (SASB).

105,000 Business Technologists worldwide

45% offshore

Global Leader in Cloud and in Digital Workplace

€11.2 bn 2020 Revenue

65% **Great Place to Work** First quartile of the industry

Digital, Cloud, Security & Decarbonization **46%** of Group revenue (40% in 2019)

Global balanced profile Across Industries, Geographies & Businesses

#3 in Cybersecurity Services worldwide

€1.0 bn 2020 operating margin

85,216 new digital certifications in 2020 +40% vs. 2019

2/3 multi year contracts

Active in **71** countries

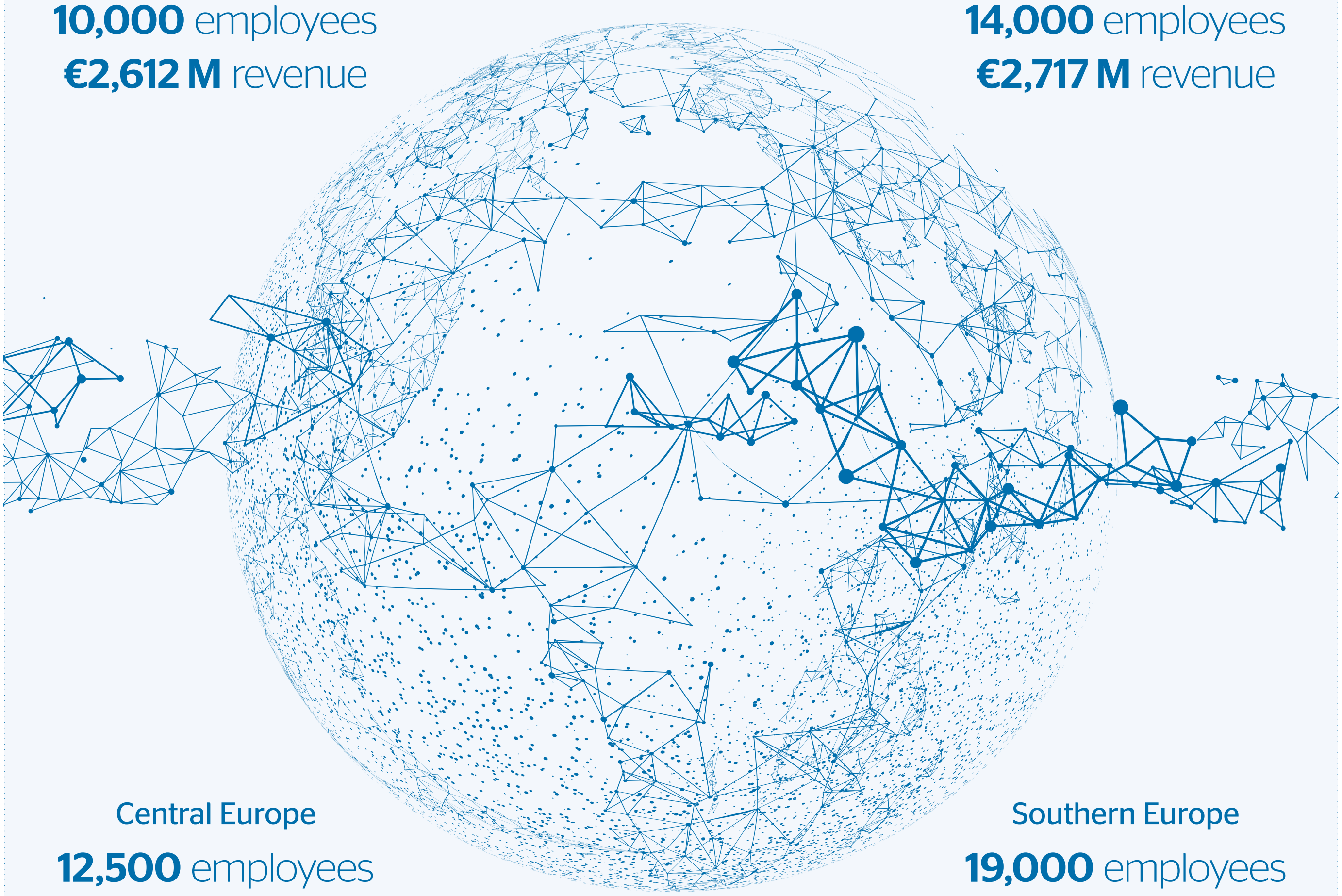
Debt free BBB+ rating

€0.5 bn 2020 free cash flow

€235 M R&D spending per year

2,810,098 tons Global CO_2 emissions (full scope 1, 2, 3) **-15% vs. 2019**

105,000 employees working in **71** countries representing **139** nationalities



North America
10,000 employees
€2,612 M revenue

Northern Europe
14,000 employees
€2,717 M revenue

Central Europe
12,500 employees
€2,699 M revenue

Southern Europe
19,000 employees
€2,339 M revenue

Growing Markets
49,500 employees
€814 M revenue

Board of Directors

Bertrand Meunier
Chairman of Atos SE's Board of Directors
Chair of the Nomination and Governance Committee

Elie Girard
Chief Executive Officer of Atos SE

Vesela Asparuhova[1]
Service Delivery Manager
Employee Director

Vivek Badrinath*
CEO of Vantage Towers
Chair of the Audit Committee

Valérie Bernis*
Company Director
Chair of the CSR Committee and member of the Remuneration Committee

Jean Fleming[1]
Leadership Coach
Director representing the employee shareholders
Member of the Remuneration Committee

Farès Louis[1]
Business Developer in Cybersecurity Products
Employee Director

Cedrik Neike
Member of the Managing Board of Siemens AG and CEO of Digital Industries

Colette Neuville*
Chairman & Founder of ADAM
Member of the CSR Committee

Aminata Niane*
International Consultant
Chair of the Remuneration Committee

Lynn Paine*
Baker Foundation Professor, John G. McLean Professor of Business Administration, Emerita, Harvard Business School. Senior Associate Dean for International development
Member of the Audit Committee, the CSR Committee & the Nomination and Governance Committee

Edouard Philippe*
Mayor of Le Havre
Former Prime Minister of France
Member of the Nomination and Governance Committee

Vernon Sankey
Officer in Companies
Member of the Audit Committee & the CSR Committee

* Independent Director
[1] In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Employee Directors and the Directors representing the Employee shareholders are not taken into account when determining the ratio of gender diversity on the Board of Directors.

Activities of the Board of Directors and of the Board's committees in 2020

13 Board members

17 meetings in 2020

95.61% attendance

60% Independent Directors

46.15% of women*

57.85 average age

3 employee representatives

6 different nationalities
2 members with dual nationality

* 40% (4 out of 10) pursuant to the legal ratio. In accordance, the Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors (art. L. 225-23 and L. 225-27-1 of the French Commercial Code)."

The Board of Directors defines the strategy of the Atos Group and oversees its implementation. The Board endeavors to promote long-term value creation by the company by considering the social and environmental aspects of its activity.

In 2020, the main activities of the Board of Directors were:

- to control and to audit the integrity of the financial statements and review and approve the 2021 budget as well as all financial information, reports and forecast;
- to discuss with the management the necessary adjustments and have a clear view step by step following the Covid-19 crisis;
- to approve the implementation of the new industry led organization to drive customer centricity;
- to review the Atos Group's CSR initiatives and targets and to review the development of the company's raison d'être;
- to approve and review the Group strategy and M&A projects;
- to propose, upon recommendation of the Nomination and Remuneration Committee, the appointment and the cooptation of several directors in addition to the yearly renewals in order to strengthen its corporate governance;
- to decide the split of the Nomination & Remuneration Committee into two separate committees to facilitate the Board work and increase the distribution of the Board activities.

To facilitate the board's work, it was decided on December 1st, 2020 to split the Nomination and Remuneration Committee into two separate committees

The Audit Committee

- Independent Director Chair
- 3 members
- 66.7% independent directors
- 6 meetings in 2020
- 100% attendance

The Nomination & Governance Committee

- 3 members
- 66.7% independent directors

The Remuneration Committee

- Independent Director Chair
- 3 members
- 66.7% independent directors

- 100% attendance at the Nomination & Remuneration Committee meetings in 2020
- 6 Nomination & Remuneration Committee meetings in 2020
- 1 Nomination & Governance Committee meeting in 2020
- 1 Remuneration Committee meeting in 2020

The Corporate Social Responsibility Committee

- Independent Director Chair
- 4 members
- 75% independent directors
- 3 meetings in 2020
- 100% attendance

Activities of the Committees in 2020

The committees submit to the Board of Directors their recommendations in the respective areas assigned to them

In 2020, the main activities of the Audit Committee were:

- to prepare and facilitate the work of the Board of Directors in its analysis of the accuracy of the company's corporate and consolidated accounts;
- to examine the quarterly financial reports on the Group's performance;
- to monitor the financial reporting process;
- to review of Group Internal Audit reports.

In 2020, the main activities of the Nomination & Remuneration Committee were:

As far as nomination topics are concerned:

- to seek and examine any application for an appointment to the position of member of the Board of Directors;
- to conduct an annual review of the diversity policy to be applied including the independence of the Board's members and to advise the Board accordingly.

As far as compensation is concerned:

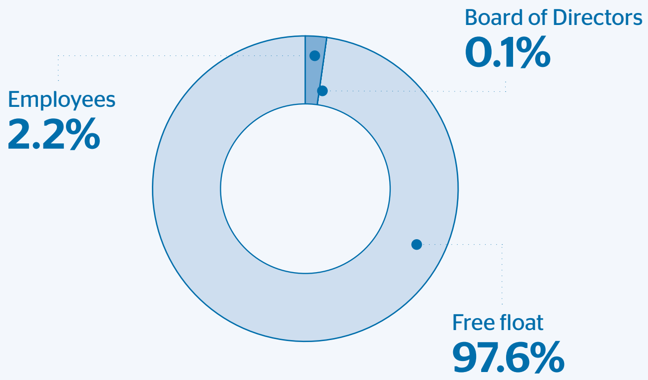
- to formulate propositions related to the compensation of the directors, the Chairman of the Board and the CEO and to make recommendations for long term incentive and employee shareholding plans.

In 2020, the main activities of the CSR Committee were:

- to review Atos corporate social responsibility initiatives;
- to examine and to follow-up the group decarbonization strategy;
- to follow up and develop the diversity & inclusion initiatives.

Directors skills and expertise in different sectors and activities

Shareholders voting rights as of December 31, 2020



Group Management Committee

The Atos Group General Management Committee (GMC) consists of the Chief Executive Officer, Elie Girard, and the Heads of Group Industries, Operations, Regional Business Units, Operations, Performance and Functions.

The role of the GMC is to develop and execute the Group strategy and to ensure value is delivered to clients, shareholders, partners and employees. The GMC oversees the global coordination of the Group management.

Elie Girard
Chief Executive Officer

Industries

Pierre Barnabé
Head of Manufacturing

Adrian Gregory
Head of Financial Services & Insurance

Beth Howen
Head of Purlic Sector & Defense

Jean-Philippe Poirault
Head of Telecom, Media & Technology

Giuseppe Di Franco
Head of Resources & Services

Robert Vassoyan
Head of Healthcare & Life Sciences

Regional Business Units

Bryan Ireton
Head of North America

Clay Van Doren
Head of Northern Europe

Udo Littke
Head of Central Europe

Yannick Tricaud
Head of Southern Europe

Nourdine Bihmane
Head of Growing Markets

Operations

Jo Debecker
Head of Global Operations

Adrian Gregory
Head of Atos|Syntel

Pierre Barnabé
Head of Big Data & Cybersecurity

Robert Vassoyan
Head of Unified Communications & Collaboration

Performance

Enguerrand de Pontevès
Head of Performance

Functions

Uwe Stelter
Chief Financial Officer

Paul Peterson
Head of Human Resources and Head of Executive Management

Philippe Mareine
Chief Digital & Transformation Officer and Head of CSR

Nourdine Bihmane
Head of Global Marketing

Sophie Proust
Chief Technology Officer

Alexandre Menais
General Secretary

Gilles Arditti
Head of Investor Relations & Internal Audit

Anette Rey
Head of Communications & Public Affairs

Pierre Barnabé is Head of Manufacturing and Big Data & Cybersecurity joining Atos through its 2014 merger with Bull where Pierre was Chief Operating Officer. Previous positions include General Manager of SFR Business, Chief Executive Officer of Alcatel Lucent France, and Group Executive Vice President of Alcatel Lucent HR & Transformation. Pierre is a Knight of the French National Order of Merit.

Adrian Gregory is Head of Financial Services & Insurance and Head of Atos|Syntel. Adrian was Chief Executive Officer of United Kingdom & Ireland (UK&I), after serving the region for four years as Senior Vice President of Operations. In UK&I, Adrian drove significant new business, step changes in CSAT and Net Promoter scores, and stronger financial services positioning.

Beth Howen is Head of Public Sector & Defense. Beth has over twenty-five (25) years of experience in information technology leadership supporting a diverse group of organizations that span government, non-profit and private sector organizations including serving as the CIO for City of Indianapolis/Marion County.

Jean-Philippe Poirault is Head of Telecom, Media & Technology. Before Atos, Jean-Philippe led Amazon Web Services U.S. Telecom market and held senior management positions at Alcatel-Lucent and Ericsson throughout Europe and Asia.

Giuseppe Di Franco is Head of Resources & Services, with responsibility for the Energy, Utilities, Hospitality, Retail, Transportation and Logistics sectors as of 2020, after five years as Chief Executive Officer of Atos Italy and Head of Energy & Utilities at the global level. Giuseppe is Alumnus Top Influencer at the Politecnico di Milano.

Robert Vassoyan is Head of Healthcare & Life Sciences and Head of Unified Communications & Collaboration (UCC). Robert joined Atos in 2018 as Chief Commercial Officer and Head of Unify. Prior to Atos, Robert was President of Cisco France, with additional leadership experience ranging from Renault to Compaq to HP in various senior management positions in sales and marketing.

Bryan Ireton is Head of Atos in North America, leading a team that's responsible for serving more than 200 clients in the United States, Canada, Mexico and Guatemala. Bryan came to Atos from Accenture, with experience as Director of Financial Services Operations, President of Credit Services and Chief Executive Officer of Mortgage Cadence. His 30 years in IT also include leadership roles at AT&T and MCI.

Clay Van Doren is Head of Northern Europe. Prior to joining Atos, Clay was the Global Lead for CSC's £1.5B technology, communications and media business. Clay has also held various roles at BT and was the founder and CEO of US-based VoIP company, Veritel Corporation.

Udo F. Littke is Head of Atos in Central Europe. After a successful career within the Siemens Group, Udo joined Atos in 2011. Most recently he held the role of Managing Director and COO for Atos Germany. Udo's special focus lies in the management, integration and development of employees in changing environments.

Yannick Tricaud is Head of Atos in Southern Europe. Yannick joined Atos in 2017 as Director of the Infrastructure & Data Management Division for France. With 20 years of experience at top tech companies, previous positions include: Executive Director at Sopra-Steria, Vice President of Capgemini Infrastructure Management, and various management positions during 13 years at Hewlett Packard.

Nourdine Bihmane is Head of Growing Markets, Head of Decarbonization and Head of Marketing. Nourdine has served the company for 18 years as Head of Iberia Managed Services and Head of North America Operations. He also led the delivery transformation of Atos's largest U.S. account and the integration of Xerox ITO.

Jo Debecker is Head of Global Operations, previously managing this Division as Chief Operating Officer. During ten years at Atos, Jo has led Service Management globally as well as the Infrastructure & Data Management Divisions in Germany and North America. Prior to Atos, Jo was senior Director Service management for European infrastructure delivery at Hewlett-Packard and drove the process integration of EDS into HP.

Enguerrand de Pontevès is Head of Performance, being appointed to the role in 2020 after leading Atos's operational divestiture from Worldline and managing the Spring industry-focused reorganization. Previously, Enguerrand managed client executives in the Atos Infrastructure & Data Management Division and served as Group Chief Procurement Officer. Enguerrand joined Atos in 2008.

Uwe Stelter is Chief Financial Officer, appointed in November 2019 after serving as Chief Operating Officer of two Divisions: Infrastructure & Data Management (IDM) and Business & Platform Solutions. Uwe also managed the integration of Syntel and was Chief Financial Officer of both IDM and Atos in North America. Uwe joined Atos in 2011 with an extensive financial management background from Siemens and ProSTEP.

Paul Peterson is Head of Human Resources and Head of Executive Management, leading a team of +1,500 worldwide HR professionals. In more than 20 years at Atos, Paul has been Head of HR and Talent in North America, Head of HR for Global Infrastructure & Data Management, and Deputy Head of Group HR. He's held leadership roles in HR, IT, and Operations going back to 1998 when he joined Atos as the HR Director for Major Events.

Philippe Mareine is Chief Digital & Transformation Officer and Head of Corporate Social Responsibility. Previous roles at Atos include General Secretary, Head of Human Resources and Head of Siemens Global Alliance. He joined Atos in 2009. Prior to Atos, Philippe, engineer and military graduate, held leadership positions in the French Administration.

Sophie Proust is Chief Technology Officer and a member of the Quantum Advisory Board. Sophie was previously Head of Research & Development for the Big Data & Cybersecurity Division since joining Atos in 2014. In a prior role at Bull, Sophie headed the Tera100 Project, which in 2010 delivered the first petaflops-scale calculator in Europe.

Alexandre Menais is General Secretary and Head of Mergers & Acquisitions, Legal, Compliance and Contract Management. Alexandre joined Atos in 2011 as General Counsel with previous experience as Senior Associate at Hogan Lovells in Paris and London; General Counsel, France, and Europe Legal Director at eBay; and General Counsel France and Benelux at Accenture. Alexandre is also a board member of the French Competition (antitrust) Authority.

Gilles Arditti is Head of Internal Audit and Head of Investors Relations. In more than 30 years at Atos, Gilles has served as: Director of Mergers & Acquisitions, Director of Finance and Human Resources for Atos Origin in France, and Chief Financial Officer of Atos in France, Germany and Central Europe. Gilles is also a member of the Board of Directors of Worldline.

Anette Rey is Head of Communications and Public Affairs. Prior to Atos, Anette served as Chief Communications Officer for global reinsurer SCOR. Anette has held leadership positions in Ubisoft, AirLiquide and Bristol-Myers Squibb. Anette has over twenty years' experience in leading global communications and public affairs positions.

Financial performance: Record high bookings

In 2020, the Group implemented a strategy aims to answer 3 customer calls: Value as customers want outcome-based services; Experience as they want innovative and flexible services; Safety as they want secure and decarbonized services. As a result, the Group defined its mid-term ambition: to be the leader in secure and decarbonized digital.

The Group implemented at the beginning of 2020 a strong transformation through the Spring program aimed to expand and industrialize its offerings, optimize its go-to-market approach and setting up an Industry led organization.

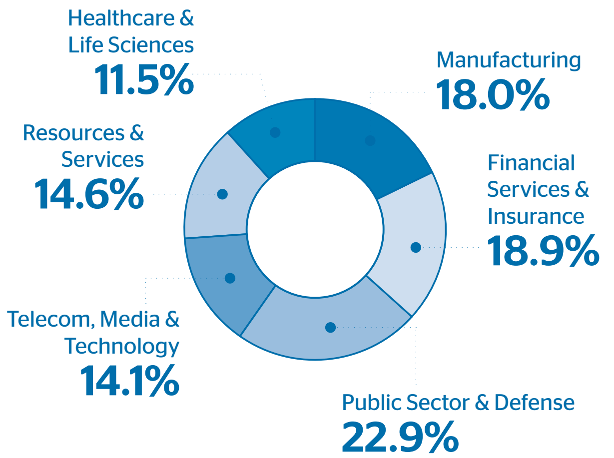
In an unprecedent year marked by Covid-19, Atos performed in 2020 a high record year in bookings, demonstrating the relevance of its strategy and its customer-centric model. Thanks to its resilient business with a revenue profile well-balanced across both Industries and geographies, the Group limited its revenue organic evolution at -3.0%.

Atos is pivoting with the objective to move its business mix with activities in Digital, Cloud, Security and Decarbonization from 40% in 2019 to 65% at mid-term.

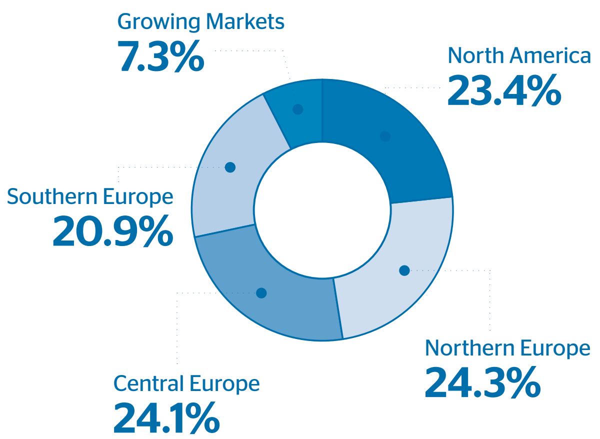
Breakdown of revenue in 2020

2020 statutory figures

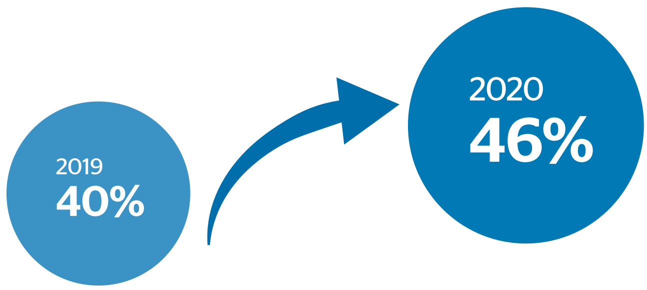
Breakdown by Industry



Breakdown by Regional Business Unit

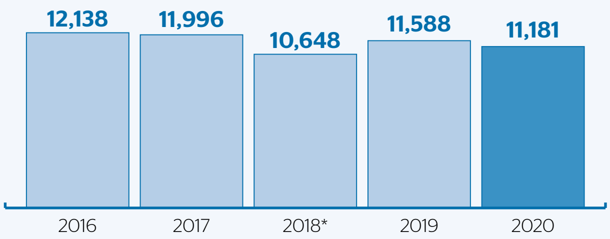


Revenue profile is changing towards mid-term target: 65% in Cloud, Digital, Security & Decarbonization

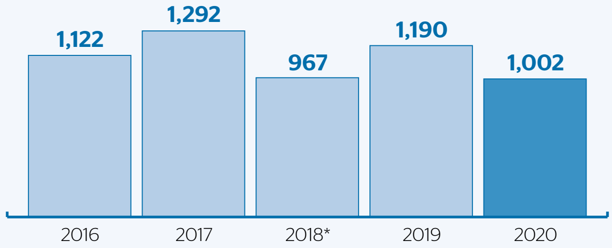


5 year financial performance

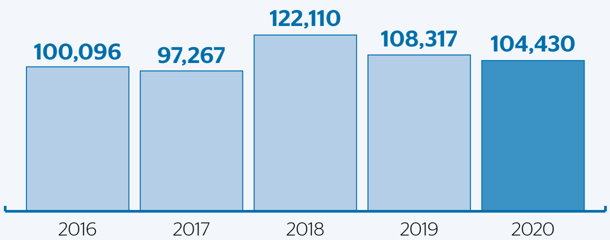
5 year revenue performance (in € million)



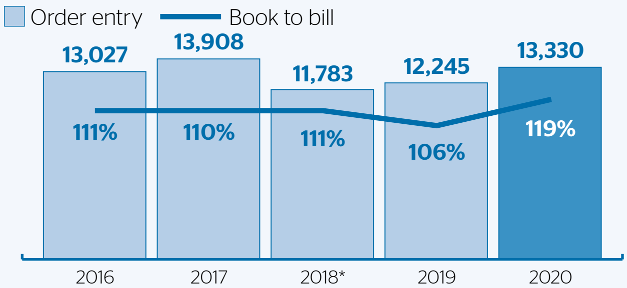
5 year operating margin (in € million)



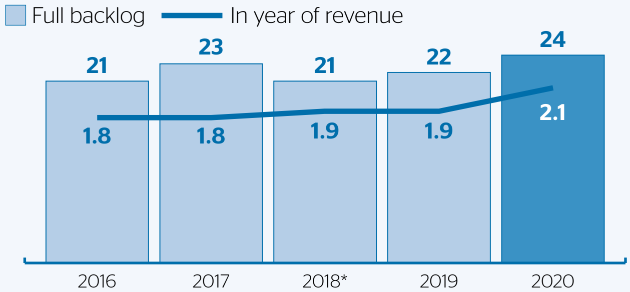
5 year employee evolution



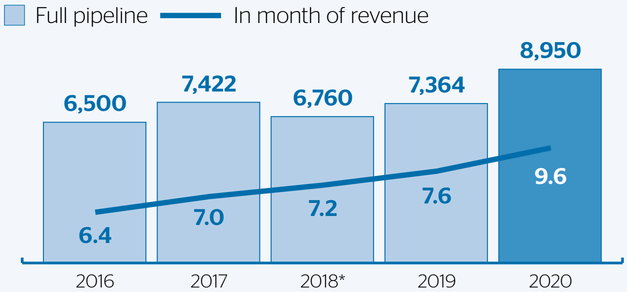
5 year order entry and book to bill ratio (in € million)



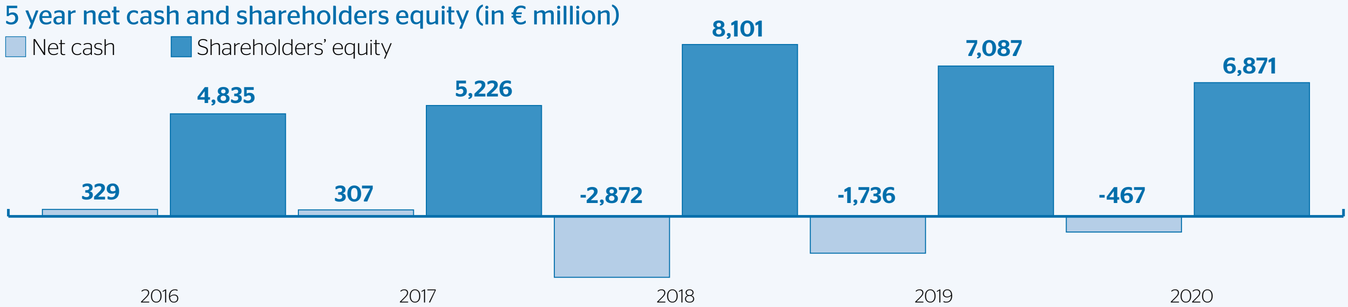
5 year full backlog (in € billion and in year of revenue)



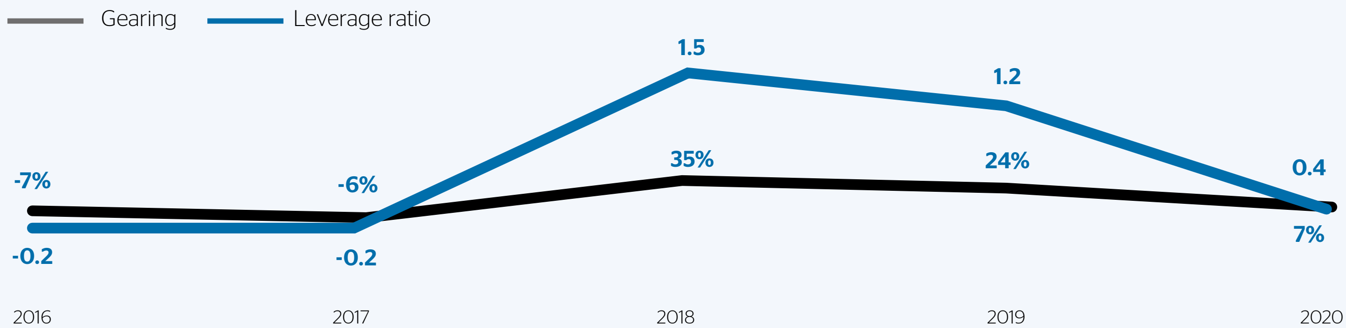
5 year full pipeline (in € million and in month of revenue)



5 year net cash and shareholders equity (in € million)



5 year gearing (net debt/equity) and leverage ratio (net debt/OMDA)



** excluding Worldline deconsolidated from the Group consolidated financial statements as of January 1, 2019*

Integrated Performance Dashboard

Atos is a leading global player in Corporate Social Responsibility (CSR). By integrating environmental, social, ethical and security dimensions into its business strategy and the design of digital solutions, Atos is ideally positioned to shape a more sustainable future in a safe and secure information space, in line with its “raison d’être” (statement of purpose).

An integrated performance dashboard is published each year as part of Atos Integrated Report and communicated at the Group’s strategic meetings.

The eight indicators are as follows:

Financial information

Financial

	2020 results
Revenue organic evolution	-3.0%
Operating margin rate	9.0%
Free cash flow (in € million)	513

Environmental

Carbon footprint of Atos operations	2020 results
GHG emissions by revenue - Atos carbon operational perimeter (tCO_2 e/M €) including homeworking	14.93

Non-financial information

Social

Talent attraction and retention	2020 results
Atos Trust Index® informed by Great Place to Work (GPTW)	65%

Governance

Client satisfaction and delivery capability	2020 results
Net Promoter Score for our clients	65% (60% perimeter of revenue)
Compliance with laws and regulations	
Percentage of employees who successfully completed the Code of Ethics´ e-learning	98%
Supply chain	
Percentage of total spend assessed by EcoVadis	63%

2020 key achievements

January

The European Centre for Medium-Range Weather Forecasts (ECMWF) signed with Atos for a BullSequana XH2000 to support climate researchers in 30 countries.

Atos named in the Carbon Disclosure Project "A List" for leading efforts against climate change.

February

Atos approved the proposed combination of Worldline with Ingenico and sold a 13.1% stake in Worldline.

Atos furthered collaboration with Microsoft to enable SAP's largest customers to run mission-critical SAP workloads on Microsoft Azure.

Atos acquired Maven Wave, a U.S.-based cloud and technology consulting firm, strengthening its cloud solutions for applications, data analytics and machine learning in hybrid and multi-cloud platforms.

Atos delivered its high-powered Codex AI Suite to analyze data and predict attraction performance at the American Dream retail and entertainment complex.

March

Atos was positioned as a Leader in Gartner Magic Quadrant for Managed Workplace Services in Europe and North America based on its ability to execute and its completeness of vision.

Atos will design, deliver and manage a new digital private cloud platform for Network Rail that will underpin the operations of Britain's rail infrastructure.

April

Global analyst firm NelsonHall named Atos a leader in Digital Manufacturing Services for its strong vertical approach, which enables a broad range of digital manufacturing services including IoT, analytics and AI.

Atos acquired Miner & Kasch, an AI and data science consulting firm, accelerating its Data Science-as-a-Service offering, and edge and next-generation data science platforms.

Clearing the compute bottleneck

The Hartree Centre team is working closely with Washington University School of Medicine who lead the Folding@home project, which allows a global community of contributors to lend unused background capacity on their personal computers to power simulations of target drug interactions. While there is plenty of compute power available to run these simulations, creating the drug structures to be simulated uses complex and memory-intensive methods that require supercomputers.

Atos and the City of Vienna implemented a system for digital epidemic management – and made it available to other municipalities and provinces in Austria.

Two Atos supercomputers at the VSB-Technical University of Ostrava, Czech Republic, were opened to Covid-19 researchers.

The UK's Hartree Centre deployed Atos supercomputer for Coronavirus treatment research.

Two Atos supercomputers began supporting global coronavirus research in Brazil. *Belonging to Laboratório Nacional de Computação Científica and SENAI CIMATEC, the high-performance computers are contributing to the* Folding@home project.

GENCI, CEA, CPU and Atos armed European scientists against Covid-19 with HPC facilities.

May

Atos, Siemens and Nexthink rolled out one of the world's largest digital workplace deployments, "Digital Experience Management", to 300,000 Siemens employees in 111 countries.

Atos paved the way for flexible, sustainable energy flow in Europe by participating in the FLEXIGRID project to make the distribution grid more flexible, reliable, cost-efficient and renewable.

Atos and Siemens also introduced a Process Digital Twin solution for global pharmaceutical manufacturing.

The Atos Quantum Learning Machine (QLM) made its way to quantum researchers in Japan and Finland.

June

The State of Texas DIR awarded Atos a multi-year contract for Mainframe-as-a-Service for government agencies a few weeks after selecting Atos for private cloud transformation, artificial intelligence and machine learning capabilities.

Atos ranked third worldwide in Managed Security Services (MSS) by Gartner for second year in a row.

Atos agreed to acquire managed detection and response leader Paladion.

Atos launches an employee shareholding plan for 2020, entitled "Share 2020".

Atos presents its mid-term Vision, Ambition and Strategy: The Leader in Secure and Decarbonized Digital.

Atos is a founding member of the GAIA-X Foundation, a non-profit organization that is being set up to create the next generation of data platforms for Europe, its member states, companies and citizens.

Atos, CSC and IQM partnered to create the first comprehensive, 100% European quantum ecosystem that includes a simulator, a universal programming environment and quantum hardware.

Quantum simulation jumped to the next level with Atos QLM E, which offers up to 12 times more computation speed and optimizes digital quantum simulation on the first, noisy intermediate-scale quantum (NISQ) computers to be commercialized in the next few years.

Atos committed to net-zero carbon emissions by 2028, setting the highest decarbonization standards for its Industry.

The German Climate Computing Centre (DKRZ) selected a new BullSequana XH2000, increasing its performance by five to accelerate and deliver more precise climate forecasting.

NISQ's double challenge

By promising to apply, in the near-term, computation capabilities that are beyond the reach of even the most powerful existing computers to solve complex, real-life problems, NISQ devices will play an important role in determining the commercial potential of quantum computing. Herein lies a double challenge for the industry: developing NISQ-optimized algorithms is as important as building the machines, since both are required to identify concrete applications.

Ghent University engaged Atos to build third Tier1 VSC supercomputer in Flanders for research on increasingly complex computational problems: modeling weather and climate change, development of renewable energy, combatting Covid-19.

The University of Reims Champagne-Ardenne (URCA) used its Atos supercomputer to accelerate research against Covid-19.

July

Atos was positioned as a Leader in Gartner Magic Quadrant for Data Center Outsourcing and Hybrid Infrastructure Managed Services in Europe for the 9th year and in North America for the 4th year.

Atos partnered with Total to tackle decarbonization using quantum algorithms.

Atos developed a new Quantum Annealing Simulator and became the first company to provide simulation solutions in the two main technological paths of quantum computing: quantum annealing and universal gate quantum computing.

Atos established a Life Sciences Centre of Excellence to support HPC, AI and quantum researchers worldwide from the Wellcome Genome Campus, in Cambridgeshire, UK.

Atos launched Scaler, an innovation accelerator program for startups and SMEs, around 15 annually, to co-create and bring to market innovative digital solutions for clients.

Asia Pacific University's PestKillerBot won the Atos IT Challenge 2020.

Atos and the IOC extended their worldwide Olympic partnership to 2024. Atos will continue supporting the digital transformation of the Olympic Games, as lead integrator, and securing the IT infrastructure for the Olympic Winter Games Beijing 2022 and Olympic Games Paris 2024.

Atos was named a leader in Advanced Digital Workplace Services by global analyst firm NelsonHall for the second year in a row.

Atos agreed to acquire digital.security, a subsidiary of Econocom group and a leading independent player in cybersecurity in France and BeLux.

Atos agreed to acquire EcoAct, an internationally recognized climate strategy consulting firm.

August

Atos partnered with University of Oxford on the largest AI supercomputer in the UK.

The Spanish Ministry of Health and airport operator Aena chose Atos to manage digital health control for all passengers flying to Spain.

The Spanish National Center for Biotechnology began using Atos high-performance computing and Life Sciences Center of Excellence to find out how Covid-19 initiates infection.

September

Willis Towers Watson selected Atos for cloud and digital workplace modernization.

Siemens and Atos announced a five-year strategic partnership extension for digital modernization, cloud and cybersecurity as well as joint go-to-market growth opportunities.

Atos rated a top score of triple A for the 4th year in Morgan Stanley Capital International's ESG ranking, placing Atos among the top 4% of companies in the software and services industry, out of 139 companies evaluated.

RheinEnergie selected Atos to build its future digital workplace, transforming its operational and business models to expand renewable energies, efficient power and heat supply, and climate protection in and around Cologne.

innocent Drinks selected Atos as digital partner for its first carbon-neutral factory, with cloud-based network management and scalable compute and storage.

October

Atos has been awarded the Platinum medal by EcoVadis for its performance in Corporate Social Responsibility (CSR), with a score of 82/100.

Atos announces its participation in the European project NEASQC, whose ambition is to prepare European businesses for the age of quantum computing by exploring a wide selection of industrial and financial use cases compatible with NISQ computers.

Atos and ECMWF launch Center of Excellence in Weather & Climate Modelling to support researchers with HPC, AI and quantum capabilities.

Atos enters into exclusive negotiations to acquire Edifixio and to reinforce its Cloud and Salesforce practice in the French market

Atos announced that it has reached an agreement to acquire Eagle Creek Software Services (Eagle Creek), a U.S. based technology and management consulting company specialized in Salesforce enterprise implementations.

Atos announces it has reached an agreement to acquire SEC Consult Group, a leading international Cybersecurity consulting provider.

Atos successfully used its own technology for its Shareholders' Ordinary Meeting on October 27, 2020. Its self-developed voting platform "Atos Vote"© was made available to its employees who are registered shareholders, to cast their votes for the meeting. The app uses blockchain technology and available on Android and iOS smartphones.

November

Atos reaches #1 position in the Dow Jones Sustainability Index (DJSI) 2020 in IT services industry

Atos joins forces with start-up Pasqal to accelerate High Performance Computing using quantum neutral atom technology

Atos powers Europe's fastest supercomputer at Jülich in Germany, the most energy-efficient system in the TOP100

Atos launches Atos OneCloud, a unique initiative to pro-actively accelerate its clients' migration to the Cloud through a one-stop shop offering industry specific go-to-market and organization.

Atos announces extended collaboration with Amazon Web Services as Atos OneCloud partner.

TIM and Atos launch a strategic partnership for the development of the Cloud.

Atos empowers clients to modernize apps & processes as part of its Atos OneCloud strategy.

Atos and Forescout Technologies announce a jointly developed cybersecurity solution for the critical infrastructure of Hard Rock Stadium in Florida.

December

Atos named on CDP 'A List' for leading effort against climate change.

Atos announces Q-score, the only universal metrics to assess quantum performance and superiority.

Atos and Goli Nutrition, an innovator in health and creator of the world's first apple cider vinegar (ACV) gummy, today announce a 5-year contract to power a new honest vending retail experience for customers.

Atos to acquire leading cybersecurity services company Motiv.

Atos delivers its first GPU-accelerated Quantum Learning Machine (QLM E) to the Irish Centre for High-End Computing .

Atos story

Atos, in one form or another, has been serving customers for over a hundred years. In fact, the first computer we developed was back in 1919 when a Norwegian engineer named Fredrik Rosing Bull filed a patent for a “combined sorter-recorder-tabulator of punch cards” machine.

We are now a global leader in digital transformation and continue to grow both organically and through strategic mergers and acquisitions.

We continue our long tradition of research and innovation.

1997

Atos itself was formed in 1997 from the merger of two French-based digital services companies, Axime and Sligos, creating a European digital and payment services provider.

2002

In 2002, Atos branched out into digital consultancy practice with the acquisition of KPMG Consulting’s business in the United Kingdom and The Netherlands. This gave the Group a major presence in this market, which continues today.

2011

In 2011, Atos announced the completion of the acquisition of Siemens IT Solutions and Services - a powerful combination of two highly complementary organizations. This deal ranked Atos as one of the top ten global IT services providers and fifth in Managed Services worldwide.

2014

In 2014, Atos became a Europe-based world leader in cloud, cybersecurity, and Big Data with the acquisition of Bull, further strengthening its research and development credentials.

2015

In 2015, with the acquisition of Xerox ITO Atos broadened its footprint from being Europe-centric to truly global with the US becoming its largest geography.

2018

Atos’s global reach was further cemented in 2018 with the acquisition of Syntel, headquartered in Michigan and serving customers from India.

2019

In 2019, Atos announced its project to create two pure play leaders, Atos and Worldline, through the exceptional distribution in kind to Atos shareholders of 23,5% of Worldline’s share capital out of the 50,8% owned by the Group, enabling Atos to focus as a leading digital pure player and Worldline as an undisputed payment leader in Europe gaining strategic and financial flexibility.

2020

2020 has seen a number of acquisitions to propel Atos towards its ambitions in security, decarbonization and cloud with the acquisitions of EcoAct, digital.security, Paladion and MavenWave amongst others.

Market trends

Digital momentum builds this year

Over the last decades, the digital revolution has transformed our lives as consumers. Now it begins to deeply transform our business world in all sectors.

By 2022, analysts estimate that 60%+ of the global Gross Domestic Product (GDP) will be digitized, transforming offerings, operations, and business ecosystem relationships throughout the whole economy. Significant breakthroughs in technologies such as the Internet of Things (IoT), Artificial Intelligence (AI) and blockchain are accelerating transformations in all industries, offering both tremendous opportunities and challenges.

Whilst an economic slowdown occurred and is predicted during and post the Covid-19 pandemic, it was noticeable that key areas of digital transformation, like the consumption of cloud services or the deployment of digital workplaces accelerated, further cementing the trend.

The pace of acceptance of digital technologies has increased through both desire and necessity this year and we are moving faster than ever.

Growth and challenge

The acceleration of digital transformation means both extraordinary growth prospects and significant challenges. New enterprises will spring up with extraordinary success and some will disappear. This will largely be down to digital trends and ability to adapt to an ever-changing market and consumer.

The digital journey

After having streamlined process management with ERPs, boosted communication and collaboration with the Internet, multiplied customer experience with social, mobile, analytics and cloud, digital is going the last mile: it invades things themselves with the Internet of Things (IoT) and Edge Computing, Artificial intelligence (AI), Automation and related technologies such as Augmented Reality (AR) / Virtual Reality (VR), Blockchain, Quantum Computing and more.

IDC predicts that by 2025 there will be 55.7 billion connected devices worldwide, 75% of which will be connected to an IoT platform. IDC estimates data generated from connected IoT devices to be 73.1 ZB by 2025, growing from 18.3 ZB in 2019. Most of this data arises from security and video surveillance, with contributions from industrial IoT applications, connected vehicles, smart cities, smart homes, smart grids and more. This will require ever-growing capabilities in intelligent automation to connect organizations, people and things, transform data into insights and value, and guarantee trust & compliance.

The rules of business

In this more fluid and networked world, the rules of business are dramatically changing, creating multiple disruptions:

- generations Y and Z are reinventing customer and citizen behaviors;
- new competitors are taking advantage of disintermediation and of innovative business models;
- automation and the gig economy is changing the economics of operations;
- security, safety and privacy risks are growing.

For years, digital transformation has been at the heart of C-level executives' agendas. But now it is the turning point for companies and public organizations: how to survive and thrive in unchartered territories?

For organizations, adapting to the new era will increasingly require a change in business model, strategy and ultimately purpose. They will need to:

- become fully customer, employee or citizen experience-centric, moving from a pure 'produce and sell' to a more responsive customer-led approach;
- provide intelligent data-driven orchestration, being able to adapt to market changes and evolving customer or citizen demands in real time;
- adopt open platform foundations and real-time process automation across physical and digital worlds, to deliver the best products and services at the lowest cost while being ready to adapt in hours or just seconds;
- they will need to consider shifting mindsets of both consumers and employees by striving for purpose, considering sustainability and new economic models.

The necessary questions

From manufacturing to transport, retail, utilities, telco, financial or public, defense and healthcare domains, these evolutions are changing the game dramatically. In this context, the key questions for each Executive Board are:

- how to be a disrupter rather than being disrupted?
- how to be in the best position within new value chains or ecosystems brought about by digital?
- how to adapt business models, customer relations and operations to survive and thrive in this new economy?
- how to make the right strategic and tactical choices in a highly dynamic technical landscape?
- how to create a broader purpose for your enterprise that will attract customers and retain employees?

To answer these questions, more than 80% of organizations have put in place board-level digital strategies, and heavily invested in business technologies.

However, they need digital partners that help them solve strategic and tactical digital dilemmas and design, build and run the business technology platforms needed to succeed in a time of constant change.

This fuels growth in the technology and services market, notably around industry-specific solutions fully supported by the seven digital breakthroughs identified as part of our business model.

The race to new industry expertise and solutions

There has been a strong market demand for industry applications, where Atos brings a unique and very differentiated capability to address both business and technology transformation.

In 2020, this notable trend triggered Atos to put in place its Spring customer-centric business model, to create six Global Industries to better serve our customers. These Industries are responsible for sales, pre-sales, delivery and, ultimately, customer satisfaction, but also for bringing forward an industry-specific portfolio of offerings to address the most critical needs of our customers.

Our Scientific and Expert communities have also shifted into industry domains ensuring that the technologies, products and patents we design and develop have specific industry requirements at their heart.

Market sizing and competitive landscape

Overall IT spending is estimated to be worth US$ 4.3 trillion worldwide, with a 2.5% decrease in 2020 at constant currency. All segments performed negatively except data center systems and servers; key figures are as follows:

Communications services (consumer fixed services, consumer mobile services, enterprise fixed services and enterprise mobile services) account for 37% of the IT market. In 2020, these services experienced a decrease of 0.7% amounting US$ 1.6 trillion dollars.

Devices (PCs and tablets, mobile phones, and printers) account for 18% of the market. This segment presented the biggest decline, a 7% amounting US$ 799 billion.

Enterprise software (including security software products) represents 12% of the market. It showed a 2% decrease amounting US$ 524 billion.

Data center systems (including servers, external controller-based storage, enterprise network equipment and unified communications) account for 6% of the market. It´s the only segment that grew in 2020 due to its UCC component, it showed a 0.9% growth amounting US$ 246 billion.

IT services (Business IT services and IT product support) represent 26% of the market, or US$ 1.14 trillion. Worldwide, IT services decreased by 2.5% in 2020. In 2021, IT services are expected to grow globally at 4.4% with a 6.3% GARG until 2024. This offers solid growth perspectives for the Group.

IT spending results vary by region. The largest region remains North America with US$ 1.32 trillion with a 3.1% decrease in 2020. Western Europe is the second largest market, which decreased by 4% amounting US$ 853 billion. Finally, with US$ 2.15 trillion, the rest of the world which experienced a 1.9% decrease last year.

When looking only at IT services, the segment on which Atos is primarily positioned, Americas and Europe are by far the largest markets.

Source: Gartner IT Market Databook in constant currency - Q4 2020

Even though the combination of North America and Western Europe continue to represent the very largest share of the IT services market worldwide, regions such as Greater China and Emerging Asia Pacific are expected to experience substantial CAGR of **11.9%** and **8%** respectively over the 2019-2024 timeframe.

Competitive landscape and new expected position of Atos

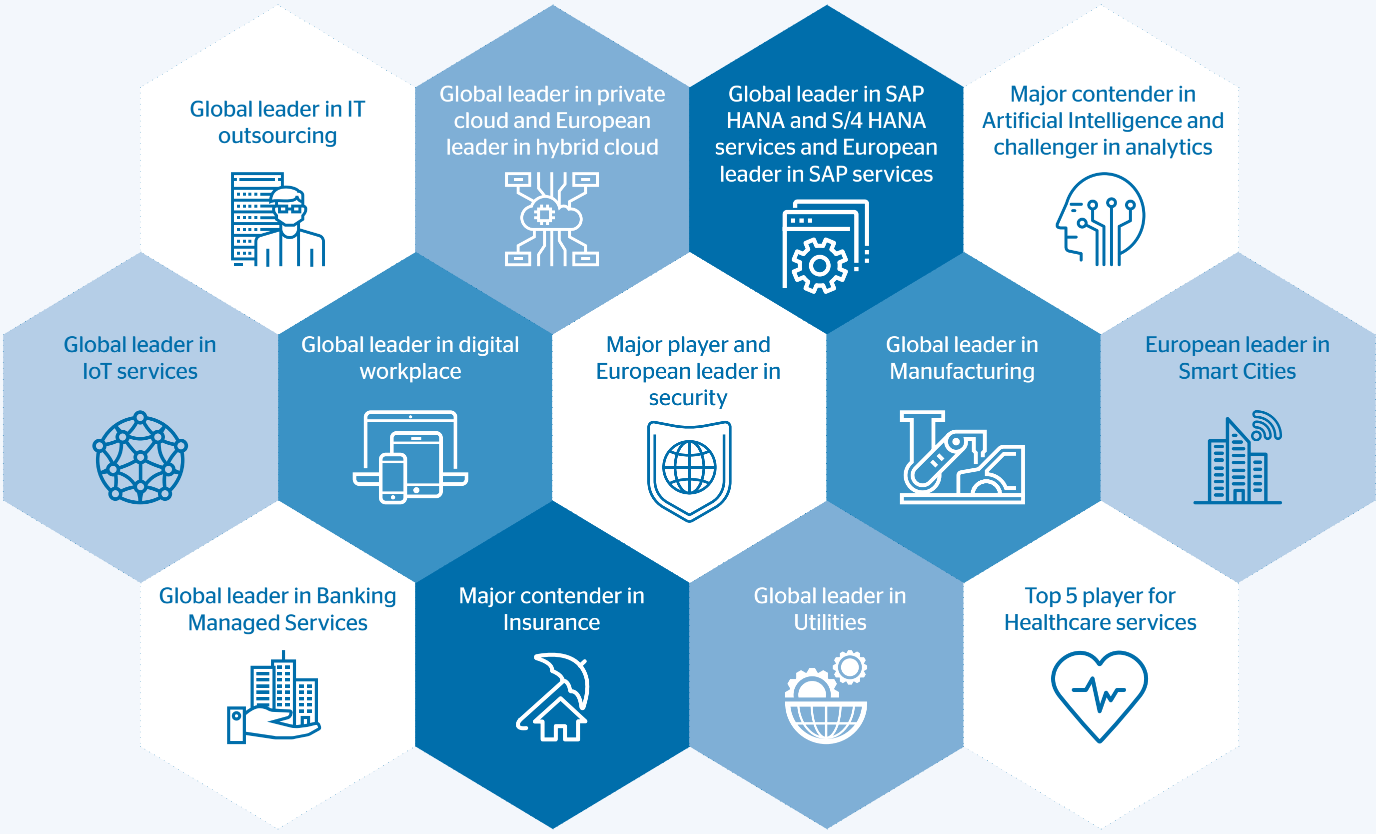
Ranked 15 in the world

Looking at the global IT services market, Atos is ranked number 15 in the world, and is a significant and growing player in the US, and is the fourth largest IT business services company in Europe with a market share of around 3%, just behind IBM, Accenture and Capgemini.

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, Accenture, Capgemini, CGI, DXC and some local champions with strong regional footprint like Capita (UK), T-Systems (Germany) and Indra (Spain). Indian based players start to have significant presence in Europe, but this is still predominantly in the UK (TCS, Cognizant, Infosys and Wipro).

Source: Gartner IT Services Market Share based on 2019 revenues

In 2020, major industry analyst firms have assessed Atos capabilities and positioned Atos as follows:



Market size and Atos market share

Atos Regional Business Unit market shares are presented below, reflecting the positioning of Atos as a European IT champion and a significant player in the US.

	Market size		Atos	
(in $ billion)	2020	Weight	2020	Share (%)
North America	459	40%	3.0	0.7%
Northern Europe	158	14%	3.1	2.0%
Central Europe	79	7%	3.1	3.9%
Southern Europe	85	7%	2.7	3.2%
Growing Markets + Rest of the Word	364	32%	0.9	0.3%
TOTAL	1,144	100%	12.9	1.1%

Source: Gartner IT Market Databook in constant currency - Q4 2020

In addition, Atos is also competing in other markets where the Company is now perceived as a key player:

Atos Digital Workplace: In the "new normal" world, leading digital organizations need best-in-class managed workplace services and delivery models for which Atos is recognized a Leader by analyst firms including Gartner, IDC and NelsonHall. Atos has a true end-to-end solution to transform the employee experience that has earnt it a leader ranking in the Gartner Magic Quadrants in North America and Europe for the last four and five years successively. IDC, which ranks Atos a global leader, recommends to consider Atos when organizations need a partner that can provide high-level consulting services that can speak to C-level executives combined with on-the-ground managed services that will work closely with your employee base to drive productivity gains.

Atos OneCloud: The Covid-19 pandemic accelerated customer appetite for migration to the cloud. This is confirmed by Gartner analysts, who forecast that by 2025, 80% of large organizations will use external service providers to move an application/compute infrastructure from one environment to a different cloud environment. Atos as a Leader for Gartner Magic Quadrant Data Center Outsourcing and Hybrid Infrastructure Managed Services, in Europe and North America aim to meet its customer demand by creating Atos OneCloud, a one-stop-shop for Cloud launched in November 2020 and supported by a 2 billion Euros investment over the next five years. IDC confirms that the Atos OneCloud initiative is designed to enable a fast and smooth transition due to its strong partner ecosystem, multi cloud orchestration, application modernization and AI capabilities combined with its environmentally driven decarbonization solutions.

Atos HPC and supercomputers: Hyperion analysts see Atos as one of the top players worldwide in the high end of the server market. According to Hyperion analysts' new forecast, the HPC server market (which included servers, storage, middleware, applications and services) will reach $ 37,7 billion in 2024 (CAGR 6,2%). Hyperion states that Atos is the leading European-based vendor of HPC systems, largely due to the performance and power of its BullSequana systems, its strong technological expertise and innovation and its ability to effectively manage large-scale projects globally. Atos has doubled its presence in the TOP500 ranking over the last five years and its server market share worldwide continues to grow.

Hyperion analysts forecast that the supercomputer segment is projected to grow the most with a 10.3% CAGR by 2024 to reach $9.4 billion. Hyperion sees Atos as one of the key supercomputing manufacturers that will likely benefit over the next few years as demand for exascale systems becomes more significant.

Atos digital security: Atos has been ranked by NelsonHall as the Leader in Cyber Resiliency Services with the greatest ability to meet future client requirements (published on Feb 3, 2021). Furthermore, the analyst states that Atos has been providing cybersecurity services focusing on building trust and compliance and has been designing and testing BCM and resiliency plans to enable clients to more quickly respond and recover to cyber threats. As part of this investment into responding and recovering from threats more rapidly and completely, Atos has been increasing advanced analytics into its cybersecurity offerings, such as adding SOAR capabilities, through its prescriptive SOC offering and now to its MDR service.

With its work with Siemens and on edge computing, in addition to the more recent digital security acquisition, NelsonHall believes Atos to be one of the strongest vendors in the OT/IoT security market.

Atos quantum computing: Atos is ranked as a Leader by TBR analysts in their latest Market Landscape for Quantum Computing (published on 18 December 2020).

TBR analysts believe that the research will further support the development and enrichment of Atos existing quantum computing offerings and reinforce Atos ability to provide quantum services.

The analysts reinforce that Atos has built out software, quantum accelerators and quantum safe security around QLM highlighting how Atos historical portfolio supports its quantum focus.

Atos quantum consulting works in concert with other units, bringing the deep domain expertise after use cases have been identified.

Atos has 20+ major organizations already using QLM.

Business model

Sustainable Digital Transformation

For enterprises and public organizations, successfully navigating disruptions beyond their control and previously seen as outside of their sphere of influence or activity, it has become mandatory to future proof their organizations.

This is achieved through a robust digital strategy underpinned by a long-term sense of purpose – something we explore within our thought leadership publication Journey 2024 – and reliable, innovative and sustainable partners.

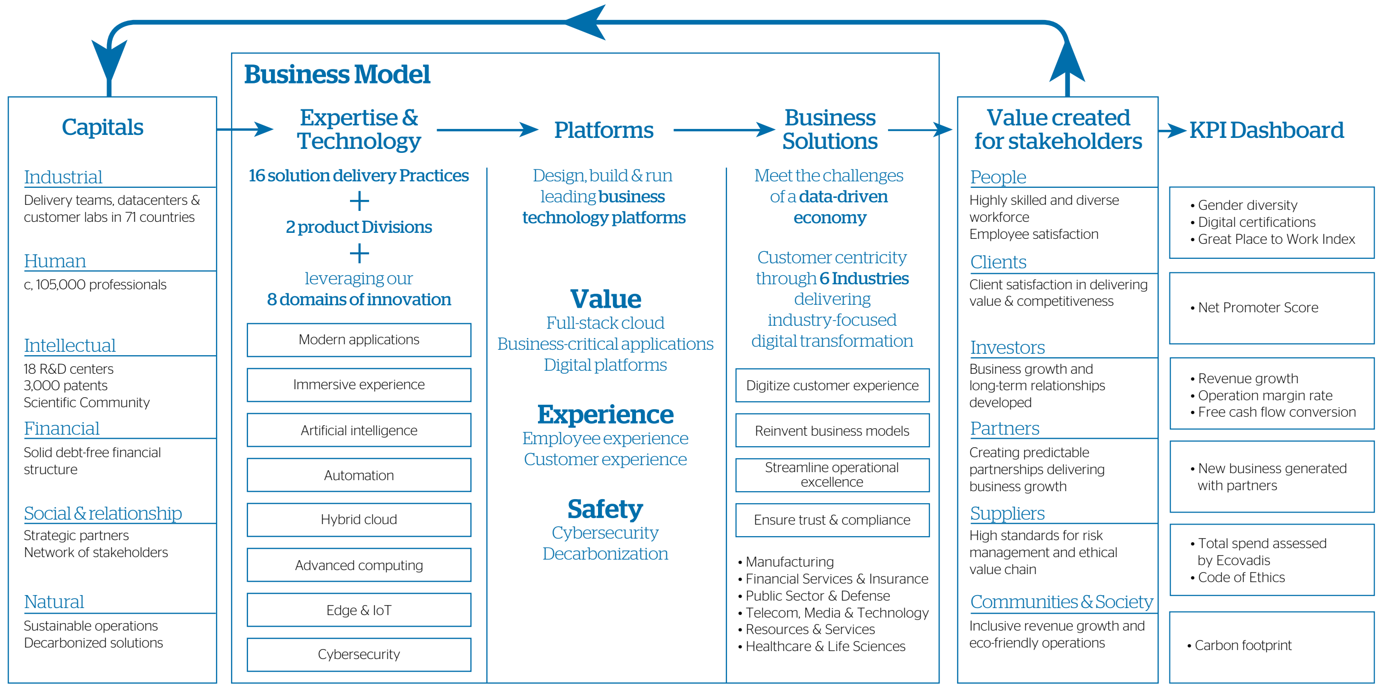
Atos has a strong ambition and sense of purpose driving it forwards. Our ambition is to be **the leader in secure and decarbonized digital** and our purpose is to help design the future of the information space. We use our expertise and services to support the development of knowledge, education and research in a multicultural approach and contribute to the development of scientific and technological excellence.

This year our technologies and services have contributed to people's safety and the global fight against Covid-19. We will continue to support scientific research through our people and our technologies.

Across the world, the Group enables its customers and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space.

In its mission, the Group leverages the capital it has built over years, and a solid business model based on distinctive expertise and technologies, platforms and business solutions.

The following value creation model explains how Atos creates inclusive and sustainable value for all its stakeholders. The Atos integrated management dashboard measures both financial and extra-financial performance.



Our Capitals

Over the years, Atos has built strong assets that bring the Group a solid and distinctive position on the digital transformation market, and constitute a firm foundation, which its business model relies on:

Industrial capital with delivery teams, datacenters and customer innovation labs covering 71 countries. Harnessing the latest hybrid cloud technologies and digital design, development and operation tools, processes and best practices, these centers enable Atos to serve and support its customers 24/7 anytime, anywhere, with the ability to provide a combination of local, nearshore and offshore delivery.

Human capital of 105,000 business technologists. Atos experts include consultants, developers, integrators and operation specialists, sourced from tier one universities worldwide. Highly skilled on the whole spectrum of digital technologies, Atos people benefit from a steady investment in the latest technological and leadership trends through intensive and dedicated training programs. Bolt-on acquisitions also allow Atos to integrate and retain proven professionals in key domains such as cloud, digital, cybersecurity, and decarbonization.

Intellectual capital with €235 million R&D spending per year, leveraging the innovation of 18 R&D centers with a focus on strategic technologies. Atos excellence in R&D is illustrated by a world-class portfolio of IP solutions and 3,000 patents. It is nurtured by a Group-wide community of 2,600 experts and fellows, and by a unique Scientific Community composed of 160 scientists, which crafts the Group's vision for the future of technology in business and anticipates upcoming market trends and technologies.

Solid **financial capital** backed by strong financial assets and cash flow management processes. Atos's proven financial discipline enables it to deliver seamlessly the short, medium and long-term investments needed for services, product development and operations. It offers all stakeholders a stable foundation for development and growth.

Extended **social and relationship capital**, relying on a strong network of partners with leading technology providers (Amazon Web Services, Cisco, Dell Technologies, Google Cloud, Microsoft, Oracle, Red Hat, SAP, Siemens, Worldline, and many more), customers, research institutions and industry consortia. As a leading digital transformation company, Atos is committed to supporting society, with strong contributions to diversity and social inclusion programs.

Strong **natural capital** relying on Atos's deep commitment to sustainability. Atos involvement in sustainability is embodied in pioneering an ambitious environmental program to reduce its carbon emissions through measurement, reporting, optimization, offsetting and the use of decarbonized energy sources. In 2020, Atos announced its commitment to shift to the most demanding 1.5°C Science-Based Target (scope 1, 2, 3) and to achieve net-zero carbon emissions as soon as 2028.

The value we create for stakeholders

As a result of its capital assets and of its business model, Atos strives to generate massive value for all its stakeholders:

People: Putting "people first" is the foundation of the Atos way of working and growth strategy. Atos is committed to attract and nurture today's most talented digital experts from diverse backgrounds and offer them the opportunity to build the new digital world. Atos is a responsible employer, promoting collaborative working, diversity, inclusion and well-being at work. With dedicated programs for talented and high potential individuals, the Group offers tremendous opportunities to fast track career growth. Many programs aimed at fostering diversity are also active, such as "Women in Atos" which aim is to develop the presence of women in technology sector;

Clients: Atos aims to be the trusted partner of its customers in their digital transformation journey and was the first Information and Communication Technology (ICT) Company to obtain the approval of its Binding Corporate Rules (BCR) by European data protection authorities putting data protection as a key component of its business culture, for clients, partners and suppliers. It is committed to providing clients the best range of services and solutions to anticipate and meet their needs, co-innovate, and help them to create the firm of the future;

Investors: Combining organic growth and a proven know-how in large acquisitions in strategic markets, the Atos strategy is underlined by a strict financial discipline, and strong culture of credibility and commitment. Atos is fully committed to generating long term, high value to investors and shareholders through continuous business and profit growth, enabling sustainable stock value growth and dividend distribution;

Partners: Atos offers strong business growth and co-innovation opportunities to its large ecosystem of partners, ranging from large groups of startups, that are deeply supported by Atos Labs and Business Technology Innovation Centers. In 2020 Atos launched "Atos Scaler", a program to accelerate the open innovation between Atos and startups in all industries worldwide;

Suppliers: Atos is committed to delivering high value to its networks of suppliers. The Group has built solid governance, using ethics and compliance to drive organizational processes, and business, thereby securing a sustainable supply chain. Atos was also the first Information and Communication Technology (ICT) Company to obtain the approval of its Binding Corporate Rules (BCR) by European data protection authorities putting data protection as a key component of its business culture, for both customers, partners and suppliers;

Community & society: Atos aspires to excellence in its community and society contribution. Atos has reached in 2020 the number 1 position for sustainability performance within the IT services sector in the DJSI World index. In 2020, Atos also announced its plans to achieve net-zero carbon emissions by 2028, a date which is 22 years ahead of the UN Paris Agreement on Climate Change and further solidifies its position as the leader in secure and decarbonized digital.

Vision, ambition & strategy

Digitalization has only delivered a fraction of its potential. While the data deluge of the last decade will accelerate, it will now be topped by a profusion of data-driven services.

Focus on customer outputs and value

In this new era, customers are calling for value – they want outcome-based services, experience and safety. They want secure and decarbonized services. Those customer calls focus on seven key digital breakthroughs, which turn into growth levers for Atos leveraging on its skills and capitals:

1. Full Stack Cloud

The move to the cloud is accelerating into hybrid cloud (private and public clouds), multi-cloud (across several public clouds), and convergent cloud strategies (migration and modernization of data, platforms and applications together) building a holistic, end-to-end approach to the cloud, a full stack cloud. This evolution requires an increased orchestration function.

In addition, the most complex application landscapes have started to move into the cloud. Atos is building on its new profile (application modernization expertise from Syntel), its longstanding expertise in business-critical applications and SAP, and its strong proximity with hyperscalers to seize the opportunity to shape and accelerate full stack cloud.

On November 16th, Atos launched its Atos OneCloud offering, a unique initiative to pro-actively accelerate its clients' migration to the cloud. Supported by a dedicated c. €2 billion investment over the next five years, Atos OneCloud combines a unique set of ten offerings in a powerful one-stop shop. The strength of Atos OneCloud is based on Atos's ability to orchestrate any combination of those individual offerings and to tailor them by industry, bringing the expertise and benefit of its industry-led approach following Spring.

This set of ten offerings includes:

1. industry-specific consultancy services;
2. multi-cloud orchestration across private and public, and across all major public cloud providers;
3. highly standardized and automated management framework and architecture;
4. next generation private and sovereign cloud platform;
5. cloud application development, modernization and replatforming;
6. cloud artificial intelligence and machine learning;
7. world-leading bare metal solutions (high processing and memory capabilities servers);
8. world-class cloud edge and far edge solutions (local/field servers) combined with new 5G connectivity solutions;
9. cybersecurity supervision services;
10. decarbonization offerings guaranteeing year-on-year carbon footprint reduction of cloud infrastructure, data and applications.

The Atos OneCloud initiative is delivered by Atos in close collaboration with a world-class partner ecosystem including Amazon Web Services, Dell Technologies (including Dell EMC and VMware), Google Cloud, IBM - Red Hat, Microsoft Azure, SAP, ServiceNow and Salesforce.

2. Business Critical Applications

Digitalization accelerates into business critical applications territory requiring an intensification of cloudification, Data analytics, IoT, local data processing, and 5G. Business continuity criticality emphasized during the Covid-19 crisis has been solidifying this trend even further. Atos is using its inbuilt expertise in vertical business critical applications enhanced by Spring transformation, and its local data processing capabilities (edge computing) to capture this sizeable market opportunity.

3. Digital Platforms

Digital Platforms have become the first business transformation priority of CEOs for the years to come and will be responsible for an estimated 70% of the new value created in the economy. Digital platforms, which enable the sharing of data from enterprises within or across value chains, is a transformative trend with a huge untapped opportunity in the B2B world. Through its end-to-end digital capabilities combined with a deep industry knowledge, Atos, as a recognized leader in security and computing, is ideally positioned to be the neutral enterprise operator of digital platforms.

4. Customer Experience

In this new era of digitalization, customer experience will be critical to expand the reach of the newly created data-driven services. This will leave the sole domain of user interface to encompass further immersive experience, real-time innovation and seamless omni-channel, as well as "No User Interface" logics. Atos leverages on IP-driven solutions to bring technologies such as artificial intelligence / machine learning (AI/ML), IoT / edge (local computing), and real-time cloud and application architectures to customer experience territory to unleash the power of digitalization.

5. Employee Experience

Further to the Covid-19 crisis, Atos, which is already a market leader in digital workplace, estimates that organizations will move from 10% to more than 40% of work-from-home in the new normal. Leaving behind the quick fixes implemented during the crisis, the period to come will see digital workplace replaced by a holistic employee experience approach, including reimagined collaboration and flexible working. Building on its strong Unified Communications and security solutions, its partner ecosystem, and its industry specific design thinking and personas, Atos intends to become the leader in employee experience in the new normal.

6. Digital Security

Digital security encompasses cybersecurity, but also mission critical systems, IoT security, and economic security – pointing at the willingness from customers not to depend on a single technology provider.

Cybersecurity is evolving at a very quick pace due to an ever-changing cyber threat landscape, a pervasive data environment, and an increased attack surface resulting from "hybrid digital".

Atos is currently number three in cybersecurity services worldwide and has developed a unique cybersecurity innovation track record in order to protect end users, IoT and data as well as detecting and responding to threats with its prescriptive Security Operation Centers. Atos intends to complement its technologies through managed extended detection and response, privilege access management and cloud encryption.

The Group's ambition is to reach more than €2 billion revenue in digital security in the mid-term.

7. Decarbonization

Over the past ten years, Atos has developed a unique expertise in the area of decarbonization, well recognized by all sustainability rankings. This year, Atos announced its commitment to be Net-Zero Carbon by 2028, reinforcing its leadership.

Decarbonization is now entering the boardrooms of customers and is supported by unprecedented public policies and societal aspirations. Atos, reinforced in 2020 by the acquisition of EcoAct, uses its unique know-how to shape new decarbonization offerings to clients, both in core IT and in business processes, and seize a market opportunity reaching close to c. €25 billion ($30 billion).

Atos expects to generate more than €500m revenue in the mid-term in Decarbonization.

Based on the above digital breakthroughs, its unique skills and assets, Atos's ambition is to become the leader in secure and decarbonized digital.

Five main drivers for success:

1. Spring: an industry-led organization with a vertical portfolio and go-to-market approach, focusing on six key industry sectors.
2. Mobilize and develop people skills and key talents, attracting the best talents from leading universities and developing their skills.
3. Technology and open innovation, with investment in R&D at c.€235m per year / Quantum / Scaler: the Atos start-up accelerator.
4. Alliances and partnerships: global alliances: For example, Dell EMC and Siemens with promising alliances with hyperscalers.
5. Mergers and acquisitions: bolt-on acquisitions to boost key portfolio offerings, particularly in the area of decarbonization and digital security.

This vision, ambition and strategy will help the Group to reach the following targets in the mid-term:

A revenue growth at constant exchange rates between **+5%** and **+7%**

An operating margin rate between **11%** and **12%** of revenue

A free cash flow conversion above **60%** of operating margin

Atos Future Profile

In the mid-term, Atos will be re-configurated:

- delivering a sound profitable growth of its top line;
- rebalancing Group business mix, with digital, cloud, security and decarbonization representing 65% of the Group compared to 40% in 2019;
- enhanced technological innovation at the heart and an acceleration in upskilling its people;
- last but not least, its commitment to decarbonization and diversity will be an industry first.

Atos CSR strategy

At Atos, the Corporate Social Responsibility (CSR) program belongs to its raison d'être or sense of purpose by which: across the world, Atos enables its customers and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space.

Throughout 2020, the safety of Atos employees and the business continuity of its customers have been the number one priority. Enabling social distancing and ensuring working from home whenever possible, using digital workplace solutions to deliver the best collaboration and communications tools in the best conditions.

In 2020, Atos significantly reinforced its commitment to CSR as part of its business strategy, accelerating a journey which started 12 years ago.

2020	• Atos commits to become the leader in secure and decarbonized digital and to achieve net-zero emissions as soon as 2028 • Atos commits to the most demanding 1.5°C Science-based Targets following the latest IPCC recommendation, increasing its ambition on climate action • Atos continues to be recognized among the leaders in the digital services industry by the most prestigious rating agencies: CDP, DJSI, MSCI ESG, EcoVadis, ISS ESG, FTSE4Good, Vigeo-Eiris, Carbone 4, SEAL
2019	• Atos publishes its raison d'être or sense of purpose, which was approved by its shareholders in April 2019
2018	• Atos's absolute emissions are reduced by 50% between 2012 and 2018. Atos operational perimeter becomes carbon neutral, offsetting all residual CO_2 emissions under its control and direct influence.
2017	• Science Based Targets initiative (SBTi) validates Atos's carbon reduction targets for 2050 • Atos joins the CAC 40 index and Atos is ranked at the top 10 of the CAC 40 Governance Index • Atos implements detailed action plans in response to new regulations, such as the Sapin II law in France and the EU's General Data Protection Regulation (GDPR)
2016	• Atos adopts integrated thinking criteria, and presents in its 3-year strategic plan including financial and non-financial targets with CO_2 reductions targets being part of this plan
2015	• Climate change commitments are made by Atos as part of the COP21 Paris Agreement
2014	• Atos was the first IT company to gain approval from European data protection authorities for its Binding Corporate Rules (BCR) for processing personal data on behalf of its clients and for itself. • All Atos's main sites must enter the ISO 14001 certification process.
2013	• Atos is listed in two major CSR ratings: CDP and Dow Jones Sustainability Indexes (DJSI) • Atos launches an e-learning for employees about the Code of Ethics
2012	• The Atos Smart Campus concept is rolled out to Atos Pune in India • Atos creates the Client Innovation Workshops
2011	• Atos holds its first annual Global CSR Stakeholders' meeting
2010	• Atos starts to carry out regular materiality assessments and signs up to the United Nations Global Compact • Atos signs up to the United Nations Global Compact • Atos launches the global workplace transformation program WellBeing@Work
2008	• Atos creates its Corporate Social Responsibility program and launches its environmental program

In 2020, from an environmental perspective, Atos committed to achieving net-zero carbon emissions by 2028, therefore significantly enhancing its decarbonization ambitions. This expanded the scope of its decarbonization program by a factor of 10 to include the CO_2 emissions under its influence (full Scope 3: supply chain, products sold), accelerating the pace of decarbonization (-50% of CO_2 until 2025) and enlarging its offsetting program.

To drive business decisions to consider decarbonization, Atos introduced an internal carbon pricing initiative (80 € / tons CO_2) as well as new decarbonization performance conditions (weighted 20%) in its 2020 long-term incentive plan for Top Management. Atos also intensified its research activities for decarbonization, for instance leveraging on its quantum program to support the development of materials able to capture CO_2 from the atmosphere.

In addition, Atos expanded its decarbonization capabilities with the acquisition of EcoAct in October 2020, welcoming climate experts for consultancy and carbon offsetting services. Moreover, Atos developed a comprehensive decarbonization portfolio and the mechanism of Decarbonization Level Agreements (DLA), by which Atos makes binding decarbonization commitments towards its clients.

From a social perspective, Atos launched a new “Work from Home / Work from the Office” manifesto, to create a seamless digital workplace experience, drawing together the lessons from the Covid-19 crisis. It accelerated its digital education effort, certifying more than 34,000 employees on new digital skills. It also further expanded its diversity and inclusion programs, reaching 30% of women in our Executive Management team (“Top 450”). It also achieved a record high in its employee satisfaction index. As an illustration of employee engagement, the participation in Share 2020, the employee shareholding plan increased three-fold the number of shares purchased by employees versus previous campaigns. As part of this program, to support the Group decarbonization goals, Atos committed to plant one tree for each share participant, nearly 16,000 in total.

From a governance perspective, while complying with best-in-class corporate governance standards, Atos reinforced its commitment as a trusted digital and data partner, contributing to the “Charter of Trust” initiative for data safety, joining the European GAIA-X initiative as a founding member and, alongside several partners, launching the Ethical Trustworthy Artificial and Machine Intelligence (ETAMI) initiative.

In recognition of its CSR commitments, Atos reached a leading position within its sector in all Environment, Social and Governance (ESG) relevant criteria, as illustrated by the current market perception from the main international CSR ratings:

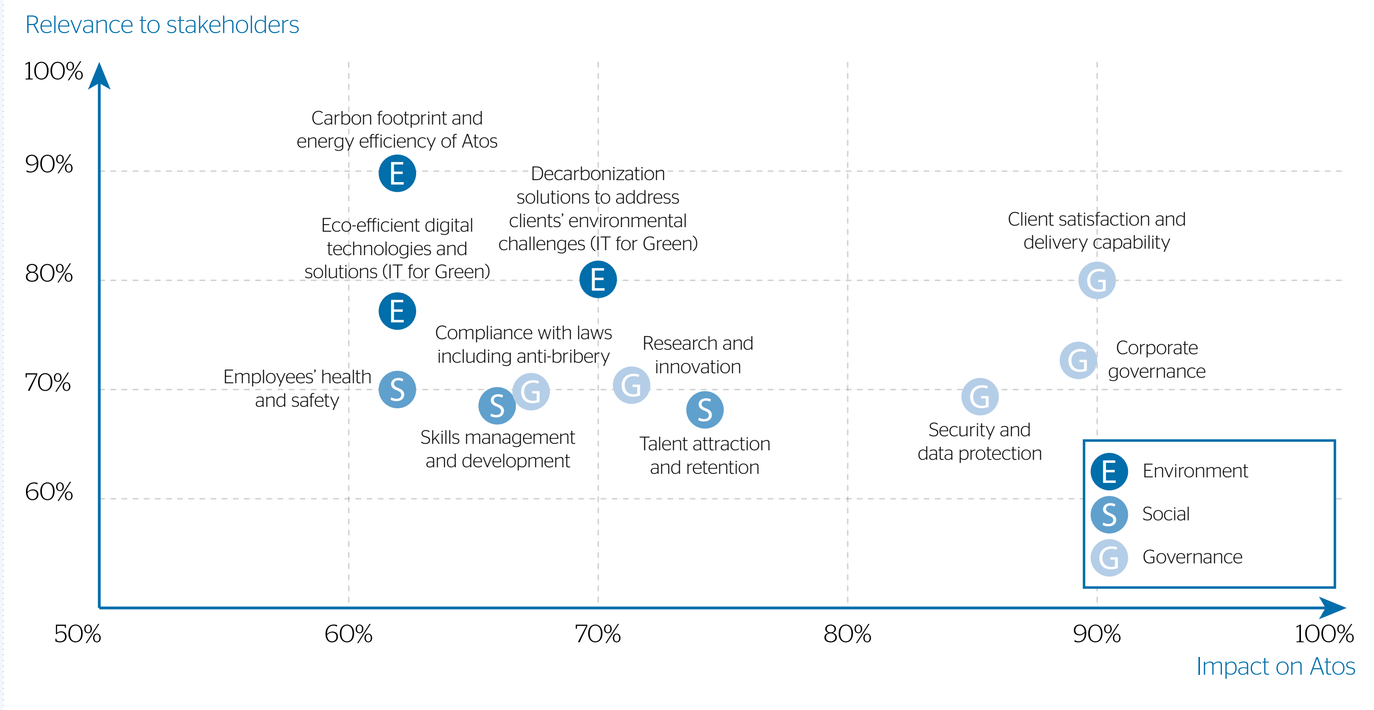
SAM Sustainability Award Gold Class 2020	85/100	Industry #1
MSCI ESG RATINGS AAA	Triple A	Top 5%
CDP A LIST 2020 CLIMATE	A	Top 5%
ISS-oekom	C+	Top 10%
FTSE4Good	4.8/5	Top 1%
EURONEXT vigeo eiris	61/100	Top 3/83
PLATINUM Top 1% 2020 ecovadis Sustainability Rating	82/100	Top 1%

Atos materiality matrix

Atos's approach to Corporate Social Responsibility is based on an analysis of the material CSR issues for the Group, considering the expectations of stakeholders and the impact to the business.

While the CSR program addresses a wide range of topics, the materiality analysis allows the company to focus primarily on ESG issues that are truly critical to achieving the organization's goals, strengthen its business model and enhance its positive impact on society.

Since 2010, the Group has been performing regular materiality assessments. In 2020, the materiality assessment was carried out by an external consultancy, considering a new set up supported by the Board CSR Committee. For the first time, such evaluation has been opened to all public contributions through the Atos website. This updated materiality, while following the same fundamentals as the previous assessments, now follows the standard ESG framework covering Environment, Social and Governance dimensions. This 2020 materiality analysis highlights also the direct contribution to eight SDGs among the 17 United Nations Sustainable Development Goals (SDG)* for the 11 material issues presented below.

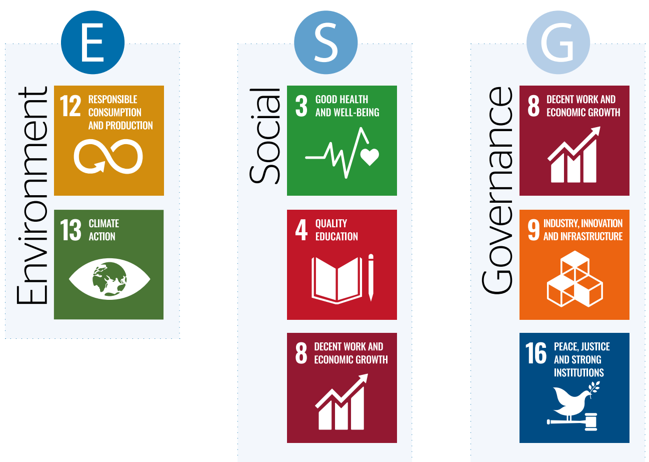


Atos contribution to SDG's for the top 11 material issues

The materiality matrix highlights the top 11 material issues, but the CSR program goes deeper and covers many other challenges. Atos remains committed to critical areas such as digital inclusion and diversity. Atos activities in several growing markets support also the countries in redefining new ways of doing business through digitalization and innovation, with direct impact on local employment, social and technical development and leveraging competences in their societies.

As a result, the Atos CSR program, encompassed in its statement of purpose, drives the contribution of the 17 SDGs, ensuring that sustainability is an outcome of the Group business strategy.

* https://sdgs.un.org/



[GRI 102-28], [GRI 102-43], [GRI 102-44], [GRI 205-2], [GRI 302-3], [GRI 305-4], [GRI 305-5], [GRI 401-1], [GRI 404-2], [GRI 404-3], [GRI 405-1], [GRI 418-1], [A2], [A3], [A10], [A14], [A16], [A17], [A20]

CSR challenges & indicators of progress

As a result of the 2020 materiality assessment, the following challenges have been identified to lead Atos's CSR journey for 2020 and beyond.

Environmental challenges

Atos is fully aware of its responsibility to the planet and it strives to be digital environmental pioneers.

Atos has decided to comply with the most demanding 1.5ºC Science Based Targets. Aligned with the new commitments, Atos achieved between 2019 and 2020 a reduction of [15%] of its overall carbon emissions (full scopes 1, 2 and 3). This confirms that the Company is also on course towards its new net-zero emissions commitment by 2028.

Material challenges	2020 results	Ambition
Decarbonization solutions to address clients' environmental challenges (IT for green)	• In the new Spring organization and based on the Atos excellence in CSR performance supported by the acquisition of EcoAct a dedicated Decarbonization practice has been created.	• With its customers, Atos goes further and commits to decarbonization objectives in contracts. In the event that the objective is not fully achieved, Atos will pay for the offsetting of residual emissions.
Carbon footprint and energy efficiency of Atos operations	• Atos shifted its 2°C carbon reduction Science-Based Target to the most demanding 1.5° C. • Atos CO_2 emissions under control and direct influence (scopes 1, 2, 3a) amount to 149 Ktons CO_2 in 2020, and 167 including homeworking therefore decreasing by 31% vs. 2019. • Atos global CO_2 emissions (scopes 1, 2 and 3 in totality) have decreased by 15% in 2020, partially resulting from reduction activities, structural progress and Covid-19 impact.	• Atos has committed to decrease by 50% by 2025 all its carbon emissions (2019 baseline) and to be net-zero emissions as soon as 2028. • To achieve net-zero Atos will follow the 1.5°C pathway and offset 100% of all its residual emissions (all carbon emissions under control or under influence).
Eco-efficient digital technologies and solutions (Green IT)	• Two Atos supercomputers are confirmed in the top 5 of Green 500 list (Nov 2020) and 15 among the top 100.	• Atos continues to invest in R&D on supercomputers powered by hydrogen and on quantum technologies.

Social challenges

Atos's company culture promotes education, diversity, inclusion and entrepreneurship.

In the near future, the Group´s new strategy for the workplace will provide a seamless digital working experience whilst also providing a safe physical space for collaboration when needed. Atos aims to enable its employees to work from anywhere to support its customers in the most agile, productive and innovative way.

Material challenge	2020 results	Ambition

Talent attraction and retention	• 11,495 employees recruited, out of which:
	  • 48% of graduates recruited
	  • Key people retention: 95%
		• Atos ambition is to focus recruitment on graduates and retain at least 95% of its key talents and experts on an annual basis.

Skills management and development	• Atos reached an 85% of employees with an Individual Development Plan. • Atos reached 85,216 of digital certifications	• Atos ambition is to reach 500K of digital certifications at mid-term.
Employees' health and safety	• Health and safety policy in place, with 98% employees feeling "safe" and 90% feeling "supported" during the Covid-19 crisis. • 95% of employees working from home during Covid-19 crisis. Deploying Atos digital workplace. • Establishing a Global Crisis Management Team	• Atos new way of work strategy will support employees to work safely in a seamless digital environment from the office and from home.
Employee engagement	• Share 2020 participation, achieving x 3 shares purchased from previous campaigns, showing employee support for Atos strategy & decarbonization goals through the associated tree planting campaign. • GPTW results 2020: all-time high participation rate and 9% increase in the overall question. Employees expressing support on Covid-19 reactions & Spring transformation program.	• Further offer of employee Shareholding plan in line with Atos´ decarbonization strategy • Best-in-class employee engagement and motivation.
Digital inclusion	• Creation of the Global Accessibility Practice as part of the SPRING organizational evolution. • Disability Matters Europe Awards Honoree in Workplace & Market place categories. Participation in Global Inclusion Events (ILO, GAAD, Purple Light Up).	• Promote an inclusive digital workplace for its customers.
Diversity	• 31% of female within Atos • Percentage of women in Executive Management (around Top 450): 30% • 27 nationalities in Executive management	• Gender balanced recruitment

Governance challenges

Atos is fully committed to enhancing trust in its corporate governance, digital business models and data management. It maintains the highest standards in the governance of its stakeholder engagement, in ethics, data safety and research and innovation.

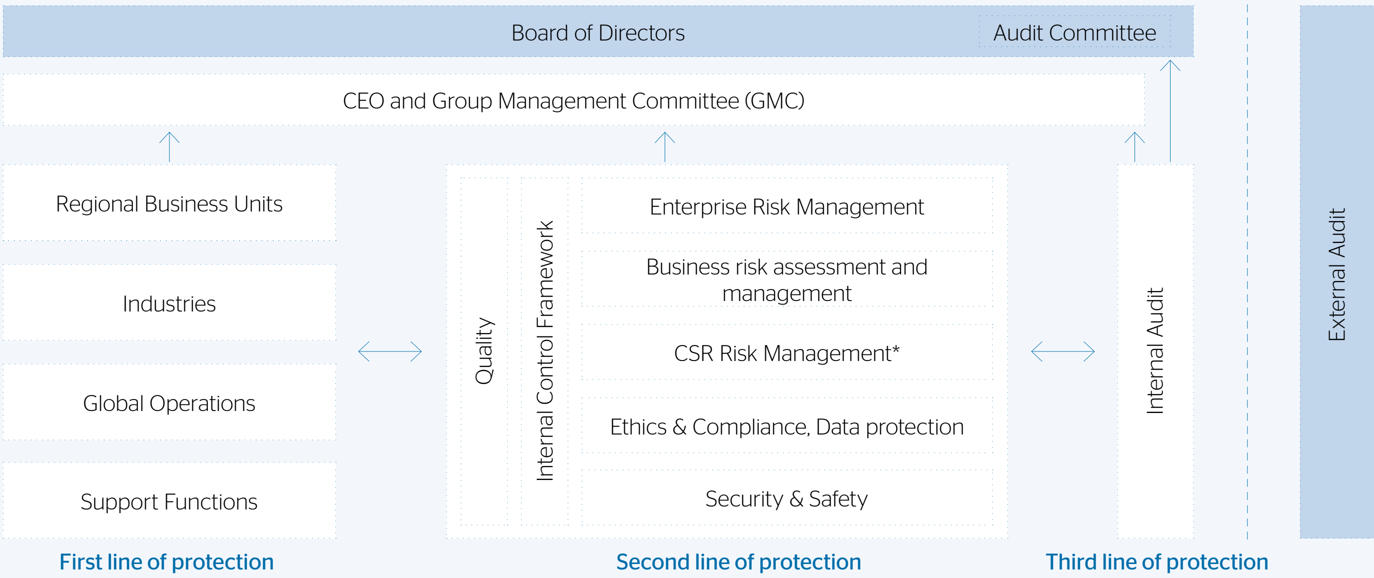
In 2020, the Atos Global Ethics & Compliance Policy has been further updated and improved, with a special focus on governance.

Despite the exceptional circumstances this year, Atos has held a record number of Client Innovation Workshops, most of them virtual to preserve health and safety of participants.

Material challenge	2020 results	Ambition
Client satisfaction and delivery capability	• Atos reached a 65 % in the Net Promoter Score for all clients	• Atos continues to increase the Net Promoter Score for all clients in all industries
Corporate governance	• Compliance with all AFEP-MEDEF corporate governance recommendations	• Improve female representation beyond the threshold defined by AFEP-MEDEF recommendations
Security & Data Protection	• 100% of coverage of ISO 27001 certifications • 0 material complaints regarding breaches of customer privacy and losses of customer data giving rise to legal proceedings with an amount claim of at least € 300 K	• To continue 100% of coverage of ISO 27001 for onboarding new acquisitions as soon as possible
Research & Innovation	• 424 Client innovation workshops delivered during the year (record high) • 235 M€ R&D investment and 82 patents filed	• To reach 450 Client innovation workshops in 2021
Compliance (Compliance with law and regulations, including anti-bribery)	• 98% of employees successfully completed the Code of Ethics´ e-learning • 0 significant fines for non-compliance (0 in 2019 and 2018)	• Increase the percentage of employees who successfully completed the e-learning on the Code of ethics and run global communication campaign to launch the new version of the Code of Ethics

Risk management

Atos operates in a fast-changing environment. This, by nature, exposes the Company to various risks. If these risks were to materialize, they could adversely impact the Company's operations, weaken its financial performance, harm its reputation and more generally jeopardize the achievement of its short- and medium-term targets. In order to mitigate the risk exposure and, beyond that, to succeed and develop securely and sustainably, Atos has implemented a multi-factor risk management system, the governance of which can be set out as follows:



* Corporate Social Responsibility (CSR) also reports to CSR Committee (BoD)

The **first line of protection** is ensured by all Atos employees in their daily work under managerial supervision. They define and execute operational processes, systems and controls to ensure resilience and compliance with legislation, regulation, contractual obligations, and Group policies and standards. The first line also performs day-to-day risk identification, assessment, management and reporting.

The **second line of protection** provides oversight and control. In light of risk analyses conducted through complementary approaches, it establishes enterprise-wide risk governance and business resilience requirements. It sets functional policies, limits of authority and maintains the internal control framework while monitoring the effectiveness of controls carried out by first line with the support of Internal Control Managers and Risk and Internal Control Coordinators. Insurance management forms part of the second line of protection.

Being the **third line of protection**, the internal audit team works according to an annual plan approved by Group management and the Audit Committee. It conducts audits, investigations and advisory engagements to provide independent assurance of the effectiveness of the first and second lines of protection.

The CEO and Group Management Committee are regularly updated on internal control, internal audit and risks. The Audit Committee receives a report on internal audit activities at least six times a year, quarterly reports on contracts with significant risks and periodic updates on internal control and risk management.

Based on the Enterprise Risk Management cartography, the below table lists the main risks identified, broken down by category, along with the corresponding CSR challenges.

These risks, which could also represent opportunities, are further detailed in section 7 of present document.

Enterprise risks*				
People • People care & Health • Key people retention & acquisition • Skills enhancement & performance • Labour market	**Security** • Cyber attack • Systems security • Data protection	**Operational** • Delivery quality • Customer relationship (contract management/ satisfaction) • Credit risk/receivables	**Go to market** • Customer digital transformation • Market environment (competitors, business model disruption) • Innovation	**Growing risks** • Regulation & compliance • Environmental impact
CSR Challenges				
Social	Governance	Governance	Governance	Governance Environment
Reference to section 7				
7.2.1	7.2.2	7.2.3	7.2.4	7.2.5

* A specific risk factor has been included in section 7 in connection with the qualification for limitation on the scope of the audit issued on April 1, 2021 by the statutory auditors relating to two US subsidiaries.

2

Sales and Delivery

2.1 Atos, an industry-led organization to strengthen customer-centricity

2.1.1 Customer-centricity at the heart of Atos

Atos clients' expectations are changing as they need to increasingly evolve their business models to deliver new experiences and engage with their customers in different ways across every sector of activity. With the next wave of smart data, technology is playing an ever-greater role in defining new business models. Anticipating these needs, Atos initiated a transformation program called "SPRING", to seize the opportunities of a fast-growing digital transformation services market.

Launched in February 2020, the **"SPRING"** program is **transforming Atos** into an **industry-led organization,** expanding and **industrializing Atos' portfolio of offerings** and **solutions,** and **redesigning the go-to-market approach** to fulfill three ambitions:

- **drive profitable growth** for **Atos** and its **clients;**
- **serve clients' industry-specific digital transformation** needs by delivering solutions and services supported by **industry-specific expertise** and **client intimacy;**
- **offer more opportunities** for Atos **employees.**

Therefore, **Atos is well positioned to support its clients with agility** to successfully overcome the challenges of disruptive advances in all technology areas.

2.1.2 Atos operating model in support of an industry-led organization

The Atos journey towards an **industry-led company** is founded on four **different items** in the new operating model:

- **6 Global Industries** driving a redesigned go-to-market approach, enabling growth in each Industry underpinned by vertical expertise as well as industry-specific offerings (refer to section 2.2 Industry-specific offerings) pulling through the full suite of Atos capabilities;
- **5 Regional Business Units** ensuring client proximity and supporting each industry's growth objectives;
- **Global Operations** accountable for innovation, horizontal offerings, delivery excellence and cost competitiveness;
- **Global Functions** supporting the Atos mission and performance across all dimensions.

"SPRING" has reinvented Atos' go-to-market strategy around **the six Global Industries** by:

- **increasing customer-centricity** underpinned by industry-specific expertise and knowledge;
- **driving business growth** and increasing market share on top client accounts and co-developing **new industry offerings** with clients;
- **building industry-specific knowledge** and consulting expertise to **sell end-to-end digital transformation** projects;
- **establishing industry accountability for the P&L on behalf of the Group** and bringing decision-making closer to the customer.

As each client is unique, Atos has adapted its approach to the specific digital transformation strategies suited for each business context and challenge. Through its Industries, Atos notably addresses:

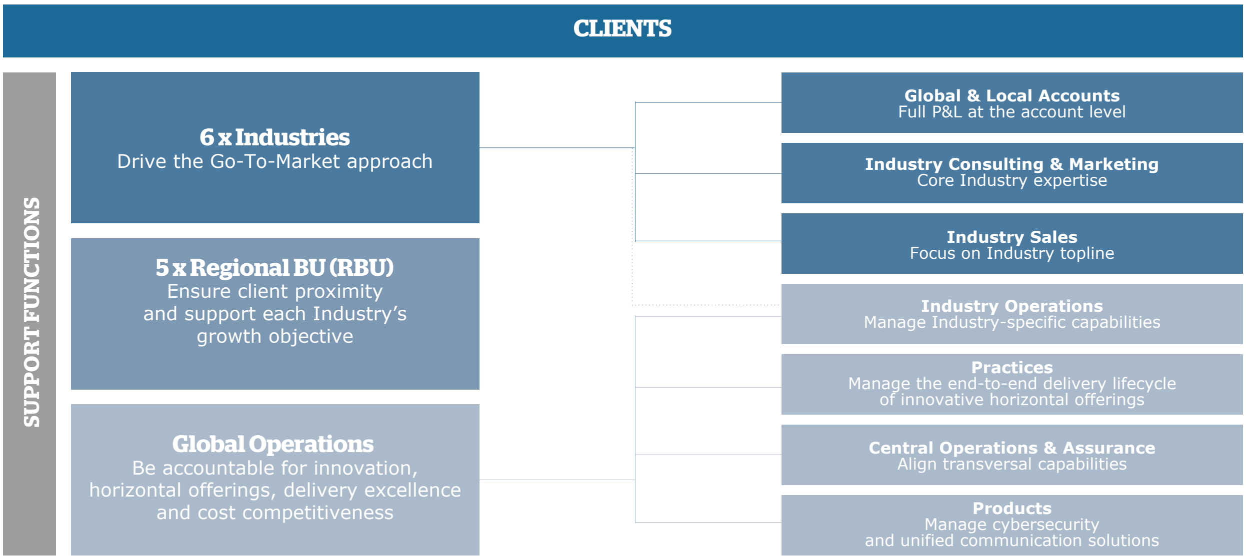
- **Manufacturing:** digital factory, IoT/edge, next generation R&D **to shift from products towards experiences;**
- **Financial Services & Insurance:** new operating models, legacy modernization and open platforms **to digitalize customer experience and operations;**
- **Public Sector & Defense:** process modernization, next generation citizen services, trust & compliance **to realize the promises of e-states;**
- **Telecom, Media & Technology:** virtualization (NFV), next generation platforms (BSS, OSS), 5G and advanced analytics **to offer hyper-customization and secure hyperscale;**
- **Resources & Services:** smart services, smart grid and customer experience **to move business critical to digital and decarbonized;**
- **Healthcare & Life Sciences:** digital care chain, real-time care, rapid innovation cycle and genomics **to pave the way to precision medicine.**

To support Industries in driving the go-to-market approach, the Atos operating model is anchored in two other dimensions:

- **5 Regional Business Units,** ensuring client proximity and supporting growth objectives in each Industry;
- **Global Operations,** built on strong industry-driven expertise, innovative horizontal portfolio (refer to section 2.3 Horizontal offerings) and accountable for delivery excellence and cost competitiveness:
  - **6 Industry Operations** manage industry-specific delivery capabilities mirroring the verticalized industry setup, are overall accountable for project/service delivery excellence, cost and customer satisfaction. Each hosts a Vertical Competency Center leading R&D, Proof of Concept, testing and designing cutting-edge offerings for customers;
  - **16 Practices/2 Product Divisions** enable development of market-leading horizontal offerings by combining large-scale innovation and vertical specific knowledge, and are responsible for delivery excellence, cost competitiveness and customer satisfaction for projects and services;
  - **6 Central Operations & Assurance** align transversal capabilities across all Industry Operations, Practices and Product Divisions to foster best practice and assure compliance to client requirements.

Through its journey towards an industry-led organization, Atos restates more than ever its commitment to be the partner of choice for its clients in their digital transformation leveraging both industry-driven expertise and large-scale innovation.

ZOOM ON INDUSTRIES, REGIONAL BUSINESS UNITS AND GLOBAL OPERATIONS ORGANIZATIONS



2.1.3 The Atos sales and go-to-market approach

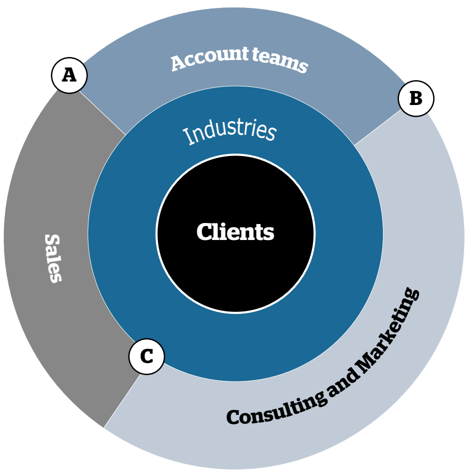
[A12]

Atos has strengthened its customer-centricity through a reinforced go-to-market approach, extending its vertical focus from four markets to six Global Industries and pulling through Atos capabilities, mobilizing people skills and key talents. The Group has developed a comprehensive catalogue of offerings combining industry specific knowledge building on all Atos capabilities.

Each Industry has set up three core teams to drive customer-centricity:

- **account management teams** focused on account business planning, client relationship management and sales targets;
- **Industry consulting and marketing teams** resolving specific challenges of Atos clients at the core;
- a **dedicated sales organization** driving profitable growth and go-to-market excellence.

STRUCTURE OF THE GO-TO-MARKET APPROACH



Customer-centricity is enabled through the following roles which are focused on increasing client intimacy and supporting growth:

- **Client Executive Partners,** acting as "the CEO of each account" managing clients business relationship and growing Atos clients' accounts across the Industry;
- **Client Delivery Executives,** acting as "the COO of each account" to drive service delivery excellence, responsible for contract and project execution and coordination of all key stakeholders including Industry Operations teams and Global Operations Practices/Products teams;
- **Head of Industry Sales,** responsible for profitable growth within the Industry:
  - Industry sales focusing on strategic business development to secure new accounts, retention and renewal of large clients and in collaboration with Client Executive Partners, growth of clients' accounts;
  - dedicated sales specialists focusing on selling and delivering specific product portfolio in collaboration with the Client Executive Partners Industries.
- **Head of Industry Consulting & Marketing:**
  - provides deep Industry knowledge in support of business development, leverages Industry consulting expertise to support sales team and Client Executive Partners in growth of Atos clients' accounts;
  - responsible for the full lifecycle of the Industry solutions portfolio, collaborating with the Global Operations teams promoting the Atos Industry portfolio and its relevance in the Industry.

By adapting its operating model, Atos demonstrates its ambition to speak the same language as its clients when leading them to success in their digital transformation.

2.2 Industry specific offerings

2.2.1 Manufacturing

In Atos, the Manufacturing Industry, supported by its 18,000 experts, serves customers in Automotive, Aerospace, Consumer packaged goods (CPG), Process and Discrete Manufacturing sub-Industries in 55 countries. The biggest challenge today for its customers is the effect of the coronavirus pandemic, although the scale of impact varies by sub-industry: Aerospace, Natural Resources (Pulp & Paper, Wood) and Automotive customers were particularly impacted while CPG customers were more resilient due to a significant switch to online vs in-store purchasing.

Some effects of the pandemic are common to all customers in Manufacturing sub-Industries. The most obvious is the need to equip employees to work more easily and effectively from home, and to enable those employees who must be in the workplace (e.g. factory, warehouse, R&D lab) to work safely.

Decarbonization in Manufacturing

Sustainability is a challenge and a purpose the Industry shares with its customers. It is now essential for its customers to understand their impact today in terms of CO_2 emissions and broader ethical dimensions; to articulate and deliver on programs to improve on today's baseline. Atos is committed to the very highest standards of sustainability in its own business, and has a portfolio of services to help its manufacturing customers to achieve their ambitions.

Manufacturing Expertise and Offerings

Atos is a global leader in the provision of traditional IT services such as infrastructure, applications and security to manufacturing organizations. In addition, the Atos portfolio of services covers the entire manufacturing value chain: R&D, product design and lifecycle management, manufacturing engineering, manufacturing execution, supply chain, sales and marketing, customer services and aftersales. For multinational corporations, each step in the value chain relies on business applications and Atos has the industry, process and technology expertise to support. Increasingly its customers look to connect products, factories, and supply chains to drive innovation in product design, services, production, and supply chain effectiveness. Industrial IoT, data analytics, edge and cloud platforms are central to connected solutions and this area is core to Atos' portfolio strategy in manufacturing.

The manufacturing specific offerings are described at a high level below together with a statement regarding Atos' global capability:

- roadmap: consulting services to define a program of change and business case to meet the digital transformation and sustainability ambitions of manufacturing organizations. Global capability ~ **250 Full-Time Equivalent (FTE);**
- manufacturing data foundation: consulting and implementation services around core manufacturing business applications such as PLM, MES, plant connectivity or WMS. Global capability **~2,800 FTE;**
- smarter factories: consulting and technology services to deploy IoT, AI, edge and cloud technologies to build solutions to improve the performance of the manufacturing value chain. Global capability **~160 FTE;**
- customer centered manufacturing: consulting and technology services to redesign end consumer experience, and provide solutions for consumer engagement, commerce, and after sales support. Global capability **~1,400 FTE;**
- connected products & services: consulting and technology services for connected inventory solutions, connected appliance solutions, and connected vehicle solutions. Global capability ~**270 FTE;**
- sustainability: consulting and technology services to reduce CO_2 emissions in IT, and throughout the manufacturing value chain.

Finally, partners are an essential part of Atos' strategy, portfolio and "Go-To-Market" in manufacturing. Through many years of experience, the Group has cultivated partnerships with the best of breed partners in relation to each portfolio segment listed above. This includes Siemens, SAP, PTC, Google Cloud, Microsoft, AWS, Pega, Salesforce and others with specific expertise in relation to Atos' portfolio.

2.2.2 Financial Services & Insurance

Globally the Industry is present in 44 countries and has over 25,000 experts; that number evolves every year and the Industry recently welcomed over 1,000 new Insurance experts into Atos. These new colleagues are specialist Financial Services & Insurance SMEs (Risk, Claims, Underwriters, Actuaries, Change Specialists, Architects) that Financial Services & Insurance leverage to drive deep digital transformation of its client's customer journeys and underlying business processes. The Industry builds and holds deep long term relationships based upon the complexity of the services it is providing – whether that be operating as a regulated Financial Services Administrator for Life and Pensions or working with a Savings Bank where the Industry manages over € 180 billion funds under management, that is why the top 23 clients represent 67% of its revenue.

2019 was a strong momentum building year for the Industry with some notable key wins. Covid-19 has slowed down that growth rate in H1 2020, but Financial Services & Insurance continued to perform above the market average for the full year.

Over the last few years Atos's Financial Services & Insurance market has been undergoing a transformation. Five years ago, the business was primarily in Europe and most of the revenue came from Banking. Today the business mix is very different. This has been achieved through both organic and inorganic initiatives.

Organically, the Industry has focused on winning market leading deals by providing "Business Outcome" based value propositions. For example, linking its renumeration to business outcomes like net premiums or funds under management and sharing regulatory risk as a value proposition of its business transformation service.

On top of current business, the Industry has invested in several partnerships, acquisitions and divestments. The largest acquisition is Syntel and the most notable divestiture is with Worldline. The results of these strategic initiatives are:

- North America is now the largest geography on a par with Northern Europe;
- its Insurance business has grown in double digits and is now circa 25% of the total Financial Services & Insurance business;
- its revenue mix has also changed significantly over the last five years, from being infrastructure oriented to a healthy mix of around half infrastructure and cloud oriented, with the other half coming from applications, consulting and systems integration.

Market Sub Sectors

Both Banking and Insurance sub sectors are seeing some common themes and requirements coming through. With the shift to digital channels and indeed digital first product design, customer insight is becoming more critical. AI has accelerated the automation of the customer interaction as well as driving more STP (Straight Through Processing) and operational improvements. Cost reduction and security compliance are becoming more prevalent. Covid-19 has accelerated these trends with even contact centers now being operated virtually and remotely bringing new security and compliance requirements.

The Atos mission is to help Financial Services & Insurance organizations to transform customer experience and operations, including focusing on decarbonization, by using digital technology to deliver better outcomes for end users and enabling Financial Services & Insurance organizations to thrive.

This can be done by taking on mission critical operations and transform them such as for NS&I, Aegon, State Street Corporation, or delivering individual innovation projects such as block chain for MiFID II reporting, AI driven marketing campaign selection for Amex, and tie that together with infrastructure and application services through the powerful capabilities of Atos and Atos|Syntel.

Decarbonization in Financial Services & Insurance

The focus on decarbonization is happening on two levels. Firstly, regulation is now driving sustainable finance. For example, the European Green deal objective to be the first climate neutral continent by 2050. There is an estimated € 180 billion annual funding gap to achieve this objective and it cannot be done by public sector alone. As part of the Green Deal, the European Green Deal Investment Plan aims to mobilize at least € 1 trillion of sustainable investments over the next decade. Secondly, the digitalization of customer experience and operations removes physical infrastructure such as buildings and reduces travel and paper consumption greening the Industry.

Financial Services & Insurance Expertise and Offerings

- **280+ clients** around the world that trust Atos to deliver value. The Industry works with some of the biggest names including 15 of the top 20 banks and 11 of the top 15 insurers in the world. Further, Atos is one of the largest third-party Capital Markets service providers;
- With **25,000 experts** including 10,000 in Retail Banking, 5,000 in Capital Markets and 10,000 in Insurance, and the Industry actively develops, maintains and runs business-critical Financial Services environments, covering millions of end customers;
- Atos invests in **its own Financial Services' IP** including 20+ accelerators and platforms, such as:
  - Atos SyntBots, a next-generation AI automation Platform;
  - Exit Legacy powered by Atos SyntBots for faster, cheaper, and lower-risk legacy transformation;
  - PSD2 enablers;
  - Atos ATOM for an Intelligent Digital Platform to develop smart applications with built-in intelligence and automation;
  - Centers of Excellence in Europe, UK, US and India.
- the **Scientific Community of industry thought leaders** contributes to Industry understanding about the impact of emerging technologies like quantum computing, AI and IoT. Through its thought leadership and research initiatives, it shares its vision and innovative thinking;
- **co-innovation is at the heart of everything the Industry does** so it can generate ideas and develop platforms, like:
  - its blockchain-based MiFID II reporting tool for UK fund managers;
  - its ready-to-go payment platform that combines High Performance Computing with voice AI to automate operations;
  - its support for Retail Loans Transformation and the shift to Open Banking.
- the **Atos FinTech Engagement Program** accelerates joint go-to-market propositions between banks, insurers and pre-vetted FinTechs, such as:
  - Know Your Customer (KYC) compliant onboarding and AI-based card fraud prevention tool that includes ID card, biometric and social media verification with Hooyu;
  - Customer Experience & chatbot platform "My Financial Pal 2.0", which allows customers to choose leading-edge personal financial management (PFM) services on any device with Backbase;
  - hyper-agile banking platform for lending and deposits based on cloud architecture, which dynamically creates products to build revenues from new market segments with Mambu;
  - a group of five thought leaders focusing on five FinTech research topics from the FINDER ("Fostering Innovation Networks in a Digital Era") program – this is the PhD program that gives Atos access to cutting edge research on collaborative FinTech Networks.

2.2.3 Public Sector & Defense

Public Sector & Defense markets need to lead the way in digital transformation as the global community struggles with major externalities such as the Covid-19 pandemic and climate change.

Two thirds of voting citizens are from generations Y and Z. These digital natives expect digital public services to tick all the boxes that they consider the new normal. They expect the same level of user experience from public service than from commercial businesses. Many governments, local authorities and other public organizations have started to invest and are questioning their role, organizations and processes.

In our hyperconnected world, data is core to public strategies and public action and demonstrates the level of change ongoing:

- by 2022, analysts estimate that 65% of national governments will have deployed open data platforms;
- citizen centric digital design can lead to efficiency gains of up to 50%;
- by 2023, 50% of public service employees will be in roles which do not exist today;
- budgets for digital transformation in the Defense sector will grow above a third by 2026.

Such changes need to be planned and accompanied with the right level of expertise and experience. New digital infrastructures, data platforms and data sources will require additional and renewed compliance and security. Each will need to reflect the regulations of different public authorities (e.g. connected territories, e-administration, education, health and social benefits, border control, public safety).

As the European leader in high performance computing, artificial intelligence, cybersecurity and smart defense, Atos is in a unique position to drive the digital change countries and communities demand.

Public Sector & Defense vision: enable the data value chain of public decision and action

Atos Public Sector & Defense ambition is to help its customers to solve six major digital challenges they are facing:

- create the digital experience young citizen, voters and taxpayers demand;
- translate public actions into measurable, visible objectives and achievements, with priority on sustainability and decarbonization;
- deliver the platforms and services for representatives & institutions to digitally connect with the people, while fighting digital disorders and information manipulation;
- protect the digital assets of institutions and the people digital information, in the same way states protect their physical assets, territories and population;
- support public authorities into finding the right balance between digital surveillance and freedom, when population wants both;
- deploy digital and information tools to detect and react timely to global & rapidly spreading crises.

Public Sector & Defense Expertise and Offerings

Atos has the skills and resources to design, build and run the complex architectures enabling the production, analysis, communication and protection of the data its customers need, from local communities to governments and international organizations.

Atos Public Sector & Defense expertise leverages the experience of over 10,000 business technologists, supporting customers from consulting to delivery and operations.

With this ambition in mind and the wish to support its customers Atos has become a founding member of GAIA-X. The European initiative to provide a cloud-based data infrastructure, which reflects the rules and regulations of European institutions and countries with regards to data privacy, data security and data protection. This is a major initiative in data sovereignty.

Atos is also a major contributor to the EuroHPC program, which aims at building European strategic capabilities for future high performance computing capacities. This will ensure EU digital independence while preparing for the Exascale disruption, i.e. when computing platforms will grow from the capability of today's millions of billions of operations per second (the Petascale) to a billion of billion.

The Public Sector & Defense Industry has migrated over 190 public organizations to the cloud and is serving its customers across all five continents, in 50 countries. Its partners include all the major players in the market, spanning main cloud hyperscalers with Google Cloud, Microsoft Azure and Amazon Web Services; software companies such as Oracle or Red Hat; hardware companies, in particular Dell Technologies and more. The Industry partners ecosystem is enriched by the participation of foundations and organizations, such as FIWARE for smart cities and connected solution, which are open source platform leaders for their respective domains. Atos is also a member of the International Data Spaces Association which has developed a data architecture which allows its users to maintain ownership of the data and which is also part of the GAIA-X initiative.

2.2.4 Telecom, Media & Technology

The Telecom, Media & Technology sector is at the fulcrum of rapid technological convergence that will impact every other sector. Advances in AI are already transforming possibilities for ever more predictive, adaptive and pre-emptive operations and more personalized interactions and customers experiences. Now the advent of 5G, which will enable an explosion in the use of data and sensors via IoT, will be a critical driver and opportunity for all Telecom, Media & Technology players. The growth prospects for 5G in enterprises are enormous, with global 5G business mobile subscription count set to rise to 175 million at end of 2024, up from 500,000 at end-2019[1]. In the light of this, a wave of major investment by telcos in networks as their core assets is therefore expected by 2025. At the same time, the move to cloud continues, driven by the critical need for businesses to virtualize and containerize their infrastructures to increase agility and speed to innovate while driving down costs. Edge computing technologies, enabled by 5G, are also evolving fast. The edge market is headed for strong growth over the next few years. For example, global revenue for edge devices and edge networks deployed for AI is set to reach $ 827.6 billion in 2025[1]. This will shape the evolution of cloud: currently 80% of all cloud data is processed centrally and 20% on-premise or close to the end customer; by 2025, 80% of all cloud compute will take place at the edge.

As a result of the convergence of 5G, IoT, cloud and edge computing, the most significant infrastructure investments by telcos, hyperscalers (Google, Microsoft, Amazon, Microsoft) and traditional infrastructure vendors will be at the edge. Merging between TMT sub-sectors has already started: retail giant, Amazon, has become a cloud service and also a media content provider; telco leaders such AT&T have become IT providers selling cloud and cybersecurity services as well as media and content providers. Telcos are now embracing opportunities to diversify and monetize 5G, for example offering new services to customers, such as IP TV. AI and Customer Engagement will see a strong increase in investment in 2021. 58% of service providers will increase spend in AI tools in 2021 and 53% will increase spend on customer engagement[1]. In the Media & Entertainment sub-sector, traditional companies are competing with OTT players as value shifts to platforms and technologies converge with the move to IP protocols. All are competing for advertising revenues together with the mindshare of an audience with expectations of ever richer, more individually personalized, diverse, mobile and connected experiences.

The effects of Covid-19 have been mixed across the Telecom, Media & Technology sector: while traditional media companies have seen challenges around revenue, OTT streamers have grown their subscribers and footprint; the telecoms sector has had mixed fortunes but remains broadly resilient. Most segments of the TMT sector are predicted to regain elements of revenue generation[2]. Covid-19 has accelerated digital transformation; 81%[3] of media enterprises 83%[4] of telecoms enterprises regard digital transformation as even more important than pre-Covid-19. Telecom and media & entertainment[3] enterprises are focusing on building operational resilience and increasing their emphasis on decoupling business and transaction volumes from numbers of operational personnel. Operational transformation through digitalization and automation continues, with the drive to self-service.

1 5G and beyond: Connecting the dots at MWC20, Omdia, (2020, https://pages.ovum.informa.com/MWC2020-5G-report).
2 How Media and Entertainment CIOs Can Successfully Address Pandemic-Triggered Disruptions, Gartner, 2020.
3 The Impact of Covid-19 on the Media Sector, Nelson Hall, août 2020.
4 The Impact of Covid-19 on Telecoms Enterprises, Nelson Hall, août 2020.

Telecom, Media & Technology Expertise and Offerings

Atos provides bridge for Telecom, Media & Technology customers between strong, flexible and agile infrastructures through advanced hybrid cloud services and partner ecosystem, and the ability to leverage data to deliver ever richer, more personalized customer experiences and content. By delivering all the components of the infrastructure of the future, Atos is uniquely positioned to support and enable customers in the Telecom, Media & Technology sector to embrace the opportunities and challenges of technological advance and convergence. Atos combines its transformation offerings with expertise and capabilities in edge computing, next-generation networks, cybersecurity and data sovereignty. Atos has invested significantly in both media function virtualization and network function virtualization; these two fields of expertise represent the meeting point of media and telecommunications for on-demand and mobile delivery.

Atos is positioned for the 5G investment cycle over the next five years, and to enable customers across the Telecom, Media & Technology sector to play a new role in the digital economy. For example:

- in the Telecoms market, Atos has worked with leading national telcos to offer white-label B2B services –in Italy with a contact center offering that enables remote working scale and in Croatia with an IoT platform that will accelerate opportunities of 5G for its business customers across sectors;
- in the Media & Entertainment sub-sector, Atos has enabled an Italian national broadcasting to better understand, predict and meet individual viewers' likes and preferences with an authentication and content customization and recommendation platform; and Atos has enabled a major media company and theme park operator to improve customer satisfaction, operational resilience and cost-efficiency by using analytics gathered from sensors on rides with other data sources to achieve predictive asset maintenance and management;
- in the Technology sub-sector, Atos has broken new ground by working in strategic partnership to enable customers with specialized workloads (Oracle, SAP, VMware) to benefit from flexible, secure and compliant public cloud; this is through a seamless fully managed Bare Metal as a Service.

Atos continues to invest in its unique partner ecosystem, with hyperscalers such as Google, Microsoft and Amazon together with leading provider in customer engagement such as Salesforce, MetaSwitch and Velocity.

Atos solutions for the Telecom, Media & Technology sector encompass: cybersecurity; Secure Decarbonization by Design; and Infrastructure Transformation and Modernization through advanced Hybrid Cloud and Bare Metal as a Service. In addition, Atos' solutions enable customers across the TMT sector to:

- enhance, enrich and personalize experiences and content for audiences, fans and customers through Customer Engagement Platforms, omni-channel strategies, personalized content, digital media and recommendation engines;
- leverage and monetize data through analytics, artificial intelligence and machine learning solutions and data management and intelligence platforms;
- unlock the power of 5G and edge through new ultra-low latency;
- launch applications transformation through deployment of a digital factory and DevOps;
- accelerate B2B business through white-labelled digital solutions and B2B product catalogs;
- make efficiency gains and performance improvements through process automation, supply chain automation and predictive maintenance solutions.

In the Telecoms sub-sector, Atos solutions deliver Next-Generation Telecom Networks; and they enable fixed and mobile telecoms operators to meet the challenges of fixed and mobile convergence, the drive for better customer experiences, cost reduction, new revenue generation and faster time to market. Solutions for Consolidation, Harmonization and Transformation of CRM, BSS, OSS, ERP systems enable telco companies rapidly to drive out the benefits of Mergers & Acquisitions. In the Media & Entertainment sub-sector, Atos solutions enable broadcasters, sports and entertainment companies, publishing companies and digital media companies to compete and engage fans and members in new ways, such as augmented reality, video and gamification post Covid-19, to create new revenue streams and business models, and improve the efficiency and flexibility of their operations. Atos' Broadcast Network Control System (BNCS+) offers broadcaster comprehensive control and monitoring for complex media networks as the digital landscape evolves. In the Technology sub-sector, Atos owns and scales its own technologies including the Atos Bull Sequana S, high performance computing platform, delivering maximum flexibility in terms of interconnect, power, and cooling, and cover the widest possible spectrum of applications, delivering high performance, high-volume transactions in memory and leveraged to deliver Bare Metal as a Service for specialized workloads.

2.2.5 Resources & Services

The Resources & Services Industry is present in 50 countries and has a broad scope that spans across a wide variety of sub-markets: Energy & Utilities, Retail, Transportation & Logistics, supported by 18,000 experts.

The ambition of the Industry is to bring digital solutions for a leaner and sustainable economy, increasing customer intimacy and generating new revenue streams, accelerating the development of competitive networks and boosting operating excellence through infrastructure & asset management.

Energy & Utilities

According to the World Resource Institute in 2020, energy production of all types account for 73% of all greenhouse gas emissions. This serves as a motivator for energy and utility companies to embrace new ways of producing, distributing and ultimately changing the way end users consume energy. Continuous industry disruption has caused energy and utility companies to rely more heavily upon digital technologies to help them to adapt and transform their value chains and to address simultaneously the need for decarbonization.

With 40 years of experience in this sector, Atos is well positioned to help energy and utility companies thrive in this evolving market. As part of its ambition to become the leader in secure and decarbonized digital, Atos delivers solutions that address the entire energy and utilities value chain. It helps clients leverage the power of digital services to reinvent their businesses, deliver innovative services to their customers, and create new business models involving smart grids, smart meters and renewable energy technologies such as wind, solar and hydropower.

Integrating IT and OT to provide proactive and predictive maintenance solutions is part of Atos' DNA. With a diverse array of relevant experience, Atos delivers circa € 800 million per year of services to the energy and utilities sector. Atos Resources & Services Industry has implemented over 300 SCADA systems and provides on-going support for many of these solutions. In addition to its knowledge of the utilities sector, one of Atos' differentiators in the domain of operational & engineering technology services, is the very long-term relationships it has established with its customers. Those special relationship are translated for example through over 30 years contract for the maintenance of critical solutions.

Finally, Resources & Services supports clients along the path to a CO_2-neutral energy supply. Atos delivers carbon emission assessments and works with clients to jointly develop a roadmap to achieve net-zero targets. Renewable energy is critical to decarbonization and sustainability plans, but poses new challenges for transmission and distribution networks. To support this segment, Atos has developed a scalable platform that organizes and coordinates the necessary data exchange between suppliers and network operators to manage impact to the grid.

Retail & Hospitality

The consumer industry, with consumer spending driving approximately 60% of global GDP according to the World Economic Forum in 2020, is experiencing transformative changes that are revitalizing commerce. Todays' consumers expect total choice and omnichannel flexibility anywhere, anytime. They want emotional, effortless and personalized experiences. And they are increasingly concerned with transparency, traceability and sustainability. They want everything now and are no longer ready to wait.

The Covid-19 pandemic further impacted consumer behavior by dramatically reducing disposable income and, in a longer lasting trend, accelerating the adoption of e-commerce to consumer segments that previously preferred to shop offline. With over 6,000 business technologists and 3,000 industry experts serving more than 350 retail and hospitality clients around the world, Atos is well placed to support retailers and hospitality organizations adapt and transform.

Powering the shift from omnichannel to ubiquitous commerce, Atos leverages more than 35 years' experience in this sector to deliver next generation shopping experiences thanks to advances in customer experience, omnichannel and data-driven personalization with partners such as Salesforce, SAP and Worldline. Through a network of partners, including its strategic alliance with Siemens, Atos is reducing cost, and increasing transparency and compliance, and decarbonizing supply and delivery chains thanks to last mile delivery and intelligent supply chain solutions. Finally, Atos is driving innovation and operational efficiencies in retail merchandising with offerings such as pricing and promotion analytics and perpetual inventory management.

Transport & Logistics

Mass tourism, globalization, the evolution of complex just-in-time supply chains, and the rise of e-commerce have all helped the sector grow rapidly. However successive economic crises, followed by Covid-19, are now fundamentally reshaping travel and trade, for example, airline transport almost ground to a holt and retailers and logistics companies accelerated the trend toward shorter supply chains.

Atos is helping over 200 transport and logistics organizations around the world to be more resilient with a constant focus on creating value, reducing cost and decarbonization. The International Transport Forum at the OECD estimate that technological disruptions could reduce passenger transport emissions by 76% and lower freight-related emissions by 44% in 2050. Thanks to a network of over 5,000 business technologists and over 30 years of experience Atos is paving the way to more secure, efficient and sustainable transport and logistic networks.

In the transport market, Atos boosts customer intimacy and generates new revenue streams with 360° customer engagement, digital ticketing and marketplaces. Atos accelerates the development and competitiveness of transport operators with digital fleet and asset management solutions, such as the smart connected vessels solution developed through its strategic alliance with Siemens which delivers fuel savings of up to 5% and a lower carbon footprint. Lastly, Atos improves operational excellence and enables new business models for transport infrastructure.

Thanks to long-lasting relationships with major logistics and postal service operators, Atos is a trusted partner delivering integrated, intelligent, and sustainable operations. Atos enhances client engagement and intimacy and drives competitiveness and agility so that customers can adapt to fluctuating demand, while decarbonizing their networks.

2.2.6 Healthcare & Life Sciences

The global health & life sciences market is being shaken by the Covid-19 pandemic, but let's first understand the challenges that the market faced prior to Covid-19. In healthcare, there was already an insufficient capacity for demand, with a forecast for this to worsen. The population of the over 60s is forecast to double in number over the next 30 years, with the over 80s tripling in the same timeframe. The cost of providing healthcare to the over 80s is currently 5 times more expensive than to someone in their 30s. Current data for western healthcare systems indicates that more than 40% of healthcare budget is spent on the over-60s. So if that cohort is going to double then so is the cost. In evidence of this, approximately one in three of all adults globally suffer from multiple chronic conditions (MCCs) with prevalence of patients with four+ diseases in developed countries projected to almost double between 2015 and 2035. Healthcare expenditures greatly increase, sometimes exponentially, with each additional chronic condition, caused by frequent management via appointments at hospital, increased specialist physician access and when conditions flare up or deteriorate, admission to the urgent care pathway and possible hospital admission. This is compounded by the reality that the prevalence Chronic Conditions are proven to have a direct correlation to socioeconomic status. In short, those demographics or geographies with lower income families have significantly higher prevalence of long term, with the cost of annual care exceeding their ability to afford access to care.

The net effect of the current and forecast state of population health, is a detrimental and unsustainable epidemiological, economic and patient burden which is felt by all stakeholders in the equation – the payers, the providers and the patients. Solving this problem requires to change the way the healthcare is funded, the way it is delivered and the responsibility a patient has over maintaining its own health – transforming to a future state, in which wellness is proactively maintained and illness is diverted. It's a future where all the stakeholders actively participate in a shift away from a system of episodic engagements where patients are treated once they become ill, to one of health care, where we support wellbeing, prevention, and early intervention.

Life sciences faces similar challenges, needing to respond to the ageing population with multiple chronic conditions, but has additional challenges. The rising costs of drug development coupled with having to recoup investments before patents expire is leading to more collaboration with complex ecosystems and supply chains – which in itself brings challenges regarding data integrity and security. Increasingly stringent regulation and compliance adds to the complexities and costs particularly around clinical trials, and the need to conduct them remotely.

The effect of Covid-19 has been to amplify these existing challenges of demand exceeding capacity, as well as to introduce a new set of challenges including the urgent requirement to identify new treatments, vaccines and models of care that allow vulnerable patients to be treated and monitored remotely to avoid face-to-face-contact.

Regarding the impact of Covid-19 a potentially higher human and economic cost is rapidly emerging from the vast quantity of cancelled elective care procedures that occurred during lockdowns to release hospital beds for Covid-19 patients. The cancellation of such procedures has meant that patients with conditions such as cardiovascular disease and cancer have not been able to receive clinical intervention, estimated to cause significant harm for 50% of cases. The net impact is an unprecedented waiting list for elective care procedures and a threat to human life from such conditions which is forecast to exceed that directly associated with diagnosed Covid-19 cases.

Atos sees the world with a sustainable, high-quality global health system where people are empowered to enjoy health and wellbeing. To realize this vision, Atos works together with healthcare providers, payers and life science organizations to enable technology-enabled transformation to a future state that creates a shift from patient treatment to population wellness, both within and increasingly outside of hospital or laboratory settings.

Today more than ever, to combat the challenges caused by Covid-19 and thereafter, there is an increased need for healthcare providers, payers and life sciences organizations to work together – to deliver new models of sustainable value-based, personalized and preventative care. Payments for healthcare provision by payers must have a direct correlation with the outcome, rather than the current fee for service model whereby reward is given regardless; cost must be removed from the system by treating patients with drugs that are known to work for their genome; lastly and of equal importance, all stakeholders in the ecosystem must find ways of managing patients with long-term chronic conditions in out-of-care settings, to enable risk stratification and to identify when clinical intervention is required and when it is not, to reduce inappropriate care episodes and focus available resource on the interventions that have material clinical and economic benefit for all stakeholders, including the patient. Digital technology is a critical enabler of all such change; put another way, it would be impossible without. Data liquidity is the underpinning element of all these strategies. Organizations must first digitize their data and secondly make it available and exchangeable with other organizations in the ecosystem. To support the reliance of life critical clinical processes on digital ways of working, it is first essential that appropriate digital "foundations" are built for all organizations, to provision underpin such systems with high availability, robust infrastructure and help services for staff and patients. Once these two steps have been made – a robust digital foundation on top of which can be built end-to-end digitization of processes with standardized and normalized data, then and only then can organizations begin to collaborate effectively to utilise and share data both within and outside of their organization, to then in turn transform the care models and pathways.

The concepts of "self-service" and "user-centered design" are ones that have been leveraged in the digital transformation of many business sectors in recent years, enabling consumers to engage seamlessly with company brands, no matter the time of day or location, creating improved customer experience and loyalty, at a lower cost of service. Atos approach will enable this critical shift from reactive episodic care focused on treating illness, where the burden of care is on the system, to a new paradigm of patient centric care, where people are empowered by technology to manage their health and conditions – delivering improved wellness, improved clinical outcomes, lower demand for services, lower cost of care and improved citizen experience.

As a digital systems integrator, Atos is ideally positioned to engage with all organizations in the ecosystem, both individually and collectively, to design, deploy and manage the required new digital systems and services. Owing to its end-to-end capability in consulting, change management, IT infrastructure, digital platforms, IoT, AI, automation and consulting, underwritten by its class leading cybersecurity services, Atos will create the foundations, digitize and integrate the data and then transform the ecosystem. In an integrated care system, the key components of patient-centric services cannot operate in isolation; just like the body, it's all connected, and a holistic approach is needed. Atos will be the lynchpin of the Healthcare & Life Sciences ecosystem of tomorrow, enabling holistic, effective, accelerated and safe digital transformation to new models of sustainable, value-based, personalized and preventative care.

Healthcare & Life Sciences Expertise and Offerings

The dedicated global Healthcare & Life Sciences Industry provides unparalleled global expertise, experience and industry specific offerings to its clients in 46 countries, supported by 12,000 experts.

Its 250 strong consulting team enables Healthcare & Life Sciences to lead strategic C-suite conversations with its clients to help them navigate the range of challenges they face today; work with them to develop business cases; design roadmaps for digitally enabled transformation; bring them Atos industry-specific solutions which will help them create value.

In the Healthcare Provider market, the Industry delivers IT outsourcing and managed services which lay the foundation for the real-time care delivery through EHR (Electronic Health Record) and business platforms. In turn, the investment in digital helps drive Telehealth and Virtual Care Solutions to improve physician and patient experience and have become increasingly important now. We are moving from Population Health to Personal Health to Precision Medicine and integrating genomics into care with Atos OMICS solution.

In the Healthcare Payer market, the Industry supports its clients in shifting from traditional claims and insurance players to becoming true digital gateways to the healthcare and wellness ecosystem. Similar to the Provider Market, Atos promotes the building of sound, cost effective digital foundations and set up a data driven organization to drive business outcomes and promote business reinvention that result in lower cost of care, higher quality of care, and improved consumer/member engagement, thus promoting member wellness through targeted interventions.

In the Life Sciences market, Atos is engaged in every stage of the process to bring new drugs to the market. Accelerating the research and pre-clinical phases; ensuring regulatory compliance in clinical trials; and maximizing efficiency in the manufacturing phase.

To support its world class portfolio offering, Atos is committed to develop and maintain the most diverse and valuable partner ecosystem in healthcare. This is of particular importance given Atos belief in a holistic ecosystem approach to transformation, as well as its vendor neutral strategy which will empower its ability to create integrated data platforms and infrastructure that will underpin connected care systems. Atos Healthcare & Life Sciences ecosystem comprises multinational alliances such as Microsoft, Dell & Siemens, as well market specialists such as Cerner, Epic, Medidata, Teladoc & Huma.

2.3 Horizontal offerings

2.3.1 Atos OneCloud

Organizations today face immense challenges including customer demand for competitive agility, increasingly virtual customer interactions, and a social imperative to shrink the carbon footprint. The economy of goods monetization will progressively be replaced by the economy of data monetization. This inevitable trend accelerated digitalization, data center consolidation, migration to cloud and triggered the emergence of new regulations related to data storage and privacy. The next decade will be marked by a drive toward the public cloud. As consumption becomes more and more personalized in real time and following the emergence of 5G, data will be processed closer to the source at the edge or even far edge of cloud networks.

However, most large organizations were not built in the cloud, which means they will be operating a hybrid technology suite for years to come. To win, business and technology leaders must embrace change and innovation in the face of organizational inertia that is often disguised as risk, technology, or budget concerns. Cloud-centric companies that overcome this resistance will become more digital, innovative, data-driven, and socially responsible and will then generate huge opportunities.

In anticipation of this shift, Atos has invested in various capabilities that are now combined in a unique cloud forward program. Enterprise digital architectures evolve towards hybrid cloud, mixing private data centers, edge computing nodes, and public cloud combined with bare metal services. Atos is uniquely positioned to support customers as the world leader in operating hybrid and multi-technology application platforms. Its deep expertise in applications, data, security, and infrastructure is rooted in real-world experience, designing and managing applications for thousands of customers and operating over 50 data centers around the world.

Supported by a dedicated c. € 2 billion investment over the next five years, **Atos OneCloud** guides organizations on their journey to becoming cloud forward, customer-centric, and future ready, reaping benefits from modern application services.

The program combines the unique capabilities of Atos in a powerful cloud offering, including:

- application modernization skills for the most challenging application environments;
- a global DevSecOps approach at scale, using a distributed digital factory center of excellence;
- multi cloud orchestration tools, hybrid cloud automation and cloud FinOps capabilities;
- AI/ML expertise, supported by migration capabilities towards cloud native databases;
- world-class leadership in data center outsourcing and digital hybrid cloud managed services;
- unique solutions in high performance computing and cloud edge computing, combined with secure 5G networks;
- a unique bare metal capability, deeply integrated in many public cloud platforms;
- understanding of future European cloud regulations as one of the Gaia-X founding partners;
- focus on measurable and continuous decarbonization of digital platforms;
- Atos talent, carrying 10.000+ digital certifications, providing a deep pool of expertise;
- partnerships with all major cloud providers, both private and public;
- cyber protection through a full set of cloud native compliance and security features;
- business-focused, results-oriented consultancy, from industry experts.

Atos OneCloud Offer

Atos recognizes most businesses today will require a hybrid cloud approach for years to come. To acknowledge and deal with this reality, **Atos OneCloud** blends cloud advisory consulting, application transformation expertise, prebuilt cloud accelerators, and innovative talents in an end-to-end set of services to help clients navigate and accelerate their cloud journey securely. Through the **Atos OneCloud** program, Atos co-invests with clients who want to become more cloud forward, customer-centric, and future ready. Atos and its clients co-develop **Your OneCloud Journey,** a customized cloud business case, an industry specific cloud reference architecture and a roadmap for applications, data, and infrastructure modernization. Atos works with customers to develop new cloud use-cases and to lower any cost of migration towards cloud. Equally important, Atos stands behind the plan with the ability to execute from end to end. **Atos OneCloud** transforms and modernizes enterprise applications to be agile, mobile, rooted in analytics, and built in the cloud. From on-premises to private cloud and public cloud.

Customer benefits

The end result for customers from an **Atos OneCloud** engagement will be a future state-of-the-art digital footprint optimized across on-premises, private cloud, and public cloud platforms, customized to fit the client's unique business needs including:

- results-focused roadmap to become more cloud forward;
- innovative digital hybrid cloud approach suited to large scale enterprise;
- speed to market through the use of prebuilt technology tools;
- increased agility to continuously prioritize high value change;
- ROI driven investment that avoids expensive one-time costs;
- assurance that your data and systems are safe;
- reduced carbon footprint.

Atos' conviction is that its customers will be simultaneously in and out of the cloud for years to come, as not all workloads are right for the cloud. Atos is committed to supporting its customers with pragmatic steps, and brings a full toolbox and deep expertise.

Cloud partnerships

Atos OneCloud is delivered by Atos in close collaboration with a world-class partner ecosystem including Google Cloud, Amazon Web Services, Microsoft Azure, SAP, Dell –VMware and IBM –Red Hat. The eco system is built to allow customers to implement new technologies at speed and to reduce implementation risks. All partners actively support the **Atos OneCloud** initiative and are ready to deliver their market leading cloud technology and business solutions. Customers will benefit from the close integration of these leading cloud capabilities. By bringing together the world's leading cloud providers, Atos is able to design and integrate a cloud business platform capable of delivering any business challenge. Our ecosystem of **Atos OneCloud** partners is fully committed to actively contributing to decreasing the required upfront investments and to bring solutions to train IT staff to make optimal use of the new technologies.

2.3.2 Business critical applications

Business-critical applications are increasingly crucial to the success of Atos customers.

Sometimes also referred to as mission-critical applications having consequences on the overall business of a company, they have been part of our customer's digital landscape for many years. Indeed, applications such as ATM management in Financial Services, ERP in Manufacturing or reservation systems for airlines are good examples of business-critical applications that have been around for a long time.

Put simply, a business-critical application is an application in which failure to perform may result in financial loss, legal exposure, customer dissatisfaction, company reputation impact or important loss in productivity.

This criticality is, of course, specific to each customer and to each business. For example, a real-time vehicle tracking system will be business-critical or even mission-critical for a first-responder ambulance service and less critical in public transportation. However, trends and repeatable patterns are seen across the industries covered by Atos.

Managing business-critical applications has always been an important responsibility for digital organizations, most often associated with avoidance of downtime and therefore implementation of techniques such as software and hardware fault-tolerance or disaster recovery planning.

Today, with the Internet as an ubiquitous vehicle to conduct business (along with associated technologies such as mobile, artificial intelligence or Internet of Things) business-critical applications have taken further importance and, beyond reliability which remains a major attribute, new requirements such as predictable performance or widespread access across a vast number of devices have become equally important.

Beyond the air traffic management and reservation systems of yesterday, whose criticality has not diminished, many new applications have joined the business-critical segment.

In telecom, increasing the number of customers and keeping them is critical, therefore mastering all the customer contract activation processes is a business-critical application.

In insurance, innovations such as pay-as-you-drive enable behavioral insurance contracts as a new way to capture clients and improve their experience.

One of the key contributing market segments to the development of business-critical applications, the commercial IoT market is expected to increase from $ 385 billion in 2019 to $ 687 billion in 2025, a CAGR of 10.1% (source: Technology Business Research, 2020).

Supporting today's new breed of business-critical applications requires several key capabilities.

One of the most important requirements is an ability to constantly monitor the behavior of the business service, so that corrective or proactive action may be taken.

This is something that is increasingly difficult to do as applications frequently involve a complex combination of distributed front and back-end services, sometimes operated by third parties. This requires abstracting the IT process in order to monitor the actual business process through the KPIs that are critical to the business.

This is an incremental, partner-like approach closely linked to the digital transformation journey of its customers which Atos executes by bridging its client's application landscape to its strategic monitoring platform. This allows for tracking predictable, normal or abnormal behaviors through powerful machine learning models. This not only enables Atos to give its customers full visibility of business outcomes, but is also a great opportunity for them to imagine new ways of operating and reinventing themselves.

In line with this approach, Atos' strategy is to build end-to-end solutions for innovative business-critical applications.

Its packaged digital IoT offerings allow companies to drive critical business outcomes across several industries. This is based on the concept of a digital twin that provides feedback and insights through simulation and artificial intelligence for continuous process improvement.

Another key contributor is the BullSequana Edge server, which enables Atos to configure and manage digital twins while providing computing capacity close to the data, broadening the scope of the critical business applications. Indeed, by 2025, 75% of enterprise-generated data will be created and processed outside of the data center and cloud infrastructures compared with 10% today (source: Smarter with Gartner, What Edge Computing Means for Infrastructure and Operations, October 3, 2018).

Such end-to-end solutions have enabled a large pharmaceutical company to improve vaccine certification success by 14%, and a large shipping company to record significant fuel consumption savings, increased asset utilization and availability as well as further cost reduction through vessel route optimization and predictive maintenance.

Atos is ideally positioned to address the growing needs for business-critical applications:

- Atos provides its customers with deep understanding of their business processes due to its industry-led structure;
- Atos' end-to-end approach allows it to combine the full set of technologies that are needed to create advanced business-critical applications, including AI/ML, edge, cloud and connectivity;
- Atos focuses on resilience and performance: such applications when deployed at scale need an outstanding performance level, given their criticality, and its track record in managed services combined with the strategic monitoring platform deployed fully address this need;
- Atos provides solutions that are secure by design and address the growing needs for decarbonization, allowing low CO_2 levels to become one of the key business KPIs of business-critical applications;
- Atos' partnership ecosystem plays an essential role in allowing it to source and integrate all necessary components of often complex architectures.

2.3.3 Digital platforms

Digital platform ecosystems are the enablers of digital business value creation and exchange. They establish an environment for trusted networks of suppliers, partners and customers to co-operate and monetize data-driven interactions.

In B2B ecosystems the potential of digital platforms is similar to that for the B2C world, but delivering definable value can be more nuanced. The challenge is to build scale and business value through customer intimacy and alignment but there are many more sensitivities over intellectual property, data ownership, trust and value sharing.

Platform participants may include both collaborators and competitors – each party must be treated fairly. Enterprises typically want contractual guarantees as to how their data will be used, protected and monetized. There are usually specifically tailored limits and conditions placed on any exchange that must be transparently auditable.

Platforms are an enabler for growth and for creating agility and resilience within extended supply chains – critically important attributes for post-pandemic industry recovery.

It is estimated that emerging digital ecosystems could account for more than $ 60 trillion in revenue by 2025 – more than 30% of global corporate revenue (McKinsey). Ecosystem platforms will transform B2B digital engagements with even greater impact than their B2C equivalents.

Atos' ambition is to be the neutral and secure enterprise data platform operator. Its digital platform ecosystem strategy (ApeX) is to help its customers achieve both scale and customer intimacy in their respective emerging digital ecosystems.

Atos' proven track record in running business and technology platform for customers like NS&I and the Olympic Games, shows its ability to rapidly scale up operations on-demand and maintain the security and integrity of operations – key requirements for building trust amongst industry platform participants. Secondly, in an industry context, Atos is seen as a neutral player. This is hugely positive as it is not seen to be competing with industry partners who are looking to engage in new platform ecosystems. Instead, Atos can act as a trusted provider of services relating to the exchange of sensitive and valuable IP. This is an important factor when balancing cooperative and competitive relationships to establish a critical mass of platform participation. Thirdly Atos has a proven record of collaboratively supporting its clients in devising innovative transformation strategies. The regular and on-going program of customer innovation workshops demonstrates Atos' ability to work closely with its clients to deliver positive disruptive digital solutions that will deliver value. As part of this ongoing collaboration Atos engages technology innovators and startups (through its Scaler program) to bring fresh value-add opportunities. Leveraging this kind of approach at an industry ecosystem level is a potent proposition.

2.3.4 Customer experience

Customer experience (CX) is a critical discipline for today's enterprises – spanning every touchpoint along the consumer's journey with their products and services. With every click on a website, swipe on a mobile app, or conversation with a customer service rep, a brand can be well-positioned or diminished.

Digital native companies all share a common success factor: their ability to deliver customer experience in a simple, intuitive and personalized way. Traditional enterprises typically lag in the customer experience arena due to decades of technical debt, legacy processes and a "top-down" approach which limits visibility from a customer viewpoint.

When adding the complexity of embedding and integrating new technology like augmented reality, AI and real-time data, the issues can be compounded.

Atos's ambition is to bring its deep industry knowledge, innovative products and technological prowess to customer experience, enabling clients to unleash the power of digitalization. By using tools such as design thinking, personas and journey mapping, Atos enables clients to create digital experiences tailored to meet the needs of individual end users. It brings experiences to life, with solutions built around:

- technology innovations that leverage Atos IP in high performance computing, edge and AI;
- customer experience services that integrate IoT, data, AI, ML and digital platforms;
- designing customer experience services that meet the needs of people and business.

Atos takes a holistic approach to customer experience, viewing it not as a niche skill or specialized area, but as an integral part of any entreprises' digital transformation journey. Atos delivers customer experience services in three primary areas: digital customer experience design, next-generation customer insight, and end-to-end technology enablement:

- **Digital customer experience design services** are focused on enabling clients to quickly and accurately translate human needs into ideas and proofs of value, in order to build new digital business models and revenue streams;
- **Next generation customer insight** combines our strengths in analytics, behavioral science and visualization technologies to create a personalized experience for end users, with the capability to enable clients to target their products and services to an audience of one;
- Executing any customer experience initiative requires **robust, end-to-end technology solutions** that act as a digital backbone that enable the enterprise to deliver customer experience at scale.

Atos has invested heavily in building its customer experience labs and developing IP-driven solutions that enable the Group to stay ahead of the capability curve and leverage emerging technologies like "no User Interface" and mobile edge computing to develop futuristic customer experience solutions for its clients.

The Group helps clients across a wide range of industries leverage customer experience to:

- build customer advocacy;
- develop new revenue streams from digital channels;
- maximize the ROI from digital technology and platforms to successfully compete with "born digital" companies.

Atos customer experience transformation services have delivered outstanding business value to clients. The Group partnered with NS&I, a state-owned bank in the United Kingdom, to help it transform from a paper-based organization to a customer centric, digital-first bank – shifting 78%[1] of all customer interactions to digital channels and dramatically accelerating time to market for new services.

Atos also built an IoT-based smart home ecosystem for a leading appliance manufacturer to build deeper engagement with customers, gain new insight into consumer behavior and create new revenue streams though its ecosystem of partners.

For a leading US auto parts retailer, Atos created a new digital line of business to serve a new market segment and drive new revenue streams through the digital channel. By modernizing and redesigning a wide range of systems and processes, we generated a 45% increase in order conversion and reduced the client's carbon footprint by optimizing delivery logistics.

The Group also enabled a large US retailer to generate $ 200 million in sales growth over 3 years in the B2B segment, through customer experience and service redesign using customer journeys, personas and interaction design followed by a mobile strategy.

With more and more of our daily lives conducted online and via a variety of connected devices, the Group believes that customer experience represents a huge opportunity. As new technologies enter the customer experience arena, Atos is well positioned to capitalize on its world-class consulting and systems integration expertise to help clients navigate the future evolution of the customer experience.

1 *2020 Analyst Day (Expérience des salariés version anglaise) : https://atos.net/content/investors-documents/2020/investor-day/atos-analyst-day-customer-experience-jppoirault-rkhanna.pdf*

2.3.5 Employee experience

Employee experience is a strategic priority for organizations that recognize the importance of engaged employees to enable top line growth. Today's digital solutions must directly enhance the quality of working life, employee wellbeing and productivity for all employees, working anywhere, as part of an inclusive, accessible and decarbonized way of working.

Atos has established a Digital Employee Experience strategy designed to meet the demands of the new normal, delivering a step change in digital experiences, powered by a combination of innovative digital workplace and Unified Communication & Collaboration services. The result is an optimized workplace that is both attractive for employees, personalized, efficient and cost effective.

In 2020 the pandemic has been a catalyst for global change, with an overnight increase in remote and home working. Based on research of our client base we found that organizations pivoted from circa 10% of employees working remotely before the crisis to greater than 90% working remotely in just a matter of days. As organizations and people adjust to the new normal Atos expects remote and home working to be part of the future “DNA” of how work is done, with 40% the future norm, depending on industry and location.

Overnight, organizations have had to rethink the way their employees securely connect, collaborate, communicate and access corporate applications and data. Atos has helped many organizations deploy emergency solutions that have allowed them to pivot to remote work rapidly. Atos has helped with advisory and consulting services in order to define strategic programs essential to accelerate the transformation of the workplace, with the major focus on the overall employee experience, wellbeing and productivity, wherever people are working.

As enterprise organizations shift their thinking towards digital employee experience and respond to the demands of the 'new normal', Atos has invested in adapting its portfolio of services with the creation of a Digital Experience Platform, designed to deliver core employee experience service components:

- Communication & Collaboration reimagined: enabling inclusive ways of connecting, collaborating and communicating, accelerating user adoption with organization change management combined with a focus on user adoption at scale of new more productive ways of working;
- Cloud based UCaaS solutions as well as cloud enabling contact centers: transform voice platforms, enable video conferencing and reimagine the workplace and meeting room environment;
- Intelligent Care Center: changing the way end users are supported, leveraging AI, sentiment and cloud based technologies to deliver a personalized, omnichannel, support experience that enhances the way users are cared for and kept productive;
- Atos Proactive Experience Centers: using data to transform the way customers are supported with modern service models underpinned by Experience Level Agreements (XLAs) and outcome-based contracts, that better reflect user experience than traditional IT measurements;
- Secure Modern Workplace: enabling users to work securely from anywhere, embedding zero trust solutions and modern, cloud-based solutions, removing dependencies on legacy and on-premises infrastructure;
- employee experience and wellbeing services: simplify the ways people work, everyday experiences and user journeys (e.g. onboarding), resulting in measurable productivity improvement, whilst focusing on employee wellbeing and health;
- decarbonized workplace experiences: helping organizations reduce the carbon impact of workstyles and technology, reducing the impact of the workplace technology specifically as well as changing the way people work, reducing each and every employee's carbon footprint.

Atos is strongly positioned to help organizations embrace employee experience as the new normal, reflecting on the new requirements for the future as a result of the unprecedented events of 2020. As a global leader in digital workplace services, at the forefront of technology innovation, with service excellence delivered at global scale, Atos has built the required capabilities to support the needs of its enterprise customers:

- investment in Employee Experience and Digital Workplace Services offerings, that deliver standardized end to end capabilities to support the complete Employee Experience lifecycle;
- over 15,000 experts in Digital Workplace and Employee Experience services globally ready to support customers wherever they are on their journey, from advisory and consulting, design and implementation to managed services and support. This includes specialist skills and expertise in inclusion and accessibility as a core component of Atos' employee experience capabilities;

- an ecosystem of partners that contribute to the Atos' Digital Employee Experience platform, including Microsoft, Google, Dell, VMWare, Nexthink and importantly for collaboration and communication, strategic partnerships with Ring Central and Nice InContact;
- Industry specific offerings, that focus on transforming the way employees work in specific work environments, starting with industry specific design thinking, personas, and journey mapping. Atos is already accelerating in this area with focus on creation of specific business solutions for customers, examples include: supporting frontline workers in manufacturing and providing specific collaboration solutions for healthcare professionals.

Digital Workplace and Employee Experience services should represent a growth area for the next 3-5 years and has become a strategic priority for almost all organizations. Atos is perfectly placed to capitalize on this opportunity, transitioning from its current position of Digital Workplace leader to the remote leader in Employee Experience, a clear strategic priority and growth driver.

2.3.6 Digital security

Ensuring digital resilience in the real world

Resilience is an increasing challenge for public and private organizations, the systems they rely on and the societies they belong to. In 2020, the Covid-19 pandemic impacted every person and organization in their private and professional life. For many organizations, this proved to be a "perfect storm". When disasters target people and infrastructure, traditional "nines" calculations become obsolete. Lack of resilience has a disastrous effect on coordination and responsiveness, preventing the accomplishment of critical missions. This is compounded by opportunistic attacks –phishing attacks rose by 350%[1] since the beginning of the year. Even bedrocks of national cohesion such as defense and public safety were impacted, with emergency call volume rising up to 40%, resulting in a +19% rise in response time in some large cities in the first quarter of 2020.

In addition, the digital landscape is evolving continuously; digital and physical world interlock more and more with smart cities, smart buildings, connected cars, autonomous vehicles. As a result, digital risks are impacting the physical world and we see cyber-physical security incidents (CPS) emerging. According to Gartner, 75% of CEOs will be held personally responsible and accountable for CPS incidents. In the same report Gartner predicts that the financial impact of CPS attacks resulting in fatalities will reach over $ 50 billion by 2023.

In this context, efficient protection of systems and infrastructures can no longer be viewed solely through a purely "virtual" IT angle. In defense, cybersecurity is both a requirement of connected military systems, and an emerging weapon class, part of multi-arms offensives. Public safety is increasingly digital with coordinated and responsive NG911/NG112 systems. In all industry domains, the explosion of the Internet of Things and connected objects, but also the convergence of the OT and IT worlds, are making the physical/digital distinction increasingly meaningless. In manufacturing, operational technology is now connected, directly or not, to the external network.

Building resilience therefore no longer stops at the activities necessary to protect network and information systems and users of such systems against cyber threats. It needs to go beyond that.

Atos considers that the worldwide sea change calls for the structure and implementation of holistic digital security, based on integrated solutions and large security systems up to these cyber-physical challenges.

For Atos, digital security means first the activities necessary to protect assets, to safeguard the functioning of our daily lives, through both cyber and physical means, and second at building resilient systems that are essential for the economy, society, and critical infrastructure.

This requires multi-disciplinary teams and solutions that anticipate complex real-life risk scenarios to ensure protection, using advanced technology, skills and industry knowledge.

1 *https://transparencyreport.google.com/safe-browsing/overview*

Digital security trends and challenges

With **digital transformation** increasing within organizations, and an overall growth in the cybersecurity market estimated at 10%, Atos has identified the **following five main growth pillars:**

- managed security services: is expected to grow by 15% between 2020 and 2025;
- IoT security: with the exponential growth of connected objects the IoT security market is expected to grow at 44%;
- Outsourcing Technology (OT) security: with an increasing number of cyber attacks, and adoption of Industrial Internet of Things (IoT) technology, this sector promises to grow dramatically over the next 5 years at about 42%;
- cloud security: as part of digital transformation, all companies have moved or are considering moving to the cloud, the Group still expects a high growth of more than 30% for the adoption of cloud infrastructure in the coming years;
- data security: data protection activity is expected to grow at about 16%. As data is one of the most important assets fora company, ensuring its protection when moving to the cloud or stored on premises is a key concern.

Conversely, organizations in charge of protecting critical assets deploy increasingly elaborate systems, which must have guaranteed resilience and responsiveness. This results in a sharp rise of digital-enabled systems – bringing complexity that can potentially create new vulnerabilities. Purchases by defense organizations of C4ISR systems, which provide situational awareness to deployed forces, are expected to reach $ 119 billion in 2022, with a CAGR of 3.5%[1]. The overhaul of public safety systems, which are undergoing a worldwide next generation renewal, is driving an anticipated homeland security market increase of $ 846 billion in 2025, with a CAGR of 6.3% [2].

Security as a business enabler

In 2019, 69%[3] of CEOs were concerned about cyber resilience, they say that a strong cyber strategy is critical to building trust with key stakeholders, up from 55% in 2018.

71% of CEOs say that their organization sees information security as a strategic function and a source of competitive advantage.

In this context, it is vital for organizations to ensure that digital security is embedded by design in their processes and ways of working and not as an add on.

This will provide organizations a competitive advantage and help them build strong cyber resilience in the long run. To enable this, digital security needs to be developed specifically for the organization answering the business challenges, processes and strategic decisions they may face. This is why a tailored industry-led approach is so vital.

Atos skills and assets

Atos is uniquely able to deliver digital security, based on integrated solutions and large security systems, with a broad portfolio of skills and technologies, already deployed worldwide to protect a vast number of critical assets.

Atos end-to-end security expertise, strengthened by very active R&D in identity and access management, encryption and Internet of Things security as well as an expertise in analytics technologies enables Atos to set up predictive and prescriptive security analytic solutions that are very innovative within the market. For its customers, Atos manages the whole security process, from consulting to operation, and is recognized as a trusted partner of organizations. Indeed it benefits from its own technologies and meets the concerns of security specialists, executive management and business functions. Drawing on its own skills and technologies, and aided by a network of partners, Atos can design and implement complex protection systems, including physical, logical and communications components, deployed over an organization, a region or an entire country.

Unique mastery of cyber protection, via logical and physical means

Atos offer builds around three core value assets to accompany businesses on their journey to thrive in the digital age of security, transparency and trust. Its products complement and integrate with each other to create a comprehensive security platform around three key aspects: identity, access and data. With its Evidian Identity and Access management products and its IDnomic for Digital Identities products Atos ensure integrity and reliability of the identities of people, objects and transactions. Ensuring right people access the right application at the right time and keeping control over identities is key. Evidian helps controlling and simplifying the access to the workplace. Trustway encryption solutions protect company data – one of the most important assets for companies today. All Atos products are developed and manufactured by its own teams located in Europe. With the highest level of certification they are best positioned to ensure protection of the critical assets of the organizations.

1 *https://www.marketsandmarkets.com/Market-Reports/c4isr-market-1315.html*
2 *https://www.marketsandmarkets.com/Market-Reports/homeland-security-emergency-management-market-575.html*
3 *https://assets.kpmg/content/dam/kpmg/lk/pdf/ceo-outlook2019-sl.pdf*

Strong knowledge of the human and physical component of system protection

Recognized by industry analysts as number 1 in Europe in Managed Security Services (MSS) and number 3 in the world, Atos anticipates and responds to cyber attacks on behalf of its customers. Atos also expanded its cybersecurity capabilities in 2020 with the acquisitions of Paladion and digital.security and now have more than 6,000 experts in the world that help organizations to implement and operate constant and efficient security solutions so that they can remain focused on their core business. With 15 security operation centers (SOCs) Atos helps its customers monitor their IT and OT environments while predicting security threats before they may occur.

Experience in delivering full-system protection of people and assets for the most demanding scenarios

Atos delivers technology and systems designed for "extreme" environments of defense, homeland security, utilities and manufacturing. Atos designs and deploys private critical communication infrastructure including next generation 5G systems, which our engineers are deploying wirelessly worldwide. Atos is designing rugged high-tech components for on-board usage, in both civilian and military vehicles. These solutions perform processing and signal analysis for fast reaction in the field. Lastly, Atos designs a range of command and control software for military combat, public safety and intelligence missions.

2.3.7 Decarbonization

The IT for Green market represents a global market of $ 8.7 billion in 2019. The available market size for Atos's decarbonization portfolio represents $ 18 billion ($ 13 billion for IT modernization, digital workplace & cloud transformation; $ 5 billion for smart cities, wind predictive maintenance, fleet resources optimization) and up to $ 23 billion in 2024. The most important drivers in that context are the following:

- unprecedented political initiatives, such as the European Green Deal and the European Recovery Fund post-Covid, driving public investments to decarbonize the economy;
- an acceleration of green regulations, latest example being the EU taxonomy for sustainable activity, to be put into force in 2022, which Atos is already prepared for;
- regulators around the world setting carbon reduction targets, not only at national levels, but geared toward key industries as well, in an effort to meet the emissions reduction goals set out in the Paris Agreement on climate change;
- financial institutions as well as insurers have begun to "green" their portfolios by adopting clean lending targets. In 2020, 373 investment signatories have committed to engage with the world's larger corporate greenhouse gas emitters to improve their climate performance and ensure transparent disclosures of emissions. 161 global companies were identified as producing 80% of the global industrial emissions. 72 of these companies are Atos clients;
- customers across the supply chain want access to low-carbon commodities;
- many in-demand employees want to work for companies that are creating a better future, not those that could be perceived by some as "dirty" or dangerous.

Atos ambition

Atos's ambition is to be the global leader in secure and decarbonized digital. It has developed a market-leading portfolio in this space, which has been fully embraced both internally and with its clients and stakeholders. The recent acquisition of EcoAct, an industry-leading consultancy in the area of decarbonization and offsetting, is accelerating its program by complementing their business view on emission reduction with our digital capabilities. The combination of both exceeds the sum of its parts, bringing new resources, portfolio, go to market opportunities and market differentiation.

Atos skills

- Global Decarbonization Center of Excellence with 140+ climate experts & consultants;
- Atos partners with French multinational energy company, Total, to explore new and more effective pathways to a decarbonized, energy-efficient future using quantum technologies;
- Atos is building its decarbonization ecosystem across its global alliances, scalers (startups) and niche players to support the decarbonization requirements of its customers.

Decarbonization offerings

- Atos Digital Decarbonization Assessment asses its customers current carbon maturity and builds a roadmap to achieve their carbon goals and ambition;
- Atos designs and develops the technology solutions of the future with decarbonization at their core;
- Atos reduces the carbon in its customer's business processes through the market leading consultancy services of EcoAct, an Atos company;
- Atos commits to a Decarbonization Level Agreement in many of its contracts which guarantee a carbon reduction target and/or offsetting;
- Atos offsets the carbon its customers haven't removed from their own operations with global carbon-offsetting/sequestration projects led by the market-leading consultancy, EcoAct, an Atos company.

2.4 Innovation and partnerships

Atos continues to invest heavily in R&D and innovation, anticipating new market trends and developing digital solutions that fulfill clients' and stakeholders' expectations. Atos's position as a global leader in digital services has been reinforced through the acquisition of companies with strong technological mindset and expertise, in particular on cloud, big data, mobility, cybersecurity and more recently, decarbonization. This helps Atos's clients to transform their businesses globally through the use of digital technologies. Atos's R&D spend of circa € 235 million per annum builds market-facing solutions which are developed around eight strategic technologies, driving a portfolio underpinned by 3,000 patents and a unique partner ecosystem.

The Group innovation strategy is driven by the CTO office, supported by two key communities: the Scientific Community, created in 2009, and the Expert Community, created in 2017.

The Scientific Community brings together more than 160 of the best business technologists from all Atos geographies and businesses. With their rich mix of skills and backgrounds, community members work together to anticipate upcoming societal, business and technology disruptions and to craft Atos's vision of the future business and technological challenges that its clients will face. The Scientific Community are the "creators of change" for the Group.

Atos Scientific Community members participate in a wide range of Atos activities:

- crafting the Group's vision for the future of technology in business and anticipating the upcoming trends and technologies that will reshape businesses and society in the years ahead through the publication of its Journey thought leadership report. Journey 2024 – Redefining Enterprise Purpose is the most recent publication in the series available on the Atos website;
- contributing to other Atos thought leadership papers, including the Ascent Magazine, Look Out industry trends report and white papers available on the Atos website;
- mentoring the Atos IT Challenge, an annual competition encouraging the next generation of digital talents from universities across the world; 15 final teams emerged from the 2020 subject on Cooperative Artificial Intelligence, with the winner, PestKillerBot, from Asia Pacific University, Kuala Lumpur submitting a project to eliminate pests in floricultural fields using drones;
- supporting patent creation, participating in innovation workshops with clients and partners, and developing cutting-edge proofs of concept.

The 3-to-5-year vision of the Scientific Community is evolved into a 1-to-3-year technology perspective by the Expert Community, which analyzes the key emerging technologies and develops adoption strategies for both the short and long term. The Expert Community is comprised of more than 2,600 experts across more than 51 countries at four grades of expertise (Expert, Senior Expert, Distinguished Expert and Fellow). All experts belong to a Technology Domain, aligned to the eight Atos Strategic Technologies. The Expert Community develops the expertise, skills and experience of our key experts, providing an environment within which they can learn and collaborate, enabling disruptive innovation across organizational boundaries.

Atos relationships with academia help drive its R&D and its business, with technological advancements that provide societal benefits and commercial opportunities across the industries in which it operates.

These partnerships generate three areas of value:

- increased reputation for Atos in the marketplace through world class academic R&D engagements;
- increased revenue through the development of market-differentiating capabilities and products;
- increased capabilities and expertise through the attraction of new high-quality talent to the Group.

Atos has developed an academic engagement framework to measure and recognize the value of these activities, which include:

- joint research & development aligned to Atos's eight Strategic Technologies;
- PhD students working within Atos teams, applying research topics into practice;
- University Chairs with joint customer funding;
- teaching and other curricula-related activities.

With over 100 engagements worldwide and an increasing geographical footprint, this program is furthering the Group's technology ambitions.

Atos's global portfolio is fueled by its long-term vision detailed in Journey 2024. The SPRING Transformation is creating a portfolio ecosystem combining dedicated and cross industry solutions and products aligned with the eight strategic technologies. Even during the transformation, this approach, with a clear technology vision, has led to concrete innovations being launched and made available to its customers in 2020:

- Quantum annealing enables combinatorial optimization problems to be solved faster than classical algorithms with uses in a wide range of industries such as financial portfolio optimization, planning and logistics navigation, molecular docking and grid management;
- the new Atos Data Sanctuary offering brings trust to Public Cloud, providing a full set of enhanced security features including Identity as a Service (IDaaS) which is providing both multi-tenant capabilities and cloud support to manage identity in public cloud;
- Atos Cognitive Data Center is an autonomous and intelligent data center. It uses real-time weak signal analysis and effective root cause analysis to anticipate potential problems to improve application and infrastructure availability and performance. It receives data from network, storage, servers, applications, cooling and energy consumption. It analyses in real-time all the events, displays predictive graphs, with confidence ratings on potential outages and impacted data center elements;
- Atos has delivered further major cloud innovations, including the launch of a new Digital Cloud Services offering with Google, Microsoft and AWS and extended its collaboration with Google to include services such as Atos DB Hotel and Anthos managed services;

- On launching our decarbonization program, Atos has committed to net-zero carbon emissions by 2035 and 50% reduction in direct control emissions by 2025, setting the highest decarbonization standards for the industry.

Despite Covid-19 restrictions, Atos has continued its institutional and annual events through 2020, celebrating innovation:

- during Atos Technology Days 2020, the 5th such external event held virtually, Atos revealed its vision & strategy; elaborated its technology roadmap, its field applications, specific industry use cases and how to address customers' new transformation challenges in the new economic landscape about to emerge;
- its first internal Innovation Week conference, again held virtually, enabled more than 350 Atos experts to present to their peers on all aspects of innovation from across the Company.

2.4.1 Research & Development

The cornerstone of Atos's innovation strategy is the development of market facing solutions aligned with its eight strategic technologies in its 18 Atos R&D labs across 8 countries, with a decarbonized, ethical and cybersecurity by design approach.

These investments create value for its customers in their digital transformation journey, bringing services and solutions to market that are industry driven, underpinned by focused technology and product solutions.

Its 8 strategic technologies are the following:

- **Advanced Computing:** advanced hardware systems (high performance computing, enterprise, edge) and associated software stack and Quantum program;
- **AI:** artificial intelligence related programs, including AI models, algorithms and Machine Learning;
- **Automation:** design of all tooling automation and the technology to enable IT operations automation;
- **Edge:** design and management of edge devices including IoT sensors and local compute capabilities (hardware, software);
- **Immersive Experience:** solutions that address digital workplace evolution including communication, collaboration and any software enabling human interactions driving the future of work;
- **Hybrid Cloud:** agnostic multi cloud management as well as dedicated solutions with Atos hyperscaler partners;
- **Modern Applications:** encompassing the design, development, deployment and management of "cloud native" applications allowing faster time to market, taking full advantage of cloud-based infrastructures and platforms;
- **Cybersecurity:** technologies enabling E2E threat management in SOC, ID & access management and IT/OT encryption.

The R&D developments are supported by an ecosystem of partners and startups aligned to the eight strategic technologies. A number of Atos's R&D projects are also part of governmental or European initiatives, demonstrating its ability to federate ecosystems and the forward-looking nature of its research topics. The continuous investment in R&D has also enabled Atos to offer the best of its technologies to its clients.

Through R&D investments, Atos creates value for its customers and uses that value together with our technology partners and startup ecosystem.

2.4.2 A unique ecosystem of technological partners

Through SPRING, Atos has strengthened its focus on alliances & partnerships as a key strategic growth lever for the Group.

The 16 Global Alliances Atos has established strategic go-to-market engagements with, represent the highest category of partnership.

Its partnership model is structured along both technology and industry specific axes and underpinned by its Regional Business Units.

Its joint go-to-market priorities are centered around boosting industry specific solutions as well as enriching its transversal technology offerings.

Atos leverages Alliances & Partners to accelerate value creation for its clients across the three dimensions below:

- **Accelerate the core:** managing high performance growth programs on existing Atos offerings embedding our Alliance & Partner technologies;
- **Enabling incremental growth:** driving incremental growth through new synergistic offerings by using the expertise of our Alliances & Partners.
- **Exploring transformational innovations:** using a more disruptive ecosystem and creating completely new joint differentiated value propositions.

Regardless of the type and nature of partnership, Atos is geared up to effectively accelerate joint growth and value creation across all its offering domains.

2.4.3 Atos Scaler, the accelerator, the value of industry-centric open innovation

Bringing innovation, entrepreneurial spirit, vision, and anticipation of the needs and trends of the digital industry, Scaler accelerates the open innovation between Atos technologists and startups in all industries worldwide. It is about co-creating a new generation of innovative digital solutions and services for clients.

Scaler accelerates a fruitful collaboration between Atos experts and startups' entrepreneurs. It's a win-win relationship. The startups win through accelerated development, access to Atos clients and partners, and brand power and visibility. Scaler wins through a spirit of innovation that inspires agility, creativity and disruption; adds sweet-spot solutions to its portfolio and generates new customer engagements.

Underpinning its industry-by-design, business execution and sustainable decarbonization programs; Atos Scaler is committed to unleashing the value of innovation from concept to industry application with accelerated time to market.

Every year, more than 15 startups will be selected to develop their projects according to specific customer interests and will contribute to enriching Atos offerings. Scaler will be a key asset supporting Atos development and enriching key customer innovation.

Scaler is the latest in a history of innovations that makes us the trusted and decarbonized digital leader.

3

Business Performance & Financial Review

3.1 Operational review

3.1.1 Statutory to constant scope and exchange rates reconciliation

Revenue in Full Year 2020 reached € 11,181 million, -2.3% at constant exchange rates and -3.0% organically. Operating margin reached € 1,002 million, representing 9.0% of revenue, a decrease by -112 basis points at constant scope and exchange rates.

(in € million)	2020	2019	% change
Statutory revenue	11,181	11,588	-3.5%
Exchange rates effect		-145	
revenue at constant exchange rates	**11,181**	**11,443**	**-2.3%**
Scope effect		86	
Exchange rates effect on acquired/disposed perimeters		-0	
Revenue at constant scope and exchange rates	**11,181**	**11,529**	**-3.0%**
Statutory operating margin	1,002	1,190	-15.8%
Scope effect		-7	
Exchange rates effect		-20	
Operating margin at constant scope and exchange rates	**1,002**	**1,163**	**-13.8%**
as % of revenue	*9.0%*	*10.1%*	

The tables below present the effects on Full Year 2019 revenue of acquisitions and disposals, internal transfers, reflecting the Group's new organization, and change in exchange rates.

	FY 2019 revenue				
(in € million)	FY 2019 statutory	Scope effects	Internal transfers	Exchange rates effects*	FY 2019 at constant scope and exchange rates
Manufacturing	2,241	7		-25	2,224
Financial Services & Insurance	2,207	27		-38	2,196
Public Sector & Defense	2,400	2		-14	2,387
Telecom, Media & Technology	1,661	26		-25	1,662
Ressources & Services	1,792	15		-25	1,782
Healthcare & Life Sciences	1,288	8		-18	1,278
TOTAL GROUP	**11,588**	**86**		**-145**	**11,529**
North America	2,725	112	1	-57	2,781
Northern Europe	2,715	-20	30	-28	2,697
Central Europe	2,784	-30	6	3	2,763
Southern Europe	2,447	25	6	0	2,478
Growing Markets	917	-2	-42	-63	810
TOTAL GROUP	**11,588**	**86**		**-145**	**11,529**
Infrastructure & Data Management	6,321	57	4	-81	6,301
Business & Plateform Solutions	4,216	13	-14	-56	4,159
Big Data & Cybersecurity	1,050	15	10	-7	1,068
TOTAL GROUP	**11,588**	**86**		**-145**	**11,529**

* *At FY 2020 exchange rates.*

(in € million)	FY 2019 OPERATING MARGIN FY 2019 statutory	Scope effects	Internal transfers	Exchange rates effects*	FY 2019 at constant scope and exchange rates
Manufacturing	126	-0		-2	124
Financial Services & Insurance	307	1		-10	299
Public Sector & Defense	244	-0		-2	242
Telecom, Media & Technology	142	-8		-2	132
Ressources & Services	205	1		-2	203
Healthcare & Life Sciences	166	0		-2	164
TOTAL GROUP	**1,190**	**-7**		**-20**	**1,163**
North America	343	9	71	-11	412
Northem Europe	253	-5	22	-4	266
Central Europe	209	-8	-1	0	200
Southern Europe	228	-0	-19	0	209
Growing Markets	200	-3	-73	-5	118
Global Structure	-42		0		-42
TOTAL GROUP	**1,190**	**-7**		**-20**	**1,163**
Infrastructure & Data Management	614	-6		-9	599
Business & Plateform Solutions	492	1	-2	-11	481
Big Data & Cybersecurity	149	-2	2	-0	149
Corporate costs	-65				-65
TOTAL GROUP	**1,190**	**-7**		**-20**	**1,163**

* *At FY 2020 exchange rates.*

Scope effects amounted to €+86 million for revenue and €-7 million for operating margin. They are mainly related to:

- the acquisitions consolidated either in Q4 2019 (IDnomic, X-PERION) or in the course of 2020 (Maven Wave, Miner & Kasch, Alia Consulting, Paladion, digital.security, EcoAct, and Edifixio) for a total amount of €+149 million for revenue and €+9 million for operating margin;
- the disposal of some specific Unified Communication & Collaboration activities as well as former ITO activities in the UK at the beginning of H2 2019, and the disposal and decommissioning of non-strategic activities within CVC, for a total amount of €-63 million for revenue and €-16 million for operating margin.

NB:

- Atos announced on December 15, 2020 that it has completed the acquisition of Eagle Creek. The firm will be consolidated into the Group financial statements in Q1 2021. Therefore, no restatement is necessary for FY 2019 revenue and operating margin;
- Atos announced on December 18, 2020 that it has completed the acquisition of SEC Consult. The firm will be consolidated into the Group financial statements in Q1 2021. Therefore, no restatement is necessary for FY 2019 revenue and operating margin;
- the closing of the acquisition of Motiv is expected to take place in 2021. Therefore, no restatement is necessary for FY 2019 revenue and operating margin.

Internal transfers mostly referred to cybersecurity consulting services formerly reported in Business & Platform Solutions and now integrated under Big Data & Cybersecurity since H2 2019, the revenue of a contract previously signed between Worldline and Growing Markets and now signed between Worldline and France (part of Southern Europe) since January 1, 2020, and finally the transfer of contracts realized by Syntel India in Europe and previously reported under Growing Markets.

Currency exchange rate effects negatively contributed to revenue for €-145 million and to operating margin for €-20 million. They mostly came from the depreciation of the US Dollar, the Brazilian Real and the Pound Sterling against the Euro over the period.

3.1.2 Performance by Industry

	Revenue				Operating margin		Operating margin %	
(in € million)	2020	2019*	Organic evolution	Constant Currency evolution	2020	2019*	2020	2019*
Manufacturing	2,010	2,224	-9.6%	-9.3%	67	124	3.3%	5.6%
Financial Services & Insurance	2,116	2,196	-3.6%	-2.5%	261	299	12.3%	13.6%
Public Sector & Defense	2,565	2,387	+7.5%	+7.5%	259	242	10.1%	10.1%
Telecom, Media & Technology	1,574	1,662	-5.3%	-3.7%	134	132	8.5%	7.9%
Resources & Services	1,627	1,782	-8.7%	-7.9%	121	203	7.4%	11.4%
Healthcare & Life Sciences	1,288	1,278	+0.7%	+1.4%	160	164	12.4%	12.8%
TOTAL	**11,181**	**11,529**	**-3.0%**	**-2.3%**	**1,002**	**1,163**	**9.0%**	**10.1%**

* *At constant scope and exchange rates.*

3.1.2.1 Manufacturing

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,010	2,224	-9.6%	-9.3%
Operating margin	67	124		
Operating margin rate	3.3%	5.6%		

* *At constant scope and exchange rates.*

With 18% of the Group **revenue**, Manufacturing reported a revenue of € 2,010 million, representing a decrease by -9.6% organically year-on-year.

The Industry was impacted by a significant decrease of its activity mainly due to Covid-19 in the Automotive, Aerospace and Industrial Services sectors, especially in Southern Europe, in North America, and in Central Europe.

The Industry was also impacted by lower volumes with Siemens, mainly in North America, the base effect of some contracts which ended in 2019 in Northern Europe, and in Southern Europe with some contract terminations.

New business started with a large German automotive manufacturer in the first quarter and increasing activity with some Food & Beverage customers allowed to limit the impact, as well as new Digital Workplace projects in North America.

The share of business realized with the top 10 customers represents 52% of the Manufacturing Industry.

Although strong actions were performed all over the year, the volume reductions led to an **operating margin** at € 67 million, representing 3.3% of revenue, decreasing by 225 basis points.

3.1.2.2 Financial Services & Insurance

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,116	2,196	-3.6%	-2.5%
Operating margin	261	299		
Operating margin rate	12.3%	13.6%		

* *At constant scope and exchange rates.*

Financial Services & Insurance **revenue** was € 2,116 million during the Full Year of 2020, representing 19% of total revenue of the Group. The Industry was down by -3.6% organically compared to 2019 at constant scope and exchange rates. This decrease was driven by a combination of challenges in the Banking customer landscape, as well as in Insurance, accelerated by the effects from the Covid-19 pandemic, while Business Transformation Services were growing.

In North America, several banking institutions decided to continue to reduce project volumes to adjust to the economic context. The Industry was also impacted by the base effect of sales achieved last year and not repeated in 2020.

In Europe, the Industry had to face different strategies from their customers. Several banking institutions in Southern and Central Europe decided to postpone new projects. This trend could not be compensated by the ramp-up of large insurance contract in the United Kingdom.

Growing Markets was impacted by non-repeated product sales performed last year notably in Asia, and also by a ramp-down in Africa.

The top 10 customers of Financial Services & Insurance represented 51% of the Full Year total revenue of the Industry.

Operating margin was € 261 million, representing 12.3% of revenue. Despite lower revenue generation, the Industry benefitted from the strong contribution of Syntel activities and cost synergies, as well as from cost saving actions.

3.1.2.3 Public Sector & Defense

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,565	2,387	+7.5%	+7.5%
Operating margin	259	242		
Operating margin rate	10.1%	10.1%		

* *At constant scope and exchange rates.*

Public Sector & Defense was the largest Industry of the Group with a **revenue** at € 2,565 million representing 23% of the Group revenue, and was up +7.5% at constant scope and exchange rates.

This performance was driven by Northern Europe, led by the continuation of a large Big Data project with a weather forecast institution, higher volumes with European Union Institutions in Cloud solutions, and a strong activity with various governmental agencies.

Central Europe also contributed to this growth, thanks to various projects in Big Data and to the ramp-up of a new project in Germany.

In North America, the Industry grew thanks to the ramp-up of the NG911 project in the State of California, and the development of new projects with the State of Oklahoma.

Despite the impact of the postponement of Tokyo Olympic Games and the end of the Panamerican Games, Growing Markets also grew with deals signed with an African Ministry of Interior and the development of Big Data activities in India.

Revenue in Southern Europe decreased due to the ramp-down of projects and lower level of product sales with several French Ministries and a weather forecast institution. A new Big Data project with an Italian research consortium was launched.

39% of the revenue in this Industry was realized with the top 10 clients.

Operating margin reached € 259 million, representing 10.1% of revenue, stable compare to last year on a like for like basis. The growth of the activity, a better business mix and costs reduction initiatives compensated some commercial and technical investments made to sustain revenue growth.

3.1.2.4 Telecom, Media & Technology

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	1,574	1,662	-5.3%	-3.7%
Operating margin	134	132		
Operating margin rate	8.5%	7.9%		

* *At constant scope and exchange rates.*

Telecom, Media & Technology **revenue** represented 14% of the Group revenue and reached € 1,574 million, decreasing by -5.3% compared to 2019 at constant scope and exchange rates.

High Tech & Engineering declined in Central Europe and in Growing Markets mainly due to volume reductions in Unified Communication & Collaboration, as well as the ramp-down of a multinational telecommunications company. Positive results were recorded in Northern Europe thanks to new logo deals and ramp-ups. In North America, the increase came from Digital Workplace offerings, organic growth of newly acquired Maven Wave and contract ramp-ups.

Media recorded an increase across all the Regional Business Units, with more prominent amounts in North America, Growing Markets and Northern Europe thanks to new business with a US multinational technology company, as well as in Central Europe with a media holding.

Telecom activity was impacted by less product sales, notably with two large German operators and by some volume reductions in Southern Europe. Conversely, smaller positive developments were recorded in Growing Markets and in Southern Europe.

The top 10 clients represented 44% of the total Telecom, Media & Technology revenue.

Operating margin was € 134 million or 8.5% of revenue, an increase by +60 basis points compared to last year at constant scope and exchange rates. Project improvement programs combined to cost reduction measures allowed to compensate the volume reduction impacts.

3.1.2.5 Resources & Services

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	1,627	1,782	-8.7%	-7.9%
Operating margin	121	203		
Operating margin rate	7.4%	11.4%		

* *At constant scope and exchange rates.*

Revenue generated by Resources & Services in the Full Year 2020 reached € 1,627 million representing 15% of the total revenue of the Group. The Industry decreased by -8.7% compared to 2019 with very different trends across its components together with the impact of the Covid-19 Pandemic.

Business with clients in Energy and Utilities sectors fueled the growth. In particular, the sectors increased in North America with a ramp-up of National Grid in Digital Workplace, and in Growing Markets which successfully delivered new Big Data projects in Brazil. In Central Europe, Application projects activity was supported by ramp-ups in mission-critical communications for offshore wind farms and RheinEnergie for the transformation and operation of its digital workplace. In Southern Europe, new volume activity in Italy with new offerings, while some projects with other major European Utilities companies were delayed.

The situation with customers operating in Retail, Transportation and Hospitality sectors was more challenging due to Covid-19. A new large IoT deal was signed with Goli Nutrition in the last quarter in North America.

In Northern Europe, ramp-up of projects with Network Rail to migrate data centers into a new digital private cloud partly mitigated the reduction of volumes with a large UK mail company. In Southern Europe, the increase in volume with SNCF in France compensated for some volume reductions with other customers.

Finally, in Central Europe, additional volumes with several clients partly mitigated the impact of activities stopped with Thomas Cook (insolvency situation) and a more challenging Unified Communication & Collaboration activity.

The top 10 clients represented 40% of the total Resources & Services revenue.

Operating margin reached € 121 million, representing 7.4% of revenue, -395 basis points at constant scope and exchange rates, Despite the drastic cost savings plan initiated as soon as Q2, the margin was strongly impacted by the revenue effect in the sub-Industries that are the most impacted by the pandemic such as Transportation, Hospitality and non-food Retail.

3.1.2.6 Healthcare & Life Sciences

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	1,288	1,278	+0.7%	+1.4%
Operating margin	160	164		
Operating margin rate	12.4%	12.8%		

* At constant scope and exchange rates.

Representing 12% of total revenue of the Group, Healthcare & Life Sciences **revenue** was € 1,288 million, growing by +0.7% compared to 2019 at constant scope and exchange rates.

North America performance was fueled by a significant ramp-up of the Advanced Computing project as well as a ramp-up in the US, although product sales performed last year were not repeated in 2020.

Northern Europe faced a challenging situation and was impacted by volume reductions with some customers and the ramp-down in the United Kingdom.

In Central Europe, the Industry was fueled by the ramp-up of two Digital Workplace contracts with Bayer and a biopharmaceutical company based in Switzerland.

Similarly, the Industry benefited in Southern Europe from a strong activity in Digital projects and Big Data, and the launch of a new contract with a very large European Pharma company, combined with the ramp-up of an Australian Public Agency contract in Growing Markets.

The top 10 main clients represented 61% of the total Healthcare & Life Sciences revenue.

Operating margin was € 160 million, representing 12.4% of revenue and almost at the level of last year on a like for like basis.

3.1.3 Performance by Regional Business Unit

	Revenue				Operating margin		Operating margin %	
(in € million)	2020	2019*	Organic evolution	Constant Currency evolution	2020	2019*	2020	2019*
North America	2,612	2,781	-6.1%	-2.2%	393	412	15.1%	14.8%
Northern Europe	2,717	2,697	+0.7%	+1.1%	226	266	8.3%	9.8%
Central Europe	2,699	2,763	-2.3%	-3.2%	123	200	4.6%	7.2%
Southern Europe	2,339	2,478	-5.6%	-4.4%	182	209	7.8%	8.4%
Growing Markets	814	810	+0.5%	-4.3%	119	118	14.6%	14.6%
Global structures	-	-	-	-	-42	-42	-0.4%	-0.4%
TOTAL	**11,181**	**11,529**	**-3.0%**	**-2.3%**	**1,002**	**1,163**	**9.0%**	**10.1%**

* At constant scope and exchange rates.

3.1.3.1 North America

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,612	2,781	-6.1%	-2.2%
Operating margin	393	412		
Operating margin rate	15.1%	14.8%		

* *At constant scope and exchange rates.*

Revenue reached € 2,612 million, decreasing by -6.1% organically. Revenue organic evolution did not improve in Q4 due to non-repeatable sales last year. The geography faced contrasted situations between its different Industries. The steep economical contraction started in the second quarter with Covid-19 led to lower volumes on time and material activities on some of the Industries compensated by favorable demand, new solutions and new logos on others as the Public Sector and the Telecom, Media & Technology.

Manufacturing declined by -21.8% organically. This was notably coming from scope reduction and volume decrease due to Covid-19 impact as well as both Siemens and a chemical company lower volumes on digital workplace services. The decline is also coming from non-repeated product sales performed at the end of last year. Digital workplace projects launched with a new logo partially compensates the reduction.

Financial Services & Insurance closed the year with a -5.4% decrease. The Industry was impacted by the base effect from an important legacy contract terminated in 2019. The Industry also faced decisions from customers in the banking sector to reduce expenses to external IT partners. First sign of rebound was reported with a growth in Q4, the unit managed to increase volumes and develop new projects with Wells Fargo, Willis Towers Watson and with new logo as an American Financial company and a Canadian insurance company.

Public Sector & Defense achieved a double-digit growth of +13.5%. This performance was due to ramp-up of the NG911 project in California and other US states as well as new digital workplace projects with new logo. The Industry also benefited from increased volumes on sales of Atos developed hardware equipment, which compensated reductions.

Telecom, Media & Technology recorded a solid growth of +4.6% benefitting from additional volumes in digital workplace for various clients and from the ramp-up of projects with new logo in the US. The industry was also fueled by positive contribution from the Cloud services of the new acquisition Maven Wave, and Big Data & Cybersecurity strong performance.

Resources & Services was -20.7% down, mainly due to non-repeated product sales performed last year and to volume reductions in the context of Covid-19.

Healthcare & Life Sciences decreased by -3.0% organically. It was mainly attributable to the non-repeated product sales performed last year and reduced volumes in Healthcare. This was partially compensated by significant ramp-up on advanced computing project developed for an American Insurance company, as well as good performance with Bayer.

Operating margin reached € 393 million, representing 15.1% of revenue. It increased its profitability by +25 basis points compared to last year despite revenue decrease. The profitability improvement was generated by workforce optimization initiatives, strong actions on the cost base, and a positive contribution from Maven Wave acquisition.

3.1.3.2. Northern Europe

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,717	2,697	+0.7%	+1.1%
Operating margin	226	266		
Operating margin rate	8.3%	9.8%		

* At constant scope and exchange rates.

Revenue reached € 2,717 million in FY 2020 in Northern Europe, reporting a slight organic growth of +0.7%, compared to the same period last year at constant scope and exchange rates. This performance resulted from very different situations in the different Industries.

Manufacturing declined organically, essentially impacted by contracts ended in 2019. This was partially offset by new projects in H2 2020, mainly in Edge & Internet of Things.

Financial Services & Insurance faced a challenging situation mainly due to the decrease in project volume in Benelux.

Public Sector & Defense recorded a double-digit growth mainly led by successful deliveries to European Union Institutions, the delivery of Big Data solutions, as well as increased volumes with several governmental institutions across the region. The ramp-up was driven mainly by Cloud solutions, Digital Workplace, Advanced Computing and Infrastructure & Foundation Services.

Telecom, Media & Technology recorded growth in 2020 compared to last year. The strong recovery in H2 2020 was fueled by Cloud services.

Resources & Services decreased organically, mainly due to ramp-down projects with a UK mail company and an airline company in the United Kingdom. This was partially compensated by increased project volumes and a new contract with a US multinational delivery services company, as well as positive ramp-ups in Infrastructure & Foundation Services in the United Kingdom.

Revenue in Healthcare & Life Sciences also decreased organically, mainly driven by ramp-down of Customer Experience projects, Cloud Solutions projects and Vertical Solutions in the United Kingdom. This was to some extent mitigated by new contracts and some ramp-ups of existing contracts.

Operating margin reached € 226 million or +8.3% of revenue, a decrease of -154 basis points compared to last year at constant scope and exchange rates, mainly resulting from decreased volumes in Manufacturing and Healthcare contracts.

3.1.3.3 Central Europe

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,699	2,763	-2.3%	-3.2%
Operating margin	123	200		
Operating margin rate	4.6%	7.2%		

* At constant scope and exchange rates.

Revenue was € 2,699 million, decreasing by -2.3% organically compared to last year at constant scope and exchange rates. A strong performance from Public Sector & Defense and Health & Life Sciences was offset by more challenging situations in other Industries.

Revenue in Manufacturing declined, mainly driven by volume reductions in the German Aerospace sector. The German Automotive sector recorded a recovery due to a ramp-up with Rheinmetall which was enough to offset the volume reductions with large manufacturers. The Food & Beverage sector also recorded growth thanks to Philip Morris and Japan Tobacco.

Financial Services & Insurance was down due to lower sales of products in H1 2020 and Covid-19.

Public Sector & Defense recorded a strong growth mainly led by Big Data sales with a research center in Germany and a new deal with a governmental institution which fully ramped up in H2 2020.

Telecom, Media & Technology decreased compared to last year, coming primarily from volume reductions in most lines of service from large telecom operators and from ramp-down of application management activities with a Nordic telecommunication provider. Volumes were also reduced on legacy Unified Communication & Collaboration mainly due to reduction in stocking orders in the context of Covid-19 Pandemic. The ramp-up of new contracts with a US multinational technology company, a leading software partner and a media holding mitigated this challenging situation.

Resources & Services grew thanks to a strong H2 2020 performance due to Big Data new deals with a global leader in offshore wind energy, a leader in the distribution of electrical equipment, and a German public railway company which remained strong and consistent throughout the year. This was negatively influenced by Thomas Cook's bankruptcy.

Healthcare & Life Sciences also grew with a double-digit growth. This was fueled by the launch of new Digital Workplace contract with Bayer, as well as the ramp-up of the new contracts with a biopharmaceutical company based in Switzerland.

Operating margin reached € 123 million or +4.6% of revenue, -268 basis points compared to last year. The decline came from volume reduction with some large customers not fully compensated in the cost base.

3.1.3.4 Southern Europe

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	2,339	2,478	-5.6%	-4.4%
Operating margin	182	209		
Operating margin rate	7.8%	8.4%		

* *At constant scope and exchange rates.*

Revenue reached € 2,339 million, decreasing by -5.6% organically. While business grew in Healthcare & Life Sciences, the situation was more challenging in Manufacturing and Public Sector & Defense, and Resources & Services.

Manufacturing went down mainly in Automotive, due to the significant impact from the ramp down of a Big Data contract in 2019, the end of the software solution contract with a French multinational tyre manufacturer, and the ramp-down of a large French automotive manufacturer contract. Industrial Services was impacted by non-repeatable product sales, while Aerospace Business remained flat, thanks to Italy with Big Data additional Sales mitigating the reduction of business in France.

Financial Services & Insurance decreased slightly organically due to Insurance, despite the ramp up of a new contract in Italy with an insurance company on Digital Workplace. In Banking and financial services, the activity remained flat, the increase of volume with Worldline in France, with Syntel and a new contract in cloud solution with a bank mitigating the decrease of business with other clients in Iberia.

Public Sector & Defense faced an organic decrease by 8.1% in 2020. This challenging situation came primarly from the termination of a large Big Data project with a weather forecast institution, as well as reduction in volumes in international deals in Big Data & Cybersecurity in France. In the second half, these negative trends were partially mitigated with the ramp-up of a new Big Data contract in Italy.

Telecom, Media & Technology was impacted by a significant business reduction in the Telecom area, with the decision of a customer to reinsource activities, and the impact from non-repeatable Product sales realized in 2019. The activity in High Tech & Engineering and Media remained flat, despite some Growth in Big Data & Cybersecurity with Big Data sales.

Resources & Services was mainly impacted by Retail and Transportation, with less volumes with a French airline company despite a ramp-up in Spain with an Airport Authority company, as well as in Retail, while it maintained dynamism with SNCF through the development of new offerings. Energy & Utilities declined due to less volumes with the main European Utilities.

Healthcare & Life Sciences posted a strong growth in Healthcare with the development of new projects developed with a Pharma leader, as well as high level of activity with several hospitals, and mainly APHP in the frame of the Covid-19 crisis.

Operating margin reached € 182 million, representing 7.8% of revenue, -62 basis points at constant scope and exchange rates. Manufacturing and Telecom, Media & Technology increased their operating margin thanks to cost reduction actions in a context of less activity volumes. The volume reduction in Banking and financial services impacted mainly France and could not be compensated by the increased activity with Worldline. Resources & Services was impacted by Retail and Transportation, with less volumes with a French airline company, and by volume reduction with European Utilities.

3.1.3.5 Growing Markets

(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Revenue	814	810	+0.5%	-4.3%
Operating margin	119	118		
Operating margin rate	14.6%	14.6%		

* At constant scope and exchange rates.

Revenue reached € 814 million in this Regional Business Unit, stable compared to 2019.

Manufacturing reached a single-digit growth, driven by Asia with a ramp-up in Automotive, additional Product Sales, a new SAP Implementation in Process Industries partially offset by the completion of Swire SAP implementation project, and also new business in Product Sales. The volume growth and price increase in Automotive also contributed to the higher activity in South America.

Financial Services & Insurance faced a challenging situation due to volume reductions and non-repeatable Product sales realized in 2019 in Africa and India.

Public Sector & Defense increased, notably in Africa, due to a new contract with Ministries, and another new contract with an Algerian mail operator. India also increased with the development of Big Data activities. This compensated the postponement of the Tokyo Olympic Games to the next year, and also the end of the Panamerican Games last year.

Telecom, Media & Technology went down in High Tech & Engineering in South America in Unified Communication & Collaboration, and with Syntel in India with less Product sales, partly compensated by new projects in the cloud area, and additional volume with MTN.

Revenue in Resources & Services also grew compared to previous year, fueled by the development of Energy and Utilities with Big Data projects in Brazil with a multinational corporation in the Petroleum Industry, as well as a volume increase through fertilization in ENEL. This more than compensated one ramp-down in India. The business declined in Retail and Transportation and Hospitality, in particular in Asia.

Healthcare & Life Sciences achieved a double-digit growth, with the ramp-up of the new customer Western Australia Department of Health in Asia, and also a new project in Pharmaceutical in South America (Bayer).

Operating margin was € 119 million, representing 14.6% of revenue, +4 basis points compared to 2019. The increase in South America coming from cost reductions in Telecom, Media & Technology and India with Big Data activities compensated the impact of the Tokyo Olympic Games postponement.

3.1.3.6 Global Structures

Global structures costs remained stable compared to the full year of 2019, the negative impacts from the Covid-19 Pandemic were offset by the continued internal costs optimization in most of the support functions.

3.1.4 Performance by Division

Continued strong performance recorded in Big Data & Cybersecurity could not compensate for the decrease in Business & Platform Solutions strongly impacted by the Covid-19 pandemic and, to a lesser extent, in Infrastructure & Data Management.

	Revenue			
(in € million)	2020	2019*	Organic evolution	Constant Currency evolution
Infrastructure & Data Management	6,112	6,301	-3.0%	-2.1%
Business & Platform Solutions	3,832	4,159	-7.9%	-7.9%
Big Data & Cybersecurity	1,237	1,068	+15.8%	+18.6%
TOTAL	**11,181**	**11,529**	**-3.0%**	**-2.3%**

* At constant scope and exchange rates.

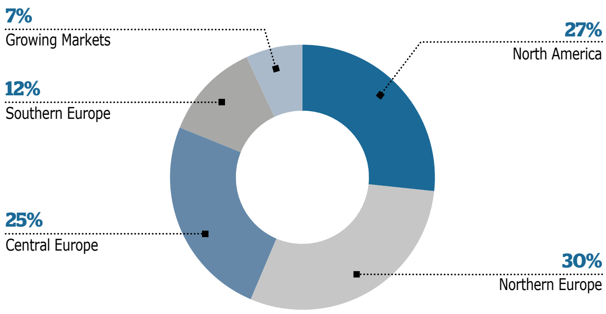
3.1.4.1 Infrastructure & Data Management

Infrastructure & Data Management **revenue** was € 6,112 million in 2020, with -3.0% organic decline at constant scope and exchange rates.

Growth was recorded in Northern Europe due to a large Cloud Solutions contract and the ramp-up of projects with European Institutions and new logo Bell, in North America and a Healthcare company ramp-up among others, in Growing Markets with new services delivered to a Healthcare provider in Australia. The partnership with a US multinational technology company also materialized with the delivery of projects in multiple geographies. Digital Workplace grew in all regions except in Northern Europe where it remained close to last year's level, and Internet of Things also grew mainly and strongly in Northern Europe.

This, however, was not enough to offset the consequences of some volume reductions with Siemens, the Unified Communication & Collaboration Partner channels, as well as one-off sales realized in 2019 and not reproduced in 2020. The results were heavily impacted by large accounts reduction especially in Financial Services & Insurance, Resources & Services and Manufacturing due to the Covid-19 Pandemic.

INFRASTRUCTURE & DATA MANAGEMENT REVENUE PROFILE BY GEOGRAPHIES



3.1.4.2 Business & Platform Solutions

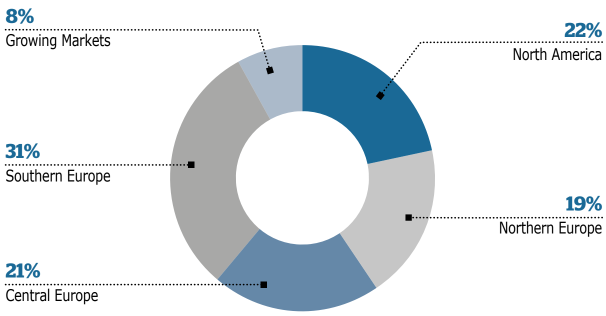
In Business & Platform Solutions, **revenue** was € 3,832 million, down -7.9% organically, with a better performance in Q4. The Division was strongly impacted by the consequences of Covid-19, the increased adoption of subscription models instead of one-time purchases by the customers, the reduction of time and material based activities and the postponement of projects from our customers; the Division managed to start some new projects and to limit its decline in the fourth quarter compared to the third quarter of 2020.

In North America, activities were based on decisions from our customers to postpone projects.

In Europe, the Division faced challenges in Manufacturing, Telecom, Media & Technology industries and in Resources & Services. In Manufacturing, the activity was impacted by terminated contracts and ramp-downs notably due to negative impacts from the Covid-19. Within Telecom, Media & Technology, the Division was impacted by the base effect of non-repeated activities achieved last year notably in Benelux & the Nordics and in France, combined with the decision by several Telecom operators to internalize activities in Spain, and the ramp-down with a major Telecom operator. Resources & Services was mainly impacted by Retail and Transportation, with less volumes with a French airline company despite a ramp-up in Spain with an Airport Authority company. Finally, the performance in Growing Markets was largely impacted by the postponement of Tokyo 2020 Olympics, and the end of the Panamerican Games last year.

These negative impacts were not compensated by the launch of new projects in several geographies and Industries. In particular, the Division contributed to the new SAP HANA project with Autobahn in Central Europe, and increased volumes with Worldline in Southern Europe.

BUSINESS & PLATFORM SOLUTIONS REVENUE PROFILE BY GEOGRAPHIES



3.1.4.3 Big Data & Cybersecurity

Revenue in Big Data & Cybersecurity reached € 1,237 million, maintaining a strong growth at +15.8% compared to last year. This performance was fueled on the one hand by the development and delivery of Big Data projects, and on the other hand by the double-digit growth in cybersecurity services and products.

In North America, the organic growth was driven by the ramp-up of new services and sales of products.

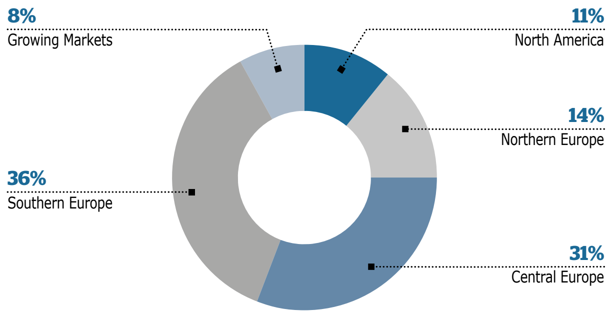
Growth in Northern Europe was fueled by two major Big Data projects.

The Growth in Central Europe was fueled by the by Big Data sales in Germany with a Research center.

Southern Europe declined organically, the good performance of Italy with new contracts in the Big Data area not fully offsetting the ramp-down of Big Data projects in France and Advanced computing project with a weather forecast Institution.

Growing Markets benefited from the ramp-up of a Big Data contract in India, and another new contract with an Algerian mail operator.

BIG DATA & CYBERSECURITY REVENUE PROFILE BY GEOGRAPHIES



3.1.5 Portfolio

3.1.5.1. Order entry and book to bill

During the full year of 2020, the **Group order entry** reached **€ 13,330 million,** representing a **book to bill ratio of 119%,** of which 127% in the second half.

Order entry and book to bill by Industry was as follows:

	Order entry			Book to bill		
(in € million)	H1 2020	H2 2020	FY 2020	H1 2020	H2 2020	FY 2020
Manufacturing	786	735	1,521	77%	74%	76%
Financial Services & Insurance	1,289	2,089	3,378	120%	201%	160%
Public Sector & Defense	1,799	1,609	3,408	145%	121%	133%
Telecom, Media & Technology	1,057	607	1,664	129%	81%	106%
Resources & Services	886	888	1,774	107%	111%	109%
Healthcare & Life Sciences	463	1,123	1,586	73%	173%	123%
TOTAL	**6,280**	**7,050**	**13,330**	**112%**	**127%**	**119%**

Book to Bill ratio was particularly high in Financial Services & Insurance at 160%, in Public Sector & Defense at 133%, and in Healthcare & Life Sciences at 123%.

The main new deals signed in 2020 included large contracts with a German specialized manufacturer (Manufacturing), with Willis Administrative Services Corp (Financial Services & Insurance), with a Ministry of Industry (Public Sector & Defense), and with Goli (Resources & Services).

Main contract renewals were concluded with Siemens for € 3 billion over 5 years, with a large application management contract in the Automotive sector (Manufacturing), with the European Commission and the Texas Department of Information Resources (Public Sector & Defense), and with Conduent (Telecom, Media & Technology).

Order entry and book to bill by Regional Business Unit were as follows:

	Order entry			Book to bill		
(in € million)	H1 2020	H2 2020	FY 2020	H1 2020	H2 2020	FY 2020
North America	1,893	1,932	3,826	140%	154%	146%
Northern Europe	1,239	2,038	3,276	91%	150%	121%
Central Europe	1,322	1,246	2,569	96%	94%	95%
Southern Europe	1,482	1,425	2,907	130%	119%	124%
Growing Markets	345	408	753	86%	98%	92%
TOTAL	**6,280**	**7,050**	**13,330**	**112%**	**127%**	**119%**

3.1.5.2 Full backlog

In line with the commercial activity, the **full backlog** at the end of December 2020 amounted to **€ 23.7 billion,** compared to € 21.7 billion at the end of December 2019, representing **2.1 years of revenue.**

3.1.5.3 Full qualified pipeline

The **full qualified pipeline** was **€ 9.0 billion,** a very strong increase compared to € 7.3 billion at the end of December 2019 showing the commercial dynamism of the Group and representing **9.6 months of revenue.**

3.1.6 Human Resources

The total headcount was 104,430 at the end of December 2020, down by -2.4% compared to 106,980 at the end of June 2020 and by -3.6% compared to December 2019. During the year, the Group welcomed 1,837 new employees from Maven Wave, Miner & Kasch, Alia, Paladion, Econocom, EcoAct and Edifixio acquisitions.

Excluding this scope effect, the staff decreased by -5.4% taking into account Covid-19 crisis and accompanying and anticipating the effect of automation and robotization. During the full year of 2020, the Group hired 11,802 staff, compared to 18,516 in 2019. Hiring has been mainly achieved in offshore/nearshore countries such as India and Poland. Attrition rate was 10.9% at Group level (15.1% in full year 2019) with a reduction in H2, of which 14.9% in offshore/nearshore countries.

Headcount evolution in full year 2020 by Regional Business Unit and by Division was as follows:

	End of December 2019	Scope	Hiring	Leavers, dismissals, restructuring & transfers	End of December 2020
Infrastructure & Data Management	43,638	166	5,007	-6,235	42,576
Business & Platform Solutions	50,619	542	5,154	-10,002	46,313
Big Data & Cybersecurity	5,489	916	728	-349	6,784
Functions	160	-	163	220	543
Total Direct	**99,906**	**1,624**	**11,052**	**-16,366**	**96,216**
North America	9,953	285	1,054	-2,089	9,203
Northern Europe	13,707	-15	1,445	-2,207	12,930
Central Europe	11,512	-1	431	-619	11,323
Southern Europe	16,399	696	1,118	-1,991	16,222
Growing Markets	47,759	659	6,957	-9,471	45,904
Global structures	577	-	47	10	634
Total Direct	**99,906**	**1,624**	**11,052**	**-16,366**	**96,216**
Total Indirect	**8,411**	**213**	**750**	**-1,160**	**8,214**
TOTAL GROUP	**108,317**	**1,837**	**11,802**	**-17,526**	**104,430**

3.2. 2021 Objectives

In 2021, the Group targets the following objectives for its 3 key financial criteria, based on the current macroeconomic scenario of a progressive recovery over the year:

- **revenue growth at constant currency:** +3.5% to +4.0%;
- **operating margin rate:** +40 to 80 bps versus 2020;
- **free cash flow:** € 550 million to € 600 million.

On June 24, 2020, the Group held an Analyst Day to present its mid-term plan to the market, including mid-term targets. The objectives for the year 2021 are in line with this mid-term plan. The underlying assumptions are underpinned in the Vision, Ambition and Strategy section of this Universal Registration Document, as well as in the presentation published on February 18, 2021 at the occasion of the 2020 annual results release and are available on Atos website.

In addition, the 2021 objectives are the result of the Group's budgeting processes; they have been prepared on a comparable basis to historical financial information and in accordance with the accounting policies applied to the Group's consolidated financial statements for the year ended December 31, 2020 described in the consolidated financial statements.

3.3 Financial review

It is stated that, following their audit procedures on the consolidated financial statements for the year ended December 31, 2020, the statutory auditors issued on April 1, 2021 a qualified opinion due to a limitation on the scope of the audit as to two US legal entities representing 11% of 2020 consolidated revenue that require additional diligences.

For the sake of clarity, except for the qualification included in the statutory auditors' report on the consolidated financial statements for the year ended December 31, 2020 available in section 6.1.1 of this document, the Group consolidated financial statements are audited and the financial statements included in this document in section 6.1 are unchanged compared to the version published by the Company on February 18, 2021. As of today, the Group has not identified misstatements on the two US entities that are material for the consolidated financial statements.

Atos is committed to the highest standards and the Group is strongly enhancing its preventive controls and processes through a comprehensive action plan.

Worldline operations in 2019 and 2020

Following the decision made on January 29, 2019 by Atos Board of Directors to submit to the Annual General Meeting the project to distribute 23.5% of Worldline total shares to Atos shareholders and the approval of the transaction by Atos shareholders at the Annual General Meeting on April 30, 2019, this distribution of Worldline shares took effect on May 7, 2019, the payment date for the stock dividend. Thus, in accordance with IFRS 5, Worldline's results up to April 30, 2019 (instead of May 7, 2019 for practical reasons) were reclassified to "Net income from discontinued operation". The gain resulting from this transaction was recognized in the consolidated income statement in "Net income from discontinued operations". After the distribution in kind, the Group considered it had significant influence over Worldline. As a result, Worldline was accounted for under the equity method from May 2019.

In November 2019, Atos disposed part of its remaining Worldline shares and issued an exchangeable bond as follows:

- sale of 14.7 million of Worldline shares through an Accelerated Bookbuilding Offering (ABO);
- transfer of £ 198 million (€ 230 million) of Worldline shares to Atos UK Pension Scheme in exchange for no additional funding in cash into this scheme for the next 15 years, and
- issuance of a 5-year € 500 million bond which will be exchangeable into Worldline shares (Optional Exchangeable Bond, "OEB").

On February 4, 2020, Atos disposed part of its retained interest by selling ca. 23.9 million Worldline shares through an Accelerated Bookbuilding Offering on the market for € 1,402 million, net of disposal costs and tax. The gain on disposal was recognized in the consolidated income statement in "Other operating income and expenses", as elected by the Group in their accounting policies.

After the latest ABO, the Group considered that it no longer had a significant influence over Worldline. Therefore, on the disposal date, the retained interest in Worldline has been classified as a financial asset measured at fair value through profit and loss in accordance with IFRS 9. The Worldline operations are detailed in Note 1.

Impact of the pandemic crisis on the consolidated financial statements

Since the outbreak of the Covid-19 health crisis, Atos has implemented a set of measures to ensure both the health of its employees and the continuity of its customers' strategic businesses, in compliance with the directives of national and international health authorities.

As of the date of issue of the consolidated financial statements, unforeseen events related to the pandemic have not led to any contract termination, dispute with customers or suppliers, or material concessions made by Atos.

The events linked to Covid-19 led the Group to take into consideration the global economic downturn and recent market conditions in the judgments made and assumptions taken when preparing these consolidated financial statements.

Estimates on long-term contracts have been reviewed taking into consideration potential loss-making situations or risks of recoverability on contract assets and contract costs. The expected credit loss valuation has also been reviewed to consider potential increased bankruptcy risk of customers.

In accordance with recommendations from European and French regulators, the Group has elected to maintain effects of the pandemic crisis as part of the operating margin and to not present them as part of Other operating income and expense.

3.3.1 Income statement

The Group reported a net income from continuing operations (attributable to owners of the parent) of € 550 million for 2020, which represented 4.9% of Group revenue. Net income from continuing operations was impacted by several one-off items such as the Worldline shares transaction in February 2020, adaptation restructuring plan in Germany, and implementation costs to generate Syntel synergies.

The normalized net income before unusual, abnormal and infrequent items (net of tax) for the period was € 725 million, representing 6.5% of 2020 Group revenue.

(in € million)	12 months ended December 31,2020	%	12 months ended December 31, 2019	%
Continuing operations				
Operating margin	**1,002**	**9.0%**	**1,190**	**10.3%**
Other operating income/(expense)	-352		-530	
Operating income	**650**	**5.8%**	**660**	**5.7%**
Net financial income/(expense)	-51		-208	
Tax charge	-51		-82	
Non-controlling interests	-3		-3	
Share of net profit/(loss) of associates	5		47	
Net income from continuing operations - Attributable to owners of the parent	**550**	**4.9%**	**414**	**3.6%**
Normalized net income from continuing operations - Attributable to owners of the parent*	**725**	**6.5%**	**834**	**7.2%**
Discontinued operations				
Net income from discontinued operations - Attributable to owners of the parent	**-**		**2,986**	

* *The normalized net income is defined hereafter.*

3.3.1.1. 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. Ordinary operating expenses, which are broken down into staff expenses and other operating expenses, 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.

3.3.1.2 Other operating income and expenses

Other operating income and expenses related to income and expenses that are unusual, abnormal and infrequent and represented a net expense of € 352 million in 2020. The following table presents this amount by nature:

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Staff reorganization	-127	-100
Rationalization and associated costs	-36	-34
Integration and acquisition costs	-42	-41
Amortization of intangible assets (PPA from acquisitions)	-153	-157
Equity based compensation	-74	-73
Other items	80	-125
TOTAL	**-352**	**-530**

The € 127 million staff **reorganization expense** was mainly the consequence of the adaptation of the Group workforce in several countries, in particular Germany. The increase in 2020 came mostly from specific measures in Germany and other European countries.

The € 36 million **rationalization and associated** costs primarily resulted from the closure of office premises and data centers consolidation, mainly in France.

Integration and acquisition costs at € 42 million mainly related to the integration costs of Syntel to generate synergies while the other costs related to the migration and standardization of internal IT platforms from earlier acquisitions.

In 2020, the € 153 million amortization charge of intangible assets in connection with **Purchase Price Allocation** (PPA) was mainly composed of:

- € 65 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- € 19 million of SIS customer relationships amortized over 12 years starting July 1, 2011;
- € 19 million of Xerox ITO customer relationships amortized over 6 to 12 years starting July 1, 2015;
- € 16 million of Unify customer relationships and technologies amortized over 2 to 10 years starting February 1, 2016;
- € 16 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014.

In 2020, the amount of amortization of intangible assets recognized in the Purchase Price Allocation (PPA) decreased from € 157 million to € 153 million, mainly reflecting the limited amount of amortization charge arising from 2020 acquisitions while intangible assets related to certain past acquisitions ceased to be amortized in 2020.

The **equity-based compensation** expense amounted to € 74 million compared to € 73 million in 2019.

In 2020, **other items** decreased significantly from an expense of € 125 million to a net income of € 80 million including the following exceptional expenses:

- The transaction made in February 2020 on Worldline shares as follows:
  - the Accelerated Bookbuilding Offering of Worldline shares on the market at a share price of € 61.5 led to a net gain on disposal, before tax, of € 120 million, including the derecognition of the intangible assets generated by the Worldline purchase price allocation in May 2019 upon the loss of control over Worldline and while Wordline was accounted for under the equity method;
  - the retained interest of Atos in Worldline group (c. 3.8%) was valued at the fair value at the disposal date, resulting in an additional profit of € 54 million presented as part of the net gain on disposal.
- excluding the transaction described above totaling € 171 million (including transaction costs), other expenses amounted to € 91 million. Other items mainly included other long-term employee benefits in Germany, France and the UK, unusual impacts from settlements and a limited number of bankruptcies. They also included costs to implement transformation programs.

3.3.1.3 Net financial expense

Net financial expense amounted to € 51 million for the period (compared to € 208 million prior year) and was composed of a net cost of financial debt of € 33 million and non-operational financial costs of € 18 million.

Net cost of financial debt was € 33 million (compared to € 64 million in 2019) and resulted from the following elements:

- excluding the OEB, the average gross borrowing of € 3,585 million compared to € 5,371 million in 2019 bearing an average expense rate of 1.17% compared to 1.56% last year. The average gross borrowing expenses were mainly explained by:
  - the used portion of the syndicated loan combined with the Negotiable European Commercial Papers (NEU CP) and the Negotiable European Medium-Term Note program (NEU MTN) for an average of € 1,318 million (compared to an average of € 1,478 million in 2019) bearing an effective interest rate of 0.33%, benefiting from the attractive remuneration applied to the NEU CP;
  - a € 600 million bond issued in July 2015 bearing a coupon rate of 2.375% and reimbursed in April 2020;
  - a € 300 million bond issued in October 2016 bearing a coupon rate of 1.444%;
  - a € 700 million bond issued in November 2018 bearing a coupon rate of 0.750%;
  - a € 750 million bond issued in November 2018 bearing a coupon rate of 1.750%;
  - a € 350 million bond issued in November 2018 bearing a coupon rate of 2.500%;
  - other sources of financing, including securitization, for an average of € 51 million, bearing an effective interest rate of 1.03%.
- the average gross cash varied from € 1,441 million in 2019 to € 2,090 million in 2020 bearing an average income rate of 0.61% compared to 1.58% in 2019.

The decrease in the net cost of financial debt compared to 2019 can mainly be explained by the reimbursement of the € 600 million bond in April 2020, and the full reimbursement in November 2019 of the $ 1,900 million term loan used to fund the Syntel acquisition.

Non-operational financial costs amounted to € 18 million compared to € 144 million in 2019 and were mainly composed of:

- a net gain of € 56 million related to the net values of the OEB derivative and the underlying Worldline shares, both measured at fair value;
- lease liability interest of € 27 million (stable compared to 2019);
- pension related interest of € 12 million compared to € 31 million in 2019. This variation arose from the decrease in discount rates in all countries/zones, and a higher value of the surplus since the end of 2019 as a consequence of the distribution of the Worldline shares to the "UK 2019" scheme for £ 198 million;
- net foreign exchange loss (including hedges) of € 6 million compared to a loss of € 4 million in 2019.

3.3.1.4 Corporate tax

The tax charge for 2020 was € 51 million with a profit before tax from continuing operations of € 599 million. The Effective Tax Rate (ETR) was 8.6% benefitting from one-time items, mainly Worldline transactions and Syntel tax liability release.

3.3.1.5 Non-controlling interests

Non-controlling interests amount to € 3 million in continuing operations compared to the same amount the previous year.

3.3.1.6 Share of net profit/(loss) of associates

Associates accounted for under equity method amounted to € 5 million in 2020 compared to € 47 million in 2019. This decrease reflects the change in accounting for Worldline shares pursuant to the ABO in February 2020.

3.3.1.7 Normalized net income

The normalized net income attributable to owners of the parent is defined as net income attributable to owners of the parent excluding unusual, abnormal, and infrequent items (attributable to owners of the parent) net of tax based on effective tax rate by country. In 2020, the normalized net income attributable to owners of the parent was € 725 million, representing 6.5% of Group revenue for the period.

(in € million)	12 months ended December 31, 2020	12 months ended December 31,2019
Net income from continuing operations - Attributable to owners of the parent	**550**	**414**
Other operating income and expenses net of tax from continuing operations	-213	-380
Net gain (loss) at fair value measurement on derivative liability and underlying Worldline shares, net of tax	38	-40
Normalized net income from continuing operations - Attributable to owners of the parent	**725**	**834**

3.3.1.8 Earnings per share

(in € million and shares)	12 months ended December 31, 2020	%	12 months ended December 31, 2019	%
Continuing operations				
Net income from continuing operations – Attributable to owners of the parent [a]	**550**	**4.9%**	**414**	**3.6%**
Impact of dilutive instruments	-		-	
Net income from continuing operations restated of dilutive instruments - Attributable to owners of the parent [b]	**550**	**4.9%**	**414**	**3.6%**
Normalized net income from continuing operations – Attributable to owners of the parent [c]	**725**	**6.5%**	**834**	**7.2%**
Impact of dilutive instruments	-		-	
Normalized net income from continuing operations restated of dilutive instruments - Attributable to owners of the parent [d]	**725**	**6.5%**	**834**	**7.2%**
Average number of shares [e]	109,003,866		107,669,930	
Impact of dilutive instruments	-		4,659	
Diluted average number of shares [f]	109,003,866		107,674,589	
(In €)				
Basic EPS from continuing operations [a]/[e]	**5.05**		**3.84**	
Diluted EPS from continuing operations [b]/[f]	**5.05**		**3.84**	
Normalized basic EPS from continuing operations[c]/[e]	**6.65**		**7.74**	
Normalized diluted EPS from continuing operations [d]/[f]	**6.65**		**7.74**	
Discontinued operations				
Net income from discontinued operations – Attributable to owners of the parent [a]	**-**	**-**	**2,986**	**25.8%**
Impact of dilutive instruments	-		-	
Net income from discontinued operations restated of dilutive instruments - Attributable to owners of the parent [b]	**-**	**-**	**2,986**	**25.8%**
Average number of shares [e]	109,003,866		107,669,930	
Impact of dilutive instruments	-		4,659	
Diluted average number of shares [f]	109,003,866		107,674,589	
(In €)				
Basic EPS from discontinued operations [a]/[e]	**-**		**27.74**	
Diluted EPS from discontinued operations [b]/[f]	**-**		**27.73**	

Potential dilutive instruments in 2019 comprised vested stock options (equivalent to 4,659 options).

3.3.2 Cash Flow

Free cash flow representing the change in net cash or net debt, excluding net acquisitions/disposals, equity changes, and dividends paid to shareholders, reached € 513 million versus € 605 million achieved in 2019 (i.e. € 642 million excluding the positive one-off of € 37 million related to the OEB).

(in € million)	12 months ended December 31,2020	12 months ended December 31, 2019[1]
Operating Margin before Depreciation and Amortization (OMDA)	**1,661**	**1,802**
Capital expenditures	-320	-324
Lease payments	-361	-345
Change in working capital requirement	-63	-130
Cash from operation (CFO)	**916**	**1,004**
Tax paid	-113	-99
Net cost of financial debt paid	-33	-64
Reorganization in other operating income	-124	-92
Rationalization & associated costs in other operating income	-35	-40
Integration and acquisition costs	-32	-40
Other changes[2]	-66	-25
Free Cash Flow (FCF)	**513**	**642**
Net (acquisitions)/disposals	932	625
Capital increase/(decrease)	36	18
Share buy-back	-45	-113
Dividends paid	-5	-58
Change in net cash/(debt)	**1,431**	**1,114**
Opening net cash/(debt)	**-1,736**	**-2,872**
Change in net cash/(debt)	1,431	1,114
Foreign exchange rate fluctuation on net cash/(debt)	-162	-14
Closing net cash/(debt)	**-467**	**-1,736**

1 *In 2019, Free Cash Flow includes a positive one-off effect of €37 million related to the OEB.*

2 *"Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration and acquisition costs) and other financial items with cash impact, net long term financial investments excluding acquisitions and disposals, and profit sharing amounts payable transferred to debt.*

Cash from Operations (CFO) amounted to € 916 million, down by € 88 million compared to the previous year. This resulted from the change of the following components:

- OMDA net of lease (€-157 million);
- Capital expenditures (€+4 million);
- Change in working capital requirement (€+67 million).

OMDA of € 1,661 million represented 14.9% of revenue, compared to 15.5% last year:

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Operating margin	**1,002**	**1,190**
+ Depreciation of fixed assets	332	334
+ Depreciation of right of use	352	336
+ Net book value of assets sold/written off	15	24
+/- Net charge/(release) of pension provisions	-41	-60
+/- Net charge/(release) of provisions	1	-23
OMDA	**1,661**	**1,802**

Capital expenditures amounted to € 320 million or 2.9% of the revenue, down € 4 million compared to 2019.

The **change in working capital requirement** improved by € 67 million. The DSO ratio reached 46 days compared to 47 days at the end of December 2019. The level of trade receivables sold with no recourse to banks with transfer of risks as defined by IFRS 9 remains at the same level than at the end of December 31, 2019.

Cash out related to **tax paid** reached € 113 million.

The **cost of net debt** decreased to € 33 million (compared to € 64 million in 2019) mainly explained by the reimbursement of the € 600 million bond in April 2020, and the full reimbursement in November 2019 of the $ 1,900 million term loan used to fund the Syntel acquisition.

Reorganization, rationalization and associated costs, and integration and acquisition costs reached € 191 million compared to € 173 million in 2019. This represented 1.7% of revenue including implementation costs to generate Syntel synergies and German transformation plan.

They mainly included reorganization costs in connection with the adaptation of the Group workforce in several countries, and more specifically in Germany and other European countries; rationalization costs primarily resulted from the closure of office premises and data centers consolidation, mainly in France. Integration and acquisition costs mainly comprised the integration costs of Syntel to generate synergies while the other costs related to the migration and standardization of internal IT platforms from earlier acquisitions.

Other changes amounted to €-66 million, compared to €-25 million in 2019. Adjusted from the positive one-off item of € 37 million related to the issuance of the OEB (derivative instrument, net of fees) in 2019, Other changes are stable compared to 2019. In 2020, they included in particular the cash effect of pension and early retirement programs in France and in Germany, global transformation programs and foreign exchange impacts.

As a result, the Group **Free Cash Flow (FCF)** generated during the year 2020 was € 513 million.

The net cash impact resulting from **net (acquisitions)/disposals** amounted to € 932 million and originated mainly from the Accelerated Bookbuilding Offering of Worldline shares on the market for € 1,402 million, net of costs of disposal and tax, reduced by the consideration paid on the acquisitions of the year, mainly Maven Wave, EcoAct, Paladion and Digital Security.

Capital increase totaled € 36 million in 2020. This is mainly explained by the relative volumes of shares issued in connection with the Group shareholding programs for employees Share 2020 in 2020.

Share buy-back reached € 45 million during 2020 compared to € 113 million in 2019. These share buy-back programs are related to the delivery of managers performance shares and aim at avoiding dilution effect for the shareholders. The decrease is due to the fact that, in 2019, Atos had to acquire shares for two plans instead of the usual one (performance share plan 2016 with 3-year vesting and performance share plan 2015 with 4.5-year vesting).

In the context of the Covid-19 crisis, the Board of Directors decided not to distribute any **dividend** to the owners of the parent in 2020. In 2019, the distribution amounted to € 55 million (€ 1.70 per share).

Foreign exchange rate fluctuation determined on debt or cash exposure by country represented a decrease in net cash of €-162 million, mainly coming from the exchange rate of the US Dollar and Indian Rupi against the Euro.

As a result, the **Group net debt position** was € 467 million at the end of December 2020, compared to € 1,736 million at the end of December 2019. This includes the optional exchangeable bond ("OEB") for € 500 million while the Group still owns 3.8% of Worldline shares which are exchangeable at maturity of the OEB.

3.3.3 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. Under this policy, all Group treasury activities, including cash management, short-term investments, hedging and foreign exchange transactions, as well as financial position financing through lease contracts, are managed centrally 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.

3.3.3.1 Financing structure

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 April 2, 2020, Atos fully repaid by anticipation the 5-year € 600 million bond maturing on July 2, 2020. The coupon rate was 2.375%.

On February 4, 2020, Atos disposed part of its retained interest by selling ca. 23.9 million Worldline shares through an Accelerated Bookbuilding Offering on the market for € 1,402 million, net of disposal costs and tax.

On October 30, 2019 Atos announced the disposal of Worldline share capital (€ 780 million through a private placement by way of Accelerated Book building Offering (ABO)) and the issuance of € 500 million zero coupon bonds exchangeable into Worldline shares with a maturity of 5 years and an exchange premium of 35%. Total gross proceeds for Atos was € 1,280 million for the combined transactions.

On November 5, 2018, Atos announced the successful placement of its € 1.8 billion bond issue. The € 1.8 billion triple tranche-bond issue consists of three tranches:

- € 700 million notes with a 3.5-year maturity and 0.75% coupon;
- € 750 million notes with a 6.5-year maturity and 1.75% coupon;
- € 350 million notes with a 10-year maturity and 2.50% coupon.

There are no financial covenants attached to this bond. The rating agency Standard and Poor's assigned a rating of BBB+ to the three tranches, subsequently to the rating of Atos described here below. On December 17, 2020, Standard and Poor's reaffirmed BBB+/Stable rating for Atos.

On October 11, 2018, Atos signed with a number of major financial institutions a five-year € 2.4 billion revolving credit facility (the "Facility") maturing in November 2023 with an option for Atos to request the extension until November 6, 2025 in two times. Atos exercised the second option in 2020 to extend the maturity of the Facility until November 6, 2025. The Facility is available for general corporate purposes. The Facility includes one financial covenant which is the leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times.

On May 4, 2018 Atos implemented a Negotiable European Medium-Term Note program (NEU MTN) in order to optimize financial expenses and improve Group liquidity management, for an initial maximum amount of € 600 million.

On June 2, 2017, Atos implemented a Negotiable European Commercial Paper program (NEU CP) in order to optimize financial expenses and improve Group liquidity management, for an initial maximum amount of € 900 million raised to € 1.8 billion in October 2018. On December 10, 2019 the maximum amount of € 1.8 billion was increased to € 2.4 billion.

On September 29, 2016, Atos issued a Euro private placement bond of € 300 million with a seven-year maturity and with a 1.444% fixed interest rate (unrated). There are no financial covenants attached to this bond.

On July 2, 2015 Atos issued a bond of € 600 million with a five-year maturity. The coupon rate is 2.375% (unrated). This bond was reimbursed in April 2020.

Atos securitization program of trade receivables had been renewed for 5 years on May 29, 2018 with a maximum amount of receivables sold of € 500 million and a maximum amount of financing reduced from € 200 million to € 100 million. The program was restricted to two French participant entities. This program was terminated in October 2020.

3.3.3.2 Bank covenants

The Group was well within its borrowing covenant (leverage ratio) applicable to the multi-currency revolving credit facility, with a leverage ratio (net debt divided by OMDA) of 0.36 at the end of December 2020.

According to the credit documentation of the multi-currency revolving credit facility, the leverage ratio is calculated excluding IFRS 16 impacts since 2019. The calculation of the ratio at December 31, 2020 includes an adjustment of € 369 million for IFRS 16 lease expense reversal.

The leverage ratio must not be greater than 2.5 times under the terms of the multi-currency revolving credit facility.

3.3.3.3 Investment policy

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.

3.3.3.4 Hedging policy

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.

The Group has entered into interest rate swaps in 2018.

4

Corporate Governance

4.1 Legal Information

4.1.1 Corporate form

[GRI 102-5]

The Company was transformed into a European public limited liability company ("Societas Europaea" (European Company) or "SE") in 2012. It is governed by applicable European and French legal provisions on "European companies", and to the extent they are not contrary to such specific provisions, French legal provisions, applicable to "Sociétés Anonymes", as well as by the Articles of Association.

4.1.2 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.
- "**Raison d'être":** article 2 of the Articles of Association also provides since April 30, 2019 that the Company's mission is to help design the future of the information technology space. Its services and expertise, multiculturally delivered, support the advance of knowledge, education and science and contribute to the development of scientific and technological excellence. Across the world, the Company enables its customers, employees and as many people as possible to live, work and develop sustainably and confidently in the information technology space.
- **Company name:** "Atos SE" (article 3 of the Articles of Association).
- **Issuer's applicable law:** 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 Registry of Commerce** under Siren number 323 623 603 and with business identification code (APE code): 7010Z.
- **LEI (Legal Entity Identifier):** 5493001EZOOA66PTBR68.
- **Date of incorporation and term:** the Company was incorporated in 1982 for a period of 99 years, i.e. up to March 2, 2081.

4.1.3 Provisions of the Articles of Association

4.1.3.1 Governance, related-party agreements

Members of the Board of Directors

The Company is managed by a Board of Directors composed of a minimum of seven members and a maximum of eighteen members that are appointed by the Ordinary General Meeting. The Board of Directors is renewed annually 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 higher than one third of the total serving members. The Board of Directors comprises up to two Employee Directors. It may also comprise a Director representing the employee shareholders (articles 13, 14, 15, and 16 of the Articles of Association).

Chairman

The Board of Directors elects a Chairman from among its members. The missions of the Chairman are set forth in section ***4.2.2 Management Mode*** below.

Chief Executive Officer

At the discretion of 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 Board Internal Rules 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 Board of Directors' decisions

Pursuant to article 18 of the Articles of Association, the Board of Directors is convened 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 made by majority of the members present or represented. In the event of a tie, the Chairman has a casting vote.

Powers of the Board of Directors

Purusant to 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 operation of the Company and settles matters through its deliberations. The Board of Directors sets the limitations on 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

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 nor to those entered into by two companies where one of them holds, directly or indirectly, the entire share capital of the other, after deducting, if applicable, the minimum number of shares required to meet the requirements of article 1832 of the Civil Code or articles L. 225-1 and L. 226-1 of the French Commercial Code.

Directors' compensation

The members of the Board of Directors may receive as Directors' fees, 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 higher share to the Directors who are members of the Committees.

4.1.3.2 Rights, privileges and restrictions attached to shares

Voting rights

Pursuant to article 33 of the Articles of Association, each share carries one voting right. There is no share with double voting right. On May 28, 2015, the Company's shareholders excluded the application of the so-called "Florange law" (Act dated March 29, 2014) related to double voting rights and consequently, maintained single voting rights at General Meetings of the Company.

Participation in General Meetings of Shareholders

Pursuant to 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 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.

Identifiable bearer shares

Purusant to article 9 para. 3 of the Articles of Association, the Company may proceed to the identification of holders of bearer shares at any time.

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.

Calling and general conduct of Ordinary General Meetings and Extraordinary General Meetings

Pursuant to articles 34 and 35 of the Articles of Association, 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 of shareholders having voted by mail. General Meetings are called and conducted in accordance with French law.

Disclosure of threshold crossing

In addition to the thresholds defined by applicable laws and regulations, pursuant to article 10 of the Articles of Association, 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 held during a two-year period following the date or regularization filing of such 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, under 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.

Control of the issuer

No provisions in the Articles of Association, nor in any charter or Internal Rules, may delay, postpone or prevent a change of control of the Company.

4.1.3.3 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 the General Meeting of Shareholders, in accordance with articles L. 232-12 to L. 232-18 of the French Commercial Code. The General Meeting 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.

Distribution of Company's assets

The General Meeting may decide to distribute assets recorded on the Company's balance sheet and, in particular, tradable securities by taking sums from the profits, retained earnings, reserves or additional paid-in capital.

4.2 Corporate governance

[GRI 102-10] [GRI 102-18] [GRI 102-22] [GRI 102-23] [GRI 102-24] [GRI 102-26]

4.2.1 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 Corporate Governance Code of Listed Companies issued by the AFEP-MEDEF (revised version of January 2020) and has decided to use the Code 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, like every year, Atos' Board of Directors met on December 14, 2020 to perform the annual review of the implementation by the Company of these governance principles. Following this meeting, also attended by employee members of the Participative Committee (body stemming from the European Company Council) who actively participated in the debates, the Board considered that the Company's governance practices are fully compliant with the AFEP-MEDEF Code.

The Board's assessment on the implementation of the AFEP-MEDEF Code is available in its entirety on Atos' website: atos.net. The AFEP-MEDEF Code is available on the AFEP website: www.afep.com, in the Governance section.

In addition, 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 the Company's innovative practice of regularly consultating its shareholders on the medium-term orientations (most recently, at the General Meting on October 27, 2020). Also, Atos was the first CAC 40 company to enshrine its raison d'être in its Articles of Association on April 30, 2019, thereby anticipating the entry into force of the PACTE law of May 22, 2019.

4.2.2 Management Mode

The statutory governance of the Company was changed to a system with a Board of Directors in 2009. Since October 31, 2019, in accordance with the succession plan following the resignation of the former Chairman and Chief Executive Officer, and in compliance with best governance practices, the Board of Directors decided to change the Company's governance structure as of November 1, 2019 and to separate the offices of Chairman of the Board and of Chief Executive Officer. The Board appointed Mr. Bertrand Meunier as Chairman of the Board and Mr. Elie Girard as Chief Executive Officer. This corporate governance structure is widely recognized as the best practice to ensure a fluid transition in the context of the succession of the Chairman and Chief Executive Officer.

In addition to the separation of offices of Chairman of the Board and Chief Executive Officer, in compliance with best governance practices, the following mechanisms apply to ensure a good balance of powers:

- the Board of Directors is composed of 60% of independent Directors;
- the Board has constituted four internal Committees, to help in the decision process, composed mostly or entirely of independent members. On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees: the Nomination and Governance Committee and the Remuneration Committee. The Nomination and Governance Committee was also entrusted with the regular review of the executive officer's succession plan;
- at least twice a year, Directors hold meetings, in the absence of the Chief Executive Officer, during which they discuss the Company's affairs and address any relevant topics;
- the Internal Rules of the Board of Directors specify the Board's reserved matters which require the Board's prior authorization as well as the missions of the Chairman of the Board (see below).

Missions of the Chairman of the Board

The statutory missions of the Chairman of Atos SE's Board of Directors (as per the Company's Articles of Association and Board Internal Rules) are the following:

- the Chairman organizes and directs the work of the Board;
- the Chairman convenes the Board meetings, determines the agenda and presides over the meetings;
- the Chairman oversees the proper functioning of the Company's bodies and makes sure, in particular, that the Directors are able to carry out their assignments;
- the Chairman presides over General Meetings of shareholders and reports on the Board work to the Annual General Meeting.

Upon the recommendations of an ad hoc committee composed of four independent directors following the appointment of Mr. Bertrand Meunier as Chairman of the Board, the Board of Directors decided in 2020 to entrust the Chairman of the Board with the following additional missions, as reflected in the Board Internal Rules:

- consulting or being consulted and holding discussions with the Chief Executive Officer on certain significant and strategic events for the Company;
- representing the Company in its high-level relations with the public authorities and the Company's strategic stakeholders, in consultation with the Chief Executive Officer;
- participating in certain internal meetings with the Company's managers and teams and, as the case may be, as well as in certain Board Committees;
- maintaining the quality of relations with the shareholders;
- participating in the recruitment process for new directors and in the development of the succession plan;
- ensuring the balance of the Board (in addition to its proper functioning);
- arbitrating potential conflicts of interest.

Limitations on the powers of the Chief Executive Officer

The Board has defined, in its Internal Rules, reserved matters which require the Board's prior authorization:

- 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 Chief Executive Officer;
- any material transaction not within the scope of the strategy announced by the Company.

Communication with shareholders

In accordance with the AFEP-MEDEF Code, the Company has regular direct contacts with its shareholders and investors throughout the year to understand their expectations and take them into account.

In that context, the following measures, in favor of a smooth shareholders' dialogue have been implemented:

- Atos regularly communicated its strategy through three-year plans. In June 2020, in the context of an "Analyst Day" Atos presented its medium-term ambition and strategy. These orientations were submitted to the shareholders' consultative vote during the General Meeting held on October 27, 2020. They were approved with above 99.99% of the votes;
- Atos' shareholders, during their Annual General Meeting held on April 30, 2019, decided with 99.93% of the votes to enshrine the Company's raison d'être in its Articles of Association;
- presentations established for financial reports, investor days or General Meetings are posted on the website of the Company;
- the Company is exchanging with its shareholders throughout the year but has, for many years, been conducting a governance roadshow prior to its Annual General Meetings.

Executive Director Succession plan

Directors may hold meetings, in the absence of the Chief Executive Officer, during which they discuss the Company's affairs, and address, among other subjects, the Executive Officer's succession plan, as per the recommendation of the AFEP-MEDEF Code.

4.2.3 The Board of Directors: composition and organization principles

[GRI 102-5] [GRI 102-22] [GRI 102-23]

4.2.3.1 Composition of the Board of Directors

Evolution of the composition of the Board of Directors and its Committees

In 2020 and up until the date of publication of this Universal Registration Document, the composition of the Board of Directors and of its Committees was modified as a result of the following events:

	Board of Directors	Audit Committee	Nomination and Governance Committee[1]	Remuneration Committee[1]	CSR Committee
Departure	Roland Busch **(01/17/2020)** Jean-Louis Georgelin **(02/18/2020)** Nicolas Bazire **(06/16/2020)**	Roland Busch **(01/17/2020)** Bertrand Meunier **(12/01/2020)**	–	–	–
Appointment	Cedrik Neike **(01/28/2020)** Vesela Asparuhova **(10/21/2020)** Edouard Philippe **(10/27/2020)**	Vivek Badrinath[2] **(02/18/2020)**	Bertrand Meunier[2] Lynn Paine Edouard Philippe **(12/01/2020)**	Aminata Niane[2] Valérie Bernis Jean Fleming **(12/01/2020)**	Colette Neuville **(12/01/2020)**
Renewal	Elie Girard Cedrik Neike Valérie Bernis Jean Fleming Farès Louis Colette Neuville **(06/16/2020)**	–	–	–	–

1 On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees: the Nomination and Governance Committee and the Remuneration Committee.

2 Chair of the Committee.

Composition of the Board of Directors

At the date of publication of this Universal Registration Document, the Board of Directors was composed of 13 members as listed below:

		PERSONAL INFORMATION				EXPERIENCE	POSITION ON THE BOARD				MEMBERSHIP IN COMMITTEES[3]
		Age	Gender	Nationality	Number of shares	Number of other mandates in listed companies[1]	Independance	Date of first appointment[2]	End of term of office	Seniority on Board	
Chairman	**Bertrand MEUNIER**	65	M	French/ British	14000	1	NO	07/03/2008	AGM 2021	12	N&G ⋆
Chief Executive Officer	**Elie GIRARD**	42	M	French	70398	0	NO	12/16/2019	AGM 2022	1	N/A
Directors (L225-17 CCom)	**Vivek BADRINATH**	51	M	French	500	1	YES	04/30/2019	AGM 2021	1	Audit⋆♦
	Valérie BERNIS	62	F	French	505	2	YES	04/15/2015	AGM 2022	5	Rem, CSR⋆
	Cedrik NEIKE	48	M	French/ German	500	1	NO	01/28/2020	AGM 2023	1	N/A
	Colette NEUVILLE	83	F	French	1012	0	YES	04/13/2010	AGM 2022	10	CSR
	Aminata NIANE	64	F	Senegalese	1012	0	YES	05/27/2010	AGM 2021	10	Rem⋆
	Lynn PAINE	71	F	American	1000	0	YES	05/29/2013	AGM 2021	7	Audit♦, N&G, CSR
	Edouard PHILIPPE	50	M	French	501	0	YES	10/27/2020	AGM 2023	0	N&G
	Vernon SANKEY	71	M	British	1296	0	NO	02/10/2009	AGM 2022	12	Audit♦, CSR
Director representing the employee shareholders (L225-23 CCom)	**Jean FLEMING**	52	F	Bristish	1718	0	NO	05/26/2009	AGM 2022	11	Rem
Employee Director (L225-27-1 CCom)	**Vesela ASPARUHOVA**	38	F	Bulgarian	0	0	NO	10/15/2020	AGM 2023	0	N/A
	Farès LOUIS	58	M	French	0	0	NO	04/25/2019	AGM 2023	1	N/A

1 *Other mandates exercised in listed companies (outside the Atos Group). Mandates exercised in listed companies belonging to the same group account for one single mandate.*
2 *Date of first appointment on the Board of Directors of Atos.*
3 *N&G: Nominations and Governance Committee, Rem: Remuneration Committee, Audit: Audit Committee, CSR: CSR Committee.*
⋆ *Chairman of the Committee.*
♦ *Vivek Badrinath, Lynn Paine and Vernon Sankey have the required and financial accounting skills by virtue of their educational and career background for the purpose of their membership in the Audit Committee.*

Director's biographies

Bertrand MEUNIER

Chairman of the Board of Directors

Chairman of the Nomination and Governance Committee

Professional address:

River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:

14,000

Date of birth:

March 10, 1956

Nationality:

French, British

Date of first appointment:

February 10, 2009 (Director) – July 3, 2008 (Member of Supervisory Board) ratified by General Meeting of February 10, 2009

Date of last renewal:

May 24, 2018

Term expires on:

AGM ruling on the accounts of the 2020 financial year

Biography – Professional Experience

Chairman of the Board of Directors of Atos SE

Bertrand Meunier is a graduate of the École Polytechnique and of Paris VI University. He joined PAI Partners in 1982 up until 2010. Bertrand Meunier joined CVC Capital Partners Ltd as a Managing Partner in 2012.

He became Chairman of the Board of Directors of Atos in November 2019.

Directorships and positions

Other directorships and positions as at December 31, 2020

Within the Atos Group

None

Outside the Atos Group

France:

- Director: Suez**

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

France:

- Director: Parex, Vedici, Elsan Holding

Abroad:

- Managing Partner: CVC Capital Partners Ltd (United Kingdom)
- Director: Continental Foods (Belgium), CVC Capital Partners (Luxembourg), CVC Group Ltd (Luxembourg), PDC Brands (USA)

*** Listed company.*

Elie GIRARD

Professional address:
River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:
70,398

Date of birth:
April 12, 1978

Nationality:
French

Date of first appointment:
December 16, 2019 (as a Director)

Term expires on:
AGM ruling on the accounts of the 2021 financial year

Biography - Professional Experience

Chief Executive Officer of Atos SE

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 for the Economy, Finance and Industry in the Treasury department.

Between 2004 and 2007, Elie Girard worked for the Office of 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. From 2010 to 2014, 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 Girard joined Atos as Deputy Chief Financial Officer of Atos Group. He was appointed Group Chief Financial Officer in February 2015 and Group Senior Executive Vice-President in February 2018. In March 2019, Elie was appointed Group Deputy Chief Executive Officer. He became Chief Executive Officer of Atos in November 2019.

Directorships and positions

Other directorships and positions as at December 31, 2020

Within the Atos Group

- Chairman of the Supervisory Board: Atos Information Technology GmbH

Outside the Atos Group

France:

None

Abroad:

None

Other positions held during the last five years

Within the Atos Group

France:

- Deputy Chief Executive Officer: Atos SE
- Chairman: Atos Investissement 10, Atos Investissement 12, Atos Investissement 19, Atos Investissement 20, Atos Investissement 20 –Israel Branch, Atos Investissement 21, Atos Investissement 22, Atos Investissement 23, Atos Investissement 24, European Silicon Technologies SAS, Bull International SAS, Atos Participation 2
- CEO: Bull SAS
- Permanent representative of Atos Investissement 10, Chairman: blueKiwi Software SASAbroad:

Abroad :

Netherlands:

- Director and CEO: Atos International BV, Atos International Global Functions BV
- Director: Unify Holdings BV, Unify Germany Holdings BV, Unify Overseas Holdings BV

United Kingdom:

- Director: Bull Holdings Ltd, Bull ND Holdings Ltd, Canopy the Open Cloud Company Ltd

USA:

- Director: Syntel Inc., Atos Syntel Inc.

Germany:

- Member of the Supervisory Board: Atos IT Solutions and Services GmbH

Poland:

- Chairman of the Supervisory Board: Atos Polska SA

China:

- Supervisor: Atos Worldgrid Information Technology (Beijing) Co., Ltd.

Luxembourg:

- Chairman of the Board of Directors: St Louis RE

Outside the Atos Group

None

Vesela ASPARUHOVA

Employee Director	Biography – Professional Experience
Professional address: Business Park Sofia Build.1B, 1766 Sofia, Bulgaria **Number of shares:** 0 **Date of birth:** September 22, 1982 **Nationality:** Bulgarian **Date of first appointment:** October 15, 2020 **Term expires on:** AGM ruling on the accounts of the 2022 financial year	**Service Delivery Manager (Bulgaria)** Vesela Asparuhova is a graduate of the Technical University of Sofia where she received an MSc in Engineering in Communication Technology. She graduated from ESCP Europe Business School in Global Service Management and was certified by Harvard Business Publishing Corporate Learning in "Leading in the Digital Age". Vesela Asparuhova has 15 years of experience in the IT industry in leadership positions and account steering roles. She started her professional career with Siemens in 2006, where she co-led the set-up and development of GDCs in Eastern Europe. Subsequently she worked for the Global Solution Design Business Unit of Siemens Enterprise Communications. Since 2012 Vesela has been a Service Delivery Manager with Atos Bulgaria. She has a track record of successfully managing business critical infrastructures and enterprise applications. She also delivers end-to-end solutions to large customers in the Manufacturing and Energy & Utilities vertical. Vesela is a certified ITIL Expert, ITIL v.4 and an ISO/IEC 20 000 auditor. Vesela Asparuhova was a member of the Company's Council for 3 years and in 2020 she was elected to serve as an Employee Director on the Atos SE Board of Directors.

Directorships and positions

Other directorships and positions as at December 31, 2020	Other positions held during the last five years
Within the Atos Group None **Outside the Atos Group** • Membrer of CCI France Bulgaria	**Within the Atos Group** France: None Abroad: • Member of the Expert Community • Member of the Company Council of Atos SE • Group ISO 20 000 Auditor **Outside the Atos Group** France: None Abroad: • Member of the PMI Bulgaria Chapter

Vivek BADRINATH*

Chairman of the Audit Committee

Professional address:

Vantage Towers AG,
Prinzenallee 11-13,
D-40549 Düsseldorf

Amtsgericht Düsseldorf,
HRB 92244

Number of shares:

500

Date of birth:

June 27,1969

Nationality:

French

Date of first appointment:

April 30, 2019

Term expires on:

AGM ruling on the accounts of the 2020 financial year

Biography – Professional Experience

Chairman of the Management Board of Vantage Towers

Vivek Badrinath holds Engineering degrees from the École Polytechnique and the École Nationale Supérieure des Télécommunications (ENST) and also holds a post-graduate degree in stochastic modeling and statistics from Paris-Sud University.

He started his career in 1992 at the French Ministry of Industry.

Vivek Badrinath joined Vodafone's Executive Committee as CEO of Africa, Middle East, Asia and Pacific in October 2016. He oversees Vodafone's operations in the Vodacom Group, in India, Australia, Egypt, Ghana, Kenya and New Zealand. He was also Interim CEO of Vodafone Business in 2019.

In 1996, he joined Orange in the Group's Long Distance Networks department before becoming CEO of Thomson India in 2000. He returned to Orange in 2004 as Chief Technical Officer of the mobile division and was appointed to the Group's Executive Committee in 2009 as Director of the networks and operators division. Between April 2010 and April 2012, Vivek Badrinath was CEO of Orange Business Services before being appointed Deputy CEO in charge of Innovation, Marketing and Technologies on May 1, 2013. He was Deputy Chief Executive Officer, Marketing, Digital Solutions, Distribution and Information Systems for AccorHotels between March 2014 and October 2016. He joined the Vodafone Group in 2016 and was CEO of Vodafone Rest of the World until March 2020. Since March 2020, he chairs the Management Board of Vantage Towers.

Vivek Badrinath is a Chevalier in the French Ordre national du mérite (National Order of Merit) and in the French Légion d'honneur.

Directorships and positions

Other directorships and positions as at December 31, 2020

Within the Atos Group

None

Outside the Atos Group

France:

None

Abroad:

(all mandates relating to his main function at Vodafone)

- Director:
- Vodafone Idea Limited** (India)
- Vodafone Egypt**

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Director and member of the Audit Committee: Nokia (2014-2016)
- Director: Accor (2016-2018)
- Director: Vodafone Qatar (2016-2018), Vodacom ** (South Africa), Safaricom** (Kenya), Vodafone Hutchison Australia (Joint-Venture with Hutchison Whampoa in Australia)
- CEO: Vodafone Towers Europe

** Independent Director.*
*** Listed company.*

Valérie BERNIS*

Chairman of the CSR Committee **Member of the Remuneration Committee** **Professional address:** River Ouest – 80 quai Voltaire 95870 Bezons, France **Number of shares:** 505 **Date of birth:** December 9, 1958 **Nationality:** French **Date of first appointment:** April 15, 2015, ratified by AGM held on May 28, 2015 **Date of last renewal:** June 16, 2020 **Term expires on:** AGM ruling on the accounts of the 2021 financial year	**Biography – Professional Experience** **Company Director** Valérie Bernis is a graduate of the *Institut Supérieur de Gestion* and *Université des Sciences Economiques* in Limoges. In 1996, after 2 years spent as Communication and Press Advisor to the Prime Minister, she joined Compagnie de Suez as Executive Vice-President – Communications, and then in 1999, she became Executive Vice-President Financial and Corporate Communications and Sustainable Development. During the same period, she served for 5 years as Chairman and CEO of Paris Première, a French TV channel. Valérie Bernis is currently a Member of the Board of Directors of l'Occitane and France Télévisions. She is also a member of the Supervisory Board of Lagardère SCA.	
	Directorships and positions	
	Other directorships and positions as at December 31, 2020 **Within the Atos Group** None **Outside the Atos Group** France: • Member of the Board of Directors: France Television • Member of the Supervisory Board: Lagardère SCA** (also member of the Appointments, Remuneration and CSR Committee) • General Secretary of Board of Directors: AROP (Opera de Paris) • Board member: Fondation contre Alzheimer Abroad: • Independent member of the Board of Directors and member of Nomination Committee: l'Occitane International SA (Luxemburg)**	**Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** • Member of the Supervisory Board: Euro Disney SCA** • Member of the Board of Directors: Suez SA** • Vice-President: Fondation Engie • Member of the Board of Directors: Palais de Tokyo SAS

* *Independent Director.*
** *Listed company.*

Jean FLEMING

Director representing the employee shareholders **Member of the Remuneration Committee** **Professional address:** Midcity Place, 71 High Holborn London WC1V 6EA UK **Number of shares:** 1,718 **Date of birth:** March 4, 1969 **Nationality:** British **Date of first appointment:** May 26, 2009 **Date of last renewal:** June 16, 2020 **Term expires on:** AGM ruling on the accounts of the 2021 financial year	**Biography - Professional Experience** **Leadership Coach (United Kingdom)** Jean Fleming is a graduate of the London South Bank University where she obtained an MSc in Human Resources and from Brunnel University where she obtained a BA in Business Administration. Former Client Executive, Business Process Services, she is now a Global Leadership Coach accredited with the International Coaching Federation. Jean Fleming was appointed Director representing the employee shareholders. **Directorships and positions** **Other directorships and positions as at December 31, 2020** None	**Other positions held during the last five years** None

Farès LOUIS

Employee Director	Biography – Professional Experience	
Professional address: River Ouest – 80 quai Voltaire 95870 Bezons, France **Number of shares:** 0 **Date of birth:** May 23, 1962 **Nationality:** French **Date of first appointment:** April 25, 2019 **Term expires on:** AGM ruling on the accounts of the 2022 financial year	**Business Developer Cybersecurity Products** Farès Louis joined Bull in 1991 as commercial engineer. He then held several positions as Account Manager for large accounts located in France, manager of Bull subsidiary located in the Middle East, and in the development of international offers. Currently, he is a business developer for security products in Middle East & Africa within the BDS Service Lines.	
	Directorships and positions	
	Other directorships and positions as at December 31, 2020 **Within the Atos Group** None **Outside the Atos Group** • French Labour court judge (Conseiller Prud'homal) • Trade Union defender • Member of the CFDT corporate body/Symetal Francilien	**Other positions held during the last five years** **Within the Atos Group** • Trade Union representative • Employee representative on the Company premises located in Les Clayes-sous-Bois • European Committee Bull • Bull Work's council **Outside the Atos Group** None

Cedrik NEIKE

<table>
<tr><td rowspan="2">

Professional address:

Siemens AG

Werner-von-Siemens -Straße 1 80333 Munich, Germany

Number of shares:

500

Date of birth:

March 7, 1973

Nationality:

German, French

Date of first appointment:

January 28, 2020

Term expires on:

AGM ruling on the accounts of the 2022 financial year

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Biography - Professional Experience

Member of the Managing Board of Siemens AG and CEO of Digital Industries

Cedrik Neike is a graduate of University College London and London School of Economics where he received a Bachelor in Engineering and Business Finance. He also holds a MBA from Insead Business School (France).

Cedrik Neike joined Siemens in 1997 as Product line Manager for wireless Internet. In 2001, he then moved to Cisco Systems where he held several executive positions in Germany and USA, including in particular SVP, Global Service Provider, Service Delivery Worldwide, and SVP, Global Service Provider, Sales, EMEA, Russia and APJ.

In April 2017 he was appointed Member of the Managing Board of Siemens AG**.

Directorships and positions

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Other directorships and positions as at December 31, 2020

Within the Atos Group

None

Outside the Atos Group

- Siemens France Holding S. A., France

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Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Siemens Pte. Ltd., Singapore
- Siemens Ltd, India
- Siemens Schweiz AG, Switzerland (Chairman)

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*** Listed company.*

Colette NEUVILLE*

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<tr><td rowspan="4">

Member of the CSR Committee

Professional address:
River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:
1,012

Date of birth:
January 21, 1937

Nationality:
French

Date of first appointment:
May 30, 2012 (Director) – June 12, 2008 (member of Supervisory Board) – April 13, 2010 (Censor) ratified by General Meeting of May 27, 2010

Date of last renewal:
June 16, 2020

Term expires on:
AGM ruling on the accounts of the 2021 financial year

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Biography - Professional Experience

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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 "*Epargnants et Actionnaires Minoritaires*" (Retail Investors and Minority shareholders) of the *Autorité des Marchés Financiers* (French Financial Markets Authority).

She is member of the Board of Directors of the FAIDER and the ARCAF.

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Directorships and positions

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Other directorships and positions as at December 31, 2020

Within the Atos Group

None

Outside the Atos Group

France:

- Member: Consultative Commission "Epargnants et actionnaires minoritaires" ("Retail Investors and Minority shareholders") of the Autorité des Marchés Financiers (French Financial Markets Authority), Club of the Chairmen of Remuneration Committees

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Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Director (and also member of the Audit Committee) of Numericable-SFR** from November 27, 2014 to January 12, 2016
- Member: Conseil de Gouvernance de l' École de Droit & Management de Paris II Panthéon-Assas
- Director: Getlink SE** (also member of the Audit Committee and Corporate Commitee and Chairman of the Remuneration Committee and Lead Director since February 2014), ARCAF (association des fonctionnaires épargnants pour la retraite), FAIDER (fédération des associations indépendantes de défense des épargnants pour la retraite)

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* *Independent Director.*
** *Listed company.*

Aminata NIANE*

Chairman of the Remuneration Committee **Professional address:** BP 29495 – DAKAR, Senegal **Number of shares:** 1,012 **Date of birth:** December 9, 1956 **Nationality:** Senegalese **Date of first appointment:** May 27, 2010 **Date of last renewal:** April 30, 2019 **Term expires on:** AGM ruling on the accounts of the 2020 financial year	**Biography - Professional Experience** **International Consultant** Aminata Niane holds an Engineering Degree in Science and Technology of Food Industries (Montpellier, France) and a Master in Business Administration (Birmingham, UK). Then she started her career in 1983 as an engineer in big Senegalese companies in the 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 International Consultant, after being with the African Development Bank, Lead Advisor-Office of the Vice-President Infrastructure, Private Sector and Regional Integration, and Manager for the return of the Bank to its registered offices in Abidjan.	
	Directorships and positions	
	Other directorships and positions as at December 31, 2020 **Within the Atos Group** None **Outside the Atos Group** France: None Abroad: • Director: Groupe Envol Immobilier Sénégal (Senegal), Banque Atlantique Sénégal (Senegal) • Chairman of the association "Social Change Factory"	**Other positions held during the last five years** None

* *Independent Director.*

Lynn PAINE*

Member of the Audit Committee

Member of the Nomination and Governance Committee

Member of the CSR Committee

Professional address:

Harvard Business School, Soldiers Field Road, Boston, Massachusetts 02163

Number of shares:

1,000

Date of birth:

July 17, 1949

Nationality:

American

Date of first appointment:

May 29, 2013

Date of last renewal:

April 30, 2019

Term expires on:

AGM ruling on the accounts of the 2020 financial year

Biography – Professional Experience

Baker Foundation Professor, John G. McLean Professor of Business Administration, Emerita, Harvard Business School, Senior Associate Dean for International Development

Lynn Paine is Baker Foundation Professor, John G. McLean Professor of Business Administration, Emerita, and Senior Associate Dean for International Development at Harvard Business School. She previously served as Senior Associate Dean for Faculty Development. She is former chair of the School's general management unit and a specialist in corporate governance. An American with worldwide recognition, she currently teaches corporate governance in both the MBA and executive programs.

She co-founded and chaired the "Leadership and Corporate Accountability" required course, which she has taught in the MBA program as well as the Advanced Management Program. Ms. Paine has also taught in numerous other executive programs including the Senior Executive Program for China, Leading Global Business, the Senior Executive Program for Africa, Preparing to Be a Corporate Director, Women on Boards, and Making Corporate Boards more Effective.

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 and the Conference Board's Task Force on Executive Compensation. She also served on the Academic Advisory Council of the Hills Program on Governance at the Center for Strategic and International Studies (CSIS), in Washington, D.C.; on the Governing Board of the Center for Audit Quality in Washington D.C.; and the Advisory Board of the Conference Board's Governance Center in New York. She was a Director of RiskMetrics Group (NYSE) prior to the Company's merger with MSCI.

Directorships and positions

Other directorships and positions as at December 31, 2020

Within the Atos Group

None

Outside the Atos Group

France:

None

Abroad:

- Global Advisory Council, Odebrecht S.A., São Paulo (Brazil)
- Selection Panel, Luce Scholars Program, Henry Luce Foundation, NYC (USA)

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Senior Associate Dean, Harvard Business School, Boston, Massachusetts (USA) (2010-2016)
- Governing Board (Public Member), Center for Audit Quality, Washington D.C. (USA) (2007-2016)
- Academic Advisory Council, Hills Program on Governance – Center for Strategic and International Studies, Washington, D.C. (USA) (2001-2017)
- Senior Advisor to Independent Monitor for Volkswagen AG** (Germany) (2017-2020)

Independent Director.
** *Listed company.*

Édouard PHILIPPE*

Member of the Nomination and Governance Committee

Professional address:

River Ouest
80 Quai Voltaire
95870 Bezons
France

Number of shares:

501

Date of birth:

November 28, 1970

Nationality:

French

Date of first appointment:

October 27, 2020

Term expires on:

AGM ruling on the accounts of the 2022 financial year

Biography – Professional Experience

Mayor of Le Havre, former Prime Minister

Édouard Philippe is former Prime Minister, head of the French government from May 15, 2017 to July 3, 2020. He was re-elected Mayor of Le Havre at the municipal elections of June 2020.

Édouard Philippe is a graduate of the Institut d'études politiques de Paris and then of the École nationale d'administration (ENA).

After graduating from ENA in 1997, Édouard Philippe became a member of the Conseil d'État assigned to the litigation section.

In 2004, he became an attorney with Debevoise & Plimpton, in charge of public law matters.

Edouard Philippe joined Areva in 2007 as Director of Public Affairs (2007-2010).

After holding several local offices, he was elected Mayor of Le Havre and President of the Le Havre Metropolitan Community in 2010 and 2014. He was elected Member of the Parliament in 2012.

Directorships and positions

Other directorships and positions as at December 31, 2020

Within the Atos Group

None

Outside the Atos Group

France:

(all mandates are related to his functions of Mayor of Le Havre and of President of the urban community Le Havre Seine Métropole)

- Mayor of Le Havre
- President of the Urban Community Le Havre Seine Métropole
- Member of the Supervisory Board of Le Havre Grand port maritime
- Chairman of the Supervisory Board of Directors of the Hospital group of Le Havre
- President of the Social Action Center of Le Havre
- President of the EPCC, Le Volcan – Scène Nationale
- Chairman of the Board of Directors of the EPCC, École supérieure d'Art et Design Le Havre-Rouen
- President of the Association Le Havre Seine Développement
- President of the Tourism Board of Le Havre
- President of the Urban Planning Agency of the Le Havre region and of the Seine estuary

Abroad:

None

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Prime Minister from May 15, 2017 to July 3, 2020 (France)
- Member of French Parliament (2012-2017)
- Member of the Board of Directors of the International Association of the Cities and Ports
- Member of the Board of Directors of the public land-management institution of Normandie
- Member of the Board of Directors of the Société Hérouvillaise d'économie mixte pour l'Aménagement

* *Independent Director.*

Vernon SANKEY*

Member of the Audit Committee **Member of the CSR Committee** **Professional address:** 51 Walnut Court, St Mary's Gate, London W85UB, UK **Number of shares:** 1,296 **Date of birth:** May 9, 1949 **Nationality:** British **Date of first appointment:** February 10, 2009 (Director) – December 16, 2005 (Member of Supervisory Board) ratified by General Meeting of May 23, 2006 **Date of last renewal:** April 30, 2019 **Term expires on:** AGM ruling on the accounts of the 2021 financial year	**Biography – Professional Experience** **Officer in companies** Vernon Sankey graduated from Oriel 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 Insurance 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. **Directorships and positions** **Other directorships and positions as at December 31, 2020** **Within the Atos Group** None **Outside the Atos Group** Abroad: • Chairman, former Director: Harrow School Enterprises Ltd (United Kingdom) • Member: Pi Capital (United Kingdom)	 **Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** None

* *Independent Director.*

Diversity policy at Board level

The Board of Directors meeting held on December 14, 2020, upon recommendation of the Nomination and Governance Committee, examined the composition of the Board of Directors and approved the diversity policy applicable at Board level.

In that respect, after carefully analyzing the Board's membership with respect to such criteria as age, gender, skills, professional experience, nationality and independence, and in light of the evolution of the Board composition over the past recent years, it set the following objectives:

- **age of Directors:** On December 14, 2020, Directors' age ranged from 38 to 83 with an average of 57.9 years old compared to 62.8 in 2019. The Board considered that the age average was satisfactory and decided to closely monitor the limit of one third exceeding 70 years old set in the Articles of Association;
- **gender diversity:** On December 14, 2020, the Board of Directors was composed of 46.2% women Directors (6 out of 13)[1]. The Board considered that the ratio was satisfactory but contemplated the nomination of new independent women Directors;
- **diversity of skills and professional experience:** The Board acknowledged that (i) Directors have extensive professional experience in various industries on high profile positions and are serving or have served as Directors or corporate officers in other French or non-French companies, some of which are listed on stock exchanges, (ii) the diversity of skills is well reflected in the variety of profiles of Board members who gather extensive experiences and trainings: technology, engineering, finance, governance, CSR, risk management, former CEO roles, etc., and (iii) the Board has three Directors representing the employees (employees and employee shareholders) who enrich the panel of professional experience and perspective;
- **diversity of nationalities:** On December 14, 2020, the proportion of Directors of non-French nationality reached 53.8%, in line with the Group's international dimension. Consequently, the Board considered that the ratio was highly satisfactory and in line with the Group's international dimension;
- **Directors' independence:** On December 14, 2020, the ratio of Independent Directors was 60%. The Board considered that the ratio was satisfactory and that the Company should remain above the ratio recommended by the AFEP-MEDEF Code (i.e. at least half of the Board members).

1 *40% (4 out of 10) pursuant to the legal ratio. In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors.*

4.2.3.2 Directors' independence

Definition of an Independent Director

As per the AFEP-MEDEF Code

The AFEP-MEDEF Code defines as independent, a Director when "he or she has no relationship of any kind whatsoever with the corporation, its group or its management that may interfere with his or her freedom of judgment". The AFEP-MEDEF Code, adopted by the Board as reference code, also provides for a certain number of criteria that must be reviewed in order to determine the independence of a Director:

Criterion 1	Not to be and not to have been within the previous five years: • an employee or executive officer of the corporation; • an employee, executive officer or Director of a company consolidated within the corporation; • an employee, executive officer or Director of the Company's parent company or a company consolidated within this parent company.
Criterion 2	Not to be an executive officer of a company in which the Corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a directorship.
Criterion 3*	Not to be a customer, supplier, commercial banker, investment banker or consultant: • that is significant to the corporation or its group; • or for which the corporation or its group represents a significant portion of its activities. The evaluation of the significance or otherwise of the relationship with the Company or its group must be debated by the Board and the quantitative and qualitative criteria that led to this evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the report on corporate governance.
Criterion 4	Not to be related by close family ties to a Corporate Officer
Criterion 5	Not to have been an auditor of the corporation within the previous 5 years.
Criterion 6	Not to have been a Director of the corporation for more than 12 years. Loss of the status of Independent Director occurs on the date of the 12th anniversary.
Criterion 7	A non-executive officer cannot be considered independent if he or she receives a variable compensation in cash or in the form of securities or any compensation linked to the performance of the corporation or Group.
Criterion 8	Directors representing major shareholders of the corporation or its parent company may be considered independent, provided these shareholders do not take part in the control of the corporation. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board of Directors, upon a report from the Nomination Committee, should systematically review the qualification of a Director as independent in the light of the composition of the corporation's share capital and the existence of a potential conflict of interest.

* *As recommended by the AFEP-MEDEF Code, as part of the assessment of how significant the relationship with the Company or its Group is (Criterion 3), the Board of Directors retained the same criteria as those used in the previous year:*

- *quantitative criterion, being the consolidated turnover of 1% performed by the Company with a group within which an Atos Director exercises a function and/or holds a mandate. This criterion was set on the basis of the specificities of the Atos Group activity, in particular the rigorous procedures related to answers to bidding processes;*
- *a qualitative criteria, i.e.: (i) the duration and continuity of the business relationship (seniority of the relationship or impact of potential contract renewals…), (ii) the importance or intensity of the relationship (potential economic dependency), and (iii) the structure of the relationship (Director free of any interest…).*

Review of the Directors' independence

The detailed assessment of the Directors' independence carried out on December 14, 2020, and based on the above-mentioned criteria is reproduced in the table below:

	Bertrand Meunier	Elie Girard	Vesela Asparuhova	Vivek Badrinath	Valérie Bernis	Jean Fleming	Farès Louis	Cedrik Neike	Colette Neuville	Aminata Niane	Lynn Paine	Edouard Philippe	Vernon Sankey
Criterion 1	✔	✖	✖	✔	✔	✖	✖	✔	✔	✔	✔	✔	✔
Criterion 2	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 3	✔	✔	✔	✔	✔	✔	✔	✖	✔	✔	✔	✔	✔
Criterion 4	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 5	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 6	✖	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✖
Criterion 7	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 8	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Independence	NO	NO	NO	YES	YES	NO	NO	NO	YES	YES	YES	YES	NO

In this table, ✔ represents an independence criterion that is satisfied and ✖ represents an independence criterion that is not satisfied.

On December 14, 2020, the Board of Directors reviewed the independence of each of its members on the basis of the criteria mentioned above and acknowledged that 60% of its Directors could be considered independent:

7 Directors were not considered as independent	• Mr. Elie Girard, as Chief Executive Officer.
	• Mr. Bertrand Meunier and Mr. Vernon Sankey as they have been serving on the Board for more than 12 years
	• Mr. Cedrik Neike due to his mandate in Siemens which has significant commercial relationship with Atos.
	• Ms. Vesela Asparuhova, Ms. Jean Fleming and Mr. Farès Louis by virtue of their quality as employees of a subsidiary of the Company.[1]
6 Directors were considered as independent	• Ms. Colette Neuville et Ms. Aminata Niane were considered as independent in the absence of any element falling within the criteria.
	• 4 Directors, performing mandates or functions in corporations having business relationships with the Company could nevertheless be considered as independent, considering the low turnover, below the threshold of 1% set by the Board, achieved by Atos with all these corporations: Mr. Vivek Badrinath, Ms. Valérie Bernis, Ms. Lynn Paine and Mr. Edouard Philippe.

1 *As per article 9.3 of the AFEP-MEDEF Code, the Directors representing the employee shareholders and the Employee Directors are not taken into account for the ratios of Independent Directors.*

4.2.3.3 Employee's participation at Board level

The Board comprises a Director representing the employee shareholders, appointed by the General Meeting. The appointment of such Director was voluntarily submitted to the General Meeting in 2013, 2017 and in 2020.

The Board also comprises two Employee Directors within the meaning of article L. 225-27-1 of the French Commercial Code, appointed as per the procedure set forth in the Articles of Association. In accordance with the PACTE law, the Company submitted to the 2020 Annual General Meeting an amendment to the Articles of Association to lower the threshold from 12 to 8 Directors composing the Board for the required appointment of a second Employee Director. Following this amendment, a second Employee Director was appointed and joined the Board of Directors on October 21, 2020.

Directors representing the employee shareholders and those representing the employees are expressly designated as members of the Board in the Board Internal Rules. In that respect, they participate in the meetings and deliberations of the Board. They have the same obligations as any other Directors, in particular of confidentiality, save for the obligation to hold at least 500 shares of the Company.

In addition, pursuant to an agreement of December 14, 2012, 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. Once a year, the Participative Committee is invited to a plenary meeting of the Board of Directors corresponding to the session on the review of compliance practices of the Company with rules of corporate governance.

4.2.3.4 Directors' training

As per the AFEP-MEDEF Code, upon the appointment of a new Director, various sessions are offered with the main group executives on the Group's business, organization and governance. Newly appointed Directors were provided with the Company's governance documentation (including the Articles of Association, the Board Internal Rules and the Director Charter) and received a specific training focusing on corporate governance. They were also alerted on stock exchange regulation obligations applicable to Directors of listed companies.

In addition, specific external trainings are contemplated for Directors on an ad hoc basis.

A specific training is also provided to Directors appointed on the Audit Committee. The members of the Audit Committee have the required expertise by virtue of their education and professional experience. Newly appointed members were trained by the Chief Executive Officer, the Chairman of the Audit Committee, the Group Chief Financial Officer and the Group General Counsel on the Company's specific accounting, financial or operational features and the Company's governance.

4.2.3.5 Shareholding obligations

Pursuant to the Articles of Association, each Director must own at least 500 shares. However, such requirement does not apply to the Employee Directors and the Director representing the employee shareholders.

4.2.3.6 Declarations related to the members of the Board of Directors

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 for 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.

4.2.3.7 Potential conflict of interest and agreements [GRI 102-25]

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 Mr. Cedrik Neike whose appointment was proposed by Siemens Pension-Trust e.V. 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 family 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, save for the Employee Directors and the Directors representing the employee shareholders, must own at least 500 shares of the Company and the retention obligations defined by the Board of Directors for the Chief Executive Officer of the Company.

4.2.3.8 Internal rules of the Board of Directors

The Board of Directors of Atos SE has approved Internal Rules which govern the works of the Board of Directors. The Board Internal Rules were last updated during the Board meetings held on February 18, 2020, October 21, 2020, and December 1,2020 to adapt to the new governance structure of the Company. The Board Internal Rules include, as attachments, a Director Charter and a Guide to the prevention of insider trading.

The Internal Rules specify the rules on composition, operation and role of the Board, compensation of Directors, assessment of the works of the Board, information of Directors, the role, competence, and operating rules of the Committees of the Board, missions of the Board Chair, the specific missions which can be granted to a Director and the confidentiality obligations imposed on Directors.

As soon as appointed, a copy of the Internal Rules as well as the Director Charter and the Guide to the prevention of insider trading are provided to the Directors who acknowledge receipt of these documents. The Internal Rules of the Board of Directors are available on the Company website www.atos.net ("Investors" section).

Latest amendments to the Board Internal Rules

During the meeting held on February 18, 2020, the Board of Directors adopted, upon the recommendation of an ad hoc committee, a new version of the Internal Rules in order to amend and detail the missions of the Chairman of the Board in article 2.3.1 – Chairman of the Board, following the separation of the offices of Chairman of the Board and Chief Executive Officer. The missions of the Chairman of the Board are detailed in section 4.2.2 of this document.

During the meeting held on October 21, 2020, the Board of Directors approved the amendment of the Internal Rules of the Board of Directors to reflect the modifications to the Articles of Association approved during the Annual General Meeting held on June 16, 2020. The amendments to the Internal Rules of the Board of Directors were the following:

- Article 2.4.6 – Written consultation: Insertion of a new provision to allow the written consultation of the Board of Directors on specific decisions as provided for under article 18 of the Articles of Association;

- Articles 3.1, 4 and 9.3.1 – Directors' and Censors' compensation: Adjustment of the wording of the Directors' and Censors' compensation in articles 20 and 26 of the Articles of Association, to reflect the new legal name of this compensation.

During the meeting held on December 1, 2020, the Board of Directors approved the amendment of the Internal Rules in connection with the split of the missions previously allocated to the Nomination and Remuneration Committee between two new committees replacing the former Nomination and Remuneration Committee: the Nomination and Governance Committee and the Remuneration Committee. The missions of these two committes are described in the sections 4.2.4.5 and 4.2.4.6 of this document. During the same meeting held on December 1, 2020, the Board of Directors also decided to remove the position of Lead Independent Director and entrust the newly created Nomination and Governance Committee with the duties and missions formerly held by the Lead Independent Director which had not already been allocated to the Chairman of the Board as per Internal Rules.

Acceptance of new corporate mandates

Pursuant to the Board Internal Rules, the Chairman of the Board of Directors and the Chief Executive Officer, and the Chairman and Chief Executive Officer, as applicable, as well as any Deputy Chief Executive Officer, seek the Board of Directors' opinion before accepting a new directorship in a listed company, whether French or foreign, outside the Group.

Conflicts of interest [GRI 102-25]

Pursuant to the Board Internal Rules, the Director undertakes to strictly avoid any conflict that may exist between his or her own moral and material interests and those of the Company. Directors must inform the Chairman of the Board of Directors of any conflict of interest, even a potential one, within which he or she may be directly or indirectly involved. In the case where he or she cannot avoid having a conflict of interest, he or she must abstain from participating in discussions and decisions on such matter, and the Chairman may request him or her not to attend the deliberations. 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).

Dealing during closed periods

Pursuant to Atos' Guide to the prevention of insider trading, Atos' Directors and employees who are likely to have access on a regular or occasional 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, 30 days preceding the publication of Atos SE half year financial statements, and four weeks prior to the publication of Atos SE financial information for the first and third quarters.

4.2.3.9 Board of Directors' Internal Charter on related-party and "free" agreements

The Board of Directors adopted an Internal Charter on related-party and "free" agreements.

Considering the organization of the Atos Group and, in particular, the principle of segregation of duties of its internal control system, the Internal Charter sets up a procedure involving both the Group Legal Department and the Group Internal Control department whereby:

- the Group Legal Department is in charge of qualifying the agreements either as related-party agreements or as "free" agreements, and of supervising the authorization procedure for related-party agreements; and
- the Group Internal Control Department is in charge of regularly assessing whether agreements relating to ordinary transactions entered into under normal conditions do indeed meet these conditions. It communicates the results of its work to the Audit Committee.

4.2.4 Operation of the Board of Directors and its Committees

4.2.4.1 Attendance to the meetings of the Board of Directors and its Committees in 2020

Individual attendance

	Elie Girard	Bertrand Meunier	Vesela Asparuhova	Vivek Badrinath	Nicolas Bazire	Valérie Bernis	Jean Fleming	Farès Louis	Cedrik Neike	Colette Neuville	Aminata Niane	Lynn Paine	Edouard Philippe	Vernon Sankey
Board of Directors	**100%**	**100%**	**100%**	**100%**	**66.67%**	**100%**	**88.24%**	**100%**	**94,12%**	**100%**	**100%**	**88.24%**	**100%**	**100%**
Audit Committee	N/A	**100%**	N/A	**100%**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**100%**	N/A	**100%**
Nomination and Remuneration Committee	N/A	**100%**	N/A	N/A	**100%**	N/A	**100%**	N/A	N/A	**100%**	N/A	N/A	N/A	N/A
Nomination and Governance Committee	N/A	**100%**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**100%**	**100%**	N/A
Remuneration Committee	N/A	N/A	N/A	N/A	N/A	**100%**	**100%**	N/A	N/A	N/A	**100%**	N/A	N/A	N/A
CSR Committee	N/A	N/A	N/A	N/A	N/A	**100%**	N/A	N/A	N/A	N/A	N/A	**100%**	N/A	**100%**

Global attendance rate

Board of Directors	Audit Committee	Nomination and Remuneration Committee	Nomination and Governance Committee	Remuneration Committee	CSR Committee
95.61%	**100%**	**100%**	**100%**	**100%**	**100%**

4.2.4.2 The Board of Directors'activity

Mission

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, issues the report on corporate governance, 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. The Board of Directors endeavors to promote long-term value creation by the Company by considering the social and environmental aspects of its activities. It regularly reviews, in relation to the strategy it has defined, the opportunity and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly.

Operating rules

Pursuant to the Board Internal Rules, the Board of Directors, convened by its Chairman, shall meet at least 5 times a year and as often as necessary in the interest of the Company. The Directors may attend Board of Directors' meetings by videoconference or conference call. The meetings of the Board of Directors shall follow the agenda determined by the Chairman and communicated to the Directors. Whenever possible, the necessary documents and elements are sent to the Directors with the agenda. The Board of Directors shall appoint, determining his or her term of office, a secretary who may be chosen from among the Directors or from outside. The Directors shall have the option of being represented at meetings of the Board of Directors by another Director. Each Director may only represent one of the other Directors during the same Board of Directors. The Board of Directors may only deliberate validly if at least half of its members are present. Decisions shall be passed by a majority of members present or represented. If the votes are split, the Chairman of the session shall cast the deciding vote.

Activities in 2020

During the 2020 financial year, the Board of Directors met 17 times. Global attendance of Directors at these meetings was an average of 95.61%. 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 2021 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.

As far as strategic projects and operations are concerned:

- approval of the Company's medium-term ambition and strategy;
- regular updates from management regarding the Covid-19 crisis' discussions of the necessary adjustments and review of the Company's specific commercial responses;
- sale of a 13.1% stake in Worldline in February 2020 through a private placement by way of accelerated book building offering;
- suport of the combination between Worldline and Ingenico;
- regular review of the M&A activities, in particular regarding multiple bolt-on acquisitions.

As far as compensation is concerned:

- *Compensation policy*:
  - set the compensation policy applicable to the Chairman of the Board, the Directors and the Chief Executive Officer;
  - review of the conformity of the executive officers' compensation policy with the AFEP-MEDEF Code;
  - review of updates regarding a regulatory compensation ratio introduced by the PACTE law.
- *Variable compensation:*
  - confirm the results for the Chief Executive Officer's variable compensation for H2 2019;
  - confirmation of the results for H1 2020 applicable to the Chief Executive Officer's variable compensation and extension the applicable elasticity curves towards the floor values corresponding to zero payment;
  - set the targets of the variable part of the Chief Executive Officer's compensation for H2 2020;
  - set the targets of the variable part of the Chief Executive Officer's compensation for H1 2021.
- *Directors' compensation:*
  - approval of the unchanged structure of Directors' compensation.
- *Long-term incentive plans:*
  - set up a performance share plan in favor of Group employees and the corporate officers;
  - confirm the achievement of performance conditions, including the achievement of the CSR performance conditions, and setting new annual targets for the same in connection with on-going performance share plans;
  - revision of the performance conditions of performance share plans given the unprecedented circumstances due to the Covid-19 crisis;
  - review of the features of an employee stock ownership plan.
- *Share buybacks*:
  - decide the implementation of share buybacks in connection with the vesting of performance shares.

As far as Atos' raison d'être and CSR topics are concerned:

- approval of the Group's CSR initiatives and targets in the context of the approval of the medium-term guidelines;
- review the Company's initiatives and defining orientations regarding the implementation of the Company's *raison d'être*;
- take into consideration CSR Committee's reports and provide guidelines with regard to notably environment, gender balance, diversity and accessibility;
- review the results of the Great Place to Work Survey.

As far as governance is concerned:

- *General Meeting*:
  - convene the Annual General Meeting, and re-convening in the Covid-19 context;
  - cancel the dividend proposal in the pandemic context;
  - review and approving the Board of Directors' report to the Annual General Meeting;
  - convening of a General Meeting in October 2020 to give an opinion on the Company's medium-term ambition and strategy and vote on the appointment of a new Director.
- *Company governance*:
  - specify the missions of the Chairman of the Board;
  - create two committees by splitting the missions previously allocated to the Nomination and Remuneration Committee between two committees: the Nomination and Governance Committee and the Remuneration Committee;
  - remove the position of Lead Independent Director;
  - review the composition of the Board of Directors in light of the Board policy;
  - confirm the composition of the Committees after the Annual General Meeting and revising the composition of the Committees after the split of the Nomination and Remuneration Committee.
- *Governance-related documentation*:
  - review and approval the Board of Directors' report on Corporate Governance;
  - amendment of the Board Internal Rules further to the modification of the Board's governance and the entry into force of new pieces of legislation;
  - review of the 2019 Universal Registration Document and of the 2019 Compliance report;
  - review of the Amendment to the 2019 Universal Registration Document filed with the Autorité des Marchés Financiers on July 30, 2020;
  - review of the draft revised Code of Ethics of the Company;

- *Operation of the corporate bodies:*
  - renewal or approval of certain delegations of powers to senior executive officers;
  - approval of the implementation of the new industry led organization to drive customer centricity;
  - propositions in connection with the renewal of Directors' term of office or the appointment of new Board members;
  - assessment of the Board's work;
  - review of the independence of Board members;
  - conformity review of the Company's practices with the AFEP-MEDEF Code;
  - approval of three related-party agreements with Siemens AG, Siemens Energy AG and Siemens Healthinners AG in the context of the five-year extension of the strategic partnership between Atos and Siemens;
  - annual review of related parties' agreements authorized during previous financial years.
- *Risks:*
  - approval of parental guarantees;
  - communication of the risk mapping exercise after its review by the Audit Committee;
  - review of main on-going litigations.

The Board regularly heard the reports of the statutory auditors as well as those of its three, then four Committees.

The Board Committees are governed by the Board Internal Rules which specify their respective missions. The Committees only have an advisory role 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.

4.2.4.3 The Audit Committee's activity

Mission

The Audit Committee prepares and facilitates the work of the Board of Directors within its fields of competence. For this purpose, it assists the Board of Directors in its analysis of the accuracy and sincerity of the Company's corporate and consolidated accounts. The Committee formulates opinions and recommendations to the Board of Directors according to the following assignments received from the Board:

With respect to the accounts:

- to monitor the financial reporting process, and as the case may be, issue recommendations to guarantee integrity of the said process;
- 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 of the Company 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 upon approval of the annual accounts as well as the important financial documents and press releases;
- to report on the results of the financial statements certification, on the way this mission contributed to the integrity of the financial information and about the role that the Committee played in the process.

With respect to the external control of the Company:

- to examine questions concerning either the appointment or renewal of the statutory auditors;
- to monitor the conduct of the assignment entrusted to the statutory auditors;
- to approve the provision of services by the statutory auditors or by their network members for the benefit of the Company or its subsidiaries, other than the certification of the accounts and the services required from the statutory auditors by the law. The Committee bases its recommendations on the analysis of the risk to the independence of the statutory auditor(s) and on the safeguard measures applied by them;
- to ensure the statutory auditors act in compliance with their duty of independence.

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 cash position and any significant commitments or risks, notably through a litigation review, and to examine the procedures adopted to assess and manage such risks;
- to monitor the effectiveness of the Internal Audit of the procedures relating to the preparation and processing of financial and non-financial accounting information.

Operating rules

Pursuant to the Board Internal Rules, the Audit Committee members should is provided, at the time of appointment, with information relating to the Company's specific accounting, financial and operational features. The Audit Committee interviews the statutory auditors, and also the persons responsible for finance, accounting and treasury matters. The review of accounts by the Audit Committee should be accompanied by a presentation from the statutory auditors stressing the essential points not only of the results of the statutory audit, in particular the adjustments resulting from the audit and significant weaknesses in internal control identified during the auditor's works, but also of the accounting methods chosen. It should also be accompanied by the complementary report to the Audit Committee provided for by applicable law and a presentation from the Chief Financial Officer describing the corporation's risk exposures including those of a social and environmental nature, and its material off-balance-sheet commitments. As far as Internal Audit and risk control are concerned, the Committee interviews 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 2020, the Audit Committee, in its operation, benefited from Company's internal skills, in particular the Group Chief Financial Officer, the Group General Secretary, the Group Head of Internal Audit, the Group Head of Bid Control and Business risk management, the Group Head of Investor Relations & Financial Communication, the Group Head of Accounting, Tax and Structuring, 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 several days prior to the meetings.

Activities in 2020

During the 2020 financial year, the Audit Committee met 6 times. Attendance of members to the meetings was an average of 100%.

During the 2020 financial year, the Audit Committee reviewed the accounting and financial documents, before their presentation to the Board; the Committee also reviewed the main accounting items and methods. The Audit Committee examined the quarterly financial reports on the Group's performance, the consolidated accounts for 2019, the half yearly accounts 2020, and the draft financial press releases before their submission to the Board of Directors.

The Audit Committee was regularly informed of the conclusions of the main missions and reviewed the summary reports concerning the Internal Audit activities. The Committee was informed on a regular basis of the monitoring and management of risk of the significant contracts and reviewed the updated risk mapping presented by the Group Head of Internal Audit. The Committee also periodically reviewed the status of the declared claims and litigations and the provisions. The Committee reviewed relevant sections of the Universal Registration Document. The Committee was regularly informed on the status of the Group's treasury and financing needs and reviewed the significant off-balance-sheet commitments. 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. It also examined the fees and the independence of the statutory auditors.

4.2.4.4 The Nomination and Remuneration Committee's activity

[GRI 102-36] [G 102-37]

On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees: the Nomination and Governance Committee and the Remuneration Committee. For 2020, this document presents the activities of the Nomination and Remuneration Committee. The missions and operating rules of the two new Committees are covered in the dedicated sections below.

Activities in 2020

During the 2020 financial year, the Nomination and Remuneration Committee met 6 times. Attendance of members to the meetings was 100%.

The Nomination and Remuneration Committee met in 2020 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

As far as compensation is concerned:

- *Compensation policy*:
  - proposals in connection with the setting of the compensation policy applicable to the Chairman of the Board, the Directors and the Chief Executive Officer;
  - review of updates and proposals in connection with the regulatory compensation ratio introduced by the PACTE law.
- *Variable compensation:*
  - proposals in connection with the confirmation of the results for the Chief Executive Officer's variable compensation for H2 2019;
  - proposals in connection with the confirmation of the results for H1 2020 applicable to the Chief Executive Officer's compensation;
  - proposals in connection with the setting of targets of the variable part of the Chief Executive Officer's compensation for H2 2020.

- *Long-term incentive plans:*
  - proposals in connection with the setting up of a performance share plan in favor of Group employees and the Chief Executive Officer;
  - proposals in connection with the confirmation of the achievement of performance conditions, including the achievement of the CSR performance conditions, and the setting of new annual targets for the same in connection with on-going performance share plans;
  - proposals in connection with a project of employee stock ownership plan.
- *Share buybacks*:
  - proposals in connection with the implementation of share buybacks in the context of the vesting of performance shares.

As far as appointments are concerned:

- proposals in connection with the composition of the Committees after the renewal of terms of office decided by the Annual General Meeting and the end of the term of office, in light of the Board policy;
- proposals in connection with the split of the missions previously allocated to the Nomination and Remuneration Committee between two committees: the Nomination and Governance Committee and the Remuneration Committee;
- proposal in connection with the removal of the Lead Independent Director position and the reallocation of the related missions;
- proposals in connection with the composition of the Committees after the creation of the Nomination and Governance Committee and the Remuneration Committee.

4.2.4.5 The Nomination and Governance Committee's activity [GRI 102-36]

On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees, resulting in the creation of the Nomination and Governance Committee.

Mission

The Nomination and Governance Committee shall have the task of preparing and facilitating the decisions of the Board of Directors within its fields of competence according to the following assignments received from the Board:

- to research and examine, for the Board of Directors, any candidate for the appointment to the position of member of the Board of Directors or to a position of manager who holds a corporate mandate within the Company, to formulate an opinion on these candidates and/or a recommendation to the Board of Directors, particularly taking into account the desired balance within the composition of the Board of Directors and to assess the opportunities for the renewal of mandates; and to review and formulate recommendations regarding the succession plan for executive officers.

Selection process for candidates as Independent Directors

The Nomination and Governance Committee identifies and selects candidates to the office as Independent Directors according to the following procedure:

- identification of the missing profiles through the analysis of the targets of the diversity policy set by the Board and the inputs and suggestions made by the members of the Board of Directors when answering the questionnaire related to the annual assessment of the works of the Board;
- identification by the Committee of potential candidates meeting the identified criteria, with the help, as applicable, of an external consultant;
- preselection of candidates by the Nomination and Governance Committee after careful review of their skills, experience, professional background, independence and ability to carry the duties of the Charter of the Atos Board of Directors;
- the Chairman or another member of the Nomination and Governance Committee contacts the preselected candidates and enquires about their willingness to be considered for the position;
- the preselected candidates who have confirmed their willingness to be considered for the position are interviewed by the Committee members during a Committee meeting and shall fufill a questionnaire with disclosures and a commitment to abide by the Board rules;
- after the interviews, the Nomination and Governance Committee issues a recommendation to the Board of Directors;
- to examine major operations involving a risk of a conflict of interest between the Company and the Directors, to provide recommandations regarding the assessment of the Directors' independence and to supervise the annual evaluation of the Board's works.

Operating rules

The Nomination and Governance Committee is subject to the same general operating rules as those applicable to the other Board Committees. The Committee may use external experts as needed.

Activities in 2020

Following its creation, the Nomination and Governance Committee met once in 2020. Attendance of members to the meetings was 100%.

The Nomination and Governance Committee met in 2020 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- proposals in connection with the design of a plan for a renewed composition of the Board of Directors in accordance with the review of balanced blend of non-executive profiles and the defined diversity policy of the Board;
- proposals in connection with the review of the independence of Board members;
- review of the yearly assessment of the Board work in 2020.

4.2.4.6 The Remuneration Committee's activity [GRI 102-37]

On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees, resulting in the creation of the Remuneration Committee.

Mission

The Remuneration Committee shall have the task of preparing and facilitating the decisions of the Board of Directors within its fields of competence according to the following assignments received from the Board:

- to formulate proposals regarding the compensation of the Chairman of the Board and the Chief Executive Officer (amount of the fixed compensation and definition of the rules governing the variable compensation, 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) and of the Directors;
- to review and formulate recommendations to the Board of Directors regarding the annual compensation policy for corporate officers;
- to contribute 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, or Company performance shares to the benefit of corporate officers and any or all employees of the Company and its subsidiaries;
- to make observations and/or recommendations related to the pension and insurance plans, payments in kind, various financial rights granted to corporate officers of the Company and their subsidiaries.

Operating rules

The Remuneration Committee meets without the Company Officer's presence for the setting of the Chairman of the Board and the Chief Executive Officer's compensation policy and the Chief Executive Officer's related objectives as well as the assessment of this latter's performance on the occasion of the allocation of his variable compensation. The Remuneration Committee delivers an opinion to the Board of Directors on the performance of the Chief Executive Officer. The Chief Executive Officer is associated to the works of the Committee relating to Directors' appointments and to the long-term incentive policy related proposals for employees. The Committee may use external experts as needed.

Activities in 2020

Following its creation, the Remuneration Committee met once in 2020. Attendance of members to the meetings was 100%.

The Remuneration Committee met in 2020 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- *Compensation policy:*
  - proposals in connection with the review of the conformity of the Chairman's and of the Chief Executive Officer's respective compensations with the AFEP-MEDEF Code.
- *Variable compensation:*
  - proposals in connection with the setting of targets of the variable part of the Chief Executive Officer's compensation for H1 2021.
- *Directors' compensation:*
  - proposals for the allocation of the Directors' compensation for 2020;
  - proposals for the renewal of the Directors' compensation for 2021.
- *Long-term incentive plans:*
  - proposals in connection with the setting up of a performance share plan in favor of Group employees and the Chief Executive Officer;
  - proposals in connection with a project of employee stock ownership plan in 2021.

4.2.4.7 The CSR Committee's activity

To strengthen the consideration of Corporate Social Responsibility, the Board created a committee dedicated to Corporate Social and Environmental Responsibility matters, in place since January 2020.

Mission

The CSR Committee shall have the task of preparing and facilitating the work of the Board of Directors within its fields of competence. The Committee shall formulate all opinions and recommendations to the Board of Directors according to the following assignments received from the Board:

- to review the Group's Corporate Social and Environmental Responsibility strategy and the rollout of the related initiatives;
- to review the Group's Corporate Social and Environmental Responsibility commitments in light of the challenges specific to the Group's business and objectives, in particular in such areas as well being at work, diversity and environment;
- to evaluate the risks and opportunities with regard to social and environmental performance;
- to review the social and environmental policies taking into account their impact in terms of economic performance;
- to review the annual statement on non-financial performance; and
- to review the summary of ratings awarded to the Group by rating agencies and in non-financial analysis.

Operating rules

The CSR Committee is subject to the same general operating rules as those applicable to the other Board Committees. The CSR Committee meets as often as the Company's interest so requires. The Committee may, in carrying out its responsibilities, contact leading managers of the Company after notifying the Chairman of the Board of Directors or the Board of Directors itself and under the condition that it reports back to the Board of Directors. The Committee may use external experts as needed.

Activities in 2020

During the 2020 financial year, the CSR Committee met 3 times. Attendance of members to the meetings was 100%.

The CSR Committee met in 2020 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- reviewing the Atos Corporate Social Responsibility initiatives, and their development and results;
- examining and following up the Company's decarbonization strategy, in connection with the new objectives announced during the Analyst Days;
- following up and supporting the Company's diversity initiatives, including gender balance;
- review of the initiatives relating to the Company's *raison d'être*.

4.2.5 Assessment of the works of the Board of Directors

[GRI 102-28]

Pursuant to the Board Internal Rules, the Board of Directors must assess its capacity to meet the expectations of the shareholders by periodically analyzing its composition, organization and its operation, as well as the composition, organization and operation of its Committees.

The evaluation has three objectives:

- to assess the way in which the Board operates;
- to check that the important issues are suitably prepared and discussed; and
- to measure the actual contribution of each Director to the Board's work.

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 Universal Registration Document, of the conduct of these assessments and the subsequent follow-up.

In accordance with the AFEP-MEDEF Code, the Board of Directors has undertaken since 2009 a formalized annual assessment under the supervision of its Lead Independent Director, and of its Nomination and Governance Committee as from 2020 due to the removal of the position of Lead Independent Director. Under the supervision of the Nomination and Governance Committee, the assessment was carried out pursuant to the following procedure:

- Each Director answered a questionnaire which addresses such topics as:
  - the suitability of the Board and Committees composition;
  - the suitability of the agenda and information provided in that respect, of the time devoted to specific subjects;
  - for the Committee members, the suitability of the Committee's works and of the means provided to the Committees to carry out their mission;
  - the quality of the recommendations from both Committees;
  - the quality of the minutes of meetings and of the documents/information provided;
  - the satisfactory nature of the actual contribution of each Director to the works of the Board;
  - the improvements to be made, and
  - the suitability of the Board's work in 2020, including concerning the Company's raison d'être recently adopted.
- during its meeting held on December 14, 2020, the Board of Directors, further to the report of the Chairman of the Nomination and Governance Committee on the outcome of the assessment, considered the improvements to retain. The answers were collected, analyzed and consolidated in a report for the Board after review by the Nomination and Governance Committee. At the end of these works, an item was put on the agenda of the Board of Directors' meeting of December 14, 2020 in order for the Chair of the Nomination and Governance Committee, with the support of the former Lead Independent Director, to report on the outcome of this assessment and consider the improvements to retain;

The tone of the assessment is very positive, as for the previous years and several improvements were acknowledged: the quality of the debates and of the informal meetings among Directors. The following points emerged from the analysis, and were shared with all the Directors:

- **composition of the Board of Directors:** the Directors made several suggestions on the profiles to be targeted for future candidates to the Board in order to further strengthen its composition. They were satisfied with the diversity of the composition of the Board of Directors, with the required maintenance of the overall balance between men and women Directors;
- **activities of the Board:** the Directors favorably perceived the effects of the separation of the offices of the Chief Executive Officer and of the Chairman of the Board, from November 2019;
- **annual strategic Seminar:** the organization of an annual strategic seminar was suggested when the sanitary situation will allow such seminar to be conducted;
- **CSR Committee:** the Directors suggested that the CSR Committee further presents to the entire Board the Company's CSR initiatives,
- **risks:** the Directors thought beneficial to deepen the discussions on the risks the Group is facing, with dedicated Board meetings.

In addition to being addressed through the questionnaire (in particular with the assessment of the actual contribution of each Director), the assessment of the performance of the Chief Executive Officer took place twice in 2020 during the Board of Directors' meetings that ruled in February and July, respectively for the second semester 2019 and the first semester 2020, on the achievement of the performance criteria of the Chief Executive Officer's variable compensation.

4.2.6 Board of Directors' report on corporate governance

4.2.6.1 Board of Directors' report on corporate governance

The 2020 Universal Registration Document includes all corporate governance-related items required under the provisions of the French Commercial Code and the AFEP-MEDEF Code of Corporate Governance to be included in the Board of Directors' report on corporate governance approved during the meeting held on February 17, 2021. Consequently, the following table allows to identify in the 2020 Universal Registration Document the required information.

Information required under the French Commercial Code	Section of the 2020 Universal Registration Document
Governance *(L. 22-10-10 of the French Commercial Code)*	
List of mandates and functions in any company exercised by each corporate officer during the financial year	4.2.3.1
Agreements entered into between a subsidiary and a corporate officer or a shareholder holding more than 10% of the voting rights	N/A
Table of on-going delegations to proceed to share capital increases	8.7.7
Choice of terms and conditions to exercise the general management of the Company	4.2.2
Composition of the Board of Directors and conditions of organization of the works of the Board of Directors	4.2.3, 4.2.4
Diversity policy at Board of Directors and Executive Committee levels and results in terms of gender diversity for the 10% highest responsibility positions within the Company	4.2.3.1, 5.3.5, 5.3.187
Limitations of powers on the Chief Executive Officer	4.2.2
Recommendations of Corporate Governance Code which are not followed and place where Code may be consulted	4.2.1
Specific terms and conditions of participation in General Meetings	4.1.3.2
The description of the procedure related to related-party and free agreements set up by the Company and of its implementation	4.2.3.9
Executive Compensation *(L. 22-10-8 and L. 22-10-9 of the French Commercial Code)*	
Presentation of the corporate officers' compensation policy to be submitted to the General Meeting in the context of the ex ante vote	4.3.1
Corporate officers' compensation paid during the closed financial year or awarded in relation thereto	4.3.2
Proportion between the fixed and variable compensation	4.3.1; 4.3.2.3
The use of the possibility to ask for the restitution of the paid compensation	N/A
Undertakings in favor of corporate officers in case of taking up, ending or change of functions.	4.3.1
Compensation paid or awarded by a consolidated company	4.3.1; 4.3.2
Ratios between the company officers' compensation and the employees' average compensation	4.3.2.2, 4.3.2.3
The annual evolution of the compensation, the Company's performance, the employees' average compensation, and the hereabove mentioned ratios over the last five years in a way that allows a comparison.	4.3.2.2, 4.3.2.3
An explanation on the way the total compensation complies with the adopted compensation policy, including the way it contributes to the Company's long-term performance and the way the performance criteria were applied	4.3.1, 4.3.2
The way the vote during the last Ordinary General Meeting provided for in article L. 22-10-34 para. I was taken into account	4.3.1
Any discrepancy with the compensation policy and any exception applied in accordance with article L. 22-10-8 para. III, including the explanation on the nature of the exceptional circumstances and the indication of the specific elements to which an exception is made	N/A
The implementation of the legal provisions regarding the discontinued payment of the Directors' compensation, if applicable	N/A
Elements likely to have an impact in case of public offer *(L. 22-10-11 of the French Commercial Code)*	
Structure of share capital of the Company	8.1.2, 8.2, 8.7.3, 8.7.5
Limitations on the exercise of voting rights and share transfers as per the Articles of Association	4.1.3.2, 8.7.4, 8.7.5
Direct or indirect shareholdings in the share capital of the Company	8.1.2, 8.2, 8.7.3
List of holders of any securities with special control rights	N/A
Control mechanisms in employee shareholding systems	8.7.5
Agreements between shareholders which may result in restrictions to share transfers and the exercise of voting rights	8.7.5

Information required under the French Commercial Code	Section of the 2020 Universal Registration Document
Rules applicable to the appointment and replacement of Board of Directors members and the amendment of the Articles of Association of the Company	4.1.3.1., 4.1.3.2
Powers of the Board of Directors' (in particular for the issuance or buyback of shares)	4.1.3.1, 4.2.2, 4.2.4.2, 8.7.6, 8.7.7
Agreements entered into by the Company which are modified or terminated in case of change of control of the Company	8.7.5
Agreements providing for indemnities to Board of Directors members or employees upon termination of their employment contract, by resignation or termination without real and serious cause, or pursuant to a purchase or exchange public offer	4.3.1, 8.7.5

Information recommended under the AFEP-MEDEF Code of Corporate Governance	Section of the AFEP-MEDEF Code	Section of the 2020 Universal Registration Document
Board of Directors' activity	1.8	4.2.4.2
Board Internal rules	2.2	4.2.3.8
Quantitative and qualitative criteria that led to the evaluation of the significance or otherwise of the relationship with the Company or its Group	9.5.3	4.2.3.2
Assessment of the works of the Board of Directors	10.3	4.2.5
Number of meetings of Board of Directors and of Board Committees held in the past financial year and information relating to Directors' individual attendance at such meetings	11.1	4.2.4
Start and end dates of Directors' term of office, Directors' nationality, age and principal position, list of names of the members of each Board's Committees	14.3	4.2.3.1, 4.2.4
Description of the Committees activities in the past financial year	15.2	4.2.4
Number of shares held by the Directors	20	4.2.3.1
Rules for allocation of Directors compensation and individual amounts of payments made in this regard to the Directors	21.4	4.3
Minimum number of registered shares that the company officers must retain	23	4.3.1
Recommendation of the High Committee and reasons why the Company decided not to comply with it	27.1	N/A

4.2.6.2 Summary of the transactions on Company's shares performed by senior executives

The following transactions on the Company's shares were carried out in 2020 by the persons referred to in article L. 621-18-2 of the French Monetary and Financial Code:

Name	Number of shares purchased	Number of shares sold	Date	Purchase Price/ sale price *(in €)*
Jean Fleming	393		07/31/2020	0.0000[1]
		171	07/31/2020	73.0679[2]
Cedrik Neike	500		03/12/2020	52.0000
Elie Girard	6,500		03/13/2020	53.1904
	606		03/18/2020	46.0000
	2,894		03/19/2020	44.7649
	12,766		07/31/2020	0.0000[1]
	3,000		10/26/2020	65.1695
Eric Grall	18,331		01/02/2020	0.0000[3]
		1,979	01/02/2020	75.2167[4]
Bertrand Meunier	10,000		03/13/2020	52.0986
Edouard Philippe	501		11/02/2020	58.9623
Uwe Stelter	400		03/20/2020	46.9300
	2,161		07/31/2020	0.0000[1]
		655	07/31/2020	73.0679[2]

1 *Vesting of performance shares pursuant to a plan set up by the Company (Plan of July 25, 2017).*
2 *Shares sold by the Company pursuant to the performance share plan of July 25, 2017 to finance the taxes owed by the beneficiary upon vesting of the shares.*
3 *Vesting of performance shares pursuant to a plan set up by the Company (Plan of July 28, 2015).*
4 *Shares sold by the Company pursuant to the performance share plan of July 28, 2015 to finance the taxes owed by the beneficiary upon vesting of the shares.*

4.3 Compensation and stock ownership of Company officers

4.3.1 Compensation policy for the company officers

4.3.1.1 General principles of the company officers' compensation

1. Setting, amending and implementing the compensation policy

The company officers' compensation policy is proposed by the Remuneration Committee, approved by the Board of Directors and submitted to the vote of the General Meeting.

On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees, resulting in the creation of the Remuneration Committee. The role and missions of the Remuneration Committee in the context of setting, amending and implementing the compensation policy are stated in the Internal Rules of the Board of Directors 4.2.4.6.

Setting the compensation policy

The compensation policy of the Board Chair, the Chief Executive Officer and the Directors is set by the Board of Directors, upon the proposal of the Remuneration Committee, and submitted to the vote of the General Meeting.

The Board of Directors defines the elements of analysis that it wishes the Remuneration Committee to provide in support of its recommendations and determines the time horizon to be considered to set the Company executives' compensation.

The principles governing the determination of the compensation of the company officers are established in the framework of the AFEP-MEDEF Code to which the Company refers.

In particular, the compensation must aim to promote the performance and competitiveness of the Company, to ensure its growth and the sustainable value creation for its shareholders, its employees and all its stakeholders.

Thus, the Remuneration Committee ensures the competitiveness of the company executive officers' compensation, through regular compensation surveys, and recommends a compensation structure that respects the corporate interest, by ensuring that no element represents a disproportionate share of the global compensation. The compensation elements thus defined are justified and assessed in a consistent way with the compensation components for the managers and employees of the Group.

In compliance with the corporate interest, the company executive officers' global compensation structure is designed according to a "pay-for-performance" approach, focusing on a significant variable part over annual and multiannual terms.

The variable compensation is subject to the achievement of precise, demanding and measurable objectives which are closely linked to the Group's objectives, as regularly disclosed to the shareholders and linked to the Company's social and environmental strategy. No minimum payment is guaranteed and, in the event of outperformance, the variable compensation due or awarded is capped.

The approach adopted in terms of compensation structure provides the company executive officer with a transparent, competitive and motivating framework for achieving the Group's ambitions, and allows the Company to be committed only to a limited part of the overall compensation if the Company's performance, in the short or medium term, turns out to be unsatisfactory.

The compensation policy thus contributes to the strategy and sustainability of the Company while respecting the corporate interest.

Amending the compensation policy

The compensation policy is reviewed at least every three years, especially to assess its effectiveness.

During this review, the Remuneration Committee shall consider changes in the Company employees' employment and wages conditions prior to formulating its recommendations and proposals to the Board of Directors.

The compensation policy for Company's officers can also be reassessed each year by the Board of Directors. To this end, it regularly uses studies from comparable companies and legal opinions possibly prepared by third parties, in accordance with the Board's Internal Rules which authorize it. This practice helps preventing conflicts of interest that could possibly arise in the context of the preparation of meetings of the Remuneration Committee and of the Board of Directors.

The last reassessment of the compensation policy for company executive officers was carried out in December 2019, upon the proposal of the Remuneration Committee, which took note of the consequences resulting from the ordinance No. 2019-697 of July 3, 2019 leading to the freezing and closure of the supplementary defined benefit pension plan.

Implementing the compensation policy

The compensation policy is implemented by the Board of Directors in accordance with the resolutions adopted by the General Meeting. Upon recommendation of the Remuneration Committee, the Board of Directors sets, at the beginning of each semester, the objectives of each performance indicator on which the variable compensation of the company executive officers is based and defines the elasticity curves accelerating the amount of the variable compensation due upwards and downwards to get on track towards achieving the Group's mid-term targets. In addition, the Board of Directors sets, upon recommendation of the Remuneration Committee, the multiannual equity-based compensation in accordance with the Company's performance and the Group's ambitions.

2. Methodology for assessing performance criteria

The performance criteria set for the annual variable compensation in cash and for the multiannual equity-based compensation are all measurable. Thus, no criterion requires a subjective assessment by the Board of Directors. Indeed, the variable compensation is based on financial or CSR criteria the achievement of which is externally audited in the context of the publication of the Universal Registration Document or in the context of publications by external organizations.

3. Handling conflicts of interest

The Company complies with the conditions set out in the AFEP-MEDEF Code relating to the management of conflicts of interest. In that respect, the charter of the Atos Board of Directors sets out the duties and obligations of Directors, which also aim to prevent any conflict of interest in the performance of their duties (see para. 4.2.3.8.). In particular, it provides that the corporate officer or Director must make every effort to avoid any conflict that may exist between his moral and material interests and those of the Company. Without prejudice to the prior authorization and control formalities required by law and the Articles of Association, he or she must inform the Chairman of any conflict of interest, even potential, in which he may be directly or indirectly involved. In cases where he or she cannot avoid finding himself/herself in a conflict of interest, he or she shall abstain from participating in discussions and any decision on the matters concerned. The Chairman may ask him/her not to attend the deliberations. The Chairman of the Board of Directors, pursuant to the Board's Internal Rules, shall arbitrate any conflict of interest that may concern a Director.

In the event of a governance or ethical issue concerning the executive corporate officer, which could concern, in particular, his compensation, which deserves an in-depth examination, the Company may seek the opinion of a College of Ethics (Collège des Déontologues) with members from outside the Company. This college is composed of two honorary judges and a law professor acting independently, and may be consulted, in accordance with its charter, by the Chairman of the Board of Directors or the General Secretary on governance, compliance and ethics issues. A report from the College of Ethics is then presented to the Company's Board of Directors.

In addition, the Company's Board of Directors ensures that the number of independent Directors on its Board of Directors is sufficient, in particular with regard to the AFEP-MEDEF Code.

4. Distribution rules for the annual amount allocated to the members of the Board of Directors

In accordance with the resolution voted by the shareholders at the Annual General Meeting held on April 30, 2019, the annual envelope of Directors' compensation ("compensation" having replaced the terms "directors' fees") was set at € 800,000 for the members of the Board of Directors for financial year 2019 and for subsequent financial years until further decision of the General Meeting. The rules for allocating Directors' compensation are set by the Board of Directors, based on a proposal from the Remuneration Committee. The allocation rules for the Directors' compensation are based on the following principles:

- for the Board of Directors:
  - a fixed annual compensation of € 20,000 per Director, as well as a variable compensation of € 2,500 per meeting attended by the Director,
  - the Lead Independent Director, in the event that the Board of Directors decides to appoint one among its members, receives an additional fixed compensation of € 20,000 per year;
- for the Committees, the compensation depends on the attendance to the meetings:
  - € 3,000 per meeting attended by the Chair of the Audit Committee,
  - € 2,000 per meeting attended by the Chairs of the other Committees,
  - for other members of the Committees, € 1,000 per meeting attended by each member;
- the Board may decide that successive meetings held on the same day shall be equivalent to one meeting for the calculation of Directors' compensation;
- for the purpose of calculating the Directors' compensation, the Board may consider the existence of a single meeting, in the event that several meetings held on different days but within a short period of time are related;
- the written resolutions are not remunerated;
- the Employee Director(s) do(es) not receive any compensation for this mandate;
- Directors are reimbursed of expenses incurred as part of their mandate, in particular, travel and accommodation.

The Directors' compensation policy as applicable in 2019 was renewed in 2020 at the Annual General Meeting held on June 16, 2020. During its Board meeting held on December 14, 2020, the Board of Directors decided:

- to maintain the global amount of € 800,000 for the envelope. This yearly envelope is tacitly renewed as per the resolution approved at the 2019 Annual General Meeting;
- that the allocation rules will continue to apply including for the new committees (i.e., following the separation of the Nomination and Remuneration Committee into two committees, effective on December 1, 2020);
- to renew for 2021 the rules of allocation used in 2020.

5. Modification of the compensation policy

The compensation policies applicable to Directors, the Chairman of the Board of Directors and the Chief Executive Officer, voted by the Annual General Meeting held on June 16, 2020 under the 19th, 20th and 21st resolutions are renewed for the year 2021. In fact, these compensaton policies were approved by more than 94% of the shareholders' votes.

6. Compensation policy for the newly appointed company officers

If a new Chair of the Board of Directors is appointed, the compensation policy applicable to the current Chairman of the Board of Directors will be applied taking into account the additional tasks that the Board of Directors could entrust to him or her, in particular under the Internal Rules of the Board of Directors.

If a CEO is appointed, the compensation policy for the current CEO will apply.

If a new Director is appointed, the compensation policy for current Directors will apply.

However, the Board of Directors, on the proposal of the Remuneration Committee, may take into account specific situations and responsibilities with respect to each company officer.

For any other appointment, the Board of Directors, on the proposal of the Remuneration Committee, will take into account the particular situation of the person concerned and the responsibilities attached to his or her function.

In the event of external hiring of a new executive officer and in particular a Deputy Chief Executive Officer, the Board of Directors may decide to grant an amount (in cash or in equity instruments) in order to compensate for the loss to the new hire related to the departure from his/her former position. In all cases, the payment or allocation of such compensation will be subject to prior approval by the General Meeting or subject to a reimbursement clause, notably in the event of early departure.

4.3.1.2 Compensation policy for the Directors

1. General principles and term of office

Directors' term of office is three years, subject to the statutory provisions concerning age limit and implementation of the renewal by thirds each year of the Directors which can justify terms of office of one or two years. Directors' term of office may be renewed subject to the same provisions.

Employee Directors' term of office is three years, renewable once. The term of office of the Directors representing the employee shareholders is three years.

Directors may be dismissed at any time by the General Meeting. However, Employee Directors may be dismissed in case of willful misconduct while performing their mandate. The term of office of an Employee Director ends automatically by anticipation in case of termination of his/her employment agreement or in case his/her employer ceases to be an Atos affiliate.

The employment agreements of certain Directors may be terminated in accordance with applicable provisions of French labor law (resignation, contractual termination or dismissal or any other equivalent measure) by complying with notice periods and indemnification rules set by the French Labor Code and the collective agreements.

2. Compensation for the financial year 2020

For the financial year 2021, the Board members shall receive:

- a fixed annual compensation of € 20,000 per Director;
- a variable compensation of € 2,500 per attended meeting.

As far as committees are concerned, compensation depends on attendance to the meetings:

- € 3,000 per meeting attended by the Chair of the Audit Committee;
- € 2,000 per meeting attended by the Chairs of the other Committees (Nomination and Governance Committee, the Remuneration Committee and CSR Committee);
- for other members of the Committees, € 1,000 per meeting attended by each member.

The Employee Directors do not receive any compensation for the exercise of that mandate.

Directors are reimbursed of expenses incurred as part of their mandate, notably travel and accommodation.

No Director receives any compensation for any mandate held in Group companies other than Atos SE, save for the Employee Directors or the Director representing the employee shareholders. In fact, these persons receive a salary from the relevant Company subsidiary by virtue of their employment agreement, which is not related to the performance of their mandate as Directors of the Company.

4.3.1.3 Compensation policy for the Chairman of the Board of the Directors

1. General principles and mandate of the Chairman of the Board

Mr. Bertrand Meunier was appointed Chairman of the Board of Directors with effect as of November 1, 2019, following the Board's decision to separate the offices of Chairman of the Board and Chief Executive Officer.

The term of office of the Chairman of the Board is two years and will expire at the Annual General Meeting to be held in 2021 to decide on the 2020 financial statement.

The mandate of the Chairman of the Board of Directors may be terminated at any moment by the Board of Directors.

Mr. Bertrand Meunier is not bound by any employment agreement with the Company or any other group Company.

The Board of Directors, met on December 16, 2019 and February 18, 2020, and on the recommendations of the Nomination and Remuneration Committee, approved the compensation policy for the non-Executive Chairman of the Board of Directors, which was submitted to the approval of the Annual General Meeting held on June 16, 2020. The Board of Directors has taken into account the additional missions, which it has entrusted to the Chairman of the Board of Directors under its internal rules after having obtained the opinion of an Ad Hoc Committee of the Board of Directors.

The objective of the compensation policy for the Chairman of the Board of Directors is to offer a transparent, competitive and motivating global compensation consistent with market practices. To preserve the independence of his judgment on the action of the executive management of the Company, the compensation of the Chairman of the Board of Directors does not include any variable component depending on long- and short-term performance.

After examination of similar mandates among other CAC 40 companies, the Board of Directors took the following into account to set the structure and the amount of the Chairman's compensation:

- the absence of a pre-existing executive corporate officer mandate;
- the specific missions entrusted to the Chairman of the Board in addition to his legal missions.

In accordance with the objectives of the compensation policy, the following principles were adopted by the Board of Directors on the recommendation of its Committee in charge of remuneration:

What we do	What we do not do
• A single fixed annual compensation based on the comparable market practices • Provision of a secretariat and an office • Reimbursement of expenses incurred in connection with his missions	• No additional Director's compensation • No exceptional compensation • No severance payment, i.e. indemnities or rights due or likely to be due as a result of the termination or change in function of company executive officers • No commitment corresponding to indemnities in return for a non-competition clause • No attendance fees for functions and mandates held in Group companies • No additional pension scheme beyond the basic and supplementary mandatory schemes.

2. Compensation of the Chairman of the Board for the year 2021

In compliance with the general principles of the compensation policy for the Chairman of the Board of Directors, the Board of Directors, held on December 14, 2020, on the recommendation of the Remuneration Committee, renewed, for 2021 the compensation applicable to the Chairman of the Board of Directors in 2020.

Fixed compensation

A gross annual fixed compensation of € 400,000, paid in twelve monthly installments.

Variable compensation

The Chairman of the Board shall not receive any variable compensation.

Long-term compensation

The Chairman of the Board shall not receive any long-term compensation.

Benefits

The Chairman of the Board shall be provided with a secretariat and an office and be reimbursed for the fees incurred in connection with his mandate.

Directors' compensation

The Chairman of the Board shall not receive any compensation in connection with his mandate as Director in 2021.

Other compensation elements

The Chairman of the Board shall not enjoy any supplementary social protection scheme applied within Atos.

Severance payment

The Chairman of the Board shall not receive any severance payment.

Non-competition severance payment

The Chairman of the Board shall not receive any non-competition severance payment.

4.3.1.4 Compensation policy for the Chief Executive Officer

The compensation policy for the Chief Executive Officer applies to the current Chief Executive Officer, Mr. Elie Girard, as well as to any newly appointed company executive officer (as Chief Executive Officer or Deputy Chief Executive Officer).

1. General principles and mandate of the Chief Executive Officer

Mr. Elie Girard was appointed Chief Executive Officer on November 1, 2019 and Director on December 16, 2019. His mandate as Director was ratified by the shareholders at the Annual General Meeting held on June 16, 2020 under the 4th resolution, for a term of office expiring at the end of the Annual General Meeting to be held in 2022 to decide on the 2021 financial statements. The duration of his mandate as Chief Executive Officer is aligned with the duration of his mandate as Director. The Chief Executive Officer may be removed from office at any time by the Board of Directors. Mr. Elie Girard is not bound by any employment contract with the Company or any other entities within the Group.

The Chief Executive Officer's compensation policy aims to support the Company's strategy and to align the Chief Executive Officer's long-term interests with those of the shareholders by:

- offering a transparent, competitive and motivating global compensation consistent with market practices;
- establishing a close link between performance and short-term and long-term compensation;
- including in long-term variable compensation CSR criteria that directly participate in the Company's social and environmental strategy;
- retaining and involving employees in the long-term performance of the Company.

The global compensation structure is thus designed according to a "pay-for-performance" approach, focusing on the variable part over annual and multiannual terms.

In accordance with the objectives of the compensation policy, the following principles were adopted by the Board of Directors upon the recommendation of the Remuneration Committee:

What we do	What we do not do
• Preponderance of the variable components in the short and long term	• No exceptional compensation
• Nature and weighting of performance criteria according to strategic priorities	• No severance payment, i.e. indemnities or rights due or likely to be due as a result of the termination or change in function of company executive officers
• Precise, simple, and measurable objectives closely linked to Company's objectives as disclosed to the shareholders	• No commitment corresponding to indemnities in return for a non-competition clause
• No variable compensation when the minimum achievement thresholds are not reached	• No supplementary compensation related to mandates or functions held in Group subsidiaries
• Cap on variable compensation in the event of outperformance	• No pension benefits on top of the mandatory basic and complementary pension schemes
• Balance between cash and equity-based compensation	• No combination of a company office and an employment contract
• Participation of first managerial lines, key employees and expert in Long-Term Incentive plans benefiting company executive officers	
• Rule regarding the holding of a portion of Atos shares for the whole duration of the mandate, defined for each grant of equity-based compensation	
• Prohibition to conclude any financial hedging transaction on the equity instruments granted, throughout the tenure	

Thus, the global compensation of the Chief Executive Officer exclusively includes compensation in cash, with a fixed part and a variable part, multi-year variable equity-based compensation and fringe benefits.

To set the on-target global compensation structure and the level of its components, the recommendations of the Remuneration Committee are based on market positioning studies for similar functions in CAC 40 companies and also take into account the Group's main competitors practices in France and abroad as well as the internal practices applicable to senior executives and managers. Market positioning studies are carried out by international firms specializing in executive compensation.

Fixed compensation

The objective of fixed compensation is to recognize the importance and complexity of the duties as well as the experience and the career path of the Chief Executive Officer.

Variable compensation

The objective of annual variable compensation is to encourage the Chief Executive Officer to reach the annual performance objectives set by the Board of Directors in close connection with the Group's ambitions as regularly disclosed to the shareholders. The variable compensation is conditional, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives.

The target level is set as a percentage of fixed compensation. In order to monitor the Company's performance more closely and establish a proactive way to support its ambition and its strategy, the selection and the weighting of the performance criteria may be reviewed each year as part of the annual compensation policy's review and approval. The objectives related to selected performance criteria are set by the Board of Directors, and then subject to review, on a half-year basis. Thus, objectives for the first-half of the year are set on the basis of the Company's budget approved by the Board of Directors in December and objectives for the second-half of the year on the basis of the updated budget "Full Year Forecast 2" approved in July.

For each performance indicator, the Board of Directors sets:

- a target objective, in line with the budget, the achievement of which results in a 100% achievement rate, entitling to the on-target variable compensation linked to this indicator;
- a floor which defines the threshold below which no variable compensation in relation to this indicator is due;
- a cap which defines the threshold above which the variable compensation in relation to this indicator is capped at 130% of the on-target amount;
- an elasticity curve accelerating the amount of the variable compensation due upwards and downwards to get on track towards achieving the Group's mid-term target.

The underlying objectives are determined by the Board of Directors in order to carry out the achievement of the financial objectives announced to the market.

Pursuant to article L. 22-10-8 of the French Commercial Code, the payment of the variable compensation due for the first and the second semesters is subject to the vote of the Annual General Meeting approving the financial statements for the previous year.

Multiannual equity-based compensation

Atos is strongly committed to associating its employees with the long-term performance and results of the Group, notably through long-term incentive plans. Beneficiaries of such plans are mostly Atos' first managerial lines and experts, including the Chief Executive Officer.

The total equity-based compensation of the Chief Executive Officer is limited, based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements, to circa 50% of the global compensation.

The equity-based compensation takes the form of performance share plans and/or stock-option plans. The instruments used do not guarantee minimum allocation or minimum gain to beneficiaries.

The vesting of shares under performance share plans is fully subject to the achievement of performance conditions, which must be fulfilled over a period of at least three years, based on key success factors of the Group's strategy through clear and measurable criteria. The selected performance criteria include the Corporate Social and Environmental Responsibility.

The vesting of stock-options under stock-option plans is fully subject to the achievement of external stock market performance conditions to meet over a period of at least three years.

In addition, vesting of equity instruments (shares or stock-options) is subject to a continuous tenure of the beneficiary as company officer during the vesting period, except in the event of death, disability or retirement. In the event of retirement, the acquisition of equity instruments remains subject to the achievement of performance conditions.

Holding obligation

In the context of the grant decision, the Board of Directors sets the percentage of acquired equity instruments that company executive officers must retain up to the end of their mandates as executive company officers. This percentage may not be lower than 15% of the grant. The Board also sets a general rule for the holding of Atos SE shares applicable to the Chief Executive Officer of 15% of the shares awarded to him since the beginning of his mandate, aside from the specific rules usually set at the time of each award.

Financial hedging instruments

At the time of each award, the Chief Executive Officer is asked to acknowledge the prohibition to conclude any financial hedging instruments over the equity instruments being the subject of the award throughout his mandate, and to undertake to abide by it. The financial transactions in question are, in particular, forward sales, short sales, the purchase of put options or the sale of call options.

Fringe benefits

The Chief Executive Officer benefits from the use of a company car with driver. In addition, company executive officers benefit from the collective life, disability and health insurance schemes applicable in the Company on the same terms as the employees.

Other compensation elements

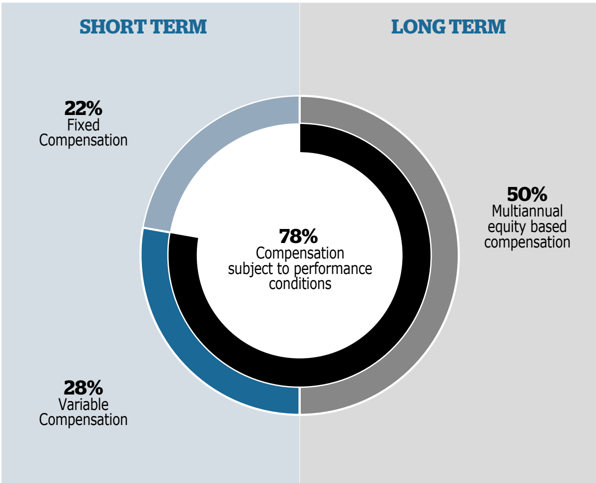
The Chief Executive Officer does not receive any exceptional compensation nor any other compensation elements or fringe benefits related to his mandate from Atos SE or any of its subsidiaries. He does not have any employment contract and will not receive any severance payment nor any compensation for non-compete clause in the event of termination of his mandate. The Chief Executive Officer does not benefit from any supplementary pension plan and is personally responsible to build up a pension supplement beyond the compulsory basic and complementary pension schemes.

2. Compensation of the Chief Executive Officer for the 2021 financial year

The Chief Executive Officer's compensation set for the 2020 financial year remains unchanged for the 2021 financial year.

The target structure of the Chief Executive Officer's compensation therefore remains as follows:

2021 on-target compensation structure



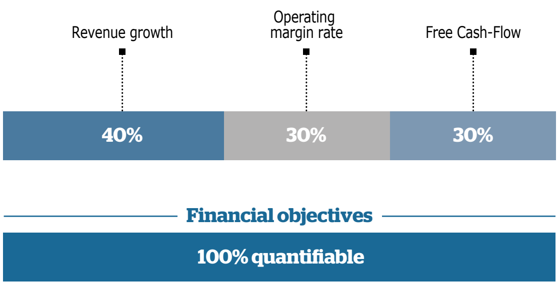
Fixed compensation

A gross annual fixed compensation of € 950,000, paid in twelve monthly installments.

Variable compensation

An annual variable compensation, depending on objectives, with a target set at 125% of the fixed compensation (i.e., a target variable compensation of € 1,187,500), with a maximum payment capped at 130% of the target variable compensation in case of over-performance and no minimum payment.

For the 2021 financial year, the Board of Directors retained, for determining the variable compensation of the Chief Executive Officer, the three key success factors for which the mid-term targets reflecting the Group's ambition have been set: revenue growth; operating margin rate; free cash flow, with the following weighting:



The objectives for each semester underlying the variable compensation are determined by the Board of Directors in order to drive successfully the achievement of the financial objectives announced to the market (please refer to the section 3.2 of the Universal Registration Document).

The Board of Directors, upon recommendation of the Remuneration Committee, sets at the beginning of each semester, the elasticity curves accelerating the amount of the variable compensation due upwards and downwards depending on the achievement level of each performance indicator.

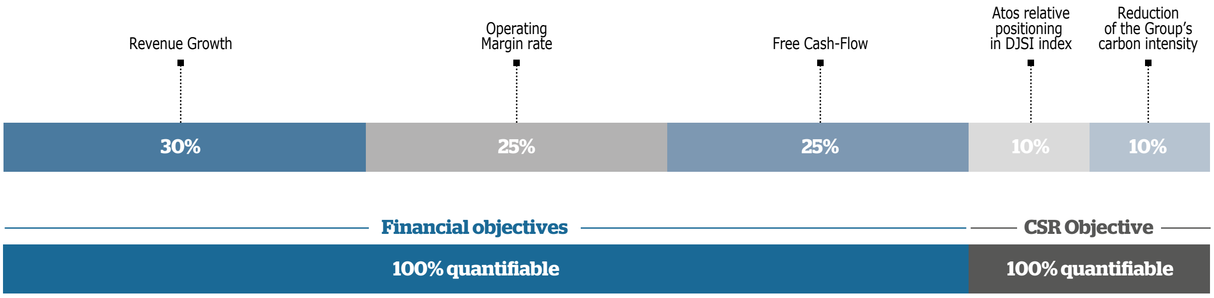
Multiannual equity-based compensation

The total equity-based compensation is limited, based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements, to circa 50% of the global compensation.

After having consulted the Remuneration Committee, the Board of Directors plans to grant performance shares to the Chief Executive Officer and selected employees representing approximately 1% of the Group total headcount, as part of the objectives of growth and sustainable value creation for the shareholders, the employees and all the stakeholders, on the same basis as those approved by the Annual General Meeting held on June 16, 2020. Specifically, the 2021 grant of performance shares scheduled for July 2021 would be governed by the following features and conditions:

- a vesting period maintained at three years from the grant date;
- three internal financial performance indicators and two performance conditions, one external and one internal, related to the Corporate Social and Environmental Responsibility of the Company, the achievement of which, measured over the 3-year period, conditions the vesting in whole or in part of the performance shares;
- a continuous tenure of the beneficiary as company officer during the vesting period, except in the event of death, disability or retirement.

The performance indicators would be in line with the key success factors for the Group's strategy:



The financial indicators would be calculated on a consolidated basis, taking into account changes in the foreign exchange rates.

The CSR external indicator would be based on the Atos relative positioning in the DJSI index over the performance period. The CSR internal indicator would measure the reduction of the carbon intensity of the Group's activities per million euros of revenue, at the end of the performance period.

An elasticity curve for each performance indicator according to its level of achievement at the end of the three-year period would increase or decrease (i.e., acceleration) the percentage of definitive allocation of performance shares. The final number of vested performance shares would in no circumstances exceed the number originally granted.

Financial objectives would be in line with the mid-term financial targets set by the Board of Directors, disclosed to the market at the 2020 Analyst Day and approved by the shareholders during the General Meeting held on October 27, 2020.

The Board of Directors could, if necessary, modify the performance conditions to take into account the consequences, which would remain non-measurable, of the economic crisis caused by the Covid-19 pandemic and of the health measures deployed in the countries where the Atos Group operates; however, the performance conditions would remain demanding and in line with the Group's objectives, and the other elements (presence condition, vesting period and retention rule) would remain applicable in any event.

At the time of grant decision, the Board of Directors will set the percentage (at least 15%) of acquired shares that the Chief Executive Officer must retain up to the end of his mandate. The Chief Executive Officer will be asked to acknowledge the prohibition to conclude any financial hedging instruments over the equity instruments being the subject of the award throughout his mandate, and to undertake to abide by it.

Fringe benefits

The Chief Executive Officer benefits from the use of a company car with driver and he benefits from the collective life, disability and health insurance schemes on the same terms as the employees. He is no longer eligible to the supplementary pension plan since the decision made by the Board of Directors on December 16, 2019.

For information purposes, the amount of fringe benefits for the year 2021 is estimated at around € 23,000.

4.3.2 Elements of the compensation due or awarded for the financial year 2020 to the Company executive officers, and submitted to the shareholder's vote

Pursuant to article L. 22-10-34 of the French Commercial Code, the amounts and elements presented below, resulting from the implementation of the compensation policies approved by the Annual General Meeting on June 16, 2020, are subject to the approval of the shareholders during the Annual General Meeting approving the accounts for the financial year 2020. They form an integral part of the report of the Board of Directors on corporate governance.

4.3.2.1 Elements of compensation due or awarded for the financial year 2020 to the members of the Board of Directors

Directors' compensation due for the financial year 2020 and these paid during the financial year 2020 for the financial year 2019 are presented below.

	2020	
(in euro)	Paid[a]	Owed[b]
Vesela Asparuhova[1]	N/A	N/A
Vivek Badrinath	25,979	57,000
Nicolas Bazire	47,500	27,680
Cedrik Neike	N/A	46,025
Roland Busch	36,000	929
Valérie Bernis	43,500	57,000
Elie Girard	-	-
Jean Fleming[2]	38,000	52,000
Jean-Louis Georgelin	14,240	3,842
Farès Louis[3]	N/A	N/A
Bertrand Meunier	98,333[4]	-
Colette Neuville	37,500	53,000
Aminata Niane	62,500	72,000
Lynn Paine	49,000	55,000
Edouard Philippe	N/A	9,607
Vernon Sankey	66,500	69,000
TOTAL	**519,052**	**503,083**

N/A: Non applicable.
a Compensation paid in 2020 for the year 2019.
b Compensation owed for the year 2020.
1 Ms. Vesela Asparuhova, Employee Director since October 21, 2020 is employed by the Atos Group. The Employee Director does not receive Directors' compensation.
2 Ms. Jean Fleming, Director representing the employee shareholders is employed by Atos Group.
3 Mr. Farès Louis, Employee Director, is employed by the Atos Group. The Employee Director does not receive Directors' compensation.
4 The amount allocated to Mr. Meunier takes into account his mandates in 2019, i.e. as Director, member of the Audit Committee, member of the Nomination and Remuneration Commitee and his mandate as Chairman of the Board of Directors.

Mr. Elie Girard and Mr. Bertrand Meunier have declined to receive any Directors' compensation for the year 2020.

The variable portion of Directors' compensation represents in 2020 the majority of the total amount of Directors' compensation (61.5%), which is in accordance with article 21.1 of the AFEP-MEDEF Code.

In 2020, the members of the Board of Directors did not receive any other compensation from Atos SE or its subsidiaries, except for:

- Mr. Bertrand Meunier, Chairman of the Board of Directors;
- Mr. Elie Girard, Chief Executive Officer;
- Ms. Jean Fleming, Director representing the employee shareholders, and Ms. Vesela Asparuhova and Mr. Farès Louis as Employee Directors, the three of them having received in 2020 a compensation in connection with their employment contract with the Group.

4.3.2.2 Elements of compensation due or awarded for the financial year 2020 to Mr. Bertrand Meunier, Chairman of the Board of Directors

Mr. Bertrand Meunier was appointed Chairman of the Board of Directors with effect from November 1, 2019, following the Board's decision to separate the offices of Chairman of the Board and Chief Executive Officer.

The compensation policy applicable to the Chairman of the Board of Directors was approved by the Annual General Meeting held on June 16, 2020 under the 20th resolution.

The elements making up the total compensation and fringe benefits of all kinds paid or allocated to Mr. Bertrand Meunier comply with this policy which provides for a gross annual fixed compensation of € 400,000 as the sole component.

Considering the unprecedented sanitary crisis caused by the Covid-19 pandemic and its resulting social and economic impacts, Mr. Bertrand Meunier decided, in agreement with the Board of Directors, to reduce his fixed compensation by 30% during a three-month period from March to May 2020. Thus, the gross annual fixed compensation paid for the year 2020 amounted to € 370,000.

(in €)	**2020**
Fixed compensation	370,000
Variable compensation	0
Fringe benefits	0
Directors' compensation	0
TOTAL	**370,000**
Relative share of the fixed component	*100%*
*Relative share of the variable component**	*0%*
Other compensation elements and indemnities or benefits due as a result of termination or change of functions	n/a

AFEP recapitulative table

Elements of compensation to be voted on	**Amount allocated for 2020 or accounting value**	**Accounting paid in 2020 or accounting value**
Fixed compensation*	€ 370,000	€ 413,833**
Variable annual compensation	0	
Performance shares	0	
Multi-year variable compensation and exceptional compensation	0	
Compensation of directors (formerly called "directors' fees")	0	€ 54,500***
Additional benefits to compensation	0	

* *Cf. supra in 4.3.2.2*
** *€ 370,000 corresponding to his fixed remuneration for 2020 and € 43,833 corresponding to his remuneration as Chairman of the Board of Directors for the period from November 1 to December 31, 2019*
*** *€ 54,500 paid as director compensation for 2019*

Pay ratio and other indicators

Information provided in the table below has been prepared in accordance with AFEP-MEDEF guidelines updated in February 2021. The scope and the methodology used are detailed into the "Pay ratio and other indicators" section relating to the Chief Executive Officer.

Additional information on the extended scope	**2020**
Evolution (in%) of the compensation of the Chairman of the Board Directors*	n/a
Evolution (in%) of the average compensation of the employees	+1.7%
Pay ratio on average compensation	7.1
Evolution of the ratio (in%) compared to the previous year	n/a
Pay ratio on median compensation	9.2
Evolution of the ratio (in%) compared to the previous year	n/a
Company performance	
Profitability: Group's operating margin as a percentage of its revenue	9.0%
Value creation: Annual change in the 3-year moving average of the enterprise value.	-10.8%

* *As the Board of Directors on October 31, 2019 had not taken a decision on the compensation of the Chairman of the Board of Directors, no theoretical compensation for the 2019 financial year could be determined for comparison purposes. No comparison over 5 years is presented due to the creation of the position of Chairman of the Board as from November 1, 2019.*

4.3.2.3 Elements of compensation due or awarded for the financial year 2020 to Mr. Elie Girard, Chief Executive Officer

Mr. Elie Girard was appointed Chief Executive Officer as from November 1, 2019 as a result of the implementation of the company executive officer's succession plan. The compensation policy applicable to the Chief Executive Officer was approved by the Annual General Meeting held on June 16, 2020 under the 21st resolution.

The elements making up the total compensation and fringe benefits of all kinds paid or allocated to Mr. Elie Girard comply with this policy.

Considering the exceptional circumstances entailed by the Covid-19 crisis, the Board of Directors, during its meeting held on April 21, 2020, decided to update the 2020 financial targets which were communicated by the Company on April 22, 2020 when the publication of its first quarter 2020 revenue was released, notwithstanding the uncertainty as to the scope and the period of the sanitary measures prescribed by authorities against the pandemic likely to impact the business recovery. However, in order to participate to the efforts made by the various stakeholders, the Board of Directors dit not modify the budget targets set before the Covid-19 crisis for the determination of the Chief Executive Officer's variable compensation for the first half of the year. The revised annual targets were achieved as confirmed by the publication of the 2020 results released on February 18, 2021.

Solidarity measures: Mr. Elie Girard decided, in agreement with the Board of Directors, to reduce his fixed and variable compensation by 30% during a three-month period from March to May 2020, to waive 3,000 share rights i.e. 9.4% of the 2020 allocation of performance shares initially granted. This additional effort made at his own initiative is coupled with the impacts of Covid-19 on his compensation of the decision to not modify the budget targets defined before Covid-19 for the determination of his variable compensation for the first semester as well as for the determination of his multiannual equity-based compensation.

Overall, **the effort made on his total annual compensation is estimated at around 1 million euros** i.e. 27% of the expected total compensation if the Board of Directors would have decided to adjust the compensation targets for the Chief Executive Officer for 2020 first half according to updated annual targets as updated and disclosed on April 22, 2020, which were achieved. This estimate is based on a payout percentage of the on-target variable compensation for the first half of the year in line with the payout percentage acknowledged for the second half of the year and on an equity-based compensation, based on the percentage of the total compensation decided by the Board of Directors.

(in €)	**2020**
Fixed compensation	878,750
Variable compensation	683,525
Fringe benefits	18,997
Value of options granted during the year	0
Value of performance shares granted during the year	1,378,339
TOTAL	**2,959,611**
Relative share of the fixed component	*30%*
Relative share of the variable component	*70%*
Other compensation elements and indemnities or benefits due as a result of termination or change of functions	n/a

Fixed compensation

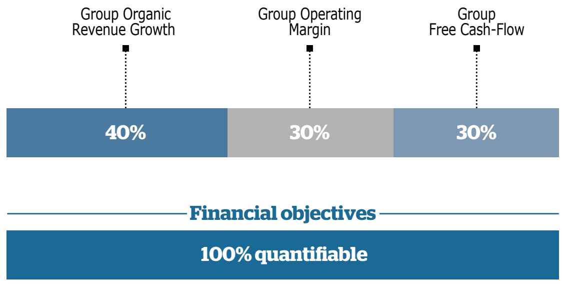
Reflecting the 30% reduction decided by Mr. Elie Girard from March to May, the gross annual fixed compensation paid for the year 2020 amounts to € 878,750.

Variable compensation

Reflecting the 30% reduction decided by Mr. Elie Girard from March to May, the target annual variable compensation amounts to € 1,098,438: € 504,688 for the first semester and € 593,750 for the second semester.

Thus, the total variable compensation due for 2020 (€ 683,525) corresponds to 62.2% of the target annual variable compensation.

As a reminder, the nature and weighting of each of the indicators making up the 2020 variable compensation of the Chief Executive Officer are as follows:



Achievement of the performance criteria and the resulting variable compensation amount have been validated by the Board during the meetings held on July 24, 2020 and February 17, 2021. The variable compensation of the Chief Executive Officer stood at € 115,069 for the first semester of 2020 (22.8% of the on-target bonus), and at € 568,456 (95.7% of the on-target bonus) for the second semester of 2020.

	First semester 2020		Second semester 2020	
Indicators	**Weight**	**Payout***	**Weight**	**Payout***
Group Organic Revenue Growth	40%	< 100%	40%	<100%
Group Operating Margin	30%	< 100%	30%	<100%
Group Free Cash Flow[1]	30%	<100%	30%	<100%
Payout in% of the semester on-target bonus		**22.8%**		**95.7%**

* *On the basis of the elasticity curves capped at 130% for each indicator.*
1 *before acquisitions/disposal and variation of equity and dividends.*

Budget achievements are as follows:

Budget "Full Year Forecast 2"	2020
Group Organic Revenue Growth	99.9%
Group Operating Margin	97.2%
Group Free Cash Flow*	95.1%

* *Before acquisitions/disposal and variation of equity and dividends.*

Objectives which are set every semester on the basis of the Company's budget are in line with the financial guidance announced to the market at the beginning of the year. As the 2020 objectives were disclosed on February 19, 2020 before the Covid-19 impact, the Group has updated on the occasion of its Q1 revenue release on April 22, 2020 its objectives for the full year 2020.

The budget targets set for the first half of the year remained unchanged, in line with those disclosed on February 19, 2020. With the aim of maintaining motivation and following an approach similar to that adopted for employees eligible for variable compensation, the Board of Directors decided to extend the elasticity curves initially defined down to the floor values corresponding to zero payment.

The budget targets set for the second half of the year are in line with the post-Covid objectives for 2020 disclosed on April 22, 2020.

The payment of the variable compensation due for the first and the second semesters is subject to a favorable vote during the Annual General Meeting approving the financial statements for 2020.

Fringe benefits

Mr. Elie Girard benefited from the use of a company car with driver and from the collective life, disability and health insurance schemes applicable to employees. The annual employer's contribution in respect of the life and disability scheme amounts to € 2,481. The annual employer's contribution in respect of the healthcare plan stands at € 2,842. The benefit in kind related to the use of the company car with driver is assessed to € 13,674.

Multiannual equity-based compensation

The Board of Directors decided, during its meeting held on July 24, 2020, and upon the recommendation of the Remuneration Committee, to allocate 31,800 performance shares in favor of the Chief Executive Officer.

Mr. Elie Girard having voluntarily waived 3,000 performance shares, the final allocation amounts to 28,800 performance shares.

Mr. Elie Girard is required to remain owner of 15% of any such acquired shares for the duration of his duties and cannot conclude any financial hedging instruments over the shares being the subject of the award during the whole duration of the mandate as Chief Executive Officer.

This grant was decided in accordance with the approval given by the Annual General Meeting on June 16, 2020 under the 21st resolution ("Compensation policy applicable to the Chief Executive Officer"), in the context of the authorization granted by the same Annual General Meeting under the 32nd resolution.

It represents 3.7% of the total number of performance shares granted and 0.03% of the share capital on the Annual General Meeting authorization date.

As a reminder, the vesting of all or part of the shares granted on July 24, 2023 is subject to the achievement of performance conditions over a three-year period as well as to a continuous tenure of the beneficiary as company officer, except in the event of retirement, death or disability.

The number of performance shares definitively vested for each beneficiary will depend on the "average acquisition rate" calculated according to the weighting of the performance indicators and their respective achievement levels, as shown in the table below:

Performance indicator	Weight	% of the grant according to the achievement level		
Average of the External Revenue growth rates over 3 years (2020-2022) ("A")	**30%**	Floor 30%	Target 100%	Cap 150%
Average rate of Operating Margin over 3 years (2020-2022) ("B")	**25%**	Floor 50%	Target 100%	Cap 130%
Cumulated amount of Free Cash Flow at the end of the 3-year period (in 2022) ("C")	**25%**	Floor 50%	Target 100%	Cap 130%
Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period ("D")	**10%**	Floor 50%	Target 100%	Cap 150%
Percentage of CO_2 emissions variation per € million revenue (tCO_2/€ million) over the 3-year period ("E")	**10%**	Floor 50%	Target 100%	Cap 150%

A * 30% + B * 25% + C * 25% + D * 10% + E * 10% = Average acquisition rate

(The average acquisition rate may not exceed 100%)

Upon the recommendation of the Remuneration Committee, the Board of Directors decided to set the financial targets in line with mid-term financial objectives as presented on June 24, 2020, on the occasion of the 2020 Analyst Day, under the assumption of a return to a normal economic activity by mid-2021.

The Board of Directors could, if necessary, modify the above performance conditions to take into account the non-measurable consequences, at the date of setting of the objectives, of the economic crisis caused by the Covid-19 pandemic and the health measures deployed in the countries where the Atos Group operates; however, the performance conditions would remain demanding and in line with the Group's objectives, and the other elements (presence condition, vesting period and retention rule) would remain applicable in any event.

The Board of Directors will decide on the achievement of the performance indicators and the resulting average acquisition rate after consultation of the Remuneration Committee. Achievement rates of performance indicators and the final acquisition percentage will be disclosed in the universal Registration Document for the financial year 2022, made available to the shareholders in connection with the Annual General Meeting.

The value of the performance shares is determined, on the grant date, pursuant to IFRS 2 standard, and recognized in the consolidated financial statements. This value corresponds to a historical value on the grant date calculated for accounting purposes. This value does not represent a current market value nor the actual value that may be received by the beneficiary upon vesting provided that the performance shares finally vest.

Other compensation elements

As a reminder, Mr. Elie Girard does not receive exceptional compensation nor compensation elements or fringe benefits related to his mandate from Atos SE or any of its subsidiaries. He does not have any employment contract and he is not entitled to any severance payment nor any compensation for non-compete clause in the event of termination of his mandate. He does not receive any Director's compensation.

Besides, Mr. Elie Girard is no longer eligible to any supplementary pension plan since the decision of the Board of Directors on December 16, 2019.

AFEP recapitulative table

Elements of compensation to be voted on	Amounts allocated for 2020 or accounting value	Amounts paid in 2020 or accounting value
Fixed compensation*	€ 878,750	
Variable annual compensation*	€ 683,525	€ 499,660**
Performance shares*	€ 1,378,339	
Multi-year variable compensation, exceptional compensation and compensation of directors (formerly called "directors' fees")	0	
Additional benefits to compensation*	€ 18,997	

* *Cf. supra in 4.3.2.3*

** *Following the approval by the General Meeting of June 16, 2020 of the 16th resolution, a variable compensation was paid for a total amount of € 316,230 in respect of his mandate as Deputy Chief Operating Officer during the period from April 2 to October 31, 2019. Following the approval by the General Meeting of June 16, 2020 of the 17th resolution, a variable compensation was paid for a total amount of € 183,430 in respect of his mandate as Chief Executive Officer during the period from November 1 to December 31, 2019.*

Pay ratio and other indicators

The Board of Directors, upon recommendation of the Remuneration Committee, wished to report information regarding the comparison and evolution of the compensation of company executive officers by using a broader scope than just the Atos SE company, which does not employ any employee.

Information provided in the table below has been prepared in accordance with AFEP-MEDEF guidelines updated in February 2021.

The scope used to calculate the ratio includes all Atos companies based in France as well as the Atos International companies (Germany, the Netherlands, the United Kingdom and Switzerland) which comprise the global functions of the Atos Group in Europe. Thus, the selected scope represents approximately 8,000 Atos employees, of which 95% are based in France and constitutes a coherent and legitimate representative perimeter for the Atos SE company whose roots are deeply European with two headquarters in Bezons (France) and Munich (Germany).

The compensation underlying the determination of the ratios correspond to the total gross compensation paid during the financial year. They include all the elements of compensation in cash (base salary, performance bonuses, exceptional bonuses, benefits in kind) as well as equity-based compensation valued at their fair value, on the grant date, as recognized in the consolidated accounts in accordance with IFRS 2. This value corresponds to a historical value on the grant date calculated for accounting purposes. It does not represent a current market value nor the actual value that may be received by the beneficiary upon vesting provided that the performance shares finally vest.

The selected scope only covers employees who were continuously employed during the financial years concerned. For part-time employees, compensation were established on a full-time-equivalent basis.

Additional information on the extended scope

	2019	2020
Evolution (in%) of the compensation of the Chief Executive Officer[1]	n/a	-15.8%
Evolution (in%) of the average compensation of the employees	n/a	+1.7%
Pay ratio on average compensation	51.1	42.3
Evolution of the ratio (in%) compared to the previous year	n/a	-17.2%
Pay ratio on median compensation	65.7	54.7
Evolution of the ratio (in%) compared to the previous year	n/a	-16.7%
Company performance		
Profitability: Group's operating margin as a percentage of its revenue	10.3%	9.0%
Value creation: Annual change in the 3-year moving average of the enterprise value.	6.6%*	-10.8%

* *For 2019, the enterprise value includes the distribution in kind of part of Worldline share capital to Atos' shareholders for an amount of € 2.3 billion.*

1 *The compensation for the 2020 financial year of the Chief Executive Officer corresponds to the sum of (a) the compensation paid as shown in AMF Table 2 (refer to para. 4.3.2.5) and (b) the value of the performance shares granted during the year as disclosed in AMF Table 1 in the same paragraph.*

Considering that Mr. Elie Girard was appointed Chief Executive Officer from November 1, 2019, his theoretical compensation for the 2019 financial year, determined for comparison purposes, corresponds to (a) the gross annual fixed compensation as approved by the Board of Directors on October 31, 2019, (b) to which were added, the theorical variable compensation that would have been allocated in 2019 on the basis of his annual on-target variable compensation component approved by the Board of Directors on October 31, 2019 and the payment rate applied to the former Chairman and Chief Executive Officer's variable compensation for the 2018 financial year (79.1%), and (ii) the value of a theorical allocation of performance shares on the basis of the amount of the grant decided by the Board of Directors in 2020 (in the absence of any grant of performance shares for his position of Chief Executive Officer in 2019). No comparison is presented with the years 2016, 2017 and 2018 due to the creation of the position of Chief Executive Officer as of November 1, 2019 (date of the separation of the positions of Chairman of the Board of Directors and Chief Executive Officer).

4.3.2.4 Compliance of total compensation of company executive officers with the AFEP-MEDEF Code recommendations

The Company committed in 2008 to implement the recommendations of the AFEP-MEDEF Code of corporate governance for listed companies, relating, in particular, to the conditions of compensation of company executive officers, and to regularly report thereon. The Board of Directors met on December 14, 2020 to perform the annual review of the implementation by the Company of these governance principles. Following this meeting, also attended by employee representatives of the SEC (Societas Europaea Council), the Board of Directors considered that the Company's governance practices, including on the company executive officer's compensation, are compliant with the recommendations of the AFEP-MEDEF Code. The complete and detailed document which supported this Board assessment, as reviewed and updated by the Board, is made available in its entirety on Atos's website.

4.3.2.5 Summary of compensation, due or paid to the company officers by the Company and its subsidiaries – AMF Tables 1 and 2

AMF Table 1 *(in €)*	2020	2019
Bertrand Meunier, Chairman of the Board of Directors from November 1, 2019		
Due remuneration for the relevant year	370,000	98,333
Value of options granted during the year	-	-
Value of performance shares granted during the year	-	-
TOTAL	**370,000**	**98,333**
Elie Girard, CEO from November 1, 2019 **Deputy CEO from April 2 to October 31, 2019***		
Due remuneration for the relevant year	1,581,272	1,001,860
Value of options granted during the year	-	106,101
Value of performance shares granted during the year	1,378,339	751,180
TOTAL	**2,959,611**	**1,859,141**

* *For the year 2019, the amounts correspond to the period from April 2 to December 31, 2019. These amounts do not include the compensation paid to Mr. Elie Girard by virtue of his employment contract within the Atos Group for the period from January 1 to April 1, 2019. For information purposes, Mr. Elie Girard received during this period, in relation to the financial year 2019, a fixed compensation of € 102,478, a variable compensation of € 70,000 and an amount of fringe benefits of € 1,612. In addition, he received when he resigned from his employment contract, an amount of € 37,016 to compensate the loss of accrued annual leave for 2019 and previous years.*

On the date of each grant, the fair value of performance shares and/or stock-options granted is determined pursuant to IFRS 2 standard and recognized in the consolidated financial statements. The value of the performance shares and stock-options granted are valued based on this fair value. Thus, the value of the performance shares or stock-options granted correspond to a historical value on the grant date calculated for accounting purposes. This value does not represent a current market value nor the actual value that may be received by the beneficiary upon vesting provided that the performance shares or the stock-options finally vest.

AMF Table 2 *(in €)*	2020 Due	2020 Paid	2019 Due	2019 Paid
Bertrand Meunier, Chairman of the Board of Directors from November 1, 2019				
Fixed remuneration	370,000	370,000	-	-
Variable remuneration	-	-	-	-
Exceptional remuneration	-	43,833	43,833	-
Director's compensation	-	54,500	54,500	49,250
Fringe benefits	-	-	-	-
TOTAL	**370,000**	**468,333**	**98,333**	**49,250**
Elie Girard, CEO from November 1, 2019 – Deputy CEO from April 2 to October 31, 2019				
Fixed remuneration	878,750	878,750	497,727	497,727
Variable remuneration	683,525	499,660	499,660	0
Exceptional remuneration	-	-	-	-
Director's compensation	-	-	-	-
Fringe benefits	18,997	18,997	4,473	4,473
TOTAL	**1,581,272**	**1,397,407**	**1,001,860**	**502,200**

4.3.2.6 AMF Table 11

Company officers	Employment contract	Supplementary pension plan	Payments or benefits effectively or potentially due in the event of termination or change of position	Non-compete payment clause
Bertrand Meunier Chairman from November 1, 2019	NO	NO	NO	NO
Elie Girard CEO from November 1, 2019	NO	NO	NO	NO

4.3.3 Performance share plans and stock subscription or purchase option plans

[GRI 102-35]

4.3.3.1 Past grants of Performance Shares – AMF Table 10

The outstanding 2,432,145 rights to performance shares represented 2.2% of Atos SE's share capital as of December 31, 2020. They are reported in two separate sections below due to the significant modification of their terms in 2019.

PERFORMANCE SHARE PLANS PRIOR TO 2019:

	Plan dated 07/28/2015	Plan dated 07/25/2017	Plan dated 03/27/2018	Plan dated 07/22/2018
General Meeting authorization date	5/27/2014	7/24/2017	7/24/2017	5/24/2018
Board of Directors meeting date	7/28/2015	7/25/2017	3/27/2018	7/22/2018
Number of beneficiaries	**851**	**1,088**	**1**	**1,231**
France Plan	241			
International Plan	610			
Total number of granted perf. shares	**868,000**	**777,910**	**8,500**	**891,175**
Of which to the executive officers	***55,000***	***-***	***-***	***51,350***
Chairman and CEO	55,000	-	-	51,350
France Plan	393,400			
International Plan	474,600			
Vesting date				
France Plan	1/2/2018	7/31/2020	3/27/2021	7/30/2021
International Plan	1/2/2020			
End of holding period	1/2/2020	7/31/2020	3/27/2021	7/30/2021
Performance conditions	Yes	Yes	Yes	Yes
Achievement of performance conditions	Yes	Yes	Yes	Yes
Share rights adjustment*	131,428	163,587	1,972	207,703
Number of vested shares as at Dec. 31, 2020	**864,621**	**628,223**	**-**	**-**
France Plan	322,060			
International Plan	542,561			
Number of shares cancelled as at Dec. 31, 2020	**134,807**	**313,274**	**2,125**	**367,163**
France Plan	28,840			
International Plan	105,967			
International Mobility movements	**-**			
France Plan	-42,500			
International Plan	42,500			
Outstanding performance shares as at Dec. 31, 2020	**-**	**-**	**8,347**	**731,715**
France Plan	-			
International Plan	-			

* *Share rights adjustment following the exceptional distribution in kind of Worldline shares effective on May 7, 2019.*

Terms for both France and International plans decided in each year starting from 2016 are in all respects identical (same acquisition period).

Performance conditions	Plan dated 07/28/2015
Group free cash flow before dividend and acquisition/sales results of the year in question is at least equal to:	(i) 85% of the amount of the Group free cash flow, before dividends and acquisition/sales results, as mentioned in the Company's budget of the year in question; or (ii) the amount of the Group free cash flow before dividends and acquisition/sales results for the previous year with a 10% increase.
And	
Group operating margin of the year in question is at least equal to:	(i) 85% of the amount of the Group's operating margin as mentioned in the Company's budget of the year in question; or (ii) the amount of the Group operating margin for the previous year with a 10% increase.
And	
Revenue growth of the year in question is at least equal to:	(i) Revenue growth rate as mentioned in the Company's budget minus a percentage decided by the Board of Directors; or (ii) Yearly growth rate per reference to the Group growth targets.
And	
External condition linked to the social and environmental performance	For each year in question, Atos Group must at least achieve the qualification "GRI standards comprehensive" or be a member of the Dow Jones Sustainability Index (Europe or World).
Years in question	2015, 2016 and 2017

Performance conditions	Plan dated 07/25/2017[1]	Plan dated 03/27/2018[1]	Plan dated 07/22/2018
Earnings per share of the year in question is at least:	In line with the annual financial objectives communicated by the Company at the beginning of the year, and for the year 2018 rising by at least 10% in the second half of the year (excluding costs related to the acquisition of Syntel Inc.), after a 7% increase achieved in the first semester		
		Ajustment for the year 2020 due to the Covid-19 crisis: In line with the updated financial objectives as presented on April 22, 2020 on the occasion of the Q1 revenue release	
And			
Operating margin of the year in question is at least:	In line with the annual financial objectives communicated by the Company at the beginning of the year		
		Ajustment for the year 2020 due to the Covid-19 crisis: In line with the updated financial objectives as presented on April 22, 2020 on the occasion of the Q1 revenue release	
And			
Revenue organic growth rate of the year in question is at least:	In line with the annual financial objectives communicated by the Company at the beginning of the year, and for the year 2018 but only for 75% of the performance shares granted to each beneficiary, in line with the revised annual financial target for 2018[2]		
		Ajustment for the year 2020 due to the Covid-19 crisis: In line with the updated financial objectives as presented on April 22, 2020 on the occasion of the Q1 revenue release	
And			
External condition linked to the environmental and social performance	Atos must be a member of the Dow Jones Sustainability Index (Europe or World) or be granted at least Ecovadis Silver rating.		
Years in question	2017, 2018 and 2019	2018, 2019 and 2020	2018, 2019 and 2020

1 *In the context of significant acquisitions decided in 2018, in particular the signature of the Syntel Inc. acquisition on July 20, 2018, the Board of Directors of Atos SE, during its meeting on July 22, 2018, decided to replace for those two plans, as from 2018, the performance condition related to the operating margin conversion rate into free cash flow with a new performance condition tied to the earnings per share assuming the completion of the Syntel Inc. acquisition. In particular, the Syntel Inc. acquisition was financed through bank indebtedness and bonds' issuance for an overall amount greater than € 3 billion. Following the general management recommendations, the Board found essential to obtain from the leading executives of the Group benefiting from the plan (1230 persons including Syntel key people) a strong commitment in order to ensure that the shareholders benefit from an increase of the net EPS. That is the reason why the Financial Performance Indicator EPS replaced the operating margin conversion rate to free cash flow from October 9, 2018 on, upon completion of the Syntel Inc. acquisition. Nevertheless, it must be noted that for 2018 the Group reported an operating margin conversion rate to free cash flow above 57%, in line with its target. For the year 2017, the performance share plan dated July 25, 2017 remained subject to the initial performance condition related to the operating margin conversion rate into free cash flow; the achievement of this performance condition for the year 2017 was verified by the Board of Directors, on February 20, 2018.*

2 *In order to take into account the downward revision of the annual financial revenue objective, as indicated in the press release relating to the performance of the third quarter of 2018, the Board of Directors, during its meeting on October 22, 2018, decided to modify, for the year 2018, but only for 75% of the total number of performance shares granted to each beneficiary, the wording of the achievement rate of this internal performance indicator.*

% of the grant if the employment condition is met at the vesting date	
Plan dated 07/28/2015	100% if for each year, at least 2 of 3 internal performance criteria are met given that the condition that would not be met in 2015 would become compulsory for the following year, and the external performance condition is validated at least two years over the 3-year period. 0% otherwise
Plan dated 07/25/2017	75%* if all performance conditions are achieved for the last year. 0% otherwise
Plan dated 03/27/2018	75%* if all performance conditions are achieved for the last two years. 0% otherwise
Plan dated 07/22/2018	

* *Due to the verification of the Board of Directors on February 20, 2019 of the failure to reach the initial organic revenue growth rate target for the year 2018, applying to 25% of the performance shares granted, the maximum number of shares that can be acquired at the end of the vesting period is reduced at 75%.*

PERFORMANCE SHARE PLANS DECIDED FROM 2019 ONWARDS

	Plan dated 07/24/2019	Plan dated 10/23/2019	Plan dated 07/24/2020
General Meeting authorization date	4/30/2019	4/30/2019	6/16/2020
Board of Directors meeting date	7/24/2019	10/23/2019	7/24/2020
Number of beneficiaries	**1,249**	**1**	**1,155**
Total number of perf shares granted	**907,500**	**12,000**	**870,630**
Of which to the executive officers	***56,200***	**-**	***28,800***
Chairman and CEO	*40,300*		*n/a*
Deputy CEO	*15,900*		*n/a*
CEO	*n/a*		*28,800*
Vesting date	**7/25/2022**	**10/23/2022**	**7/24/2023**
End of holding period	7/25/2022	10/23/2022	7/24/2023
Performance conditions	Yes	Yes	Yes
Achievement of performance conditions			
Number of vested shares as at Dec. 31, 2020	**1,000***	**-**	**-**
Number of shares cancelled as at Dec. 31, 2020	**75,377**	**-**	**18,670**
Outstanding performance shares as at Dec. 31, 2020	**831,123**	**12,000**	**848,960**

* *Early-vested shares following the death/disability of a grantee.*

Performance conditions	Plan dated 07/24/2019 and Plan dated 10/23/2019	Plan dated 07/24/2020
Average of the External Revenue Organic growth rates over the 3-year period Average rate of Operating Margin over the 3-year period Cumulated amount of Free Cash Flow at the end of the 3-year period	**Targets initially defined:** In line with the financial objectives of the 3-year strategic plan"Advance 2021" **Adjusted targets due to the Covid-19 crisis:** In line with mid-term financial objectives presented at the 2020 Analyst Day on June 24, 2020 and approved by the shareholders during the General Meeting held on October 27, 2020, under the assumption of a return to a normal economic activity by mid-2021	In line with mid-term financial objectives as presented at the 2020 Analyst Day on June 24, 2020 and approved by the shareholders during the General Meeting held on October 27, 2020, under the assumption of a return to a normal economic activity by mid-2021
Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period	The relative average ranking by RobecoSam AG institute: Floor: 70th percentile – Target: 80th percentile – Cap: 90th percentile	
Percentage of CO_2 emissions variation per € million revenue (tCO_2/€ million) over the 3-year period		Floor: 0% Target: -10% Cap: -15%
Period in question	2019-2021	2020-2022

% OF THE GRANT IF THE EMPLOYMENT CONDITION IS MET AT THE VESTING DATE

Each performance indicator conditions a percentage of the initial grant. Elasticity curves accelerate upwards and downwards the percentage of the grant related to each performance indicator according to its level of achievement over the 3-year period.

Thus, the percentage of vested shares depends on the "Average acquisition rate" calculated according to the level of achievement of each performance indicator and its weighting. The percentage of vested shares is capped at 100%.

	Performance indicator	Weight	% of the grant according to the achievement level		
Plan dated 07/24/2019 and Plan dated 10/23/2019	Average of the External Revenue Organic growth rates over 3 years (2019-2021) ("A")	**30%**	Floor Target Cap	-0.7% 0.0% +0.5%	30% 100% 150%
	Average rate of Operating Margin over 3 years (2019-2021) ("B")	**25%**	Floor Target Cap	9.3% 9.6% 9.9%	50% 100% 130%
	Cumulated amount of Free Cash Flow at the end of the 3-year period (in 2021) ("C")	**25%**	Floor Target Cap	1,522 k€ 1,693 k€ 1,827 k€	50% 100% 130%
	Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period ("D")	**20%**	Floor Target Cap	70^{th} percentile 80^{th} percentile 90^{th} percentile	50% 100% 150%
	A * 30% + B * 25% + C * 25% + D * 20% = Average acquisition rate *(The average acquisition rate may not exceed 100%)*				

	Performance indicator	Weight	% of the grant according to the achievement level		
Plan dated 07/24/2020	Average of the External Revenue Organic growth rates over 3 years (2020-2022) ("A")	**30%**	Floor Targe Cap	-0.6% +0.2% +0.7%	30% 100% 150%
	Average rate of Operating Margin over 3 years (2020-2022) ("B")	**25%**	Floor Target Cap	9.2% 9.5% 9.8%	50% 100% 130%
	Cumulated amount of Free Cash Flow at the end of the 3-year period (in 2022) ("C")	**25%**	Floor Target Cap	1,435 k€ 1,688 k€ 1,821 k€	50% 100% 130%
	Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period ("D")	**10%**	Floor Target Cap	70^{th} percentile 80^{th} percentile 90^{th} percentile	50% 100% 150%
	Percentage of CO_2 emissions variation per € million revenue (tCO_2/€ million) over the 3-year period ("E")	**10%**	Floor Target Cap	0% -10% -15%	50% 100% 150%
	A * 30% + B * 25% + C * 25% + D * 10% + E * 10% = Average acquisition rate *(The average acquisition rate may not exceed 100%)*				

4.3.3.2 Adjustment of the performance conditions for the performance share plans dated July 22, 2018 and July 24, 2019

Given the unprecedent circumstances due to the Covid-19 crisis, the Board of Directors, during its meeting held on April 21, 2020, decided to update the 2020 financial targets which were communicated by the Company on April 22, 2020 when the publication of its firsts quarter 2020 revenue was released, notwithstanding the uncertainty as to the scope and the period of the sanitary measures prescribed by authorities against the pandemic likely to impact the business recovery. Furthermore, new medium-term objectives defined by the Board of Directors were disclosed by the Chief Executive Officer during the 2020 Analyst Day held on June 24, 2020, under the assumption of a return of a normal economic activity by mid-2021. Pursuant to the Company's practice to regularly consult its shareholders on medium-term guidelines, the General Meeting held on October 27, 2020 approved by more than 99,99% these medium-term guidelines.

The Board of Directors decided, upon the recommendation of the Committee in charge of remuneration matters, to revise the financial targets for the performance share plans granted in 2018 and 2019, respectively, in the Company’s interest. The Board of Directors considered that it was crucial to maintain, among the beneficiary population, a high level of motivation to achieve the Group’s ambitions as well as retention mechanisms in the context of the “talent war”.

Performance share plan dated July 22, 2018

The Board of Directors decided, upon the recommendation of its Committee in charge of remuneration matters, to reconcile the 2020 financial indicators targets with the revised objectives for 2020 as announced by the Company, on April 22, 2020 on the occasion of its Q1 revenue release.

Performance share plan dated July 24, 2019

The Board of Directors decided upon the recommendation of its Committee in charge of remuneration matters, to align the target achievement levels of the financial indicators with the medium-term objectives set by the Board of Directors and disclosed on June 24 on the occasion of the 2020 Analyst Day, under the assumption of a return to a normal economic activity by mid-2021. These new medium-term targets replace the targets of the prior strategic plan "Advance 2021", including the same underlying key financial indicators to the performance share plan implemented on July 24, 2019: (i) the external revenue organic growth rate conditioning 30% of the grant, (ii) the operating margin rate conditioning 25% of the grant, and (iii) the free cash flow amount conditioning 25% of the grant. The new targets appear in the table in paragraph 4.3.3.1, in line with the Company's new medium-term guidelines.

4.3.3.3 Achievement of the performance conditions related to the performance share plans in the course of vesting or acquired during the year

As a reminder, the performance conditions related to the performance share plan dated July 25, 2017 were achieved for the year 2017, for the year 2018 based on the revised organic growth rate and for the year 2019. The acquisition of 75% of the shares granted in respect of this plan was still subject to the completion of the presence condition on the vesting date, July 31, 2020.

Group free cash flow	2019	2018	2017
Objective achievement *(in %)*	**n/a**	**n/a**	**103.6%**
Criterion completion	n/a	n/a	YES
Earnings per share	**2019**	**2018**	**2017**
Objective achievement *(in %)*	**101.9%**	**105.5%**	**n/a**
Criterion completion	YES	YES	n/a
Group operating margin	**2019**	**2018**	**2017**
Objective achievement *(in %)*	**102.6%**	**100.5%**	**102.8%**
Criterion completion	YES	YES	YES
Group revenue growth	**2019**	**2018**	**2017**
Objective achievement *(in %)*	**100.6%**	**118.7%**	**100.9%**
Criterion completion	YES	YES	YES
External performance condition linked to the social and environmental performance	**2019**	**2018**	**2017**
Criterion completion*	YES	YES	YES
Achievement of performance conditions	**YES**		

* *In 2019, Atos is ranked Number 1 in the IT services and software sector by the Dow Jones Sustainability Indexes (DJSI) World and Europe and is rewarded a “Gold” by EcoVadis for its annual assessment of performance in Corporate Social Responsibility (CSR).*

The performance conditions related to the performance share plans dated March 27, 2018 and July 22, 2018 were achieved for the year 2018 based on the revised organic growth rate, for the year 2019 and for the year 2020 based on the post-Covid-19 objectives for 2020 as presented on April 22, 2020 on the occasion of the Q1 revenue release. The acquisition of 75% of the performance shares granted in respect of this plan remains subject to the completion of the presence condition on March 27, 2021 and July 30, 2021 respectively.

Group free cash flow	2020	2019	2018
Objective achievement *(in %)*	**n/a**	**n/a**	**n/a**
Criterion completion	n/a	n/a	n/a
Earnings per share	**2020**	**2019**	**2018**
Objective achievement *(in %)*	**100.0%**	**101.9%**	**105.5%**
Criterion completion	YES	YES	YES
Group operating margin	**2020**	**2019**	**2018**
Objective achievement *(in %)*	**105.9%**	**102.6%**	**100.5%**
Criterion completion	YES	YES	YES
Group revenue growth	**2020**	**2019**	**2018**
Objective achievement *(in %)*	**101.0%**	**100.6%**	**118.7%**
Criterion completion	YES	YES	YES
External performance condition linked to the social and environmental performance	**2020**	**2019**	**2018**
Criterion completion*	YES	YES	YES
Achievement of performance conditions		**YES**	

* *In 2020, Atos was ranked number 1 in sustainability performance within the IT services sector in the DJSI World and Europe indexes for the second year running and has been awarded the Platinum medal by EcoVadis for its performance in Corporate Social Responsibility (CSR), with a score of 82/100.*

The performance conditions related to the performance share plans dated July 24, 2019 and October 23, 2019 and of the stock options plan dated July 24, 2019 are based on indicators measured over a 3-year period. Achievement rates of these indicators as well as final acquisition percentage will be disclosed in the Universal Registration Document for the financial year 2021.

Similarly, the performance conditions related to the performance share plans dated July 24, 2020 are based on indicators measured over a 3-year period. Achievement rates of these indicators as well as final acquisition percentage will be disclosed in the Universal Registration Document for the financial year 2022.

4.3.3.4 Performance shares granted to or became available for Company officers during the year – AMF Tables 6 and 7

The below table shows the performance shares granted during the year to the Chief Executive Officer. Performance conditions related to the plan stated hereafter are summarized in the "Past grants of performance shares" section.

AMF Table 6	Plan date	Number of shares	Vesting date	Availability date	Share valuation *(in €)**
Elie Girard	July 24, 2020	28,800	July 24, 2023	July 24, 2023	1,378,339

* *Valuation of the shares at their grant date as recognized pursuant to IFRS 2, taking into account any discount related to performance criteria and the probability of presence in the Company at the end of the vesting period, but before amortization of the expense pursuant to IFRS 2 throughout the vesting period.*

During the year 2020, the performance shares granted on July 25, 2017 became vested and available for possible sale. Performance conditions related to this plan are summarized above in the "Past grants of performance shares" section.

AMF Table 7	Plan Date	Number of shares available during the financial year*	Vesting Date	Availability Date
Elie Girard	July 25, 2017	12,766	July 31, 2020	July 31, 2020

* *After adjustment for preservation of share rights following the exceptional distribution in kind of Worldline shares as approved by the Annual General Meeting on April 30, 2019.*

4.3.3.5 Past awards of subscription or purchase options – AMF Table 8

The table below shows the past grants over the last ten years.

	Plan dated 07/24/2019
General Meeting authorization date	04/30/2019
Board of Directors meeting date	07/24/2019
Number of beneficiaries	**23**
Total number of granted options	**209,200**
Of which to the executive officers	***56,200***
Chairman and CEO	*40,300*
Deputy CEO	*15,900*
Start date of exercise period	07/25/2022
End date of exercise period	07/24/2029
Strike price	€ 79.86
Number of options exercised as at Dec. 31, 2020	**-**
Number of options cancelled or expired as at Dec. 31, 2020	**46,300**
Outstanding options as at Dec. 31, 2020	**162,900**

Performance conditions and acquisition rules in respect of the plan dated July 24, 2019 are summarized hereafter:

Indicator
Relative performance of the Atos SE share compared to the performance of a basket* consisting of indexes and shares, measured on the basis of the average of the opening share price (dividends reinvested) during the trading days of the calendar quarter preceding the grant and vesting dates, respectively.

* *Basket: 20% CAC40 index + 20% STOXX Europe 600 Technology index + 10% IBM + 10% DXC + 10% Capgemini + 10% Accenture + 10% Sopra Steria + 10% CGI Group.*

% of the grant if the employment condition is met on the vesting date

- No stock-option will vest if the relative performance of the Atos SE share is less than 100% of the average performance of the basket over a three-year period;
- 80% of stock-options will vest if the relative performance of the Atos SE shares is equal to 100%;
- 100% of stock-options will vest if the relative performance of the Atos SE shares is equal to 115%.

For relative performance between these points: the percentage of vested stock-options will be determined based on linear interpolation.

4.3.3.6 Stock options granted to, or exercised by, the company executive officers during the year – AMF Tables 4 and 5

During 2020, the Chief Executive Officer was not granted any options to purchase or subscribe shares of the Company. In addition, he did not hold any exercisable options in 2020.

4.3.3.7 Stock options granted to the top ten employees who are not company officers, and stock options exercised by them, during the year – AMF Table 9

During 2020, the employees were not granted any options to purchase or subscribe shares of the Company. In addition, they did not hold any exercisable options in 2020.

5

Corporate Responsability

5.1 Corporate Social Responsibility

[GRI 102-18], [GRI 102-19], [GRI 102-20], [GRI 102-21], [GRI 102-26], [GRI 102-27], [GRI 102-29], [GRI 102-30], [GRI 102-31], [GRI 102-32], [GRI 103-2 Economic performance], [GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Occupational Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socio-economic compliance], [GRI 103-2 Atos specific indicators]

5.1.1 Vision

[GRI 103-2 Economic performance], [GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Occupational Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socio-economic compliance], [GRI 103-2 Atos specific indicators]

At Atos, Corporate and Social Responsibility belongs to our "raison d'être" (statement of purpose), by which "across the world, we enable our customers and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space."

Atos is therefore fully aware of its responsibility towards the society and is convinced that digital can make an important contribution towards sustainable and social development, in particular to the fight against climate change, trust in data management or digital inclusion.

Atos' CSR strategy is fully aligned with the UN development goals.

Today Atos is recognized by the most relevant ESG ratings as a leader in its Industry. Atos has reached in 2020 the top position in the Dow Jones Sustainability Index (DJSI) for the IT services industry.

Market ESG ratings	Atos score	Atos position
DJSI	85/100	Industry #1
MSCI	Triple A	Top 4%
CDP climate	A	Top 7%
ISS-OEKOM	C+	Top 10%
FTSE4GOOD	4,8/5	Top 1%
VIGEO-EIRIS	61/100	Top 3/83
ECOVADIS	82/100	Top 1%

Note: information as of December 1, 2020.

Striving to comply with highest transparency standards, Atos has issued a non-financial report in accordance with the Global Reporting Initiative (GRI) standards since 2012. Also, Atos has published since 2018 its Integrated Report in strict compliance with the recommendations of the Global Reporting Initiative (GRI), option "comprehensive", the International Integrated Reporting Council (IIRC) and the Task Force on Climate-related Financial Disclosures (TCFD) recommendation.

5.1.2 Strategy

[GRI 103-2 Economic performance], [GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Occupational Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socio-economic compliance], [GRI 103-2 Atos specific indicators]

Atos ambition, communicated at its 2020 Analyst Day, is to become a market leader in secure and decarbonized digital.

Through its business strategy, Atos believes in creating significant positive impact to the society.

- From an environmental perspective, its decarbonization business strategy contributes to the reduction of the global emissions related to digital, which are estimated to be 4% of total emissions. In addition, this business strategy accelerates other businesses' decarbonization objectives. According to The Exponential Climate Action Roadmap Initiative, smart digital solutions have a potential of decreasing by 15% the overall carbon footprint of the planet or one-third of the 50% reduction required by 2030.
- From a social perspective, its digital business strategy is inclusive, proposing a set of products and services providing state-of-the art digital experience, and therefore enhancing workforce efficiency and employees' motivation and engagement.
- From a governance perspective, its business strategy contributes to enhancing trust in digital. From a security perspective, its business strategy is protecting companies and the society from cyberattacks risks, while promoting ethics in data management, thus unleashing the value of data. For instance, through the creation of vertical data spaces and ecosystems.

In this context, Atos Corporate Social Responsibility strategy is core to its business strategy and discussed at the highest governance level within the CSR Committee of the Board of Directors and the Board of Directors itself. Beyond, Atos promotes an open dialogue with all stakeholders through regular meetings, in particular with the Employee Representatives, within a specific committee set up by the European Works Council (SEC).

The review of Atos CSR challenges is performed regularly through a materiality assessment that prioritizes the areas where the Group must focus on incorporating best practices in the market, trends in the digital sector, and compliance with existing regulations and international standards. Atos has also developed robust systems and procedures to ensure Corporate Social Responsibility matters are being measured and reported, following Atos integrated thinking and reporting principles.

The Atos Corporate Social Responsibility program is structured in the three axes Environment, Social and Governance (ESG) associated with a set of non-financial performance objectives:

E – Environment

Atos aims to achieve net-zero emissions (carbon neutrality) by 2028, which is 22 years earlier than the Paris Agreement on climate change COP 21 target set at 2050 following IPCC recommendations. Atos also fully complies with the most demanding scientific objectives of the ScienceBased Target initiative (SBTi) to keep global warming at 1.5°C. Furthermore, as a leader in low-carbon digital technology, Atos has set itself the objective of reaching the intermediate threshold of -50% by 2025 (Greenhouse Gas Emissions Scopes 1, 2 and 3, 2019 baseline) which is 5 years ahead of the SBTi's most demanding recommendations. In addition, each year since 2018, Atos has been offsetting all the emissions of its operational scope.

Atos strongly believes that decarbonization is the value-adding dimension to digitalization for its clients and partners. In 2020 one of the major steps in its decarbonization ambition was the acquisition of EcoAct to support its customers' journey towards carbon neutrality. Atos also invests in R&D on supercomputers powered by hydrogen, blockchain technologies for recycling performance or quantum technologies for instance, enabling the development of new materials absorbing CO_2 from the atmosphere.

S – Social

The Covid-19 pandemic has highlighted Atos' strong culture of social responsibility, exemplified through effective crisis management guided by people care as well as health and safety. From the beginning of the pandemic, the Group has enabled its workforce to work safely and efficiently from home and supported remote collaboration. Especially in this situation, digital inclusion became critical to social responsibility and a sustainable business lever.

Atos keeps on encouraging open and diverse working conditions through many initiatives. Operating as a responsible and inclusive employer that inspires its people to innovate for its clients, and guided by the principles of its "We are Atos" Program, the Group is encouraging and promoting a flexible and attractive workplace.

As a multi-cultural company, acting across 71 countries, Atos is an inclusive employer with employees from 139 nationalities. The Group intends to create a truly "Great Place to Work" with a successful progression by +9 points to 63% of employees answering positive on: "Taking everything into account, I would say this is a great place to work".

Atos' mission is to build and deploy technology that works for everyone now and in the future. To ensure digital accessibility, Atos is addressing the key challenges that people face in going digital, supporting the ability to connect to the Internet and use services, connectivity such as fixed line broadband and mobile, accessibility and interoperability with assistive technologies.

G – Governance

Atos takes Governance-related topics as a priority to execute the Group strategy and guarantee value is delivered at all levels.

Client satisfaction is a major driver of Atos' strategy for growth and value creation, with an objective to continue to raise the Net Promoter Score above 50% for all Atos clients by 2021.

Leveraging a global ecosystem of partners, Atos invests in innovative solutions to deliver value for clients while ensuring the highest levels of security and data protection and promoting a culture of digital sustainability. Established in 2020, the Atos Scaler program is accelerating start-up collaboration and innovation for digital solutions and services.

Atos maintains a constant dialogue with its stakeholders to ensure a transparent communication about its CSR program and to align with the demand of the market and investors. In 2020, 3 meetings have been held by the Atos Corporate Social Responsibility (CSR) Committee, at Board of Directors' level, which is directly involved in defining the CSR strategy and priorities.

Atos complies with regulatory frameworks and applicable laws in different countries and behaves as an ethical and fair player within Atos' sphere of influence. In the field of ethics and data protection, the Group intends to further increase the percentage of employees who successfully completed the e-learning on the Code of ethics and will launch in 2021 a new version of the Code of Ethics formalizing Atos's commitment to the highest ethical standards. Atos is committed to assessing its suppliers by the external agency EcoVadis, ensuring that 70% of its total spend is covered by 2021.

5.1.3 Atos stakeholders' approach and engagement

[GRI 102-13], [GRI 103-1 Economic performance], [GRI 103-1 Anti-Corruption], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [GRI 103-1 Training and education], [GRI 103-1 Occupational Health & Safety], [GRI 103-1 Customer privacy], [GRI 103-1 Socio-economic compliance], [GRI 103-1 Atos specific indicators]

Atos' Corporate Social Responsibility process is supported by an on-going dialogue with all stakeholders, including clients, employees, employee representatives, business partners and suppliers, as well as communities and public authorities.

Atos stakeholder relations framework has the goal to map its stakeholders' expectations in regard to the relative importance, likeliness to occur, and criticality to business operations as well as defining Key Performance Indicators that assess Atos' Corporate Social Responsibility performance.

This approach follows several international standards such as the AA1000 Standards and the Global Reporting Initiative Standard guidelines.

Since 2017, Atos has performed an impact evaluation assessment with the objective to measure most relevant externalities. In 2020, a new materiality assessment was carried out and represents for the first time the CSR program following the Environmental, Social and Governance (ESG) criteria.

Mapping of stakeholders' expectations

[GRI 203-2], [GRI 102-40], [GRI 102-42], [GRI 102-43], [GRI 102-44]

In 2020, the Board Corporate Social Responsibility (CSR) Committee met 3 times to discuss current and future CSR challenges, validate the CSR strategy and review the roll-out of the related initiatives.

Internally, in 2020, the specific CSR committee of the European Works Council, "Societas Europaea Council" (SEC), represented by nine employees, continued to enrich the CSR Program and to share regular updates on the Group activities.

Additionally, on July 1, 2020, Atos held its annual Global CSR Stakeholders' meeting as a virtual session to update on the Atos CSR Program, Atos decarbonization strategy and the role of tackling climate change and driving business performance. Internal as well as external speakers highlighted the achievements and ambitions in their contribution to fight climate change which led to joint reflections and discussions.

The views expressed by stakeholders on our most important CSR issues will contribute to Atos' development of its future policy and initiatives surrounding Corporate Social Responsibility.

Clients	People
• **Expectations:** Atos' clients expect innovative digital tools and solutions that will create value by helping them meet their own challenges and optimize operational performance. These solutions also need to come with guaranteed high levels of security and data protection. • **Challenges:** Customer satisfaction. Client trust. Anticipation of clients' future needs. Security and data protection. Innovation. • **Value created by Atos:** Atos' business model is founded on creating value for its clients and partners through innovative and sustainable business solutions that will meet their needs to perform in the new digital economy. • **SDGs addressed**: 8,9,12,16.	• **Expectations:** Our employees expect to work in the best possible environment in which their work is recognized, their data is protected, and their ambitions and potential can be realized via opportunities to grow and develop within the Company. • **Challenges:** Employee commitment, engagement and satisfaction. Brand appeal. Talent retention. Ensure wellbeing at work. Drive diversity. • **Value created by Atos:** Atos recognizes that its role as a responsible employer means providing a diverse, inclusive and rewarding work environment while preparing its people for the workplace of the future. Atos has programs in place to train and develop its employees and encourage internal hiring and promotion. At the same time, Atos has developed strong partnerships with major universities on a worldwide basis to attract the best young talents. • **SDGs addressed**: 3,4,5,10.

Partners	Suppliers
• **Expectations:** Collaboration with Atos' partners is key to face challenges ahead of IT industry and ensure the development of innovative technologies. • **Challenges:** Anticipation of clients' future needs, Innovation, Security & Trust. • **Value created by Atos:** Atos' unique partnership ecosystem includes both major IT industry players and startups that work together with Atos labs and Business Technology Innovation Centers, allowing Atos to combine a disruptive mindset with best-in-class technologies in its digital solutions for its clients. • **SDGs addressed:** 8,9,12,16.	• **Expectations:** Atos's suppliers want to benefit from access to new markets, revenue growth and fair margins. Our suppliers expect long-term relationships underpinned by ongoing dialog that ensures the observance of contracts, shared ethical values and trust. • **Challenges:** Ethics and responsibility in the value chain. Collaboration. Knowledge sharing. Efficiency. • **Value created by Atos:** As the first ICT company to obtain approval for its Binding Corporate Rules (BCR) by the European data protection authorities, Atos continues to place data protection as a key component in its business culture. Its governance framework uses ethics and compliance to drive organizational processes and business thereby securing a sustainable supply chain. Atos works closely with suppliers to ensure that they meet required standards regarding the environment, labor and human rights, ethics and sustainable procurement. • **SDGs addressed:** 5,16.
Investors and analyst	**Communities and society**
• **Expectations:** Our investors expect profitability, efficiency and transparency. Atos keeps investors informed about its strategy and Corporate Social Responsibility achievements and objectives, while also meeting their requests for clarity and transparency regarding value creation and resource management. • **Challenges:** Integrated thinking. Effective reporting to articulate strategy. Transparency. Credibility. • **Value created by Atos:** Atos discloses its CSR KPIs and integrates financial and non-financial factors, providing valuable information to investors. Atos also creates significant value for investors and shareholders due to continuous business and profit growth. • **SDGs addressed:** 8,9,12,16.	• **Expectations:** The expectations that society and local communities have of Atos include its ability to deliver socio-economic benefits through job creation, smart solutions and new technologies. Atos is also expected to reduce its environmental impact and help its clients and suppliers to do the same. Public bodies deliver administrative authorizations and determine the regulatory context in which Atos does business. • **Challenges:** Savings. Performance. License to operate. Education and knowledge equality. Youth empowerment. Digital inclusion. • **Value created by Atos:** Atos is committed to generating economic value that creates value for society by responding to its needs and challenges. As a recognized leader in CSR in the IT sector, Atos minimizes and offsets environmental impacts and generates sustainable profits to support innovation. Through its support for volunteer programs, university relations and corporate citizenship actions, Atos aims to have a positive and long-term impact on local economies, support social progress and reduce the digital divide. • **SDGs addressed:** 5,10,12,13, 16.

5.1.4 Challenges and Materiality Matrix

[GRI 102-46], [GRI 102-47], [GRI 103-1 Economic performance], [GRI 103-1 Anti-Corruption], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [GRI 103-1 Occupational Health and Safety], [GRI 103-1 Training and education], [GRI 103-1 Customer privacy], [GRI 103-1 Socio-economic compliance], [GRI 103-1 Atos specific indicators]

While Atos' CSR program addresses a wide range of topics, the materiality analysis allows the Company to focus primarily on ESG issues that are truly critical to achieve the organizations' goals, strengthen its business model and manage its impacts on society.

Since 2010, the Group has performed regular materiality assessments. In 2020, Atos conducted a new set-up of the analysis, supported by the CSR Committee. This updated materiality, while following the same fundamentals as the previous assessments, now follows the commonly used ESG structure covering Environment, Social and Governance topics.

The main steps for this new materiality approach follows:

- review of international standards and regulations as well as industry publications in terms of CSR material risks and opportunities, impacts, challenges and trends;
- benchmarking exercise of Atos main competitors in the digital sector to identify best practices regarding sustainability strategies and reporting;
- update of the CSR matters to be considered when analyzing material topics for Atos;

- interviews with a panel of internal and external stakeholders (members of the Group General Management Committee and of the CSR Committee, independent members of the Board of Directors, employees, clients, business partners, etc.);
- review of the impact of each material matters in terms of risks and opportunities for Atos' business activities;
- review of findings from the analysis for future integration in areas of improvement of the Atos CSR program.

As a result, Atos is pleased to share the new materiality matrix following the ESG framework :

Environment : Digital is key to tackle climate change and other environmental challenges, through impactful and innovative solutions. As a digital leader, Atos also considers it its responsibility to help transform the industry as a whole (with suppliers, partners, etc.) towards a sustainable model. Developing environmentally efficient digital solutions will allow Atos to support the transition to a zero-carbon economy on a global scale for the Group, its clients and society as a whole.

Social : As a people-first company, Atos strives to be a responsible employer and invests a lot in attracting, retaining and training employees. In the wake of the Covid-19 pandemic, the perception of an employer's role and responsibilities is shifting. Atos today continues to make the health and safety of its workforce its top priority, while at the same time taking steps to reinforce the Company's culture and give purpose to its employees. Internally, diversity, inclusion and digital accessibility are mandatory factors in HR. Externally Atos is fostering a strong contribution to social impact in society.

Governance : Governance, business and ethics should contribute to and be influenced by a global CSR strategy. As a global company, Atos is expected to have strong corporate governance and high ethical standards shared along the whole value chain. By leveraging a global ecosystem of partners, Atos creates innovative and decarbonized solutions to deliver value to its clients, while ensuring the highest levels of security and data protection and promoting a culture of digital responsibility.

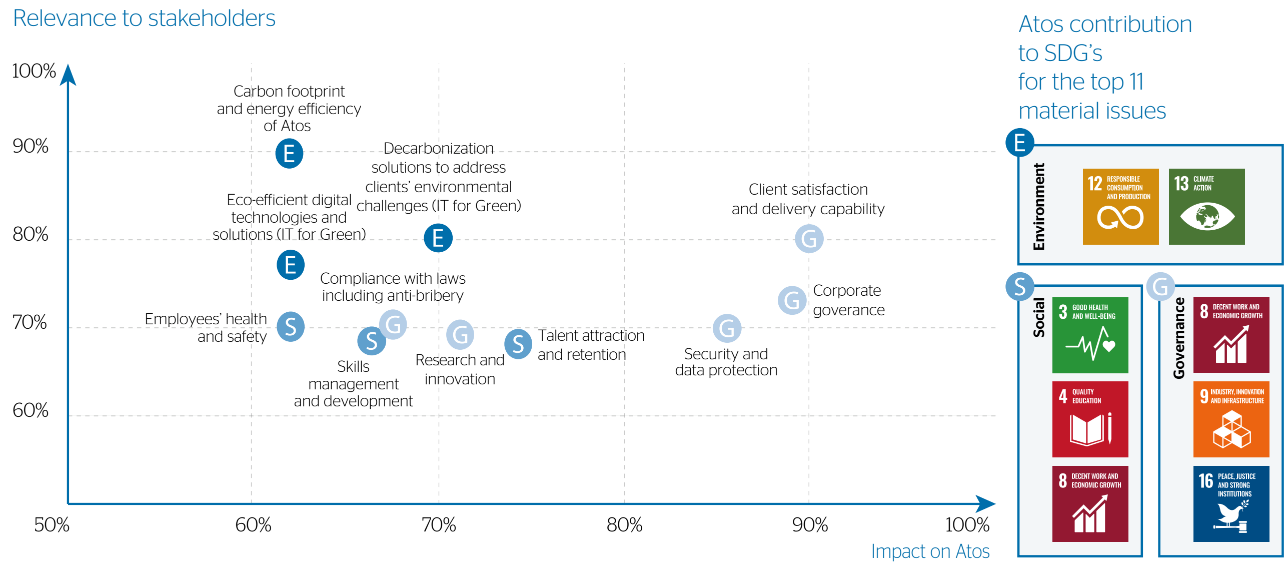
Atos materiality matrix

[GRI 102-14], [GRI 102-15], [GRI 102-47], [GRI 102-44], [GRI 103-1 Economic performance], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [GRI 103-1 Occupational Health and Safety], [GRI 103-1 Training and education], [GRI 103-1 Anti-corruption], [GRI 103-1 Customer privacy], [GRI 103-1 Socio-economic compliance], [GRI 103-1 Atos specific indicators]

The top material CSR matters identified through the materiality analysis in 2020 and corresponding to stakeholders' key expectations are presented in the following matrix in line with the ESG framework.

These eleven top priorities contribute directly to eight of seventeen Social Development Goals (SDG) defined by the United Nations.

Atos Materiality Matrix



In addition to the eleven CSR priorities highlighted through the materiality assessment, Atos remains committed to key areas such as digital inclusion and diversity and contributes significantly to the positive impact on employment by developing new job opportunities in emerging countries, supporting local economic development and generating economic growth as a whole.

As a result, the Atos CSR program, encompassed in its statement of purpose, drives the contribution of the seventeen SDGs, ensuring that sustainability is an outcome of the Group business strategy.

Environment

Supporting the transition to a zero-carbon economy at a global scale for the Group, its clients and the society.

The material issues for Atos in relation to Environment are:

- support decarbonization solutions to address clients' environmental challenges (IT for Green) – Solutions to address clients environmental challenges including decarbonization;
- reduce carbon footprint and improve energy efficiency of Atos operations;
- eco-efficient digital technologies and solutions (Green IT) – Digital solutions already represent significant impacts for the environmental, and their use will keep increasing in the future.

Main SDGs for Environment are: "Climate Change" (SDG 13), "Responsible Consumption and Production" (SDG 12)

Social

Being a responsible employer and creating a work environment that meets the needs and expectations of employees.

The material issues for Atos in relation to Social are:

- manage talent attraction and retention;
- ensure adequate skills management & development;
- guarantee employees' health and safety.

Main SDGs in Social are: "Decent Work and Economic Growth" (SDG 8), "Quality Education" (SDG 4), "Good Health and Well-Being" (SDG 3).

Governance

Being an ethical and fair player within the sphere of influence and generating value for clients and partners through innovative and safe solutions.

The material issues for Atos in relation to Governance are:

- ensure client satisfaction and delivery capability;
- establish a strong corporate governance;
- guarantee security & data protection;
- foster research & innovation;
- ensure compliance with laws, including anti-bribery.

Main SDGs in Governance are: "People, Justice and Strong Institutions" (SDG 16), "Decent Work and Economic Growth" (SDG 8), "Industry, Innovation and Infrastructure" (SDG 9).

5.2 Environment

5.2.1 Environmental non-financial performance

[GRI103-1 Energy], [GRI103-2 Energy], [GRI103-3 Energy], [GRI103-1 Emissions], [GRI103-2 Emissions], [GRI103-3 Emissions], [GRI 302-1], [GRI 302-2], [GRI 302-3], [GRI 302-4], [GRI 302-5], [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

5.2.1.1 Overview of Atos' ambition

Atos' main ambition is to fully contribute to a more decarbonized and sustainable world by reducing and offsetting Atos' own carbon emissions and by promoting digital solutions that support our clients in their own decarbonization journeys.

To support this ambition, the Group addresses a wide range of environmental issues and intends to cover in a comprehensive manner all its potential impacts, risks and opportunities related to its business model and core activities.

The predominant interfaces between Atos business model and core activities and the world major environmental challenges concern its data centers, offices, supply chain, business travel, as well as the services, solutions, and technologies marketed by the Group.

The Group's main potential environmental impacts, risks and opportunities are regularly assessed through specific work and activities and further explained in a following chapter.

Through its Environmental Program, Atos directly contributes to the U.N. Sustainable Development Goals (SDGs) 12 – Responsible Consumption and Production and 13 – Climate Action and indirectly to the SDGs 7 – Clean Energy, 8 – Decent Work and Economic Growth, SDG 9 – Industry, Innovation and Infrastructure and 15 – Life on Land.

5.2.1.2 Overview of Atos main challenges as perceived by its stakeholders

Regularly, Atos updates its CSR/Environmental "materiality assessment" to consider the point of view of its stakeholders and to better identify some existing or emerging issues or challenges that could gradually become critical for the Group.

The last 2020 update highlighted the following issues/challenges organized by level of priority:

Core domain	Specific challenges	Covered in chapter:
Climate change	Carbon footprint and energy efficiency of Atos operations	5.2.5
IT contribution	Digital for decarbonization to address clients' challenges (IT for Green)	5.2.4
IT footprint	Decarbonized digital solutions (Green IT)	5.2.6

5.2.1.3 Overview of main action plans related to the environment

The Environmental Policy, the Environmental Management System (EMS) and the ISO 14001 certification implemented worldwide lie at the heart of the Program and they allow significant progress at local and global levels.

The following action plans were in place in 2020:

- the EMS and ISO 14001 certification both at Group and site levels;
- engage all employees in all entities using financial mechanisms; (Ex: Internal Carbon Price (ICP) – € 80 per ton CO_2);
- "doing more with less": reduce energy intensity and consumption, reduce travel impact and consider other environmental challenges (biodiversity, water, circular economy, waste, plastics…);
- further reduce all Atos Greenhouse Gas Emissions (GHG Scopes 1, 2 and 3) by -50% by 2025 (5 years ahead of the most demanding 1.5°C Science Based target) and to reach net-zero emissions (carbon neutrality) as soon as 2028 (22 years ahead of the recommendations aligned with the Paris Agreement to tackle climate change);

- offset 100% of Atos Carbon Operational Perimeter emissions;
- engage Atos' suppliers to rapidly decarbonize their own activities (-50% by 2025);
- further reduce the energy consumption and carbon footprint of our solutions and technologies (eco-efficient digital technologies);
- support Atos' clients to meet their own sustainability challenges, to decarbonize their activities and to achieve carbon neutrality (decarbonization solutions).

Action plans by Greenhouse Gases (GHG) Protocol Scopes

Atos' main action plans to reduce the emissions under control and direct influence (Atos Carbon Operational Perimeter – Scopes 1, 2 and 3a) are:

- improve the energy efficiency and reduce the energy consumption of data centers (one of the KPI is the Power Usage Effectiveness "PUE" and many ongoing action plans are in place to improve the PUE) and offices (and a smart and optimized Real Estate program is already in place worldwide);
- boost our green mobility program (furthermore develop remote collaboration tools, better enforce travel discipline and shift to an electric/hybrid Atos car fleet);
- shift towards low-carbon and renewable electricity sources. (in this domain, Atos aims at being around 75% by 2025 and 100% by 2028[1]).

Reduce Atos' emissions under influence (Atos All Other Carbon Emissions Perimeter – Scope 3b). For this category, the main action plans include:

- necessary progress with our suppliers and along the supply chain: (CO_2 reduction targets, CO_2 criteria, ratings, specific progress plan);
- constant reduction of the energy consumption/CO_2 emissions of the products and solutions Atos sells to its clients (green IT best practices, green life cycle assessments, eco-design, eco-label guidelines, dedicated R&D investments on energy and carbon, selection of low-energy subcomponents, adoption of the Circular Economy principle…).

In 2020 Atos completed the acquisition of EcoAct, an internationally recognized climate strategy consulting firm. Together, EcoAct and Atos have created a global Decarbonization Excellence Center with comprehensive delivery capabilities to help organizations achieve their climate ambition[2].

The detailed action plans sorted by GHG Protocol Scopes (1, 2 and 3) can be found in the following sections:

GHG Scope	Emissions under control or influence	Main emission sources	Covered in chapter:
Scope 1	Atos Carbon Operational Perimeter (under direct control and direct influence)	Carbon emissions under direct control: fossil fuel consumption and Atos car fleet	5.1.10 Section 2
Scope 2		Carbon emissions under direct control: electricity consumption and district heating	
Scope 3a		Carbon emissions under direct influence: energy consumption (fossil and electricity) and business travel	
Scope 3b	Atos All Other Emissions Perimeter (under influence)	Carbon emissions under influence: Scope 3 categories 1 to 15. Decarbonization of Atos Supply Chain, use of sold products and other emissions	5.1.10.1 Section 3

1 *In advance compared to RE100 (https://www.there100.org/technical-guidance) and aligned with the Climate Neutral Data Center Pact - https://www.climateneutraldatacentre.net/*
2 *Additional information on EcoAct in chapter 5.2.4.3*

5.2.1.4 Overview of main commitments and targets regarding climate change

In 2016, as part of the Paris Agreement[1], Atos' Chairman and CEO approved four key initiatives:

- pursue science-based emission reduction targets;
- implement an internal carbon price (ICP);
- engage in climate policy by anticipating the risks and opportunities;
- publicly disclose climate change-related information.

In 2020, Atos shifted its 2°C carbon reduction target to the most demanding 1.5°C Science Based Targets and committed to divide by 2 its overall carbon emissions by 2025 (2019 baseline). This is 5 years ahead of the Science Based Targets Initiative (SBTi) request. In addition, Atos has committed to achieve net-zero emissions (carbon neutrality) as soon as 2028 (22 years ahead of the recommendations aligned with the Paris Agreement).

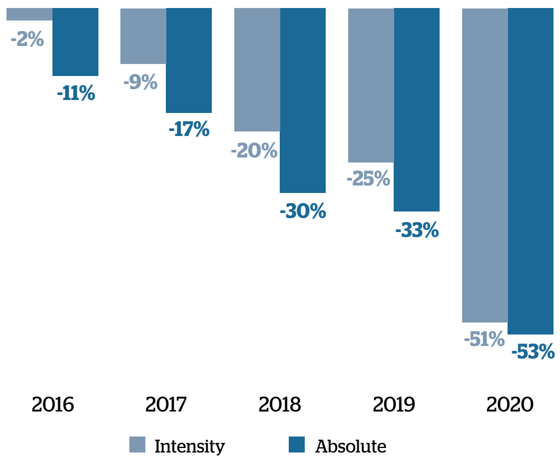
To support the achievement of these new targets, Atos has implemented a demanding internal carbon price (80 €/ton CO_2) across its businesses. This encompasses three main areas: the direct emissions generated by Atos' data centers, business travel and devices, the purchase activities with green or less green suppliers and finally, the decarbonization business projects.

While securing a strong business decarbonization ownership, the ICP also connects several key departments such as Real Estate and Logistics, Purchasing and Sales towards Atos' decarbonization commitments and targets. Thus, Atos' decarbonization strategy is being constantly cascaded from the management levels to the daily decisions on energy management, purchase policies and sales action plans. Further information related to suppliers' ratings on environmental performances can be found in section 5.3.9 Assessment of suppliers CSR performance.

5.2.1.5 Overview of main results regarding climate change

To track Atos' progress on climate change, 60 specific key performance indicators are collected worldwide at more than 400 office locations and data centers. Progress on achieving Atos environmental targets is publicly available.

Between 2015 and 2020, Atos decreased its CO_2e emissions by around 50% both in intensity (tCO_2e/€ million revenue) and in absolute (tCO_2e) emissions.



- Between 2019 and 2020, Atos decreased its CO_2e emissions by around 27% for its carbon operational perimeter (reaching around 149K tCO_2e in absolute emissions) and by around 15% for all its GHG emissions (Scopes 1, 2 and 3). This is a reduction fully in line with its new commitments (-50% between 2019 and 2025).
- A global EMS (Environmental Management System) covers the entire Group and currently 89% of Atos' main sites (data centers and offices) are ISO 14001 certified or in the certification process.
- In 2020, Atos continued to shift towards decarbonized energy: around 55% of the electricity consumed by Atos worldwide came from decarbonized sources, 46% from renewable sources (32% in 2019) and around 90% of decarbonized energy in its core data centers[2]. Atos also increased the percentage of renewable/low-carbon electricity across all its data centers from 37% to 58%. In 2020, the underway action plans to reduce consumption and switch to carbon-free energy resulted in reduction of normal network electricity in Atos offices and data centers (-44%) and an increase in decarbonized electricity (+40%).
- Since 2018, the Group has offset 100% of its carbon operational scope (emissions under control or direct influence from data centers, offices and travel) through dedicated offsetting programs (50% wind-farm projects to generate clean energy and 50% forest protection projects to capture emissions).

1 The Paris Agreement: https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement
2 Atos manages its' data center (DC) portfolio capacity and effectiveness strategically with selecting focus DCs. A DC with such focus is called "Core DC". For such data centers, Atos also sets more stricter requirements to their design and operation.

- Atos has built the #1 greenest machine amongst the top 100 largest supercomputers in the world, owned by the Jülich Supercomputing Centre in Germany.
- Atos deployed its internal carbon pricing (ICP) to 80€ per ton CO_2 to drive business decisions towards decarbonization and impacts all managers' incentives.
- Specific contractual clauses focused in the Group decarbonization strategy on energy management and certifications were formulated and they will be implemented in upcoming Real Estate contracts.
- Atos has reinforced its decarbonization expertise through EcoAct acquisition and cooperation with specialized startups (tier One, GreenSpector, Plan A) in its Scaler program.
- Atos has introduced binding contractual Decarbonization Level Agreements for its customers.

5.2.1.6 Overview of key external recognition

In 2019-2020, Atos was recognized by many key players for its actions to reduce its environmental impacts and its carbon emissions, to integrate the business challenges linked to climate change, and for the quality and transparency of its communication. Atos won the 2020 Responsible Business and Governance Grand Prix for its commitment to reducing the carbon footprint of its customers while contractually committing to decarbonization level agreements. A list with the prizes and recognitions obtained in 2020 can be found in section 5.1.1 Vision.

5.2.2 Environmental governance

[GRI103-2 Energy], [GRI103-3 Energy], [GRI103-2 Emissions], [GRI103-3 Emissions]

5.2.2.1 Governance –management approach

The Senior Executive Vice-President, Chief Digital & Transformation Officer and Head of CSR is a member of the Group Management Committee. Reporting directly to the Atos Chief Executive Officer, he oversees the entire Corporate Social Responsibility Program and regularly informs the Group Management Committee about the Program's latest environmental initiatives, objectives and results. Also, since 2018, Atos' Board of Directors has set up a specific committee dedicated to Corporate Social and Environmental Responsibility (CSR).

Regularly, Atos Group Management Committee and the Board of Directors discuss the progress made towards these environmental targets. Atos also operates incentive schemes for top managers to work to achieve these carbon targets. For instance, the results of the internal carbon price have directly impact on business results, which is reflected in such incentives schemes. In consequence, Atos's global environmental program is fully embedded into Atos strategy.

While addressed within the CSR Program governance, environmental issues are also monitored by the Group Environmental Program Manager and a dedicated team. Within the Regional Business Units (RBUs), the Heads of CSR supervise the environmental challenges at regional and local levels. CSR/environment representatives are also acting at support functions and industries levels. Profiting from this structure, local and global environmental matters are covered by the Group.

5.2.2.2 Environmental Policy, high-level principles and operational guidelines

The current version of the Group's Environmental Policy is available on the Atos website. The Policy is aligned with the Group's strategic ambitions and with the Atos Group's CSR program.

The purpose of the Policy is to provide high-level principles, over the short and long term, regarding the Group's main environmental challenges. The Policy is applicable to all Atos' entities and operations, all office sites and data centers regardless of their location. The entire Atos organization (100%) is covered by this Policy, including its suppliers and subcontractors.

This Environmental Policy is complemented by a book of operational guidelines and objectives by environmental challenge. It includes regularly updated information about the context of each environmental challenge, main concrete instructions, ambitions, objectives or targets at Group and/or at local level.

5.2.2.3 Environmental Management System and ISO 14001 Certification [A14]

The Environmental Management System (EMS) is in place at Group level and in all RBUs. 100% of Atos employees were covered by the EMS. All ISO 14001 certified sites have implemented their own local EMS. Atos' current objective is to have at the end of each year, at least 80% of its main sites (core data centers operated by Atos and office sites with more than 500 internal employees) either already certified or in the process of certification.

The EMS and the ISO 14001 certification of the Group's main sites are two operational tools that help Atos:

- implement and operate the Environmental Program, its Policy and its Operational Guidelines company-wide;
- monitor the Group's priority challenges (energy, travel, carbon emissions) and local challenges (e.g., water, waste, biodiversity…) through consistent action plans and controls;
- avoid the risks of non-compliance with regulations and stakeholder requirements;
- maintain or gain new market share as ISO 14001 certification is increasingly requested by clients.

In 2020, Atos Syntel's main sites representing 22,868 employees officially joined our ISO 14001 global multi-site certificate. At the end of 2020, around 89% of Atos main sites were ISO 14001 certified or in the certification process (also 89% in 2019, 85% in 2018, 80% in 2017) and around 81,850 employees were working in one of these sites. (77,600 in sites already certified and 4,250 in sites in the process of being certified). At the end of 2020, 99 offices and data centers were certified. A site has formally entered into the "certification process" when a budget has been allocated or the EMS manager has been appointed for this process.

Additional to the EMS and ISO 14001 certification, Atos counts on environmental legal watch (ELW) and Internal Auditors to support the Environmental Program and policies. To specifically address local legal requirements, to prevent any environmental issues and to dialogue with local stakeholders, each RBU and its respective countries developed an ELW, which is locally executed and globally monitored. Any significant local environmental challenge is then discussed during the management reviews and the necessary actions are taken. Finally, our Internal Auditors, supported by the global EMS, support the Company's environmental policies and assist in internal controlling processes.

5.2.2.4 Communication, information and training process

Atos rolls out an annual communications' plan covering all its main environmental challenges. Regularly and widely, this plan is communicated internally and externally through flyers, videos, reports, posts, blogs, position papers, websites, external ratings, press releases, information spaces and dedicated meetings, mobile applications (Atos Green app) and trainings.

Still concerning environmental awareness, Atos' internal global reporting process is specifically supported by a dedicated training on environmental challenges and KPIs. As an example, the EMS/ISO 14001 certification program is supported by a mandatory e-learning to engage all employees and promote eco-friendly behaviors worldwide. Several digital collaborative communities address sustainability related topics such as environmental challenges, market trends, stakeholder expectations, innovations, business challenges and best practices.

Among the actions taken in 2020:

- the full deployment of the "Atos Green App" launched in 2019 enables all employees to monitor the progress made by the Group in terms of major environmental issues, and to individually contribute to this progress. (See specific Atos Green app section below);
- Atos' employee share ownership program: associated with a major awareness-raising campaign, 16,000 trees were planted by Atos for each share purchased by a Group employee;

- online communities: one of the most active communities, led by the young generation of Atos worldwide, the "Atos Green Network", encourages greener practices and leads projects such as abandoning plastic for all purchases and promotional products, publishes dedicated newsletters and organizes environmental awareness webinars such as World Ocean Day, Earth Day and Climate Change awareness;
- webinars: highly qualified external speakers are invited to a webinar series, where topics related to climate change are discussed;
- blogs and white papers: Communications were made on topics such as the Urban Ecology or how to make cities more ecological and in line with the SDGs; on how digital enables the transformation into a sustainable Circular Economy; on smart clothing fabrics technology and the upcoming developments, or on how satellite data could support local authorities in the implementation of their ecological programs;
- Atos Journey 2024: the most expected publication addressing challenges such as the concept of Restorative Economy using technology to repair ecosystems or on digitally enabled microgrid network as a critical part of decarbonizing systems;
- events: special events have been organized such as the "IT challenge" choosing the theme of decarbonization, our annual Innovation Week with conferences on topics such as "When Manufacturing Meets Energy"; our annual international CSR Stakeholder Meeting, which opened the debate of a more responsible post-Covid economy; the Digital Industry Infrastructure Awards promoting start-ups whose solutions contribute to solving environmental problems; or the E-World 2020 in Germany focusing on green solutions for Smart Cities;
- external commitments: Atos signed the "Planet Tech Care Manifesto", the "Climate Pledge" and the "Responsible Digital Charter" as well as the renewal of our "French Business Climate Pledge 2020" commitment;
- numerous collaborations with organizations, think-tanks, professional unions, clients, partners and start-ups to exchange and disseminate good technological and environmental practices.

5.2.3 Risks and opportunities related to environment

[GRI103-2 Energy], [GRI103-2 Emissions], [GRI 201-2], [A7], [A20]

This chapter covers the risks and opportunities related to the major environmental issues and climate change. These can generate new opportunities to create added value and business or, on the contrary, negatively impact the Group's activity.

5.2.3.1 Requests regarding climate change disclosures

[GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

Aligned with the expectations from key players such as the European Commission, the Task Force on Climate-related Financial Disclosures (TCFD), NGOs, clients or student groups, Atos favors a **double materiality approach** that considers both the potential impacts of climate change on companies (risks and opportunities) and the potential impact of companies on climate. Atos is officially a supporter of the TCFD initiative.

The identification of the main **environmental risks and opportunities** is carried out by internal experts from internal support functions using a combination of analysis, tools and processes and with the support of external experts.

Identification and evaluation tools and processes: materiality and risk assessments, including stakeholders' interviews conducted with the help of external consulting firms; local and global impact and risks assessments conducted by Atos as part of the EMS process, assessments before determining new operational locations and/or when new sites come under the Group's control (geographical location); annual "Risk Assessments" done by Atos' insurer (including natural risks/hazards, potential impacts on the environment and onsite visits); "Flood Maps" covering all Atos sites (data centers and offices); "Resilience Index" (RiskMark Score) and "Risk Heat Map" including resilience advice and recommended action plans; evaluation of the maturity of key suppliers and strategic partners in the field of climate-related risks; climate change models to identify the foreseeable impacts (transformation, acute, chronic); climate change macro and micro-economic scenarios to identify the potential business impacts; competition benchmarks; legal monitoring and documentary research.

Monitoring and mitigation tools and processes: the Global Environmental Program, the EMS (Environmental Management System) and the ISO 14001 certification of Atos' main sites; The Enterprise risk management process (monitoring main risks that can impair the achievement of the Group's objectives), the Book of Internal Control (BIC), the Legal Risk Mapping and the policies that frame all activities; the Global "crisis management policy" and extensive "business continuity" strategies including "local crisis scenarios" and local "continuity plans"/"recovery procedures"; the RBUs, Global Operations and Support Functions dedicated action plans; the Safety and Emergency Response Tool (SERT).

For each risk and opportunity, multiple dimensions are investigated: type; where the driver occurs in the value chain; primary climate-related drivers; specific description for the Company; time horizon; likelihood; magnitude of impact; potential financial impact; explanation of the financial impact; management method; cost of management; impact on business and level of consideration in the financial planning process.

Concretely, Atos uses climate model inputs from the World Resources Institute (WRI) and from FM Global Assurance and other macro and micro-economic projections (e.g., Global Adaptation Index Score, World Bank surveys) against specific geography and locations where Atos' main activities and sites are based. Atos analyzes how the predicted changes in temperature, rainfall, drought, storms, or sea levels but also economic and supply chain disruptions might impact Group operations.

Atos uses the **scenario analysis** approach to assess the resilience of its activities, considering both physical and transformation risks, as well as different geographies, time horizons and climate-related models (including a 2°C scenario and a business as usual 4°C scenario).

Atos favors the low warming climate models (2DS and RCP 2.6[1]) because they are endorsed by the SBTi and were used in setting Atos' Science Based Targets. The Group wants to keep its own climate change scenarios consistent with these targets and to understand first how it will be able to operate in a world that is 2°C warmer. Acute physical, chronic physical, and transition issues are covered.

In addition, Atos' climate change scenario projections are aligned with the short-, medium- and long-term time horizons considered for risk/opportunity assessments and with its Science Based Targets final objective by 2050 with interim targets in 2021, 2025, 2030, and 2040.

Atos' analysis forecast the impacts of climate change (acute physical, chronic physical, and transition risk) and more specifically the future global energy and carbon requirements. All areas of the organization are considered as part of the Group's climate change scenario analysis. At this point in time, it is assumed that between now and 2050 Atos would still be in the same main locations and with the same core activities (digital services including hosting activities).

From the climate change scenario analysis (acute physical, chronic physical), no main Atos operational site was identified at significant risk up to a 2030-time boundary, and/or that do not have enough in-built resilience. However, Atos operates in a few areas that have a projected notable change in climate (e.g., regions in India, in the USA…). Thus, Atos may need to plan changes in these locations between 2030 and 2050.

From the climate change scenario analysis (transition risk/opportunities), digital technologies/solutions were identified as increasingly becoming critical to help tackle climate change and help mitigate its consequences. Consequently, Atos' global "decarbonization" plan is considered as one of the most credible developments/transition scenarios.

A global "decarbonization" development/transition plan was decided upon and prepared at the end of 2019 and it was rolled out in 2020. It impacts both strategy and business objectives with the potential to contribute to 1% of Atos' internal growth. Specific outcomes have been:

- increased risk of taxation and carbon costs. To mitigate this, Atos has accelerated its decarbonization plan, shifting from an SBT 2°C pathway to 1.5°C (and to net-zero by 2028) ;
- Atos' customers need help in reducing their own impacts. Atos has developed a comprehensive portfolio of low-carbon solutions as part of the decarbonization plan, including Atos' new service the "Digital Decarbonization Assessment" (section 5.2.4.2);
- risk of interruption of Atos' operations due to climatic events. Atos has identified to immediate or mid-term risks, however, we now have a process in place for ongoing monitoring ;
- risk of supply chain disruption. To mitigate this, Atos has a policy in place for diverse sourcing of equipment and criteria based on assessment of the maturity of its main providers.

1 Following the guidance shared by TCFD (https://www.tcfdhub.org/)

5.2.3.2 Main environmental and climate-related risks

Atos' three main environmental and climate-related risks concern potential changes in regulations linked to climate change (ability to anticipate and mitigate); more frequent and more extreme natural events and disasters (level of resilience); and energy and carbon (new constraints, new limits, new taxes).

Potential changes in regulations linked to climate change

Regarding compliance with environmental regulations, the ISO 14001 certification of all Atos major sites involves legal monitoring and constant information on potential changes. Legal monitoring at Regional Business Units level aims at informing about global issues that may need to be addressed by all sites, whether certified or not. Thanks to this close monitoring, no significant environmental fines or non-monetary sanctions were identified in 2020 (also none in 2019, 2018 and 2017). Residual risk: in the short to medium term, although new changes in regulations are very likely, at Atos the magnitude of the potential residual impacts is perceived as low in view of the ongoing monitoring, and mitigation actions undertaken to anticipate and absorb the coming changes.

More frequent and more extreme natural events and disasters due to climate change. [GRI 201-2], [A20]

Atos addresses both the resilience of the activities and the safety of its employees:

- **employees' safety:** Since 2017, Atos has operated its own Safety and Emergency Response Tool (SERT) that is activated in areas where a natural disaster has occurred and could put Atos employees' safety at risk. In the light of a natural disaster, terrorist attack or any kind of emergency, the employees identified as part of a geographical danger radius receive an email from Atos Security and Safety. Through this online tool accessible to all employees 7/7, 24/24, employees can report their status, the status of a colleague(s) and request assistance. In 2020 SERT was activated in Croatia, Austria, France, Italy, the USA, Peru and the Philippines.
- **business continuity:** Extensive business continuity strategies have been implemented, resulting in the ability to provide services from different locations. Notably, the core data centers are twin data centers with full duplication capacity (synchronous data and IT infrastructure replication). Residual risk: In the medium term, more frequent and extreme natural events are very likely. Due to the current geographical localization of Atos' main sites and the tools or processes in place, the magnitude of the potential concrete impacts is perceived as between low and medium.

Energy and carbon emissions (new constraints, new limits, new taxes). [GRI 201-2]

The continuous effort made to reduce energy consumption, improve efficiency, limit travel impact and reduce carbon emissions progressively improve the Group's ability to operate in a low-carbon economy. The internal carbon price in place at RBU level also helps to prepare the Group for higher taxes in the coming years.

Impact valuation assessments (externalities) have been carried out on an annual basis since 2017. In 2020, based on a social cost of carbon ranging from €60 to €83 per ton of carbon (based on the Stern report and meta-surveys), the impact valuation linked to Atos' gross Greenhouse gas (GHG) emissions (operational perimeter) comprised between €9 M and €12 M and at around € 3 million for a market price set at € 20 per ton of carbon. For the first time in 2020, Atos publishes its financial results including the market price of its carbon externalities. In 2020, when considering the offsetting of 100% of its carbon operational perimeter residual emissions (compensation and capture), the volume and the social cost of Atos' emissions were zero. Residual risk: in the medium term, specific issues (cost, taxes, regulations) regarding energy and GHG emissions are very likely. At Atos, the magnitude of the potential concrete impact is perceived as low, thanks to the long-term ongoing activities to prepare the Group to operate in a low-carbon economy.

MAIN RISK OVERVIEW

Risk	Likelihood*	Time horizon*	Magnitude of impact*	Challenge / mitigation
Potential changes in regulations linked to climate change	Very likely	Short to Medium-term	Low	Ability to anticipate and absorbregulatory changes
More frequent and more extreme natural events and disasters #	Likely	Medium-term	Low to medium	Site geographical localizationand ability to maintain theappropriate resilience level
Energy and carbon emissions (new constraints, new limits, newtaxes) #	Very likely	Medium-term	Low	Ability to reduce consumption,GHG emissions and exposure

** Likelihood: chances the event/risk will materialize. (scale from trivial to almost certain).*
** Time horizon: short-term (0-3 years), medium term (3-10 years) and long term (10+ years).*
** Magnitude of impact for Atos' operating margin: Very low = below 10 M€, Low = below 50 M€, Medium = below 200 M€, High = Above.*
 # more details can be found on the CDP Web site.

In connection with this work, specific climate change-related operational risks and opportunities have been described in detail the Group's 2020 submission to the CDP Climate Change Questionnaire and are accessible online[1].

5.2.3.3 Main environmental and climate-related opportunity overview

Atos' main environmental opportunities concern its own progress in terms of operational efficiency and cost reduction, the high level of resilience of its sites and activities for hosting critical IT services, the attractiveness of its eco-friendly offerings and the promotion of sustainable and decarbonization solutions that help its clients with their own sustainability issues.

- **Operational efficiency and cost reduction:** Atos rolls out global and local action plans to improve its operational efficiency and reduce its energy consumption, its carbon emissions and the associated costs. Further information can be found in section 5.2.5.4.
- **Resilience of sites and activities to host critical IT services:** Atos rolls out specific action plans that contribute to future-proof its sites and activities. This promotes the Group's attractiveness for clients seeking hosting services that are resilient to extreme natural events. Further information can be found in section 5.2.6.4.
- **Attractiveness of eco-friendly and decarbonized offerings:** Atos invests in the development of new products and services **(Green IT)** that, through R&D and innovation, reduce as much as possible their environmental impact and reflect shifting consumer preferences, in particular carbon-compensated hosting services (see chapter 5.2.6.4) or supercomputers that are among the most energy-efficient worldwide (see chapter 5.2.6.1). This contributes to the Group's attractiveness for clients seeking eco-friendly digital solutions.

Atos innovates and delivers new technologies and solutions **(IT for Green)** helping its clients tackle both their business and environmental challenges. This contributes to Atos' attractiveness for clients seeking to reduce their environmental impacts and improve their positive contribution to the planet (see chapter 5.2.4). In 2020, the total revenue for these offerings represented a revenue of € 3,114 million (including around 20% with a direct impact on the environment).

Both topics are covered in detail in the following chapters.

1 https://www.cdp.net/en/climate

MAIN OPPORTUNITIES OVERVIEW

Opportunity	Likelihood*	Time horizon*	Magnitude of impact*	Challenge / ability to seize the opportunity
Operational efficiency and cost reduction #	Certain	Current	Low	Ability to roll out global/local programs like Atos' ongoing office and data centers optimization programs
Resilience of sites and activities to host critical IT services #	Lykely	Medium term	Medium	Ability to offer demonstrably more secure and resilient sites and activities against climate change events
Attractiveness of eco-friendly offers and promotion of sustainable solutions #	Certain	Current	High	Development of new products or services through R&D and innovation to reflect shifting consumer preferences

** Likelihood: chances the event/ risk will materialize (scale from trivial to almost certain).*
** Time horizon: short-term (0-3 years), medium term (3-10 years) and long term (10+ years).*
** Magnitude of impact for Atos' operating margin (opportunity 1) and revenue (opportunities 2 and 3): Very low = below 10 M€, Low =below 50 M€, Medium = below 200 M€, High = Above.*
 # more details can be found on the CDP website.

5.2.4 Digital for decarbonization to address clients' challenges (IT for Green)

5.2.4.1 Atos Decarbonization Portfolio

As part of Atos' ambition to unlock the carbon neutral economy with digital technologies, Atos recognized the need to develop a complete 360-degree approach supporting its customers at all stages of their decarbonization journey.

The portfolio focuses on accelerating customers journey to net-zero, supporting them on the journey by:

- defining the baseline for emissions, setting a strategy and science-based targets;
- focussing on reducing emissions across the value chain in line with what the latest science says. This can be achieved through efficiency measures, stakeholder engagement, renewable energy, investments in business transformation. Offsetting any remaining emissions throughout the journey to demonstrate urgent climate action, support sustainable development and achieve carbon neutrality;
- achieving and maintaining net-zero by reducing business emissions to zero or as close to as possible and removing carbon equivalent to any remaining emissions;
- increase the positive impact on planet and society by maintaining zero emissions but continuing to invest in sustainable development and nature-based solutions. To compensate for historical emissions. To continue the ongoing journey to tackle climate change and protect our futures.

The portfolio enables a fully adaptable journey from A to Zero in five modules. As every business is unique and at different points along their emissions reduction pathway, not every action and initiative included will be relevant as it may already be in hand, but the fundamentals of the programme and how to successfully reach and maintain net-zero are the same for all organisations. Whilst the task is not small, the ambition must be zero.

The Atos Zero portfolio 5 module approach is summarised as follows:

- plan for Zero –Setting intent, understanding climate impact and agreeing net-zero ambition;
- forecast for Zero –Understand the risks and opportunities through scenario planning and analysis;
- measure for Zero –Ensuring the right data and systems, targets and reporting are in place to measure performance;
- change for Zero –With everything in place, emission reduction starts. Transformative business and digital initiatives from energy management systems, carbon pricing, renewables, supply chain, industry solutions, digital solutions to reach the ambition target;
- contribute for Zero –Final link to capture any remaining emissions through a removal strategy of offsetting projects.

Some key industry and digital offerings within the portfolio include.

- digital IT solutions for example, but not limited to:
  - digital Decarbonization Assessments for insight into the current maturity state and to create a roadmap to the desired digital decarbonization state,
  - decarbonization Level Agreements committing in a contractual agreement to reducing emissions across infrastructure and workplace IT services,
  - workplace solutions e.g. Intelligent collaboration to increase team working and reduce travel, virtual agent and self-service solutions to reduce IT support visits to site locations,
  - data center and infrastructure modernization from migrating existing workloads to new private cloud infrastructure, to moving to private cloud in Atos data centers, or moving to public cloud, or consolidating client data centers,
  - digital Hybrid Cloud solutions to consolidate infrastructure and power required by workloads and reducing the footprint,
  - digital Twin solutions providing replicas of potential or actual physical assets processes, systems and devices;
- industry solutions for example, but not limited to, the below:
  - sustainable Manufacturing solutions e.g. Green factory, sustainable procurement and Predictive maintenance as a service,
  - energy and Utilities solutions e.g. Sustainable operations for Water utilities, Drones for Oil & Gas asset inspection, meter to cash optimization,
  - public Sector solutions e.g. Urban Green, Smart mobility and Smart buildings,
  - transport & logistics solutions e.g. fleet and mobile asset management, logistics warehouse management,
  - healthcare solutions e.g. remote patient monitoring and eConsultation.

Since October 2020, Atos proposes, through EcoAct, carbon offsetting services, helping clients generate carbon-credits from financing carbon-positive projects in areas of the world that need to develop themselves. They correspond to real, measurable, permanent, additional, independently verified and unique emissions reductions. Atos, through EcoAct, has a pre-built selection of global projects to choose from. Atos brings a unique Project Risk Matrix 2.0 Based on ISO 31000 risk management norm, assessing 7 key risks factors: political, legal, industrial, financial, social, environmental, communication broken down in 30 sub-factors. The EcoScore tool supports the selection of the most appropriate projects thanks to its SDGs evaluation model. Project co-benefits are accounted for in terms of project contribution towards the SDGs.

5.2.4.2 Digital Decarbonization Assessment (DDA)

[GRI 302-5]

Digital technologies represent 10% of the world's electricity and are responsible for 4% of global greenhouse gas emissions (including video streaming[1]). However, conversations with customers show that organizations often underestimate the effect of their IT on climate change, are sometimes unaware of this negative impact, or just do not know where to start. In Atos view, decarbonization of digital services and solutions is a crucial topic associated with digitalization and therefore we help organizations to identify the decarbonization opportunities related to Information Technology (IT) with the Atos Digital Decarbonization Assessment (DDA).

The DDA is an Atos offering which provides organizations with insight in their current maturity level of IT decarbonization practices as well as their ambition and desired maturity level on this topic. Based on the identified gap between the current state and the future state, we provide a roadmap presenting how to move gradually from this current to desired maturity state.

Both, the self-assessment as well as the full assessment questionnaire, consists of questions which needs to be answered with a maturity level ranging from 0 to 5. The assessments are built on nine categories to cover the full IT spectrum, for example the impact of data management, software and solutions or hardware.

During the third phase of the DDA, we validate the maturity levels based on the analysis of the documentation and we calculate carbon emissions related to the assessed IT environment. Based on the calculated maturity level and carbon emissions as well as the indicated ambition Atos provides a roadmap that illustrates what needs to be done to get from the current maturity level to the desired maturity state. This roadmap is a structured plan that gradually presents actions using the defined IT categories.

1 According to The Shift Project, a Paris-based think-tank on energy transition.

5.2.4.3 Developing a Decarbonization Portfolio

Atos communicated in June 2020 the goal to generate 1% incremental growth with digital solutions that support decarbonization[1]. To achieve this goal, a detailed analysis of the portfolio was carried out and solutions were categorized into offerings that both directly and indirectly contribute to carbon emission reduction. Direct offerings contribute 100% to carbon emission reduction, whereas indirect offerings contribute to reducing carbon emissions, but this is not their primary objective.

Direct offering examples would be services such as EcoAct Advisory services, EcoAct Carbon Offsetting, Decarbonization Digital Assessments, Scaler startups (Atos Scaler is a programme that accelerates the open innovation between Atos technologists and start-ups in all industries worldwide) dedicated to decarbonization and/or where customers have a clear commitment in their business requirements to reducing carbon emissions. Indirect offerings are services such as intelligent collaboration solutions which naturally reduce travel and associated carbon emissions, and hybrid cloud solutions which reduce infrastructure carbon footprints.

All business opportunities with clear customer commitment to reducing carbon emissions are identified, tagged and tracked through our CRM system. Each Decarbonization opportunity is clearly identified through specific offering codes to facilitate the full sales lifecycle management.

Atos Scaler supports Atos decarbonization portfolio

In 2020, Atos launched a new program for startups and SMEs: Scaler, the Accelerator.

Scaler supports our commitment to leadership in decarbonized digital transformation. One of the selection criteria for our candidates is how they contribute to a decarbonized digital world. Together with Scaler startups, Atos develops new solutions that make decarbonization a competitive advantage.

More than 50% of Scaler 2020 members are already enriching Atos decarbonization portfolio. As an example:

- *DreamQuark,* a leading Fintech start up providing AI driven customer insights for wealth managers, with whom we have jointly developed a solution to help wealth managers identify investors most likely to select sustainable investments and to create hyper personalized recommendations to increase ESG driven revenues;
- *Plan A,* that has built a B2B software that helps businesses calculate, monitor, reduce and offset their carbon footprint while creating proprietary sustainability action plans;
- *GreenSpector,* combined with EcoAct delivers low carbon strategy and an environmentally sustainable design to our customers. EcoAct brings its carbon expertise while GreenSpector contributes with its know-how on eco design;
- *Sentient Science,* completes our portfolio for utilities with predictive maintenance solutions for wind farms;
- *Tier1,* with central solutions for data wiping and recycling, brings a strong sustainable asset to our digital workplace solutions.

Quantum technologies for CO_2 capture

In July 2020, **Atos** announced a multi-year partnership with French multinational energy company Total, to explore new and more effective pathways to a decarbonized, energy-efficient future using quantum technologies. Leveraging Atos' unique **Center for Excellence in Performance Programming** (CEPP)[2] and **Quantum R&D Program[3]**, this partnership aims to use quantum calculation to identify new materials and molecules that will accelerate society's journey to carbon neutrality.

This announcement followed **Total's acquisition** in 2019[4], of the world's highest-performing commercially available quantum simulator, **Atos Quantum Learning Machine** (Atos QLM). Atos QLM is used by Atos and Total to test and accelerate existing quantum algorithms or create new ones to achieve breakthroughs in various fields, in particular the discovery of new materials for carbon capture or energy storage.

Leveraging the Atos Quantum Learning Machine and thanks to its unique expertise in algorithm development, Atos coordinates the European project NEASQC[5] – NExt ApplicationS of Quantum Computing, one of the most ambitious projects which aims to boost near-term quantum applications and demonstrate quantum superiority.

1 *As communicated at the fully global and digital 2020 Analyst Day when the Group presented its Vision, Ambition and Strategy in the mid-term. Please see press release at https://atos.net/en/2020/_press-release_2020_06_24/atos-presents-today-its-mid-term-ambition-the-leader-in-secure-and-decarbonized-digital*
2 *https://atos.net/en/solutions/high-performance-computing-hpc/hpc-services/cepp*
3 *https://atos.net/en/insights-and-innovation/quantum-computing/atos-quantum*
4 *https://atos.net/en/2019/press-release/general-press-releases_2019_05_16/atos-delivers-worlds-highest-performing-quantum-simulator-to-multinational-energy-company-total*
5 *https://www.neasqc.eu/*

Atos Green app

The Atos Green app provides an attractive way to increase decarbonization awareness by allowing users to measure their carbon impact as resulting from the use of their emails, portable devices, web sites, and commuting travel. Atos Green encourages the involvement of the employees to lower their carbon footprint by adjusting their behaviors. Initially rolled out in Atos, Atos Green is currently in use in several major companies and is part of many decarbonization initiatives in the roadmap.

To build their profile, Atos Green app provides carbon calculators that help establish an initial footprint and enable monitoring the monthly progress that the user is achieving. Additionally, Atos Green app uses gamification to drive engagement, providing daily questions as a challenge to the user on his path to zero emissions. This also feeds a scoring system that allows challenges between teams in order to become the green "winners" of the month. Finally, more services can be activated on demand depending on the needs of the customers. For instance, surveys, calendars, or automatic collection of data (email usage or servers uptime) included in the app by request can then improve the total carbon picture.

5.2.5 Carbon footprint and energy efficiency of Atos operations

This chapter covers in more detail the action plans and results regarding to the Group's main environmental challenges: carbon emissions, energy, travel and digital solution impact.

All KPIs can be found in the section 5.5 Non-Financial performance Indicators. Carbon emission reduction.

5.2.5.1 Reduction of carbon emission

Carbon emission past and future targets. [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

Between 2012 and 2019, Atos reduced the emissions from its carbon operational perimeter by around -50% both in intensity and absolute. As a result, at the end of 2019 and following a 2°C pathway, Atos emissions were already at a level only expected by 2030.

As mentioned previously, in 2020, Atos shifted its 2°C carbon reduction target to the most demanding 1.5°C Science Based Targets and committed to divide by 2 its overall carbon emissions by 2025 (2019 baseline) which is 5 years ahead of the SBTi request and to achieve net-zero emissions (carbon neutrality) as soon as 2028 (22 years ahead of the recommendations aligned with the Paris Agreement).

Concretely, Atos commits to reduce by 50% by 2025 all its Scopes 1, 2 and 3 GHG emissions (from a 2019 baseline). This objective will materialize in a reduction of Atos's CO_2e absolute emissions by around 10% each year. Longer term objectives following the 1.5° SBT pathway are set for 2030, 2040 and 2050 (-86% by 2050).

At the end of 2020, all Atos emissions were reduced by 15%. Atos Scopes 1 and 2 emissions were respectively reduced by around 42% and 38% and Scope 3 emissions were reduced by around 14%.

Between 2019 and 2020, this emission evolution was partly due to reduction activities, structural progress and partly due to Covid-19 impact. The global impact of Covid-19 has been estimated at around -5%.

Overview of Atos emissions (all scopes –absolute emissions –in tCO_2e):

GHG Scope	Perimeter	Emission source	2020	2019
Scopes 1, 2, 3a	Atos "Carbon Operational Perimeter".	All emission sources under direct control and direct influence from energy consumption (fossil fuels, electricity) and employees business travel.	149 thousand tCO_2e (167 thousand tCO2e including Homeworking)	243 thousand tCO_2e
Scope 3b	Atos "All Other Emissions Perimeter"	15 Scope 3 categories. Decarbonization of Atos Supply Chain, use of sold products and other emissions.	2.65 million tCO_2e	3.06 million tCO_2e
All	All Emissions	All emissions Scopes 1, 2 and 3.	2.80 million tCO_2e	3.30 million tCO_2e

Atos Carbon Operational Perimeter

The Atos' "carbon operational perimeter" regroups all CO_2e emissions linked to business travel and energy consumption in Atos' offices and data centers. All emissions under direct control (GHG Scopes 1, 2) or direct influence (GHG Scope 3-part A).

Atos' emissions can be impacted by the Group's acquisitions or divestitures. In order to compare different years on equivalent perimeters, it can be necessary to reintegrate or exclude the absolute emissions associated with these transformations.

The "carbon operational perimeter" covered 100% of Atos revenue and around 99% of the emission sources were validated by external auditors (98% in 2019).

In 2020, Atos "carbon operational perimeter" counted for around 149K tons of CO_2e (243K tCO_2e in 2019) and represented around 5% of the Group's total emissions (all scopes combined).

Between 2019 and 2020, the emission reduction was equally due to structural progress on CO_2 reduction activities and Covid-19 impact. The global impact of Covid-19 was estimated to be close to 50% of the total reduction. Including home working in the "operational carbon scope" of 2020 (around 17K tCO_2e), the total was 167K tCO_2e (- 30% vs 2019).

In 2020, Scope 1 represented around 8% of the total "carbon operational perimeter", Scope 2 around 34% and Scope 3-part A around 58%. In terms of business activities, the data centers represented around 54%, the offices 32% and business travel 14%.

For Scope 2, due to the substantial use of renewable or low-carbon energy, there is no significant difference between emissions estimated using "market-based conversion factors" or "location-based conversion factors" and the impact on the Group's absolute emissions is below 1%.

In 2020, Atos' "carbon operational perimeter" intensity emissions were 13.4 tons of CO_2e per € million revenue (20.8 in 2019)), 14.9 tons of CO2e per € million revenue including home working and 1.5 metric tons per employee (2.3 in 2019).

Atos All Other Emissions Perimeter

Atos' "all other emissions perimeter" regroups all other GHG Scope 3 CO_2e emissions not already included above in Atos' "carbon operational perimeter". This perimeter regroups all the Scope 3 emissions under influence.

In 2019 and 2020, the "all other emissions perimeter" covered 100% of Atos' revenue and the methodologies used by Atos to evaluate its emissions have been validated by external auditors.

Atos makes its best effort in the accounting and reporting of its GHG emissions. Nevertheless, as explained by the GHG Protocol regarding Scope 3 emissions[1], levels of uncertainty remain significant and even if they progressively become more precise, results must be viewed with the necessary hindsight.

In the years to come more accurate methodologies, refined conversion factors and actual data from carbon assessments will progressively improve the level of precision of the GHG accounting carried out and communicated by many suppliers. More specifically for Atos, Scope 3 carbon emissions have already evolved and they will continue to evolve in line with progress linked to a set of factors:

- the impact of crisis or specific events (e.g. Covid-19 having an impact on emissions related to homeworking and commuting);
- the geolocation of carbon emission factors (e.g. considering the places of purchase),
- the development of new specialized or sectorial databases or the updating of existing databases offering more precise emission factors;
- the progress made in carbon accounting methodologies to reduce uncertainty levels and improve the quality of carbon data;
- the use of smart proxies with more precise emission data to represent consistent categories;
- the use of the latest annual carbon data released by our suppliers (e.g. audited and published in their own annual reports);
- the capacity of our suppliers to deliver specific data for the specific goods and services we purchase (e.g. following new CO_2 results of life cycle assessments);
- the gradual replacement of the products and services we use by new products and services with lower carbon footprint.

In 2020, Atos "all other emissions perimeter" amounted to 2.65 million tons of CO_2e (3.06 million tCO_2e in 2019) and represented around 95% of the Group's total emissions (all scopes combined).

1 *Protocole des GES https://ghgprotocol.org/*

Overview of Atos all other relevant emissions (15 categories of the GHG Protocol referring to Scope 3 –absolute emissions in% of total scope 3b):

GHG Scope	Categories - GHG Protocol	Emission sources *(% of total scope 3b)*	2020	2019
3b	Categories 1 and 2	All emission sources from purchased goods and services and capital goods.	58.4%	75.2%
3b	Category 3	Fuel- and energy-related activities not already included Scopes 1, 2 and 3a.	1%	0.7%
3b	Category 4 (and 9)	Upstream and downstream transport, fret and warehouses, not already included Scopes 1, 2 and 3a.	0.8%	0.7%
3b	Category 5 (and 12)	Waste generated in operations and end of life of sold products.	0.1%	0.1%
3b	Category 6	Employees business travel (not already included Scopes 1, 2 and 3a).	0%	0%
3b	Category 7	Employees commuting/homeworking.	1.1%	4.3%
3b	Category 8	Upstream leased assets (not already included Scopes 1, 2 and 3a).	0%	0%
3b	Category 9	Already accounted for in category 4.	in C4	in C4
3b	Category 10	Processing of sold products. (not relevant in Atos context)	0%	0%
3b	Category 11	Use of sold products (both Atos' and suppliers')	38.6%	19.0%
3b	Category 12	Already accounted for in category 5.	in C5	in C5
3b	Category 13	Downstream leased assets (not relevant in Atos context)	0%	0%
3b	Category 14	Franchises (not relevant in Atos context)	0%	0%
3b	Category 15	Investments (not relevant in Atos context)	0%	0%

In 2020, within the Atos "all other emissions perimeter" (Scope 3–part B), the 3 most significant categories representing around 97% of the full Scope were the upstream categories 1 and 2 (Goods and services and Capital goods) representing around 58% (75% in 2019) and the downstream category 11 (Use of sold products) representing around 38% (19% in 2019).

For categories 1, 2, emissions have been calculated using a mix of sources: Ademe[1] and geo-localized Ademe conversion factors, smart proxies' emissions for consistent hardware categories and when available actual data from providers. Carbon reduction activities within Atos' supply chain are described below.

For category 11, emissions are linked to the use phase of the IT hardware. Progress are linked to the energy efficiency ratios, but also depend on the volume of hardware sold, where the hardware is sold and on the local energy mix. The carbon reduction activities related to the hardware marketed by Atos are described in section 5.2.6.1.

5.2.5.2 Decarbonization of Atos' supply chain

As shown above, in 2020 the categories 1 and 2 of Scope 3b (all emission sources from purchased goods and services and capital goods) represented around 58% of the Scope 3b emissions. These emissions are linked to Atos supply chain.

Carbon reduction activities within Atos' supply chain include:

- ongoing work with our existing suppliers and negotiation of specific progress plans;
- new supplier selection criteria include an increased weight of CSR risk and environmental topics;
- a reinforcement of the energy consumption and CO_2 emissions as key purchasing criteria for goods and services;
- the inclusion of the cost of energy and of the Internal Carbon Price into business cases and Total Cost of Ownership (TCO) calculations;
- ongoing improvements regarding actionable KPIs (e.g. data from life cycle assessments) to track the effective progress over the years.

As mentioned, Atos has implemented an internal carbon price (see section 5.2.1.4) to drive behavior change on multiple topics, one of them being suppliers selected by Atos to work with For this purpose, suppliers are classified as green or red suppliers depending on their carbon maturity. Depending on the supplier's classification, Atos stakeholders are either encouraged or discouraged (credited or charged) to work with them. The primary source for the classification is the supplier's EcoVadis assessment but another alternative CSR rating including carbon criteria can be used. If a supplier is classified as a red supplier, it means that it has no sufficient carbon reduction program actions in place. For a red supplier, the ultimate objective is to improve and become green.

1 *www.ademe.fr/en*

5.2.5.3 Carbon offsetting

[GRI 305-5]

Since 2015, Atos has been offsetting all the emissions from its data centers. Additionally, 100% of its full "carbon operational perimeter" (Scopes 1, 2 and 3-part A) has been also offset since 2019.

This offsetting was been carried out through wind farm projects and through forest protection projects on an equal basis or 50/50 proportion. Wind farm projects generate clean electricity and prevent local energy customers from generating new emissions from using fossil fuel. Forest protection projects enable nature-based removal or carbon capture to fully counterbalance carbon emissions.

Thanks to this offsetting program, Atos net CO_2e emissions for its "Carbon Operational Perimeter" are equal to zero when all offsetting projects are considered. Atos IT services and hosting services are carbon-compensated worldwide. Atos' clients can report zero (0) CO_2e emissions in relation to their solutions hosted in Atos' data centers.

5.2.5.4 Energy consumption

[GRI 302-1], [GRI 302-2], [GRI 302-3], [GRI 302-4], [GRI 302-5], [SASB TC-SI-130a.1]

In 2020, Atos energy consumption amounted to 579,140 MWh. (702,376 in 2019).

Atos energy intensity was around 52 MWh/€ million (61 in 2019) revenue and around 5.7 MWh/employee (6.5 in 2019).

Aligned with our Science Based Targets ambitions, Atos' carbonized energy consumption forecasted target for the coming years is a reduction of around 10% per year (versus 2019 baseline).

All energy KPIs split by types of activity (data centers, offices) and by types of fuel can be found in the section 5.5 Non-Financial Performance Indicators.

Renewable and Decarbonized Energy

[GRI 305-5]

In 2020, around 55% of the electricity consumed by Atos worldwide came from decarbonized sources (around 32% in 2019) and 46% from renewable sources (around 32% in 2019). Around 88% of the electricity consumed by all IDM's core data centers operated by Atos came from decarbonized sources. At the end of 2020, several large countries hosting main data centers and offices were already supplied with between 80% and 100% of decarbonized electricity (Spain, France, Germany, Denmark, Finland, Luxembourg, the Netherlands and the United Kingdom). To enhance this, Atos has launched a program to gradually and whenever possible migrate from carbon-based electricity to renewable or decarbonized energy. The goal is to tend towards 100% of renewable and decarbonized electricity to support the Group's 1.5°C ScienceBased Targets.

Atos renewable electricity consumption targets and forecasts for the coming years is to increase the shares of renewable energy sources used to around 52% in 2021, 58% in 2022, 64% in 2023 (versus total electricity consumption).

Energy optimization in the offices

[GRI 302-5]

In 2020, the global energy consumption in the offices was 174,193 MWh (-24% vs 2019) and the energy intensity was around 1.7 MWh per employee (2.2 in 2019).

Since 2014, a global consolidation and optimization program has been underway in the offices. In 2020, this program saved the equivalent of around 10% of the Real Estate expenditure (11% in 2019).

The global Real Estate/Logistic and Housing Policy promotes strict guidelines and processes for real estate management, which all Business Units must apply. The policy promotes energy-efficiency criteria for the selection of new locations and for the extension and rationalization projects. Criteria such as smart design and low-energy building techniques, "efficiency-label" certifications and standards (LEED; BREEAM; HPE; THPE; DGNB) as well as highly energy-efficient appliances or public transport availability are considered.

Over the years, in the sites leased by Atos, many actions have been carried out in terms of energy optimization: heating, air conditioning, insulation, lighting, and space optimization. The results of these actions can be observed in the reduction of Atos environmental footprint during the years.

In addition, the Atos Smart Campus concept includes new ways of working, such as open spaces, desk-sharing, activity-based working spaces, digital tools, home, mobile and co-working. These new ways of working contribute to reducing the environmental footprint of the offices and employees. This will be further enhanced with the "New Normal" Post-Covid-19 inclusive workplace evolution.

All Atos' large office sites also benefit from the ISO 14001 certification program and closely monitor their energy consumption. In 2020, actions for which the specific contribution to the reduction of energy consumption could be isolated and accurately measured, have helped reduce Atos' energy consumption in its offices by 54,591 MWh, amounting to an overall cost savings of around € 5.7 million.

In 2020, in the Atos technological delivery center in Pune in India, which hosts more than 12,000 employees, a massive solar panel installation project was launched. The potential production is estimated at around 1.5 Mega Watt peak. It will enable self-generation of local green electricity and drastically reduce the consumption of highly carbonized local electricity. Other large sites such as Chennai and Tirunelveli will follow with a similar initiative that has been initiated with the installation of solar panels on the roofs of data centers to generate renewable electricity and increase local autonomy.

In 2020, Atos launched a systematic campaign among its office owners to raise awareness and convert the electricity they provide to Atos into green energy.

Energy optimization in the Data centers
[GRI 302-5], [SASB TC-SI-130a.3]

In 2020, the global energy consumption in the data centers was 404,974 MWh (-15% vs 2019).

I consolidation and optimization program has been underway in the data centers. Regional Business Units consider "energy-efficiency", location-based environmental factors, environmental regulations and standards as prioritized criteria in the decision-making process when selecting new locations or in extensions and rationalization projects. This program is focused on optimizing the number of data centers for Atos' business. By reducing the number of sites required, with focus on using core data centers for further expansion, Atos reduces its embedded carbon footprint and energy use. [SASB TC-SI-130a.3]

To increase the energy efficiency of our data centers, Atos continuously invests in technologies and best practices which reduce the power consumption and optimize the energy performance of computing hardware and other electrical installations. IDM Global Operation guidelines and processes address energy consumption, energy efficiency and energy-saving initiatives. Over the years, numerous actions have been taken. The best practices introduced include: rationalization of electrical installations; containment of rack-corridors to create cold air zones; installation of blanking panels and cable brush plates in racks preventing cold air mixing with warm air, raise in supply air temperature; ability to use fresh air or water for cooling; use adiabatic cooling; optimization of the fan speed in real time; introduction of pumped refrigerant economizer system, updating of the cooling systems and UPS to be more energy efficient in each hardware refresh situation; reuse of waste heat for new uses; use of management tools for regular measurement of PUE; adoption of green IT solutions to optimize hardware and its usage (consolidation, virtualization, cloud) and installation of solar panels on the roofs to generate renewable electricity and increase local autonomy.

All core data centers operated by Atos also benefit from the ISO 14001 certification program and closely monitor their energy consumption.

The energy efficiency of the data centers is measured through the long-term evolution of the PUE (Power Usage Effectiveness). At the end of 2020, the average PUE (Power Usage Effectiveness) was estimated at 1.70 (1.72 in 2019) for all Atos' data centers and at 1.48 (1.52 in 2019) when considering only the core data centers operated by Atos. Forecast 2023 around 1.45 for core data centers and around 1.63 for all data centers. (Scope: Infrastructure & Data Management data centers).

In 2020, the energy saved thanks to the improvement of the PUE in the data centers was estimated at over around 3.5 million kWh (13 million in 2019).

To exemplify this, since 2017, Atos' most energy-efficient data center is Longbridge near Birmingham, with a theoretical PUE of 1.12 (very close to the theoretical minimum of "1") obtained by indirect free air cooling and a renewed infrastructure.

In Atos' UK data centers of Andover, Birmingham and Livingston all 67 air handling units were replaced by an eco-efficient technology (pumped refrigerant economizer system) that saves 85% energy consumption compared to the previous situation. On an annual basis, the reduction in power consumption is estimated at over 5 million kWh and the PUE is reduced from 0.3 to 0.4.

Also, in 2020, in other strategic data center in Fürth in the Bavaria region of Germany, Atos installed innovative waste heat reutilization equipment, which will help to reduce the facility's consumption of energy. Based on the principles of heat exchange, the technology dissipates the heat produced by the operations of the data center by transferring heat from the air into a liquid. In a second stage, the hot fluid from the heat exchanger is used to heat the offices. As well as providing heating when needed, by taking out warm air from the facility the system also helps to reduce the power consumption of the air-conditioning units in the computer room. The Fürth system will produce a total of 320kW heating. Excluding the indirect savings in air conditioning, it is estimated that the new equipment will generate total annual savings of 374 tCO_2.

5.2.5.5 Travel impact

[GRI 302-2], [GRI 305-5]

Atos aims to limit the environmental footprint linked to travel through a range of initiatives, which comprises:

- new ways of working, including the use of remote digital collaboration tools such as Circuit Unify, to enable employees to reduce their environmental footprint and gain flexibility;
- global and local policies or instructions to limit travel or to favor less polluting and less greenhouse gas emitting means of transportation (e.g. favor trains over cars or planes for business trips);
- action plans to maximize the number of electric and hybrid vehicles. In France, the "MyCar" electric fleet has been available for employees' business travel since 2012. In Italy, Atos has installed two charging stations (1 Milan, 1 Rome offices), allowing the shared electric cars available to Atos Italian team to visit clients without any carbon emissions;
- at the end of 2020, the average emissions of the fleet (around 5,500 vehicles) were around 101 gCO_2e/km (compared to 105.5 in 2019);
- additionally, best practices are in place in some countries to encourage the use of bicycles thanks to financial support, bike leasing and the implementation of bicycle shelters (e.g., in Germany, France, Belgium); to encourage car sharing (e.g., since 2017, in France, a dedicated app, mainly used for commuting, is available for all employees and in some locations, carpooling park slots have been introduced); and to encourage multimodal mobility allowances as an alternative to all-car solutions.

At the end of 2020, the global travel intensity was 1,500 km per year per employee (around 4,000 in 2019). From a travel perspective, 2020 was a very special year due to the impact of Covid-19.

5.2.6 Decarbonized digital solutions (Green IT)

5.2.6.1 Eco-designed supercomputers

Thanks to a steady stream of green innovations, each new generation of supercomputers is more energy-efficient than the previous one.

Hardware Power consumption challenges

They imply constant progress in design, substances, power supply and batteries, packaging, disassembly, recycling as well as specific innovations to improve energy efficiency such as the patented Direct Liquid Cooling (DLC) solution to minimize energy consumption, the "Active and Passive Cold Door" cooling solutions, the ultra-capacitor in Atos supercomputers to reduce power consumption or container-based data centers, which use less energy than conventional data centers. Atos BDS promotes product lifespan that takes the form of innovations facilitating maintenance (i.e. plug & play functions) and promoting products' scalability.

As an example, the patented Enhanced Direct Liquid Cooling system contributes to placing Atos' supercomputers among the most energy-efficient machines with an efficiency index of 1.01 to 1.02. This means that they consume only 1 to 2% of their energy for cooling, compared to 10 to 20% with traditional air-cooling systems.

Highest energy-efficiency

In November 2020, Atos Europe's fastest supercomputer at Jülich in Germany was the most energy-efficient supercomputer in its class worldwide, ranking in first place for energy-efficiency on the TOP100 list, thanks to Atos' patented DLC (Direct Liquid Cooling) solution, which minimizes global energy consumption by using warm water up to 40°C.

Atos' news HPC Software Suite for managing the Atos supercomputers has specifically been developed to provide energy efficient features[1].

In 2020, a shift from pure compute driven numerical simulations to balance compute and data-driven numerical simulation and also using IA lead to clear achievements such as: for the NEMO application (Nucleus for European Modeling of the Ocean) a -16% energy saving for an execution time of only +4%; for HPCG (High-Performance Conjugate Gradient) benchmark a -15% energy saving for an execution time of only +3% or for a Meteo France application a performance boost of 5%.

For many years, Atos' supercomputers have been listed in the world Green 500 list[2], which grades the most energy-efficient supercomputers in the world. Their energy efficiency has also clearly been attested by results (Megaflops/W) on the Linpack test, used to rank supercomputers. At the end of 2020, 15 of the Top 100 most energy efficient supercomputers worldwide where Atos supercomputers and 2 where in the Top 5. (See: Green500 List). JUWELS ranked alongside 31 other Atos supercomputers on this November's Green500, underlining Atos commitment to support its clients in their decarbonization objectives.

1 *https://atos.net/en/2020/press-release_2020_11_19/new-hpc-software-suites*
2 *https://www.top500.org/green500/lists*

In October 2020, Atos signed an agreement with Hydrogène de France (HDF) to develop end to end solutions from totally renewable energy production to data center combining HDF hydrogen-based cells solutions and Atos BDS technologies like supercomputers.

Atos has also developed over the last 10 years the Sequana supercomputer product line, reaching a power efficiency of 1.02, meaning that for a 1MW machine we just need 20kw to cool it. The best in the world by far. Atos has been the first to envision a decarbonized future and implement a roadmap for the most "energy hungry" machines.

Hardware other environmental challenges

As a hardware provider (products, servers), Atos Big Data & Cybersecurity (BDS) faces other specific environmental challenges: to comply with the specific laws, regulations or best standards; to limit the impact of products manufactured thanks to eco-design practices; to pay attention to the origin of raw materials while minimizing their usage; to consider circular economy challenges and best practices; to implement quality, safety and environment (QSE) practices and lean manufacturing in plants; to minimize risks on the supply chain through regular suppliers' assessments; to favor eco-friendly transport and freight to mitigate the footprint of logistics; and to monitor the end of life of electrical equipment (in line with the European Waste Electrical and Electronic Equipment Directive –WEEE).

In particular, the design process integrates European directives such as: the CE standard; the REACH Directive on eliminating pollutants; the RoHS Directive on eliminating hazardous substances; the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) standards on maximum temperature and humidity for server functionality.

The ECMA 370 standard is being implemented at the design phase, to stimulate products' environmental improvements. By using accurate and verifiable environmental self-declarations, this standard specifies environmental attributes and measurement methods according to known regulations, standards, guidelines and currently accepted practices. Over the years, in terms of eco-design, numerous actions have been taken to incorporate the evolution of the environmental regulatory obligations and of customer expectations with respect to product functions, delivery, quality, service and end of life management.

Since early 2013, the Group has 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 any impact on Bull computers.

Atos considers these specific challenges to be monitored. Their potential impact is also marginal compared to the overall activity of the Group. In relation to the challenges set out above, during the 2020 fiscal year there were no fines, administrative, judicial or arbitration proceedings (including any proceedings of which the Group is aware and may be threatened by) for non-compliance with laws and regulations concerning the provision and use of Big Data & Cybersecurity products that had, or might have had, significant effects on the financial position or profitability of the Group [GRI 419-1].

5.2.6.2 Eco-designed communication hardware

Atos Global Operation UCC (Unified Communication & Collaboration) provides digital workplace communication and collaboration solutions. As a provider of ICT products such as phones and communication servers, UCC faces several specific challenges. To demonstrate its achievements in this regard, UCC has engaged with eco-label programs. UCC has selected two well-recognized eco-labels: the German Blue Angel label and the US Energy Star label. Several UCC telephony products are already labeled. Additionally, UCC is actively monitoring the Energy Star enterprise server program.

5.2.6.3 Optimized manufacturing and computing Test Lab

Since 2019, Atos monitors a new global high-performance computing Test Lab in Angers, France. The lab's infrastructure is equipped with an energy-efficient cooling system, which uses low-GWP (Global Warming Potential) refrigerant fluid and "free-cooling", which can result in energy savings of up to 75%. It has an energy recovery system, which reuses the energy generated by the operation of the lab to heat or cool the offices, operating at an energy-efficient COP of 6, twice as efficient as a standard system (COP: coefficient of performance ratio of heating/cooling provided to work). The site is also equipped with a "green" roof, electric vehicle charging terminals and photovoltaic roof panels.

Big Data & Cybersecurity's main manufacturing site is one of the top 100 companies in France to have developed an integrated QSE quality management system. Within this certification framework, the site monitors regulations to ensure that its activities comply with the environmental, technical and legal provisions. Since 2018, the site has also offset its CO_2e emissions including the inbound and outbound freight.

5.2.6.4 Green hosting solutions and data centers

Atos Global Operation IDM (Infrastructure & Data Management) provides data center hosting services. As explained in detail in chapter 5.2.5 (Data centers: energy efficiency and energy-saving initiatives), IDM core data centers are supplied by around 90% of decarbonized energy and 100% of the residual CO_2e emissions of all Atos data centers worldwide are offset. The Group's clients can therefore enter zero (0) in their own CO_2e emission reports for all IT solutions hosted by Atos.

5.2.7 Other environmental challenges

At Group level, during the materiality and impact analyses carried out by external experts, other challenges have been identified, albeit as less "material" or less significant at the scale of the full Group or due to the nature of Atos' core activities and business. Nevertheless, these challenges are important in terms of environmental impact or potential consequences and are therefore covered in this chapter.

5.2.7.1 Waste and e-waste

[A19]

Atos' office waste mainly consists of cardboard, paper, cups, plastic bottles or other tertiary sector waste. Atos' Real Estate policy favors the rent of office spaces and frequently the offices are shared among multiple tenants. Office waste is managed globally by the landlord or external subcontractors according to the local legal obligations.

Several initiatives are ongoing at RBU level to reduce or eliminate the use of plastic (such as plastic bottles, single-use plastics, disposable dishes, straws, stirrers, packaging) in Atos canteens and offices. These initiatives also consider if and how the plastic waste is processed to favor recycling, reuse or revalorization.

Information and recommendations are regularly sent to employees to reduce waste and maximize waste sorting. Local initiatives are frequently put in place to reduce waste such as awareness days, special zero waste days, collection of old phones, special trash cans for the recycling of cigarette butts. In 2020, based on publicly available estimations of waste per employee in the tertiary sector, Atos' global office waste worldwide was estimated at around 12,300 metric tons for all employees. Concerning e-waste, through the leasing practice now globally implemented within the Group and in compliance with local laws, suppliers remain responsible for the end of life of their IT equipment, as required through the signature of the Business Partners' commitment to Integrity Charter.

Drawing attention to another important concept, Atos understands the major role of IT solution for the circular economy. Delivering our experience and expertise in digital innovations to support an economic system of closed loops in which raw materials, components and products lose their value as little as possible, renewable energy sources are used is how Atos can help its clients towards a more circular economy model. Favoring circular economy can contribute to reduce the environmental footprints of the economic activities. It limits the pressure on natural resources and reduces waste. Based on 7 concepts (eco-design, usage versus ownership, resource optimization, reuse, repair, recycle), circular economy allows the decouple of economic growth from the use of natural resources and ecosystems.

To favor the circular economy and in compliance with the European Waste Electrical and Electronic Equipment Directive (WEEE Directive 2012/19/EU), since July 2013, Atos' Big Data & Cybersecurity Global Operation in France has joined EcoLogic, a collective system certified by the French Ministry of the Environment. For Atos' own needs, non-Atos products are mainly leased and returned to lessors at the end of the lease period and Atos products follow the processes described above for BDS and also applied by IDM. In the ISO 14001 certified data centers and office sites the volume of waste, e-waste, batteries and accumulators is tracked through dedicated indicators. In 2020, around 176,006 kg of WEEE were collected and 90% professionally disposed in Atos ISO 14001 sites.

Circular economy/recycling activities: In 2020 in Vienna, Atos received an award for social-ecological commitment. Atos handed over 440 old devices to AfB (Work for people with disabilities), helping to save 10,421 kilograms of raw materials, 34,895 kilowatt hours of energy and 127,171 kilograms of CO_2 that would have been produced in the manufacture of new devices. 243 of the devices could even be remarketed after data deletion, hardware tests, spare parts procurement, repair, upgrading and cleaning by the AfB.

5.2.7.2 Plastic and packaging

As a service provider, Atos globally does not consider plastics and packaging as a material topic. However, for specific divisions and activities, the Group has been developing new approaches to promote plastic reduction in different business areas.

Specially for our manufacturing plants under BDS, where our supercomputers and hardware business are conducted, plastics and packaging are always considered important aspects in Atos environmental footprint. Thus, reducing the use of plastics in Atos packaging is one of the environmental challenges tackled by the BDS supply chain team.

Currently, Atos has been investigating solutions to substitute the plastic usage for packaging. More specifically in this area, there are two main projects targeting the reduction of plastic consumption. The first one is related to the plastic used in the packaging. Here, the first dry run to identify industrial solutions to substitute the chemical polymers for organic alternatives such as corn-based and sea weed is under progress. The second initiative is focused on the removal of plastic films used when the goods are transported in the pallets. Alternatives are being benchmarked. With the success of both projects, the ambition is to reduce by at least 8% the global plastic waste involved in the supply chain processes of our manufacturing operations.

In addition to the previously mentioned eco-design initiatives conducted by the R&D departments to produce as less waste as possible during the design phase, waste avoidance and recycle are also key in the other steps of the production chain. At this stage, waste and transportation are responsible for 96% of the carbon emissions associated with the supply chain activities in our manufacturing plants. From the generated waste, more than 85% is recycled or reused, while the missing 15% is thermal recycled (used in waste-to-energy facilities).

Concerning plastic avoidance initiatives, not only the production sites are rethinking their relationship with plastic consumption. As part of Atos' talent management program, a group of young talents has not only understood the importance of reducing the plastic use in company but ceased the opportunity to start the change. From this program, the project "Plastic free merchandise" was created. With the main objective of changing the behavior of selecting plastic merchandise into a selection of meaningful alternatives that not only are more in line with our decarbonization strategy, but also support the environment. As a result, Marketing, Purchasing and Communication departments are now working together looking for sustainable plastic-free alternatives that are going to be used as merchandise in the future.

5.2.7.3 Water and food

[SASB TC-SI-130a.2]

Regarding Atos Big Data & Cybersecurity and specific hardware technologies, although the operations include engineering activities (R&D, design and component assembly), the Global Operation does not manufacture or only marginally manufactures components.

The main sources of water use are to be found upstream with the manufacturers of electronic cards and processors. In data centers, water is mainly necessary for cooling servers, but the water used for this purpose flows in a specific closed water loop sealed circuit. During heat waves, water can also be used to supply some data centers' cooling units as water spray can reduce units' peak power consumption. In offices, Atos' water consumption is that of the tertiary sector. Information and recommendations are regularly sent to employees to reduce water consumption. In the ISO 14001 certified data centers and office sites, the volume of water is tracked.

In 2020, using current Atos UK data based on metered sanitary consumption per employee, and consistent with estimation based on global water spend at the Atos Group, Atos' water consumption worldwide was estimated at around 0.38 million m^3 for all employees (0.40 million m^3 in 2019).

Catering providers working at Atos facilities are required to optimize the use of resources (water, electricity…), combat food waste and wherever possible implement recovery practices and waste recycling. In many locations, vegetarian meals are available and food supply and traceability is carefully considered (MSC certified fish, labels, organic and local food…).

Established in 2019, a working group reinforced how the main recommendations from the World Health Organization (WHO) and the IPCC are implemented in Atos cafeterias. The Atos Group recommends following WHO advice on healthy eating, complying with IPCC recommendations to reduce food-related environmental impacts and minimizing associated carbon emissions. These recommendations also include new clear guidance regarding packaging, food waste and animal abuse/animal welfare.

The "new ways of working" promoted by Atos intensively use digital collaboration tools. These tools progressively reduce the use of paper within the Group. Furthermore, the printing policy, the shared printers and the "follow me printing" solution give each individual a sense of responsibility in reducing paper consumption. In major Atos Business Units such as France, paper comes primarily from renewable or sustainably managed sources. In 2020, based on publicly available estimations of paper consumption per employee in the tertiary sector, Atos' global consumption was estimated at around 9,860 metric tons for all employees (10,446 metric tons in 2019).

5.2.7.4 Biodiversity and land use, air emissions and pollution

[GRI 305-6], [GRI 305-7]

As with the other environmental challenges mentioned above, impacts on biodiversity have not been analyzed as direct or significant. It is the same regarding animal abuse/animal welfare. Nevertheless, Atos' action plans regarding emissions, energy consumption and travel, the diffusion of environmentally friendly practices, the ISO 14001 certification and the Environmental Management System have positive repercussions for all ecosystems. For instance, in the ISO 14001 certified sites, the use of decontamination kits prevents the spoilage of soils and therefore devastating effects on biodiversity. Atos, because of its activities and because of the continuous optimization program of its sites (see chapter 5.2.1), contributes as little as possible to the use of land surfaces. Similarly, during the materiality analysis, ozone-depleting substances (ODS), sulfur oxides (SO_x) and nitrogen oxides (NO_x) were not identified as significant given the main activities of the Group. In addition, Atos does not produce any biogenic CO_2 emissions. However, regarding biodiversity several local initiatives have been taken up worldwide. These include: beehives on sites' rooftops to fight against the dramatic drop in bees' population and wild bees' and insects' hotels; "Bee-Days" to promote environmental awareness; collaborative gardens for employees to grow vegetables; and financial support to scientific research on wildlife; climate change and preservation of the oceans. In addition, since 2019 Atos carbon offset program, which includes protection of primary forests also promotes the protection of biodiversity.

5.3 Social

5.3.1 Social Non-Financial Performance

In 2020, the Covid-19 crisis has put employee health at the heart of Atos management focus. Atos started to face new challenges and needed to adapt quickly to new and different ways of working in a coordinated manner to ensure to all stakeholders the minimum disturbance in the operations while prioritizing the maximum safety.

Atos created a global and local governance structure to coordinate the Company response and ensure adoption and alignment of measures with the objective of ensuring our employees' health & wellbeing as well as that of our different stakeholders, whilst at the same time ensuring minimum disruption to clients and other business commitments. The Group crisis management team (CMT) was sponsored at the highest level by Executive leadership in HR. This HR leadership is testament to Atos' strong culture of social responsibility and its guiding principles of people care and health & safety. The team, which is still sitting after the start of the crisis, is made up of senior leadership in HR, Security, Communications, Quality, Logistics, IT, ERM & Internal Control, Compliance and Insurance as well as representation of all Operations and other business Units. Each of these functions and Divisions then cascades and coordinates sub-CMTs at country level as well as an overall regional coordination. The Group crisis management team met every day from the start of the crisis, and modulated frequency as the pandemic progressed, in order to support, adjust and monitor in an agile response mode to a changeable situation. The principal measures agreed were:

- facilitation of homeworking and flexible working;
- facilitation of track and trace for protection and prevention;
- applications deployed for site presence management;
- adaptation of IT capacity;
- adaptation of business continuity plans in alignment with customers;
- employee survey and follow up actions;
- office protocols: reduction of site capacity, barrier and distancing measures, cleansing facilities, communications;
- individualized support for employees who may have tested positive, need medical attention, have symptoms or simply feel safer in quarantine (because of vulnerability or exposure);
- global communication, local communication with varying supports: mailing, posters, flyers, videos;
- certain work from home reimbursements and set up assistance;
- revised processes to adapt to new distance working reality: onboarding, meetings, trainings;
- specific e-learning training modules created around Covid-19 related issues;
- local mental health initiatives and employee support networks.

Atos CEO, Elie Girard, supported the "CEOs Taking Action" initiative of the UN Global Compact to unite business leaders in the fight against Covid-19, stating that for Atos as a people-first-company, the health of our employees, customers, partners and all stakeholders is the utmost priority.

Two workgroups were put in place to support this health priority. One was created to support the Group CMT initiatives on a rolling basis with adapted proposals to ensure that employees remained supported, engaged and in good physical and mental health. The other, project Bamboo which is described below, was created to look into the post Covid work environment and redefine our workplace to suit the needs of a diverse and increasingly mobile workforce, enabling our employees to support our customers in the most agile, productive and innovative way possible. The idea being to strengthen our core values and wellbeing with a best in class work-from-home policy, in the respect of social dialogue, and which is attractive for talent acquisition and retention.

Covid-19 pandemic has highlighted Atos' strong culture of social responsibility as exemplified through effective crisis management guided by people care, and health and safety. Of the respondents to our internal global employee survey held in May 2020, 95% were working from home, and of those, 98% felt "safe", and over 90% felt "supported". In the GPTW survey held in November 2020, 86% of respondents answered that "my company adapted well to the lockdown", 90% that "my manager has trusted me during lockdown", and 86% that "my company has regularly informed me of changes during lockdown".

Atos IT Digital Workplace ensured that Atos production, communication, cooperation, financial and human resources systems were available without facing any collapse, anticipating potential bottlenecks, as more and more people worked from home, and it was not possible to rely only on our standard Atos corporate network anymore. At the beginning of the pandemic, Atos upgraded the number of licenses, the network bandwidth and provided notebooks to Atos employees who used desktops, that yeven delivering them to their home addresses in many countries, not to jeopardize business continuity. In Atos Digital Workplace (CHESS 2), the employee workplace rely on Internet connectivity to remain up to date, secure and deliver many services like mail or collaborative platforms.

All the Internet activity is protected through anti-malware filtering, and access to specific service is delivered through distributed worldwide VPN platforms (URA).

All our employees also benefit from our virtual office and interactive meeting rooms where they can talk, see and collaborate from home as they would from the office.

Multiple mobile apps have helped to transform some of the in-person activity while working from home, like the Atos Welcome app, where newcomers are guided in the dicovery of their new company or the Atos SafeOffice app which smoothed the progressive return to the office.

Atos employees reported an excellent satisfaction rating of 8.2 (on a scale of 1 to 10) in an IT End User Survey conducted in October 2020.

The We are Atos program launched a worldwide campaign called "We are Atos – We are Together". In this campaign all kinds of initiatives were started at global level, but mainly at local level. The purpose was to ensure that each employee had access to companionship across the Atos family as well as resources necessary to adapt in the new Covid world. Initiatives varied from virtual coffee meetings and other online fun activities for all employees and their family members to inspiring webinars and e-learnings on maintaining physical and mental health.

Redefining our workplace Post-Covid-19

The Covid-19 pandemic has demonstrated that Atos is able to switch from working in the office or at a customer site to nearly fulltime working from home fast and efficiently. However, looking at the longer term, it is important to find the right balance between working online and in the office. The right balance can vary per individual, but it will be key for all our employees to feel connected, have a sense of belonging and be able to develop and deliver their best.

It is Atos ambition to redefine the workplace to suit the needs of a diverse and digitally connected workforce. Atos' aim is to enable its employees to work from anywhere to support Atos´ customers in the most agile, productive and innovative way possible. The Group´s new way of work strategy will provide a seamless digital working experience whilst also providing a safe physical space for collaboration when needed.

Through the global program "*Bamboo*", Atos strives to redefine and improve the working environment of its employees, learning from their working successes during the crisis. The focus will be on the health and safety of Atos´ employees and communities. By creating a seamless online and onsite experience, all employees are empowered and can work autonomously to perform their tasks and responsibilities from the place where they are most effective. Whether working from home, in the office, at a customer site or any other location. As more than 90% of employees are currently working remotely, the target is to increase significantly the percentage of employees working from home versus working from office (comparison before/after Covid-19 crisis), extending the pre-Covid momentum (20% of employees were working remotely).

Atos cares for its employees by:

- enabling its employees to work from anywhere with safe and secure remote, online, everywhere access, optimizing digital possibilities including video, accessibility features and assistive technologies;
- facilitating healthy working conditions wherever Atos´ employees work;
- ensuring its employees to maintain a healthy work-life balance as well as a sense of belonging and community within Atos, whether working online or in-person;
- offering the opportunity to reduce commuting time and, as such, be an actor of the Atos' decarbonization strategy.

In addition to the employee health priority, and alongside the financial and operational performance of the Company that is central to its long-term viability and financial health, Atos has refined and deepened its "Sense of purpose" which provides a unifying theme that links and supports the Atos Group programs which are:

- Key Digital & Industry Skills

  People and digital skills development are a key priority for Atos and a cornerstone of the Group Strategy. In this respect, the Group has further expanded the "Be Digital" program with the objective to further increase the digital skills along three key areas: Industry Expertise, Digital Ways of Working and Digital Technologies.

- Talent acquisition & retention

  Atos seeks to bring the right skills to foster development, passion and innovation. The programs to support this include; ensuring development of our employees by prioritizing internal movement and fulfilling above 90% of internal demand; Supporting an Industry lead organization securing both internal and external Industry talent; retaining 95% of our key people; Attracting and retaining digital natives through passion and innovation in decarbonization; Embracing the opportunities offered by new ways of working. In line with its strong commitment to playing a key part in the education of the future of young professionals, Atos has developed strong institutional partnerships with 197 universities on a worldwide basis. In 2020 the Group offers 1,853 students the opportunity to enhance their education via internships or apprenticeships. Working closely with future young professionals is crucial for Atos so that when the time comes for them to choose a new employer, Atos can offer them a project that matches their profiles and professional interests.

- Diversity and accessibility

  Diversity and Inclusion programs aim to accelerate the inclusion of all in work teams and to overcome any bias (including unconscious bias) that may occur in decision making around recruitment or promotion. Accessibility program is a proactive working to ensure that the technology of tomorrow is designed and delivered with inclusive and people centered principles embedded. Atos recognizes that as an organization, involved in both the delivery and the design of emerging technologies, the Group can ensure ease of use by people with varying capabilities, empower and enable people to reach their full potential as employees, customers and stakeholders. To achieve these goals Atos has already made great strides in the gender diversification of the Executive Group[1], aligning its diversity level to the one of the Group by further leveraging Atos Talent pool. The Group has overall improved gender diversity in hiring women in 2020 at 37% and has the ambition to reach 50% in the mid-term, thus the Executive Group's diversity will continue to evolve in alignment with Group gender diversity. The gender diversity of Atos´ key people (Experts, Talents and Key Contributors) was at 21% in 2020 as the Group strives to reach 40% in the mid-term.

- Reward

  Atos reward focus is growth, and the main compensation accelerator is Industry and digital skills. Atos also runs extensive reward programs to ensure that part of the value created by the Company with its clients is distributed to employees in a mid- to long- term perspective. In addition to monetary rewards, like the "Accolade" program, Atos also prides itself in acknowledging that the Group is first and foremost a community of people and that each employee should be in a position to thank colleagues for their commitment, dedication and contribution. In 2019, Atos launched a digital App named "Spot award" so that employees can show their appreciation to other colleagues in connection with a specific action, task or contribution.

  For further details regarding our Reward and Recognitions Programs, please refer to section 5.3.7 "Recognition and Loyalty"

- Working environment

  "We Are Atos" programs offer Atos employees a workplace where they can grow and flourish (professionally and personally) thanks to an ad hoc working environment, and to the reassurance that all situations are managed with fairness and in accordance with prevailing rules around ethics and human rights. Atos has also worked on its "Sense of purpose", developing a renewed and deepened commitment. One of the key innovations are proposals to transversalize some of the key social concepts within different initiatives such as diversity & inclusion and decarbonization, which will have the effect of further engraining these concepts in Atos' DNA.

Thanks to these comprehensive programs, Atos has grown as an internationally renowned key player, with an unwavering commitment to:

- promoting human rights: by adhering fully to international labor standards by applying the principles of the International Labor Organization Conventions and adhering to the Global Compact of the United Nations;
- enhancing diversity: by sponsoring all diversity initiatives within the Group in the framework of the Diversity program;
- offering career perspectives and sustainable employability to each of its employees through programs such as Internal First, the Expert Community, and numerous other up-skilling programs endorsed by our Centers of Expertise.

Through its Citizenship Program, Atos directly contributes to the U.N. Sustainable Development Goals (SDGs) 3 – Employees' Health and Safety, 4 – Skills Management & Development, 5 – Diversity and 10 – Accessibility & Inclusion.

5.3.2 Employees Health and Safety

[GRI 103-3 Occupational Health and Safety], [GRI 403-3]

Health and Safety

Atos has always been and is very committed to maintaining and promoting the health, safety and wellbeing of its employees, never more so than in the current climate with Covid-19 pandemic. Putting people first is the foundation of the Atos way of working. This is why our Health & Safety programs not only accommodate legal requirements, but consider the needs and expectations of interested parties, assess and manage risks, report and investigate incidents, formalise framework and objectives, provide and track training, and consult employees, creating a positive health & safety culture.

Health and Safety is managed locally and governed by each Atos Country or Country grouping in recognition of the different legislation, norms and standards applicable. In that context, many of the Atos local sites located in Czech Republic, United Kingdom, Portugal, Spain, Italy, France, Romania and Austria have an Occupational Health and Safety Management certification according the OHSAS 18001:2007 or ISO 45001:2018. As a large and representative country cluster we hereafter illustrate the Atos approach through the example of the UK & I.

1 *Defined as a team of Atos top management and talents leading group vision and defining strategy, and regrouping 464 top managers as of December 31, 2020.*

UK&I Health & Safety

Occupational Health and Safety Objectives for UK&I in 2020 were related to new Certification (ISO 45001 2018), emergency preparedness for Covid-19 (business continuity and employee wellbeing), managing the risk of musculo-skeletal disorders, completion levels of mandatory Health, Safety and Environment (HSE) learning courses, and reducing number of employees with outstanding medium Display screen equipment (DSE) health risk. [GRI 403-3]

The Standard ISO 45001:2018 sets the minimum requirements of occupational health and safety practice to protect employees worldwide. Atos UK&I migrated from OHSAS 18001:2007 to ISO 45001:2018 in July 2020.

In addition, ISO 45001 was designed to follow ISO 14001 closely, as it is recognized that many organizations combine their OH&S and environmental management functions internally.

Risk Assessments are carried out on an online system, AIRSWEB and there is also an on-line register called Legal Watch. Once a year, Atos runs Enterprise risk management workshops which turns into specific operational objectives and plans shared with associated owners.

SHINE is an online platform which hosts six mandatory e-learning HSE courses: Office Safety, Fire Safety, Display Screen Equipment (DSE), Home Working Safety, Managing Safety (Managers only), and Driver Safety Awareness.

HSE Coordinators are required to attain the Institute of Occupational Safety and Health (IOSH) Managing Safety Certificate, renewable every 3 years. Fire Safety Managers and First Aiders attend an externally provided and verified courses renewable every 3 years.

Consultation

Health & safety consultation is a legal requirement and a collaborative approach to worker consultation has developed a positive health and safety culture allowing it to become embedded in the organisation. Employees who feel valued and involved in decision-making play a big part. It brings about improvements in overall efficiency, with greater awareness of workplace risks and better control of workplace risks.

Atos aspires to excellence. Through external verification, Atos UK&I achieved President's Award. This is awarded to organisations who have achieved 10-14 consecutive Gold Awards. As of 2020, Atos UK&I has achieved 11 consecutive Gold Awards for Occupational Health and Safety. Atos is also proud of its record of attaining 4 Gold Fleet Safety Awards.

5.3.3 Skills management and development

[GRI 103-2 Training and education], [GRI 103-3 Training and education], [GRI 404-1], [GRI 404-2], [GRI 404-3]

In a business as usual mode, a vast number of certified learning paths are made available to all employees. These certified learning programs are specific to the needs of the various target groups within the Company: Industry Experts, Technologists, Project & Delivery Managers, as well as Leadership and Support Functions. These learning programs are often offered online and/or virtually, by academic institutions or by educational technology companies.

In 2020, through a massive expansion of the global "Be Digital" program, the Group has progressed and trained more than 47,400 people on digital topics, out of which 34,697 have been certified. The total number of digital certifications has grown by more than 40% up to 85,216. This program is based on well-proven methodology to offer specific training curricula and certifications for digital skills and expertise required by all roles in the marketplace.

Certificates are typically earned by completing college or college-like courses, often with lectures, assignments and exams. The level, involvement and duration vary, based on the objectives and the content of the program.

In addition to the Be Digital program, to generate a detailed and professional understanding of their role and the respective requirements of their job in the digital age, employees have access to various Atos University Academy programs:

Key 2020 Academies	Employees trained on 2020
SAP Academy	756
Cloud Academy	2,161
Cybersecurity Academy	1,102
Automation Academy	8,444
Contract Management Academy	129
HR Academy	250
Leadership Academy	7,997
Language Academy	10,521
Project Management Academy	7,200
Sales Academy	432
Service Delivery Management Academy	83
TOTAL	**39,075**

Those Academies offer different learning programs and curricula as well as certifications. This is often done in partnership with leading universities and business schools.

Overall, in 2020 the Atos workforce benefited from an average 46.68 hours of formal and informal training per employee [GRI 404-1].

Furthermore, because employees spend much more time learning informally on-the-job, in a digital environment or collaboratively in coaching or peer communities, Atos is planning to report such learning based on the hours of education recorded in the ESS time-sheeting tool. In 2020, Atos estimated the number of hours of informal training at 17 hours per employee. Accordingly, there were more than 4.56 million hours of education reported for 2020 (3.90 million in 2019). The Company plans to capture this effort even more effectively in line with the clear path to digitization.

Industry capabilities

With Atos SPRING transformation program gaining more and more momentum in 2020 the focus on Industry expertise as a key competence is becoming even more a priority. Selling industry specific digital services requires a trustworthy, consultative and digitally literate force of sales and account executives as well as a workforce with strong industry background. After implementing a common sales methodology, Atos focused the sales and industry training in 2020 strongly expanding the vertical and industry specific content. This is supported also by the use of the Adaptive Learning solution Atos has put in place globally for Atos e-learnings. In addition, Atos made available more than 130 trainings for all its workforce across all levels of expertise with the focus to increase industry expertise and knowledge across all roles, training more than 5,500 employees in 2020.

Service delivery capabilities

To equip its workforce with digital solutions design and delivery capabilities, Atos invests heavily in training and certification programs focusing on key technologies and skills required for Digital Transformation (e.g. virtualization, Internet of Things, big data, hybrid cloud, high performance computing). This effort is also supported by Atos' eco-system of technology partners (e.g. EMC[2] Federation, Microsoft, SAP) and strategic alliances (e.g. Siemens or Google Cloud). In 2020 Atos has designed and delivered new, dedicated academies on key digital topics (e.g. S4/HANA, cloud, cybersecurity, automation), allowing Atos to enable freshly hired graduates as well as reskill parts of their workforce on these areas – without previous knowledge and experience required – and to successfully place them into assignments in these areas.

2020 Academies on key digital topics	Employees trained on 2020
SAP Academy	756
Cloud Academy	2,161
Cybersecurity Academy	1,102
Automation Academy	8,444
TOTAL	**12,463**

Leading in the Digital Age (LIDA)

Atos has been in a collaborative working partnership with Harvard Business Publishing since 2018. The initial purpose was to be able to create a world-class leadership development program for its senior managers. The outcome was the Leading in the Digital Age (LIDA) program.

Approximately 1,500 senior managers of managers (mid to senior level) have been identified and divided in six cohorts of circa 200 participants each. Atos is currently recruiting for cohort 7, due to commence early in 2021.

LIDA equips senior managers with the right mindset, knowledge and business models to drive the Advance 2021 strategy. It is entirely virtual and highly participative. There are 3 principle modules of around 6 weeks duration:

- personal leadership in the digital age;
- leading the business;
- leading teams and talent development.

Careers within Atos

Atos Group career management has implemented a holistic approach to career management for its employees. Bringing together four key elements to support career planning and development in the career wheel structures the four categories of career management;

- Your Opportunities: through the global hands up program, Group career management in partnership with recruitment, share hot jobs and host job fairs, providing Atos´ employees, who have registered an interest in a career move, with access to exciting opportunities in the organization. Access to opportunities is enabled through The Evolve application, launched in 2019, where employees can access opportunities and apply for open positions. The Group Career Fairs offer dedicated sessions with Atos Senior Leaders to help employees explore new business career direction, followed up with dedicated sessions with recruiters.

The Group´s career management team is able to explore available opportunities and skill requirements with employees and offer advice and guidance on securing a role:

- your Development: Fully aligned with Atos Group branding #TheFutureIsOurChoice, Atos Group career management runs monthly webinars dedicated to the career development of Atos' employees. In collaboration with Learning & Development and the performance team, these webinars offer employees an opportunity to reflect on their career and skills and understand the support and training available to them, empowering employees to be the CEO of their Career;
- the Organization: Ensuring employees are connected with Atos and understand the strategy is important to their overall career planning. Employees are kept connected to developments that may create career opportunities through dedicated circuit space and via newsletters and webinars;
- your skills: Providing employees with information on the wealth of training and development available at Atos through Atos University, internal and external certifications and a range of training offerings via My Learning, including languages via webinars, Atos circuit space and newsletter.

Continuous support is offered to all employees via Atos on-line community space MY FUTURE AT ATOS. With over 27,000 members, this space shares role opportunities, learning and development and support employees with applying for their next role. In addition, Atos dedicated quarterly newsletter shares news and developments to support their career enhancement. Atos webinar offerings (training, Job fairs and career webinars) have welcomed over 1,000 employees since the re-launch in March. All of these offerings are structured in alignment with the career wheel.

Career focus: talent & key people

Group career management places special attention on the careers and growth of Atos´ talents and key people by offering a dedicated 1:1 career coaching session for those who are interested in career mobility. Focusing on their individual career aspirations Group career management explores how their network can be expanded, considers their aspirations and develops a common career plan. Proactively working with the business to share profiles, support succession planning and access new opportunities, over 200 individual career and talent conversations took place with Atos´ talents and key people in 2020.

Every Atos employee is entitled to an Individual Development Plan, as part of their regular career and performance-related conversations with management. Atos reinforces systematic and consistent semester-based objectives setting and appraisal reviews, supported by policies and tools. 85% of employees received performance and development reviews in the last 12 months [GRI 404-3]. With 100% of Atos key people population having a review in 2020.

This not only secures a solid basis for further development of Atos employees; it also helps with the alignment of people objectives across the organization, increases clarity and transparency in workforce capabilities, and helps to identify potential gaps. Those gaps are then intended to be filled primarily with internal candidates, to further enhance the development opportunities for Atos' employees. In 2020, 84% of all resource requests were filled in internally.

Using Atos Syntel as a best practice, Atos strives to make skills development an integrated part of the performance management cycle. For that purpose, a list of business-critical skills has been developed and agreed with all business owners. This list will be updated on a regular basis. To each of those skills, dedicated training and development programs are linked, so that the individual can engage in very effective upskilling.

A pilot of this approach was effective in the UK in 2019 and will be rolled out to most of the Group in 2021.

Global mobility

The International Mobility operating model was reinvented in July 2020 to win in the digital world and transform journeys that matter while building an agile and global approach. The transformation roadmap consists of defining internal needs, goals & objectives while putting the customer experience at the heart as well as understanding external market practices.

Since the beginning of the Covid-19 crisis, the International Mobiliy Team has been working in a coordinated manner to ensure the support and safety of Atos´ employees during this challenging period. The repatriation of employees at the end of their assignment and the approval of new assignments have been carried out with the utmost care and in compliance with the rules and safety measures issued by the authorities in both the home and host countries.

Furthermore, a Brexit working committee was set up in 2020 to support the impacted population to comply with EU or UK requirements in order to allow a smooth transition with no or minimal impact on the employee situation.

As a part of the digital transformation journey, International Mobility has launched developments in AssignmentPro (IM database) to facilitate their processes and data flow in order to meet tax & legal compliance requirements. The launch of RPA (Robotic Process Automation) in a few process areas has also improved accuracy while saving time and cost. A "Atlas" chatbot has been launched to provide 24-hour support to employees with questions about different policies, processes or points of contact.

Thanks to the various offerings and initiatives put in place, the International Mobility team has increased the awareness, transparency and engagement with different stakeholders, showing a promise to be included as a proposition in the "customer radar".

5.3.4 Talent attraction and retention

[GRI 103-1 Training and education], [GRI 404-1]

Recruitment

During 2020, Atos hired 11.495 employees to support the growth of the Group. In its drive to increase the excellence of the services delivered to its clients, the Group continued its tier-one university program and added partner universities (recognized worldwide and locally) with the full sponsorship and monitoring of Group General Management Committee. This approach has resulted in an increase of over 300% since 2016 in the hiring of graduates coming from this selected pool of tier-one and partner universities, with more than 5.400 recent graduates joining the Group in 2020.

As part of Atos' commitment to offer career opportunities to recent graduates, Atos partners with 197 universities worldwide, focusing on key skills and expertise. In addition, Atos collaborates with and supports international student associations such as the Board of European Students of technology (BEST) and the Franco-German university –an international organisation of universities for higher education- to share knowledge and interact with best-in-class students globally The trust Atos displays in opening internships and apprenticeships to individuals who are yet to graduate is greatly appreciated by students. The positive outcomes of these efforts can be monitored in the "Happy Trainees Label" awarded for many consecutive years to GBU France, also in 2020, as well as the steady increase of the Junior Hire versus total Hires.

Keen to offer to its staff career perspectives, in 2016 Atos launched its "Internal First" program. The purpose of the program is to promote internal mobility when filling any vacant position – it consists of a range of activities including internal careers fairs, "job cafés", video testimonials from employees, and much more. The goal is to give employees the opportunity to develop their experience, skills and employability within new career paths and through mobility. In 2020 Atos filled 84% of its permanent positions with internal employees.

The Atos Recruitment function supports Atos policy with a team able to introduce cross-country initiatives and global strategies, as well as share and implement best practices across the function. In 2020 Atos intensified its activities with social media and career platforms such as LinkedIn where Atos Campus management has a dedicated showcase page to provide relevant content for its target group: (pre) students, interns, apprentices, graduates, young professionals and university relations.

NUMBER AND RATE OF PEOPLE ENTERING THE COMPANY PER GENDER AND AGE
[GRI 401-1]

	Female	% total employees Female	Male	% total employees Male	Female and Male	% total employees
<=30	2,732	24%	3,668	32%	6,400	56%
30><=50	1,258	11%	3,153	27%	4,411	38%
>50	236	2%	448	4%	684	6%
TOTAL	**4,226**	**37%**	**7,269**	**63%**	**11,495**	**100%**

NUMBER AND RATE OF PEOPLE LEAVING THE COMPANY PER GENDER AND AGE
[GRI 401-1]

	Female	% total employees Female	Male	% total employees Male	Female and Male	% total employees
<=30	2,187	17%	3,098	24%	5,285	41%
30><=50	1,578	12%	4,148	32%	5,726	44%
>50	579	4%	1,445	11%	2,024	16%
TOTAL	**4,344**	**33%**	**8,691**	**67%**	**13,035**	**100%**

Talent Development

The sustainable and long-term employability of staff is the cornerstone of Atos' Talent Development & Training policies. Further enhanced in 2019, the Atos Talent Development programs reinforce our talents' capabilities and accompany them along their successful career paths.

Each of these programs is directly sponsored by a Group General Management Committee member to ensure a strong link between talent development and growth strategies. These programs include:

LAUNCH for future leaders

Part of Atos' talent management, LAUNCH is a global initiative, based on a worldwide framework, and delivered in a growing number of local and regional settings.

LAUNCH focuses on identified talents who are early in their career. It is self-organized and regional in set up, with core standards being set at a Group level. The mission of the LAUNCH program is to develop at Regional level the best individual potential of its members through a combination of personal development sessions, networking opportunities with top management and international colleagues, as well as working on innovative projects that contribute to Atos' business performance.

FUEL for emerging leaders

The FUEL program is a formal global program for early career talents running in cooperation with Cambridge University (UK), ECS-Institute for Manufacturing and the HEC business school in France. Participants also join the Franklin Covey leadership and personal development online sessions and are invited to engage in personal coaching sessions and to benefit from a global mentor throughout the year. In 2020, over 100 FUEL participants completed the program. To date FUEL alumni is 200 employees.

GOLD for Business Leaders

Nominated by the Atos executive and top management annually, 80 members of the Group's identified talents are invited to take part in the prestigious Gold for Business Leaders program. In cooperation with HEC Paris, Europe's leading business school, Gold for Business Leaders aims to develop the future leaders of the Company and create ambassadors for the Company's values.

The global Atos Gold for Business Leaders program consists of three face-to-face modules in three different international locations (Germany, India, France), and several online elements. The program was recognized with an award by the European Foundation for Management Development (EFMD) in the Talent Development category in 2013. In 2020 the program moved to a fully remote delivery in response to the travel restrictions in place due to the pandemic. In 2020 the 66 employees who completed the program will receive career support and reconnect sessions throughout 2021. The Gold for Business Leaders alumni is over 500 employees.

GOLD for Technology Leaders

The Gold for Technology Leaders program was launched in 2013 in cooperation with the Institute for Manufacturing Education and Consultancy Services (IfM ECS) of Cambridge University in the United Kingdom, and the Software Innovation Campus Paderborn (SICP) of the Paderborn University in Germany. The goal is to give to Atos talents with Expert profiles the vision and capability to define innovative end-to-end solutions, helping clients to gain competitive advantage. In 2020 Atos was delighted to increase the intake from 60 to over 70 talents from across the world. The program is delivered over the course of the year with three physical sessions in the UK and in Germany, and several additional virtual program elements. For 2020, Atos successfully moved the program to a fully virtual offering in response to the pandemic. In 2018 the program received an award from the European Foundation for Management Development (EFMD) in the Talent Development category.

VALUE for Executive Leaders

Developed and launched in 2018 in partnership with INSEAD, a leading European business school, this training curriculum has been taken by most (over 80%) of the 350 Atos Group Executive Leaders and is focusing on Digital Transformation and Customer Value Creation. This curriculum includes 3 complementary modules: strategy in the age of digital disruption, driving change (classroom module), and Leading with a diverse mindset. This curriculum is complemented in 2021 by a module dedicated to Business Modeling. All Atos Executives are planned to participate to the curriculum if not already attended.

In total 1,195 employees had enrolled in the Global Talent programs (including 2020 participants). Identification of nominations for the programs is continuously under development with targets for year on year improvement for Diversity. 2020 saw an increase of 5 percentage points for both Gold programs in terms of women enrolled.

Atos University – Business Technology Learning Center

Establishing the Business Technology Learning Center (BTLC) of the Atos University in Bangalore in 2018 was an important step for the Group to realize the strategic importance and impact of training and education for its employees. After a successful ramp-up phase in 2018 with more than 8,000 training days, the BTLC reached full impact in 2019 with more than 17,000 training days delivered to participants from India and worldwide.

2020 was the year when BTLC surpassed its own highest benchmarks and created a record of sorts by conducting training programs for more than 30,000 person days. The learning experience provided to the participants was so relevant, and meaningful that the participants responded by giving a satisfaction score/feedback of more than 7.45 on 8 – point scale. Several new programs in the area of Artificial Intelligence, Cybersecurity, Data Science and Blockchain, etc. got created in this year. Similarly, many programs were conducted in the areas of Emotional Wellbeing and Digital Mindset. A remarkable feature was the resilience and adaptability that BTLC demonstrated by virtualizing almost its entire offerings in response to the unique need of the hour.

In addition to the physical and virtual training delivery, the BTLC also has a team of instructional designers who develop innovative virtual training programs for the entire Group as well as Atos' customers.

In total, more than 250 training courses and curricula (onsite, blended, virtual) have been developed by the BTLC team since its foundation.

Project Management Academy and digital ways of working

In 2020, Atos continued to place key emphasis on project management training and education. The objective was to effectively train Atos Project Managers and Program Directors in Agile Methodologies, Digital ways of collaboration, Lean, Design Thinking as well as updated Atos internal processes and tools. In total more than 7,400 Project Managers participated in the different programs and training courses. The well-established training programs "Project Management Academy" and "PRM Masterclass" have been updated with latest content and further improved in delivery methodology. In 2020, 27 Atos employees increased their skills and knowledge in a project and program management Masterclass (PRM Masterclass) which was delivered in partnership with the Cranfield University School of Management. In addition, Atos successfully trained more than 50 Project Managers and Senior Project Managers in a similar internal Program.

SDM Academy

In 2020, Atos continued to deliver the Service Delivery Management Academy in cooperation with the ESCP Business School. This strategic training program focused on all aspects of service delivery and client management. More than 83 participants from all RBUs participated in this program during the year.

Expert Career Path & Community

Launched in 2017 with the ambition to be a driving force for collaboration, ideation, innovative research and development, the Atos Expert Community gathers today almost 2,500 technology experts worldwide. The community aims to steer business strategy, contribute to our technology roadmap and boost innovation by anticipating market needs.

In an operational way, this community responds to the objectives of Business and Expertise Excellence. In business terms, it is about ensuring Atos Group's positioning as a technology leader and guaranteeing the best innovative and accurate technology response to our customers. Shaped on 8 strategic technology domains those experts regularly interact to go beyond the technology frontiers, boost innovation and support clients to take the right decisions on their digital transformation journey.

As Expertise Excellence induces and conditions the achievement of the business objective, the Group pays attention to develop the technological career of Atos experts, create synergies between functions to broaden the field of competencies and increase the level of influence and attract talents. Our experts are identified during dedicated yearly application campaigns, where they can apply to one of the four levels of the career path –from Expert to Senior Expert, Distinguished Expert and Fellow. Candidate files are reviewed internally by validation bodies composed of technical attendees (experts of the highest levels), Chief Technology Officer (CTO), R&D Head, RBU management and Human Resources. Experts are selected for two years after which they are asked to reapply to continue to be part of the community at the same or higher level in the career path, based on their contributions to the Expert Community, to the business and to Atos overall. This process is monitored by the Group CTO Office.

Atos is leveraging experience and knowledge sharing, to facilitate an international collective expertise. Thus, it is imperative to support experts in their development, both in terms of skills and leadership. Beyond knowledge, there is obviously desire and motivation, key vectors of success, which is why Atos´ program includes a specific career path. Atos´ Expert Community is the driving force in terms of innovation and Technology expertise is at the heart of the Atos value proposition.

Key people program

Key People and Talents retention is key to the success of Atos. In 2019 the Key People program was relaunched, with focus on Atos most senior level Experts, Scientific Community members and Key Talents. An operational HR team with representatives from each business area actively manage the retention of the 1,600 identified key people, working closely with business managers to address development, career progression, remuneration and mobility ensuring individual care for the career and development of each key person. The program is fully operational, and this active management aims to retain 95% of key people, which was achieved in 2019 and also in 2020. Key to the success of this program is the engagement of the Senior Leadership teams who are actively supporting the retention and career of Atos key employees.

5.3.5 Diversity

[GRI 103-1 Diversity and equal opportunity], [GRI 202-2], [GRI 405-1], [GRI 405-2]

Atos is strongly convinced of the importance of diversity as a key driver for the Group's continuous growth and competitiveness. Diversity is firmly embedded into our People Strategy and is focused on embracing people's differences to create a productive environment. The Group positions itself as an innovative, inclusive, and ethical employer of choice, tying its Diversity & Inclusion programs back to business imperatives and showing its appreciation for the work its people do on behalf of its clients and the Group. To that end, Atos added this statement at the end of its global job postings: Here at Atos, we want all our employees to feel valued, appreciated, and free to be who they are at work. Atos´ employee lifecycle processes are designed to prevent discrimination against its people regardless of gender identity or expression, sexual orientation, religion, ethnicity, age, neurodiversity, disability status, citizenship, or any other aspect which makes them unique. Across the globe, the Group has created a variety of programs to embed Atos culture of inclusivity and works hard to ensure that all employees have an equal opportunity to contribute and feel that they are exactly where they belong.

The Diversity Program contemplates four main dimensions: Gender, Cultural Diversity, Accessibility, and Generations serving as the foundation of excellence in people management to improve the Group's operational performance through engagement. The Program is sponsored by a Global Steering Committee with Group General Management Committee members.

Throughout 2020, Atos continued the development of the Diversity Program, offering webinars, mentoring opportunities, community outreach efforts, and book clubs that focus on the above four dimensions and which include the following:

- affinity group book clubs: employee-led groups read business-related books and meet to discuss them;
- launch of the NA Latin American AGNA Women of Color program: sponsored by Global Chief Diversity Officer, focused on ensuring that African-American, Latina, Asian and India Asian women were included in development and talent programs, and that we provided specific programming to assist them through our ERGs, book clubs, social media campaigns, talent programs, and D&I learning webinars;
- launch of the Global Women's Executive Mentoring Program, designed to assist in the preparation for advancement into our most senior level roles in the Company, partnering women identified by several criteria with members of our Group executive management team;
- establishment of the Talking In Circles Webinar series, to raise awareness of discrimination in the workplace;
- identification of candidates for McKinsey's Black Employee Executive Leadership and Management Accelerator North American learning programs;
- expansion of our relationship with the United Nations, L'Autre Cercle, and AARP (American Association of Retired Persons) through participation in research and learning partnerships;
- participation as a Microsoft Accessibility Partner to promote accessibility/disability awareness;
- active participation in Business Disability Forum's Inclusive Communications website, providing case studies and editing services;
- consulting with Textio to determine, with the help of artificial intelligence, the language that will entice people from different age groups to apply to our open roles and to create postings free from racist, ableist, or sexist verbiage;
- expansion of university engagement programs to provide career guidance to students preparing to enter the professional realm, including global campuses such as Tec de Monterrey, National Technical Institute for the Deaf, State University College of New York at Geneseo;
- facilitated competition at BEST virtual conference, awarding 3 teams for their case study solutions related to D&I program development;
- providing business coaching to Female Fintech competition finalists as they prepared for their jury;
- delivery of the 2020 D&I learning series, entitled "There Is An "I" In Diversity and Inclusion";
- D&I learning series for Maven Wave employees;
- named in The Times' Top 50 List for Gender in the UK for the second year in a row;
- selected as 1 of 35 global companies focused on advancing women into senior roles by parity.org;
- recipient of the Women In IT Diversity Initiative of the Year for the second year in a row[1];
- CDO was named a Top 50 Diversity Star by the National Diversity Council in the United States;
- Named Project of the Year with Global Women in Telco and Tech for our UK Children's Summer School[2];
- received 2 awards from Springboard's 2020 Disability Matters Europe organization; the first company in their 14-year history to do so.

1 *https://womeninitawards.com/shortlist-new-york/*
2 *https://www.capacitymedia.com/articles/3826477/global-women-in-telco-and-tech-awards-winners-2020*

Diversity table
[SASB TC-SI-330a.3] [GRI 405-1]

Category	Definition	Employees	Nationalities	% Female	% Male
Entire organization	All employees	102,708	139	30.9%	69.1%
Composed of:					
Top management (excl support functions)	GCM 7+	5,286	65	14.3%	85.7%
Top management (support functions)	GCM 7+	1,878	55	25.7%	74.3%
Junior management	GCM 5/6	26,136	105	25.2%	74.8%
Technical staff (excl support functions)	GCM 0 to 4	56,345	135	35.9%	64.1%
Other (support functions)	GCM 0 to 4	3,211	62	52.1%	47.9%
TOTAL		**92,856**			
Independent sub-category focus					
GMC[1]	Sub-category of top management	20	7	5.0%[2]	95.0%
Executive Group[3]	Sub-category of top management	464	27	30.2%	69.8%

1 *Group Management Committee (GMC): Atos top management team leading group vision and defining strategy. Made up of the most senior managers in the organization.*
2 *As of February 1st, 2021, the GMC is composed of 14.3% women.*
3 *Executive Group: A wider senior management network, holders of management positions and talents. Responsible for implementing strategy and delivering operational performance.*

Promoting gender
[GRI 405-1]

Atos has made a commitment to increasing the number of women employed and has programs and measures in place. "Women who succeed" is part of the initiatives launched in 2018. It proposes targeted conversations with the Group General Management Committee and senior level women to provide additional resources, contact names and suggested courseware to position them for promotion.

In addition, during the year 2020 the Board of Directors of Atos SE was composed of 46.2% women Directors (6 out of 13[1]). Also, the Company is complying with the 40% rate of women Directors set forth by the French law n°2011-103 dated January 27, 2011. The Atos Executive Group (previously Group executive management), which is an Atos Senior management network, including management position holders and talents, in charge of implementing Atos strategies and delivering Atos operational performance, has been re-founded in 2020 and regroups 464 top managers as at December 31, 2020. Criteria for selection is based on performance, entrepreneurship, innovation and fellowship, and membership is reviewed on an annual basis. In 2020 this network was gender balanced in alignment with Group gender diversity (i.e. 30% of women in this network in 2020 reflecting general Atos Group gender diversity, where it was only c. 13% in 2019). For the future, Atos Group has an ambition to recruit 50% women thus increasing overall gender diversity, and the Executive Group diversity will continue to be aligned to Atos Group diversity.

Atos adheres to the legal frameworks related to diversity and which abolish discrimination. 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".

Gender-pay-gap
[GRI 405-2]

Some differences of salary between females and males still exist but the gap is narrowing thanks to steps taken by the Group. In France pursuant to an agreement with unions, a special reserve is set aside every year to come on top of the traditional salary review exercise so that the relative difference in average income per category between men and women is reduced.

In France, each company of a certain size is required to publish the score of the governmental standard gender equality index (index de l'égalité professionnelle entre les femmes et les hommes[2]). This index is based on the gender salary gap, the spread of individual increases, the number of increases following a return to work after maternity, parity amongst the 10 highest earners, and spread of promotions. The goal of this initiative is to reduce salary gaps and fight against gender discrimination. A minimal rating of 75, out of a maximum 100 is required. In 2020 Atos France's score[3] was sustained for a second year at 87, covering 97% of the headcount of all Atos France entities.

1 *40% (4 out of 10) pursuant to the legal ratio. In accordance with art L225-23 and L225-27-1 of the French Commercial Code, the Director representing the employee shareholders and the Employee Directors are not to be taken into account to determine the ratio of gender diversity on the Board of Directors*
2 *Loi pour la liberté de choisir son avenir professionnel ; applied through the implementing decree: Décret n° 2019-15 du 8 janvier 2019 portant application des dispositions visant à supprimer les écarts de rémunération entre les femmes et les hommes dans l'entreprise et relatives à la lutte contre les violences sexuelles et les agissements sexistes au travail*
3 *This index score includes all Atos France entities except Atos International France.*

Though many factors can account for an apparent salary gap between male and female (seniority in the position, total years of seniorities, etc.) the Company is addressing any systematic bias that may have survived through process and adapted benchmarks. Atos has a specific budget for gender-pay-gap reduction.

Atos Pride
[GRI 405-1]

Atos understands that people perform better when they can be themselves. The Atos Pride network exists to bring together and support all lesbian, gay, bi and trans (LGBT+) employees in the workplace. The principles of the network are to support Atos in becoming a truly LGBT+ inclusive workplace, enhance the performance potential of LGBT+ employees, develop a diverse culture Atos is proud of and engage its clients and partners on its journey. As a Stonewall Diversity Champion the Group has also access to best-practice approaches and utilizes the Workplace Equality Index benchmarking tool to assess its progress on LGBT+ inclusion. The Group acts as a source of advice; hosts awareness raising events and provides strategic advice to its organizations on issues impacting LGBT+ employees.

- Named #40 in the Stonewall Top 100 Employers list for 2020/21 and being acknowledged by Stonewall as being a highly commended LGBT+ employee network[1].
- Created the Pride In Tech forum with other Stonewall Top 100 members in the tech industry.
- Implementing the option to use Mx as a title option within our systems.
- Developing a new gender transition policy due for completion by the end of 2020.

In total, Atos delivered more than 16 awareness raising events in 2020 – examples:

- understanding the LGBT+ Rainbow webinar series over 6 weeks in the run up to Pride Month[2];
- this series was also condensed and delivered as part of our We are Allies programme, supporting allies in Atos organisation[3];
- Lesbian Visibility week[4];
- Bi Sexual Awareness week[5];
- Asexual Awareness Week[6];
- a collaboration with Atos multicultural network on the topic of Black Pride exploring intersecting LGBT+ and black history;
- International Men's Day panel discussion exploring concepts of gender and masculinity in the LGBT+ community chaired by Exec sponsor David Haley;
- Celebrating National Coming Out Day by collaborating with the Group´s disability network on a panel session about "How to be your authentic self at work".

Other initiatives from Atos in 2020 included:

- presenting the Atos D&I expo on the topic of "Pride in Isolation & Confinement: How can societies come together to reverse the current worrying trends?"[7];
- annual "Ask Us Anything" session to allow members and allies to gain information and build awareness.

5.3.6 Digital inclusion

Atos has continued to build upon the work done in previous years to deliver accessibility and disability inclusion for its employees and its customers.

Capacity Building

2020 saw the creation of the Global Accessibility Practice as part of the SPRING organizational evolution bringing together skills from across the globe into a coherent global delivery unit building out Atos capabilities to deliver Accessibility as a Service (AAAS) in the digital workplace. This has had resonance in the time of Covid-19. People with disabilities have always been advocates of flexible working and the pandemic has seen the mass adoption of tools and ways of working that have been trialed and informed by the disability community. Atos' experience of delivering these technologies has helped to ensure that its own employees and its customers retain access to effective assistive technology support.

1 https://atos.net/en-gb/2020/press-release-en-gb_2020_01_30/stonewall-names-atos-one-of-britains-top-100-lgbt-inclusive-employers
2 https://atos.net/en-gb/2020/we-are-atos_2020_06_21/the-atos-pride-network-delivers-webinar-series-exploring-the-lgbt-rainbow
3 https://atos.net/en-gb/united-kingdom/we-are-atos/diversity-and-inclusion/we-are-allies
4 https://atos.net/en-gb/2020/news-en-gb_2020_04_28/celebrating-lesbian-visibility-week
5 https://atos.net/en-gb/2020/we-are-atos_2020_10_05/atos-celebrates-bisexual-awareness-week
6 https://atos.net/en-gb/2020/we-are-atos_2020_11_09/atos-celebrates-asexual-awareness-week
7 https://alphaliveplayer.com/atos/2020atosdandiexpo/

Delivering an Inclusive Organization

The Group has continued to develop and deepen its relationship with partners on the topic of accessibility – Atos now has a joint partner offering for Accessibility as a Service with Microsoft and has hold regular meetings as part of its joint Centre of Excellence to deliver more inclusive experiences in partnership. Atos also has a G-suite variant of its AAAS offering to ensure that its Google Cloud customers are not left behind and has been strengthening its engagement with Google's Accessibility Experts through participation in several workshops.

Partnerships for inclusion

This focus on partnerships has resulted in a lot of newly available assistive technology features embedded in standard offerings; Atos employees across the globe now have access to basic text to speech and proofing tools that are helpful for both Dyslexia and English as a Second Language, simple dictation for emails and documents with inbuilt speech recognition and accessibility checking tools, Atos has enabled captions for PowerPoint presentations and is actively encouraging usage to deliver more inclusive meetings. For employees that require more fully featured assistive technologies the Group has continued to make them available and has increased the number of languages available, working closely with our Global IT organization.

Policy and Process

Atos has continued to work on its Global Accessibility policy created in 2019 and put in place in 2020 4 new controls in its Book of Internal Controls relating specifically to accessibility of products, compliance and procurement. Atos is continuing to strengthen its governance structures and its SPOCs in its major geographies. Accessibility now gets reported to the CSR Committee of the Atos Board of Directors.

The Group has carried out an exercise to map international legislation on disability and nondiscrimination to accessibility standards for inclusion in the latest revision of its global policy.

Building & Sharing Knowledge

Knowledge sharing and training on disability & accessibility has been a key topic for 2020. The Group has increased the number of trainings available on disability and accessibility on its online learning platform adding another 5 modules to the existing content.

Atos now holds a monthly accessibility round table meeting with guest speakers from around the world including accessibility leaders. The accessibility round table group has grown to around 200 members and continues to attract new people. In May 2020 Atos held its first ever virtual accessibility hackathon which had over 100 participants in over 21 teams from all parts of the organization. Other wide ranging open online events for key days in the disability calendar are also being held, such as Global Accessibility Awareness Day and International Day for Persons with Disabilities/Purple Light Up where employees, partners and the public are welcome to join in celebrating the talents of disabled people.

Atos has pursued its Accessibility Academy scheme taking on a new cohort of apprentices and graduates in 2020 and the alumni of the scheme continue to work in accessibility as recognized experts.

Professionalization

Atos has been actively engaged as a group in professionalization initiatives for accessibility:

- the work started in 2019 on an accessibility apprenticeship with the UK department for education has progressed and is now an approved national standard with courses set to go live in early 2021;
- contribution to the work with the International Association of Accessibility Professionals to create a certification for "Strategic Leadership in Accessibility";
- active advice to several organizations on accessibility organizational maturity and their programs.

Working with Disability Organizations

Atos has continued its commitment to working with the Valuable 500, Business Disability Forum, International Labor Organization and W3C.

In France there are local initiatives such as the renewed agreement on disability with union and the Group is a signatory of "Manifeste pour l'inclusion des personnes handicapées dans la vie économique". Atos employee disability network "Atos Adapt" holds regular events and is working with its UK Diversity and Inclusion Lead on gaining the final level of Disability Confident (currently at level 2).

In a voluntary capacity Atos employee contribute to many inclusion initiatives including:

- World Institute on Disability;
- Neurodiversity Initiatives;
- AXSChat online accessibility community.

Atos Head of Accessibility and Inclusion was named as Disability Smart Diversity Practitioner of the year. Furthermore, Atos Accessibility Programme was a double honouree in the Disability Matters Europe Awards 2020.

5.3.7 Recognition and Loyalty

[GRI 103-1 Market presence]

Minimum wage comparison

In all countries where the Group operates, Atos entry level wage (lowest wage in Atos paid to a permanent full-time employee) is above the local minimum wage.

Atos is operating in 71 geographies and 90% of these countries have minimum wages dictated by law: where a minimum wage is dictated by law, Atos pays more than this level of wage [GRI 202-1].

Health care coverage, death and disability benefits

Health care is offered to 80% of permanent employees and disability benefits are offered to 77% of permanent employees [GRI 401-2]. 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 84% of permanent employees [GRI 401-2]. 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 sometimes doubled for a death as a result of an accident (China, Japan, Thailand, Poland, Spain, Brazil, Chile, Mexico, and UAE).

Coverage of the organization's defined benefit plan obligations [GRI 201-3]

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.

Atos Group Compensation Policy Principles

Atos Group Compensation Policy is designed to reinforce its position as a tier- one company for IT services and referenced as a Wellbeing@work company.

The compensation policy is based on Atos' Human Resources values and aims to:

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

To ensure that Atos continuously reaches these objectives, the compensation policy is regularly reviewed and deployed in all countries where Atos operates according to local specificities and regulations. All acquired companies are transitioned to Atos' compensation policy. The Group conducts an annual benchmarking exercise with Atos competitors in the ICT (Information and Communication Technology) market to ensure 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 all Atos employees that are eligible for bonus policy, variable compensation is determined on a semester (rather than an annual) basis. This approach fosters ambitious objectives setting and contributes to the alignment of business and strategic goals with missions assigned to employees.

In the second semester of 2020, the variable compensation schemes have been simplified to address different group of eligible employees:

- top and middle management:
  - business roles and Sales: to align them with Atos semester performance, their variable compensation is based on financial objectives, cascading Group targets at the relevant employee's scope (mainly Total Revenue, Order Entry, Cash objectives – FCF or Billing objective – and Operating Margin),
  - Global Delivery Centers: their variable compensation is based on productivity and Service Level Agreement KPIs,
  - Global Functions operating at Group level: in addition to financial objectives (Group results and budget of the function), their variable compensation is based as well on one objective in line with the strategy for the Function and a Quality objective (internal satisfaction survey);
- other bonus eligible employees, with lower level of responsibilities in the organization: their variable compensation is based on their individual performance, as assessed by the direct manager on the basis of their individual objectives set up at the beginning of the semester.

Each semester, the Group General Management 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-bound). The Group General Management Committee ensures that the Variable Compensation Policy encourages the Group's employees to deliver the best collective and individual performance. Atos' financial results have a real impact on bonus payouts at all levels and for all functions.

As part of the Atos Global Decarbonization strategy, an Internal Carbon Pricing mechanism has been introduced in H2 2020. Purpose is to value the tCO_2 emission reduction and impact positively or negatively the Operating Margin results used in the bonus payout calculation. The 3 areas considered in the Internal Carbon Pricing calculation are:

- the charging on CO_2, based on emissions related to travel, devices & data center activities;
- the charging or credit on supplier spend, supporting spend with green suppliers, avoiding suppliers with no environmental commitments;
- the credit for growth, supporting decarbonized business delivered to our clients.

In addition to the variable compensation, in France and in the Netherlands, Atos set up local collective profit-sharing schemes, mainly based on the financial performance of the entity.

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 "We Are Atos" initiative, such as:

- "Accolade" which empowers employees to nominate their colleagues and gives managers the possibility to instantaneously reward their teams according to three levels (Bronze, Silver and Gold) for exceptional performance. In 2020 around 7,000 accolades were handed out in individual or group ceremonies;
- in 2019, the "Spot awards" were launched in the We are Atos program and implemented globally for all employees to use. Spot Awards is an online module in MyAtos and also available on mobile phones. It is aimed at creating a culture of appreciation across the organization, which helps employees to acknowledge their colleagues' exceptional efforts and instantly share their appreciation through this recognition award. It aims at timely recognition and there are no approvals required. In 2020, 12,239 SPOT awards were sent, recognizing 7,485 individual achievements and 4,754 colleagues as part of a team success.

These awards do not follow a hierarchy and can be given out across levels/functions and geographies.

The focus is on recognition and it is a non-monetary award.

Remuneration analysis

Atos ensures its competitiveness in the market. In 2020, 62% of the Atos population was working in a country where the ratio between the highest On Target Earning (OTE) and the median one is below 10. [GRI 102-38], [GRI 102-39]

Ratio between the highest OTE and the median OTE	% of the Headcount
Under 10	62%
10<X<20	33%
More than 20	4%
TOTAL	**100%**

Employee stock ownership plans

In June 2020, Atos launched a new Employee Stock Ownership program with innovative features:

- a discount of 25% vs the Atos share price (20% in 2018), being among the first companies using the new legal opportunity to propose a discount above 20%;
- new payment options, including advance payment by Atos with deferred payroll deduction;
- in line with Atos' decarbonization strategy, one tree to be planted by employee participating to the program.

With 15,500 subscribers, up 50% on the previous edition, Share 2020 was a great success with overall employee share subscription increasing by over 200% on constant scope.

Atos' ambition is to continue to offer such successful Employee Stock Ownership programs on an annual basis in the future.

Management long-term incentive plans

Atos is strongly committed to associating its management and employees with the long-term performance and results of the Group, notably through long-term incentive plans.

In a perspective of recognition and retention, Atos granted performance shares in July 24, 2020 to ca 1,150 employees among the first managerial lines, talents and experts.

The vesting of shares under performance share plans is fully subject to the achievement of performance conditions.

Among these performance conditions, a portion of the grant (20% of the total grant) is subject to the achievement of Corporate and Social Responsibility (CSR) conditions, as following:

- 10% of the grant are subject to an external CSR condition, linked to the Atos DJSI score positioning vs peers:
  - average of the yearly DJSI scores (World or Europe) of Atos compared to the average of the other companies over the 3-year period;

- 10% of the grant are subject to an internal CSR condition, based on the reduction of the Group's carbon intensity:
  - change in percentage of tons of CO_2 emission per million euros of revenue at the end of the 3-year period (in 2022).

For details, please refer to section "Executive compensation and stock ownership".

Smart working conditions [GRI 102-8]

Atos provides permanent, full time working relationships with its employees: 99% of the total workforce are on permanent employment contracts and 92% are full time. Atos accepts working part time where an employee considers that it is better for their work life balance; part time is at the initiative of the employee, not of the Company.

Atos operates in a collaborative mode, which allows remote working which offers more flexibility for employees in achieving a work life balance. The whole set of initiatives to promote a smart, healthy work environment has reduced the absentee rate of the Company.

The absenteeism percentage regarding the direct operational workforce in 2020 was 1.80% [A16]. In addition, the total work-related accidents numbered 58.

5.3.8 Employee Experience Program: We are Atos

We are Atos is the Employee Experience program of Atos which is a key Group transformation program for the continuous improvement of our way of working together. The program has grown and become a recognizable and constant part of the Atos culture, building on the success of the Atos Wellbeing@work program which was operational from 2010. The program looks at a wide scope of employee experience, providing guidance and support for local initiatives in all Atos geographics. It accounts for the constantly changing expectations of current and future employees and is aligned with our client priorities and mutual objectives, improving customer experience at the same time.

The program is driven by a network of people from all parts of the organization with local leaders covering every part of the organizational matrix. This network approach supports the local priorities, local context and shares best practice from across our Company.

To strengthen the program an Atos GMC member oversees the plans and activities to realize the ambition and objectives of the five essential tracks: Diversity & Inclusion, Social Value, Wellbeing, Life@work and Employee Experience with our Customers.

5.3.8.1 Social collaboration

Atos has made social collaboration one of its main levers to ensure that our clients are served to the optimum of our collective capabilities:

- Atos' campus concept deployed in our different offices and structured around open spaces combined with desk sharing;
- the extensive use by our employees of our ESN (Enterprise Software Networks) used to share the Atos way of working and its values, as well as the different expert communities;
- the rapid deployment and adoption of Circuit, a Unified Communication & Collaboration platform developed by Atos brand Unify.

All of the above are key to foster the spirit of cooperation that our employees expect, and that the Company promotes, to ensure that our staff, our clients and our Company benefits from our best-in-class digital workplace.

5.3.8.2 Awareness and involving employees [GRI 403-1]

Atos ensures full compliance with international labor standards, by applying principles of the International Labor Organization Conventions, as is required through its adherence 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 freedom of association, Atos has built a concrete organization for social dialogue.

Communication with employee representatives is a permanent and constructive dialogue within the employee bodies at European and country levels.

Social dialogue is constructive and positive and can be illustrated by effective social discussions at European and country levels.

A culture of permanent social dialogue

The SEC (Societas Europaea Council) represents more than 50,000 people across Europe in 26 different countries and is deeply involved in events concerning the Atos Group. Various members of the Atos Group management regularly come to the SEC to present the Company's strategy and ambition; information about transformations or acquisitions are shared with the SEC very early in the process. This demonstrates a high level of mutual trust and a strong desire to have the SEC promote complete transparency.

The Societas Europeas Council agreement planned for at least three meetings per year; in 2020 eight meetings were scheduled and took place (3 ordinary and 5 extraordinary) in addition to the many opportunities for exchanges via the different commissions (see below).

From social dialogue to social effective collaboration

On top of organizing the meetings with Societas Europeas Council, the management and employee representatives have agreed to set up additional commissions that work very closely with management in order to engage in productive, useful and profitable dialogue. In addition to the commissions created last year (Training, Economic, Data Protection Commissions, CSR, Code of Ethics, etc.), Atos has created several new commissions in 2020 to discuss topics which include, but are not limited to:

- Company's economic and social measures related to Covid-19;
- SPRING Transformation Program;
- Smart Working – preparation for the new way of working after the pandemic;
- implementation of the new Human Resource Information System (HRIS);
- offshoring and automation initiatives.

Since the beginning of the Covid-19 crisis, when Atos successfully transitioned >90% of its staff to work-from-home mode, Atos has been focusing intensively on protecting and monitoring employees' health and safety, including regular weekly calls/updates with the social representatives at the SEC level.

Atos recognizes the role of collaboration of the social representatives for the most significant and most confidential topics within the Company. In addition, Atos has had in place for several years a Board Participative Body, composed of four representatives of the SEC who are associated with the works of the Board of Directors through direct participation to the meeting or discussion on the agenda points with the Secretary of the Board and one Director.

Social dialogue at local level

Beyond the extensive discussions with the SEC on European and multinational issues in many countries, regular consultations take place with local employee representatives in work councils and/or unions.

Apart from the regulatory and legally required obligations, Atos also values this social dialogue as an important means to ensure that employees are informed and involved in the development of the Company. The local implementation of acquisitions, like EcoAct, Digital Security and SEC Consult are important elements of this. Local organization structures and working conditions are topics in these consultations and negotiations.

In addition to the topics already mentioned and discussed at SEC level, the following graph illustrates some examples of social dialogue deployed during the year 2020

France

- Modification of the Company Savings Plan ("Plan d'épargne Groupe")
- Sanitary Plan (Covid-19 measures)
- Adjustment of the Bonus plan
- Partial Activity Scheme
- Site Relocation Projects

Germany

- Agreement with the co-determination bodies on the issues of short-time work
- Sanitary Plan (Covid-19 measures)
- 2021 pay increase

Netherlands

- Performance Management 2.0
- Outsourcing Tech Generic roles
- Roll-out of various internal tools (e.g. Evolve – Internal Mobility Tool, Global Profile Matcher)

Spain

- Temporary Employment Regulation
- Agreements on the training plan and the implementation of the mandatory trainings
- Health and safety bonus investments

Collective bargaining agreements

Atos realizes 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. 46% of employees are covered by collective bargaining agreements [GRI 102-41].

Collective bargaining agreements are agreements regarding working conditions and terms of employment between an employer, a group of employers and one or more employers' organizations [GRI 401-3].

Atos' collective agreements cover health and safety matters [GRI 403-4], length of maternity/paternity leave, working time, wages, notice periods, vacation time (usual and exceptional such as wedding, birth, house moving, etc.) or training.

Taking into account employees' expectations [A2], [SASB TC-SI-330a.2]

Beyond the collaboration with employee representatives, since 2010 Atos has committed to surveying employees through the annual Great Place to Work® Survey. This global survey, managed by the Great Place to Work Institute® (GPTW), helps Atos determine employees' expectations and focused areas for improvement.

The survey is structured around five dimensions: Credibility, Respect, Fairness, Pride and Camaraderie.

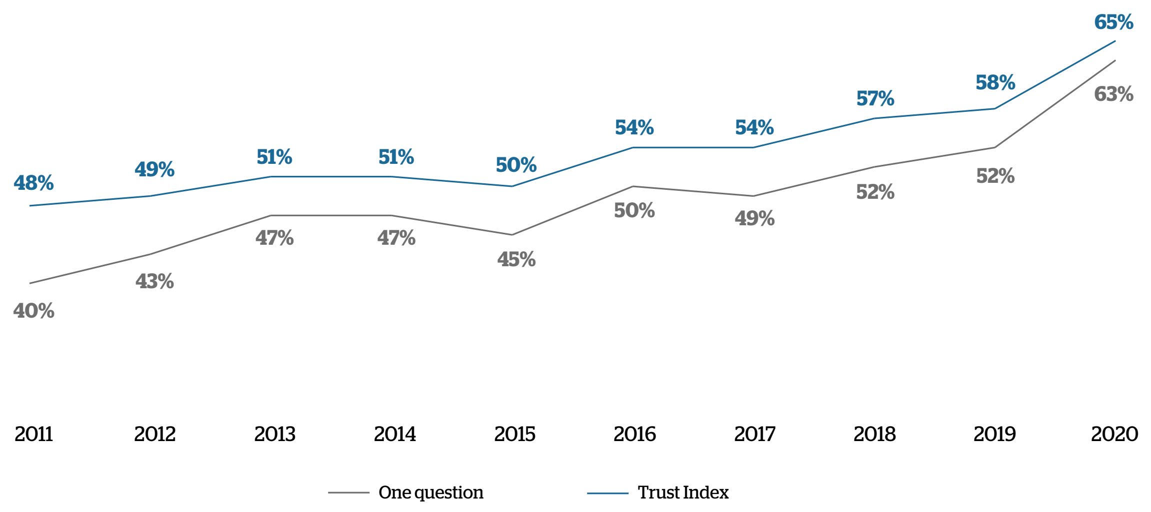
In 2020 the survey was conducted in 80 entities in 65 different countries. In total 99,611 employees were invited to take part in the survey and the final response rate was 69% reflecting the voice of 68,258 employees.

There are two key measures out of the Great Place to Work survey:

The Trust Index, which measures your perception of the workplace and is based on the outcome of a majority of the questions. While most years, we have a slight year-on-year increase, in 2020 we see an increase of +7% to 65%. the Trust Index score demonstrates the commitment and involvement of employees to share their views and to help build a great working environment together. [A2], [SASB TC-SI-330a.2]

The One Question, which refers to the question "Taking everything into account, I would say this is a great place to work." Here we see an increase in 2020 of +9% to 63%.

THE PROGRESS OVER THE PAST DECADE



Compared to 2019, Atos has improved its 2020 results in all areas:

GPTW dimensions	2020 rate	improvement ratio
Credibility	64%	+7.4%
Respect	64%	+7.2%
Fairness	63%	+5.2%
Pride	67%	+8.2%
Camaraderie	67%	+5.2%

The internal "We are Atos" program has identified dedicated actions in each participating geography, to improve employee experience and therefore, the GPTW results in 2020.

Next to the 59 closed questions Atos adds some extra questions every year. In the 2020 edition the Group decided to include further 28 extra questions to better meet employee expectations. Six of them were related to employees´ support during the Covid-19 pandemic and three of them were focused on the Decarbonization strategy of Atos.

One of the questions that was introduced this year for the first time was directly related to net-zero: 78% of the respondents answered that they "feel proud that Atos sets the highest decarbonization standards (net-zero by 2028) in its industry". Over the years we have seen a strong increase on how important CSR is to our employees. On the question:" It is important for me to work for a company that embraces social and environment responsibility as a core value". This year's score improved by 6% to 84%.

60% Of the employees that participated in this years GPTW Survey answered positive on: "I have observed concrete actions to enhance decarbonization within Atos (e.g. strong decarbonization commitments, green portfolio offerings, green technology, Atos Green app, etc.)".

Good improvement on the questions around Diversity and Inclusion, which already scored high in the previous years.

	2020	2019	Increased
People here are treated fairly regardless of their age.	76%	71%	6%
People here are treated fairly regardless of their race or ethnic origin.	85%	82%	3%
People here are treated fairly regardless of their sex.	84%	80%	4%
People here are treated fairly regardless of their sexual orientation.	86%	82%	4%

5.3.9 Assessment of suppliers CSR performance

Monitoring of CSR risk in the supply chain

To ensure ethical and compliant activities, Atos focuses a significant portion of its spend on large Tier-One suppliers, that take the same approach towards sustainability as Atos. Atos suppliers must also accept and comply with the Atos Business Partners' Commitment to Integrity.

The Atos Business Partner's Commitment to Integrity is distributed to all suppliers participating in a request for proposal process with Atos and its key clauses are incorporated in our contracts. The Business Partner's Commitment to Integrity's objective is to capture principles and actions for Corporate and Social Responsibility (CSR) undertaken by the Atos Procurement department. It advises Atos' suppliers to follow the principles of the UN Global Compact in the areas of human rights, labor, environment, anti-corruption and the related non-compliance clause throughout the whole contract lifecycle with Atos. If a supplier does not accept to respect the Atos Business Partner Commitment to Integrity because they have their own charter in place, Atos expects their charter to be at the same level in terms of principles as the Atos one. In the context of Request for Proposals, suppliers are also informed that they should respect and accept these principles as a prerequisite to be able to work with Atos. Also, they should be prepared to be assessed in depth by EcoVadis on their Corporate Responsibility performance at any time during their contract with Atos.

Atos works with the expert third party, EcoVadis to gain an insight into our strategic suppliers' activities. EcoVadis analyzes the dimensions of Environment, Labor and Human Rights, Ethics and Sustainable Procurement. The key Atos Procurement KPIs are related to the spend covered by suppliers, who have been recently assessed by EcoVadis. Thanks to the detailed analysis, Atos has a valuable overview of its strategic suppliers' CSR approach, including their strengths, weaknesses and any unethical behavior reported in the media or by NGOs. This helps Atos Procurement to identify possible risks and mitigate them case-by-case within the supply chain.

Atos Procurement's objective is to strengthen the relationship with strategic suppliers (Top 250) and have all of them assessed by EcoVadis on their Corporate Responsibility performance. Atos also encourages suppliers to hold an assessment no older than 36 months during the Atos-supplier contract period. Suppliers are asked to respond to a detailed questionnaire about their engagement in Corporate Responsibility and to provide documents as proof in support of their answers. After filling in the survey, a team of EcoVadis CSR experts analyzes the answers and documents in detail, in order to give a global score (out of 100), and a score per dimension and detailed comments including improvement schemes.

In 2020, 328 suppliers were scored or reassessed by EcoVadis, representing 63% of the total spend and 62% of our strategic suppliers [A17], [GRI 205-1]. The selection was based on the level of spend, the category risk level and the geographic risk.

The average score is 56.5 which confirms the following assessment:

- a structured and proactive Corporate Responsibility approach;
- policies and tangible actions on major topics;
- basic 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 40/100) are encouraged to implement corrective action plans and to be re-evaluated after 12 months. In 2020, 12.5% of our panel had low scores, usually because of a misunderstanding of the EcoVadis assessment process and platform. If a supplier refuses to participate in an EcoVadis assessment and is unable to demonstrate its CSR risk level through any other third-party CSR expert assessment or audit, in most cases, lead to less or no contracts being placed with that vendor.

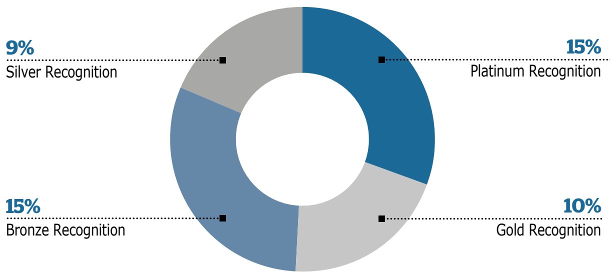
As part of the supply chain decarbonization during 2020 Atos started to use the EcoVadis assessment environment theme results to gain further insight to the suppliers environmental and specifically carbon maturity.

To broaden the spend coverage, Atos has implemented its internal carbon rating methodology as well. Based on the EcoVadis environment theme score or the Atos internal carbon rating, suppliers are classified green or red. Green suppliers are mature from a carbon perspective, red suppliers require improvement in the area. Atos stakeholders are encouraged to spend more with green suppliers and spend less with red suppliers through the internal carbon price. Red suppliers are also addressed by procurement, supplier management and other stakeholders about their red classification and Atos is offering them support to improve their carbon performance. The objective is not to terminate red suppliers' agreements, but to help them improve and become green.

The current percentage of spend with suppliers that were screened using EcoVadis including the environmental criteria is 63% [GRI 308-1].

Leading by example, Atos itself was reassessed by EcoVadis in 2020 improving its already high overall score up to 82/100, and with a score of 90/100 in the environmental dimension.

49% of the Atos spend is with suppliers who have a special EcoVadis recognition as presented in the chart below:



Supplier management and local spending
[GRI103-1 Procurement practices] [GRI102-9]

Atos Supplier Day

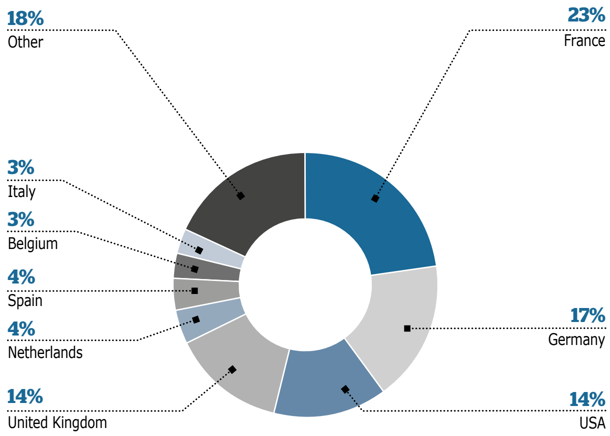
The Atos Supplier Day 2020 took place on November 12th and gathered together stakeholders from our top 250 suppliers and key partners. The event was led by our CEO Elie Girard, CPO Aurelia Tremblaye, the Procurement team, and supported by Atos Executives and senior leaders.

The Decarbonization program and the Atos ambition to reduce carbon footprint across the supply chain was one of the key topics. EcoAct, as a specialist in climate consulting was introduced as part of Atos. There were two interactive workshops around decarbonization specifically including top Atos suppliers, that helped Atos to build the network which will help deliver the Atos NetZero goal.

Through the permanent dialogue with suppliers Atos monitors the percentage of the procurement budget used for significant locations of operation that is spent on local suppliers to that operation (such as percentage of products and services purchased locally).

In the 71 countries where Atos Procurement is operating, six countries (France, Germany, USA, United Kingdom, Netherlands and Spain) represent 77% of the spend while 50 countries represent less than 6.4% of the total spend. The eight largest countries representing 82.3% of Atos spend are under control in terms of sustainability and are all located in Europe and North America.

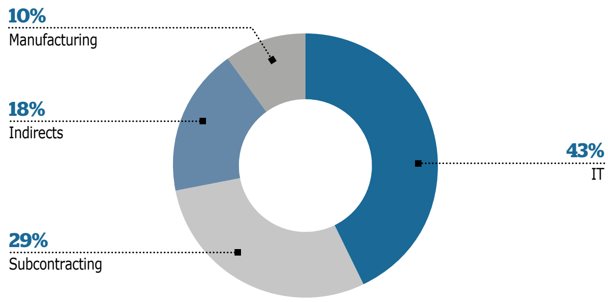
Atos spend 2020 by country
[GRI 203-2], [GRI 204-1]



Since Atos is a service company, a large part of its purchases is concentrated on people-related categories. Indeed, 29% of Atos total spend is dedicated to staffing & subcontracting. Indirects, including facility management and professional services, represent 18% of Atos total spend. These categories indirectly generate employment in countries where strong labor laws are in place. On the other hand, IT spend represents 43% of Atos total spend and is sourced from the largest IT tier-one suppliers, which are all fully in line with Atos sustainability objectives.

Manufacturing in Atos now represents 10% of spend and is mainly sourced from ECMs (Electronic Contracts Manufacturing) and/or tier-one suppliers, though a small proportion of spend is sourced from a supply chain in Asia Pacific.

Atos' spend 2020 by category
[GRI 102-9] [GRI 204-1]



Global Procurement aims to centralize spend and sign global agreements with larger suppliers. However, many of these suppliers are present in the countries that we operate in and as such 82% of the delivery of goods and services are done at local level, reducing our impact on the environment. This is also explained using vendors located in numerous countries and the use of distributors for IT materials [GRI 204-1].

5.3.10 Social Contribution/Community investments (Economic value distributed)

[GRI 201-1], [GRI 203-2], [GRI 103-1 Economic performance], [GRI 103-1 Indirect economic impact]

Atos is a people company and through its corporate citizenship program aims to inspire and be a catalyst for development in the local ecosystem. Atos aims to inspire its customers and the society to reinvent their growth model considering social trends and evolving needs of the society at large. The value distributed to society at large is aligned with the overall corporate strategy and the UN Sustainable Development Goals.

Atos' focus remains on its core competencies and strengths identifying where these can be applied to address societal and development challenges. With that principle, Atos historically focus its social contribution on themes of action where the Company could be more effective creating value for beneficiaries, employees and shareholders. Those priorities were: a) education and knowledge equality, b) youth empowerment, social insertion and employability, and c) digital inclusion. The current sanitary crisis and the expectations of its employees have enlarged the priorities to "health and safety" social activities.

The Atos approach is based on a shared global vision with local actions prioritizing the construction of long-term partnerships with universities and local NGOs. Nowadays, the Atos priorities are supporting the SDG 4 (Quality Education), the SDG 10 (Reduced Inequalities) and SDG 3 (good health and well-being), but as the local teams are the most knowledgeable about their community needs they have the capability of investing in activities that support other SDGs. In that context some local actions support SDG 1 (No poverty) and SDG 5 (Gender Equality).

In 2020, around 3,000 employees took part in several voluntary projects worldwide. These initiatives ranged from providing free IT teaching, to volunteering in schools in deprived areas, delivering ICT projects, and organizing sporting activities that helped raise funds for social initiatives. Few examples are initiatives such as:

- **The Atos´ IT Challenge**[1]

  Each year this initiative has a different objective to be investigated by students of the main schools and universities around the world. Coaches from Atos support the selected students to develop their applications in taking their solution forward. In October 2020, Atos launches its 2021 IT Challenge on Digital Decarbonization. Student invited to reflect and submit their ideas on how digital can decarbonize non-digital.

- **Partnership with TechFest and HopeTEC in USA**

  TechFest is an event held every year in a cooperative effort from the Northeastern Indiana Technology Coalition and other industry partners such as Atos. The goal is to help promote the Science Technology Engineering Mathematics curriculum (STEM) and help generate more interest in the respective fields.

  TechFest was created to "stop the brain drain" from northeast Indiana by establishing a model of cooperation between businesses and educators, and identifying and encouraging the area's students to consider STEM career pathways available at local colleges and universities that lead to careers at local employers.

  Atos also support **HOPETEC,** which allows the NGO to provide educational life empowerment programs for adults and children in the communities and throughout the Chicago Land area.

- **Partnership with Princes Trust through Million Makers program in UK**[2]

  The Princes Trust helps 13 to 30-year-olds who are unemployed or struggling at school to transform their lives.

  Atos works with The Princes Trust in 3 ways, through supporting their technology development, providing "job clubs" to help young people gain interview skills, and through fund raising through the "Million Makers Challenge"[3]. The 2020 campaign had a fundraising of more than £ 46K through the online donations up to day of this publication.

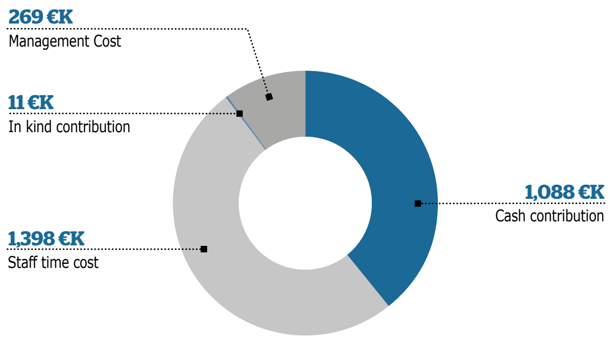
- **Atos ANTZ Mentor Programme**

  In 2020, Atos ANTZ Mentor Programme wins ICW Award for Social Impact Working with the Third Sector at this year's Institute of Collaborative Working Awards. Atos partners with ANTZ and its network of charities to deliver mentoring to prison leavers and those hard to reach in the community. The programme is also a collaboration of employees, clients and suppliers, unified by a shared goal to change people's lives by providing skills and support towards employability. The programme has delivered £ 1.2 million in savings to society since it started in 2015[4].

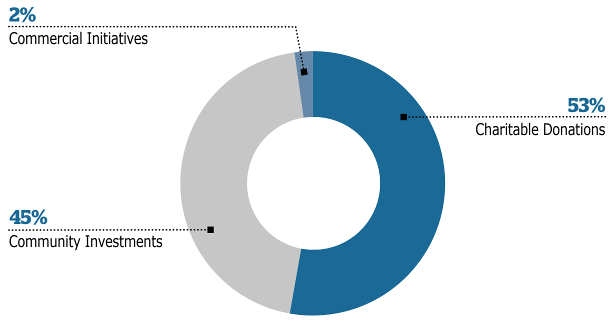
For other examples of actions taken at the local level which reflect corporate citizenship at Atos, please refer to the social initiatives described in the Integrated Report 2020.

In total, the Atos´ economic value distributed through community investment was € 2.77 million on funding for social communities in 2020. This amount includes donations to charities and social communities, plus commercial initiatives and community investments as defined in the London Benchmark Group (a reference model used by Atos to report on its social contribution) [GRI 203-1].

HOW ATOS CONTRIBUTED IN 2020 (€ K)



TYPE OF ATOS CONTRIBUTION IN 2020



1 https://www.atositchallenge.net/
2 https://atos.net/en-gb/united-kingdom/we-are-atos/princes-trust
3 https://atos.net/en-gb/2020/we-are-atos_2020_08_27/atos-launches-2020-million-makers-challenge
4 https://atos.net/en-gb/united-kingdom/we-are-atos/antz-mentoring

5.4 Governance

5.4.1 Governance Non-Financial Performance

Atos is fully committed in best-in-class corporate governance. Atos complies with all AFEP-MEDEF Code Governance recommendations. Atos was the first IT company to translate its corporate purpose into its by-laws and received a 99 percent approval for its "raison d´être" at the 2019 Shareholders' Meeting. In 2020, Atos won in France the price for sustainable business and governance.

Since November 2019, the roles of Chairman of the Board of Directors and Chief Executive Officer have been separated.

The Board Corporate Social Responsibility (CSR) Committee, in place since 2019, and led by Ms. Valérie Bernis as Chairman, is dedicated to the Group's Corporate and Social Responsibility matters. The CSR Committee is directly involved in defining the CSR strategy and priorities.

At upper management level, the SEVP Chief Digital & Transformation Officer, Head of CSR, member of the General Management Committee, reporting directly to the CEO, provides guidance and supervises the Atos Corporate Social Responsibility Program. He presents on a regular basis to the General Management Committee the latest achievements and planned objectives both at global and regional levels on the environmental and social initiatives of the Group. The General Management Committee is associated with the validation of the CSR strategy and the implementation of the program.

The global core CSR Team is led by the SVP Head of Group CSR with a core international team, as well as representatives of all support and business functions. Weekly and monthly reviews are organized to design, implement, and monitor main axes of actions and targets. Specific channels are in place to facilitate communications across Industries, Business Units and Regions.

Concerning the communications with external parties, it is interesting to mention that the SEC (Societas Europaea Council) founded a CSR Committee that has started a regular dialogue with the Atos CSR Group Head.

In 2020, the achievement of two performance conditions related to Corporate Social Responsibility, one external and one internal, referring to the Dow Jones Sustainability Index ("DJSI") (World or Europe) and the reduction of the CO_2 emissions, respectively have been included in the executive compensation and stock ownership plan.

Atos maintains the highest standards in the governance of its stakeholders' engagement and the management of relevant topics and issues.

In 2020, the two indicators tracked by Atos to measure improving client experience and associated satisfaction, the Net Promoter Scope and the Overall Customer Satisfaction, reached 65% and 8.5 respectively, improving 6 and 0.1 points over last year results and exceeding in advance the 2021 target as defined in the Atos 3 years Strategic Plan.

Despite the challenging context this year, Atos has conducted 424 Client Innovation Workshops (CIW), Strat Hacks and Multi-Client Events, 74 ahead of the 350 targeted for 2020. Due to the exceptional circumstances related to the Covid-19 pandemic, most of the CIW have been conducted virtually, being the attendees working from home, in Atos BTICs or in the client's premises, in all cases preserving health and safety of participants, following guidelines from national and local health authorities.

Atos collaborates with leading-edge technology research & development institutions and academia to foster the Group's technology ambitions, as well as engages with startups to address specific clients' needs and enrich key customers' innovation. Atos Scaler program selects every year 15+ industry specialized startups to accelerate open innovation in domains such as secure and sustainable IT disposal, anti-fraud software platforms, IoT based solutions to improve employee health and safety, driving data insights.

Atos' partnership approach keeps the Group innovating with global leaders and startups alike, with constant focus on digital security, protecting end users, IoT networks and data by anticipating and preventing threats. Atos secures the connected world, from smart cities and transport to Industry 4.0. The Group secures, also, mission-critical aerospace-and-defense systems and with solutions like sovereign cloud, data portability and blockchain traceability, Atos provides overall economic security for citizens.

Policies, processes, tools and measures are defined and implemented to ensure safety and security/cybersecurity of information, intellectual property, sites, network, personnel, software, hardware, assets owned, used or in custody by Atos and all contracts with customers and suppliers are appropriately handled so intellectual property, data privacy and confidentiality matters are in compliance with applicable laws and abiding under the highest market standards [SASB TC-SI-230a.2].

Atos, as a data controller and data processor of end-customer information, does assist and support its customers in the assessment of data processing and impact on privacy for the customer and their final own clients (end users) proposing systematically to its clients amendments, clauses and tools to guarantee the highest level of compliance with data protection principles and regulation.

5

In 2020, the Atos Global Ethics & Compliance Policy has been further updated and improved, with a special focus on governance, and a clear reminder that every employee has a role to play. Atos has in place a robust ethics & compliance program, in line with highest ethical standards and best practices. Following a risk management approach, the program consists in measures to identify, assess, prevent, detect and monitor ethics and compliance risks, alerts, issues and concerns.

A legal risk management process is fully integrated into the enterprise risk management (ERM). It comprises the assessment of a set of legal and compliance risks, including human rights, environment, antitrust or export control by members of the legal community and non-legal stakeholders (HR, IT, Security).

Since 2018, and in line with French Duty of Vigilance regulation, Atos' risks related to human rights infringements are now part of the yearly Atos Compliance Risk Mappings, performed every year by all Compliance Officers with their management, within their geographical scope and areas of responsibility.

For further information on corporate governance, please refer to Section 4 "Corporate governance" of this document.

5.4.2 Clients satisfaction and delivery capability

5.4.2.1 Permanent improvement of client satisfaction

Client satisfaction is a major Atos objective, just as supporting long-term growth is one of Atos' business goals. Associated governance includes quarterly review by the Group General Management Committee to focus on achieving processes, objectives and results. Atos commits to the highest levels of service quality, reliability and availability for all services provided to our clients.

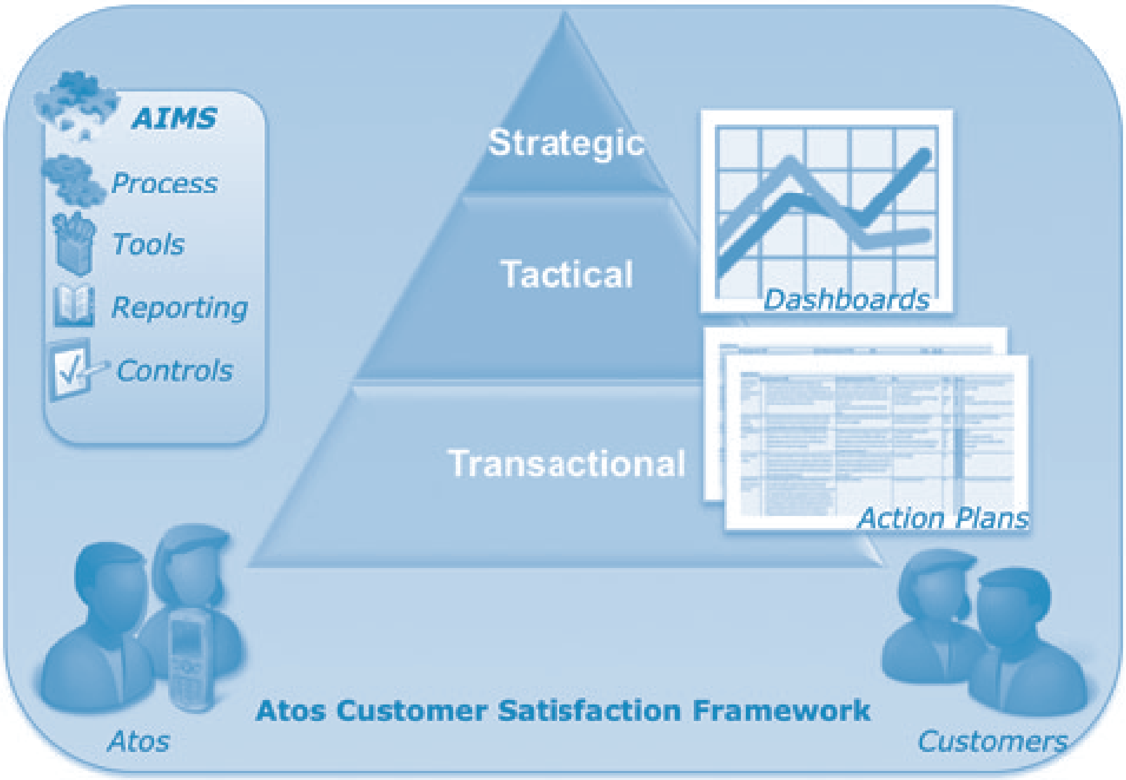
Improving client experience and associated satisfaction is the n°1 objective of Atos' quality policy and the primary focus of the Atos Quality Steering Committee, which is chaired by the Chief Group Quality Officer/Chief Group Customer Satisfaction Officer. In addition, each Atos Group General Management Committee member personally supports Top customers relationships.

As part of Atos' current 3-year plan the Group tracks two KPIs at the global level:

- NPS: Net Promoter Score;
- OCS: Overall Customer Satisfaction.

A comprehensive improvement loop is built from three layers of survey engine client feedback to drive action plans, accordingly, as described below. It links strategic, tactical, and transactional client engagement, experience and satisfaction feedback with cascading action plans to continuously improve and maintain high levels of client experience and satisfaction. This works from the strategic level, with actions such as innovation workshops or innovative proofs of concept, to tactical actions for quality and productivity improvement or customer journey mapping to improve client interactions. It also works to ensure the continuous improvement on the "shop floor" transactional operations.

Atos' three-layered satisfaction survey process and the improvement framework are represented as follows:



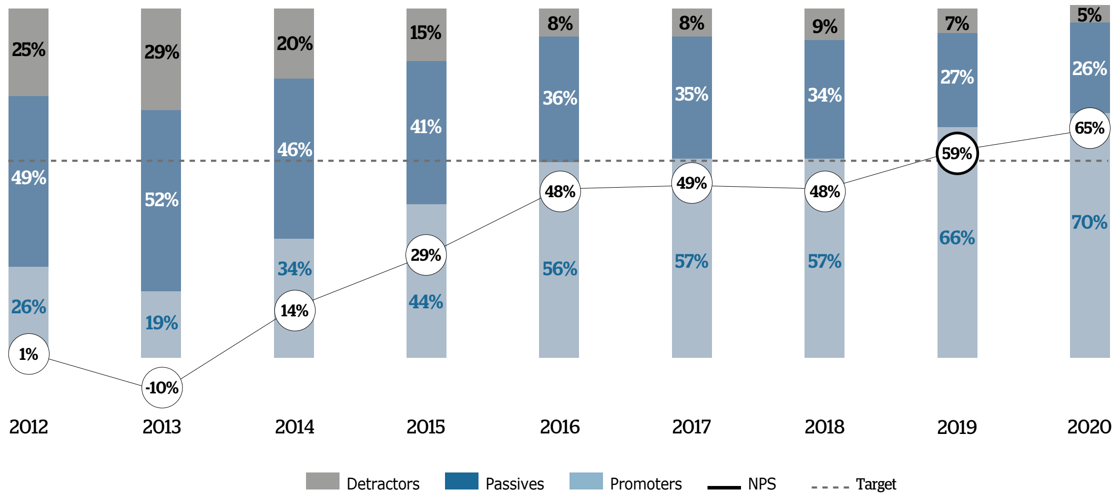
Strategic surveys are handled by Atos executive representatives (management/sales) and encompass Atos' top accounts through face-to-face interviews.

Tactical surveys are driven by the Operations and obtain feedback at contract level from the client teams related to Atos services, project deliverables, and overall performance.

Transactional surveys, for large accounts serviced by Atos, provide immediate feedback solicited from the end-users at the end of a service request or other transaction. This allows monitoring of service performance perception, impacting daily operations.

The overall improvement loops, associated tools, specific workshops and cookbooks on repetitive situations are described in Atos' global customer experience framework. The program is driven by Group Quality in conjunction with sales operations and client executives. It is driven within the Operations' quality customer experience team for the tactical surveys and associated improvement loops. Progress and feedback tracking are part of account quarterly reviews and of monthly reviews in the Operations.

At the strategic level, Atos' 3-year plan aims to reach and sustain an overall Net Promoter Score (NPS) above 50% for all our clients (larger scope). The NPS target for 2020 was set at 56% and the results achieved significantly improved the target for all clients reaching 65% for the full year.



Following our expansion of coverage to additional clients we continued the focused quality and customer satisfaction program and successfully improved the NPS for all clients again reaching 65% in 2020. Thus, we continued steady increase in our Net Promoter Score (NPS) performance, exceeding our target of 56% by far. Even so, the number of accounts responding in 2020 was unfortunately decreasing as it was quite difficult to perform the interviews during the times of lockdown related to Covid-19, especially in spring as well as at the end of the year. But even in the time of strict lockdowns Atos could manage to significantly increase the ratings as IT was seen as systemically relevant in most of the Industries during the Pandemic crises and Atos provided the special program "Always Ready" in order to perform task with highest priority to ensure a continuous operation for all our customers.

5.4.2.2 Client delivery capability

The goal of Atos is for its Operations to deliver its clients the same experience, whatever the organization working on the projects, services or solutions across the world. The global Operations secure the deployment of standardized processes across all geographies.

This commitment is at the heart of our clients' trust in Atos capabilities and is implemented via the *Atos Integrated Management System* (AIMS) and assessed through:

- Atos' ISO Multisite Certification Program (ISO MSC) covering a vast majority of Atos activities and most of the locations worldwide for ISO 9001 (Quality Management System), ISO 27001 (Information Security Management System), ISO 20000-1 (IT Service Management System) and ISO 14001 (Environmental Management System);
- ISO Multisite Certification guidance states that all Atos units with more than 500 internal employees, shall be ISO 9001 and ISO 27001 certified or in progress to achieve ISO MSC certification. Furthermore, ISO 14001 MSC certification is mandatory for all offices with more than 500 internal employees and all core data centers (excluding co-locations), while ISO 20000-1 MSC certification is under the decision of local/global management (depending on specific business need or requirement; for details, see: ASP-AUD-0004);
- Atos Controls' continual assessment program ensures that process control points are systematically implemented.

5.4.3 Research and Innovation

A dedicated chapter on Innovation and Partnerships is included in the "Sales and Delivery" section of this document, as core for the digital transformation to accomplish clients' and stakeholders' expectations.

Core domain	Specific section	Covered in chapter:
Innovation	Innovation and Partnerships, Scientific and Expert Community	2.4
Research & Development	Research & Development	2.4.1
Partners	A unique ecosystem of technological partners	2.4.2
Start-ups; Open Innovation	Atos Scaler, The Accelerator, The value of industry-centric open innovation	2.4.3

We would like to describe some additional information to the referred above directly related to sustainability and social aspects.

Client Innovation Workshops (CIW) [A10]

This Atos KPI includes the number of "Innovation Workshops", "StratHacks" and "Innovation Multi-Client Events" promoted by the Global and/or Local Industry and Global and/or Local Divisions and delivered to our clients with the support of the Atos Scientific Community and our network of Business Technology and Innovation Centers (BTICs):

- StratHacks: It is a co-innovation session with senior client stakeholders targeted at exploring solutions for a real business problem that needs fixing;
- Multi-Client Events: It is an Innovation Workshop with several clients from the same Industry/sub-Industry or from different Industry/sub-Industry.

The objectives of these CIW are to demonstrate Atos thought leadership, develop innovation awareness and position the Group as a strategic innovation partner for its clients.

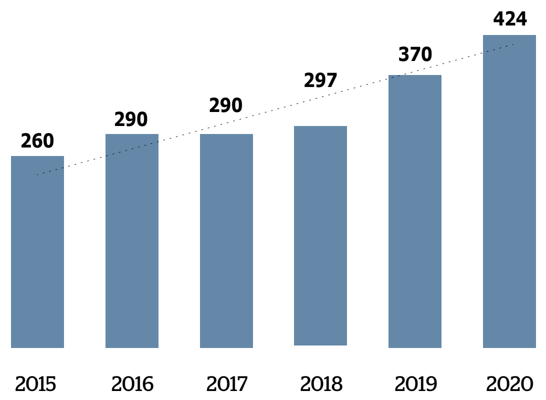
Atos continues to invest in its Business Technology Innovation Centers around the world. Atos has a network of nine Business Technology Innovation Centers (BTICs) located in Bezons (France), Munich (Germany), London (UK), Amsterdam (the Netherlands), Vienna (Austria), Madrid (Spain), Chennai (India), Dallas (USA) and Bangkok (Thailand).

This year a new CIW Dashboard employing a Book Workshop Tool (BWT) has been developed so the full company can leverage on the knowledge and results from the CIWs.

Atos has conducted record high 424 CIW in 2020, most of them organized in a totally virtual way, far ahead of the 370 and 297 held in 2019 and 2018 respectively. 116 of them were done on 45 Atos Global Integrated Accounts (GIA).

The CIW evolution of the last years is presented in the next graphic.

CIW YEARLY EVOLUTION



Research and Development with Academia and Research Centers

Leading-edge technology research and development, supported by academia, drives the progress of our industry and our business. These technological advancements lead to profound societal benefits as well as commercial opportunities across the Industries in which Atos operates.

These partnerships generate three areas of value:

- increased reputation for Atos in the marketplace through world class academic R&D engagements;
- increased revenues through the development of market-differentiating capabilities and products;
- increased capabilities and expertise through the attraction of new high-quality talent to the Group.

During 2020 a new University Technology Partnerships function was established to provide additional focus on these activities. We have developed an academic engagement framework to measure and recognise the value of these activities, which include:

- joint Research & Development aligned with eight Strategic Technologies defined by the Atos Chief Technology Office;
- PhD students working within Atos teams, applying research topics in practice;
- University Chairs with joint customer funding;
- teaching and other curricula-related activities.

With over 100 engagements worldwide and an increasing geographical footprint, the program is furthering the Group's technology and research ambitions.

Academic research areas aligned with CSR topics investigated during 2020 include:

- methane capture technologies to support decarbonization initiatives;
- technologies that provide monitoring and support for the elderly;
- environment simulation.

In addition to research being conducted to advance future CSR solutions for our customers and for society, activities supporting more immediate student development include:

- summer schools;
- the specification and oversight of projects undertaken by students during their studies;
- the Atos IT Challenge competition;
- lectures and hackathons.

We have also supported young people with educational activities such as PC-building exercises in Scottish schools and similar educational programs with the Big Bang science fair in the United Kingdom.

During 2021 the program will continue to develop the academic ecosystem and CSR topics shall remain a core component of our research focus.

Atos Intellectual Property (IP) Steering Group

At the end of 2019, the Atos Intellectual Property (IP) Steering Group was created by Atos CEO, Elie Girard. The Group is composed by the Group CTO, the Group Finance SVP, Technology Investments & Insurances, a Special Advisor and the Group Head of Intellectual Property/LCM. The Atos IP Steering Group has the responsibility to oversee all patents related matters and more widely any Intellectual property issues for the Group.

In 2020, the Atos IP Steering Group started together with Group Communications a new series highlighting who are at the heart of innovation at Atos: our inventors. With the "Patent of the Month" series, Atos recognizes one inventor and his/her patent per month. To continue putting the focus on the innovation they are developing within the company, the IP group decided to congratulate 107 inventors around the world through a trophy for patents filed in 2019. With the first edition happening this year, this initiative will become annually, always recognizing the patents of the previous year.

One of the inventors this year was recognized for a patent that helps make emergency services more responsive, remote work easier and pave the way to decarbonization in software.

In 2020, Atos has filed a total number of 82 new patents, with a strong push on patents on Artificial Intelligence (+124% compared to 2019) and Edge Computing (+163%).

Accelerate open innovation with startups

One of Atos' strengths is its ability to leverage the worldwide startup economy to design unique solutions for its clients. For the past few years, involving startups has become an essential part of Atos' approach to inspiring large corporates in achieving their objectives to stay ahead of the pace of innovation. In addition, collaborating with young entrepreneurs is a stimulating and constructive experience for Atos employees, helping them explore new and pioneering solutions for their clients.

Underpinning our industry-by-design, business execution and sustainable decarbonization programs; Atos Scaler is committed to unleashing the value of innovation from concept to industry application with accelerated time to market. Every year, 15 startups (14 in 2020) are selected to develop their projects according to specific customer interests and will contribute to enriching Atos offerings. Scaler is a key asset supporting our development and enriching key customers' innovation.

Concrete industry use cases and vertical applications are at the heart of Atos Scaler. Scaler startups add value to our customer journey as:

- they answer customer challenges, with concrete industry-specific use-cases;
- customers already confirmed their interest for their solutions;
- they integrate with Atos industry offerings and are ready to sell.

Atos gives the startups access to our customers and partners and helps them sign new business translates open-innovation into concrete business realization.

- the first rule of Scaler is that all startups meet our customers. Even further, they are integrated into account planning in all regions;
- we not only plan with the startups. We execute together. They participate in demos at all BTICs and they are on the agendas of 300+ customer innovation sessions per year globally.

Examples of Innovation related to Social Responsibility

GAIA-X Foundation

Atos participates as a founding member of the GAIA-X Foundation, a non-profit organization setup to create the next generation of data platforms for Europe, its member states, companies and citizens.

The creation of digital ecosystems requires building trust and interoperability across all cloud users and providers. GAIA-X will address this challenge through a common set of policies, an "Architecture of Standards" and a set of "Federation Services" which bring together existing Cloud providers and their services and in which data and applications can be handled in a way that ensures full control, transparency and interoperability. Its aim is to develop common requirements for a data infrastructure for Europe: a secure, federated system that meets the highest standards of digital sovereignty while promoting innovation. This project is the cradle of an open, transparent digital ecosystem, where data and services can be made available, collated and shared in an environment of trust.

The GAIA-X Foundation, formed by 22 organizations (digital leaders, industrials, academia and associations) including Atos, underlines a joint commitment to a transparent European process, openness and broad participation.

Supercomputers for weather forecasting and climate centres

Atos provides the most energy-efficient supercomputing system for weather forecasting and managing air quality in urban areas[1].

The German Climate Computing Centre and the Croatian Meteorological and Hydrological Service (DHMZ) are two of the organizations that have trusted Atos in 2020 and acquire Atos supercomputers to accelerate and deliver more precise weather forecasting and to improve and optimize their system used for managing and monitoring air quality in urban areas.

Atos is a specialist in the provision of leading technologies for some of the world's leading centers in the Weather Forecasting and Climate community, such as the European Centre for Medium-Range Weather Forecasts and the French Meteorological Service Météo-France and has worked closely together to optimize applications, explore and anticipate new technologies, and look for increased efficiency and reduced TCOs.

In 2020, Atos has developed its new scalable, open, robust and secure HPC Software Suites to enable users to effectively manage their supercomputing environments, optimize performance and reduce energy consumption. These software suites can be used on Atos' BullSequana X supercomputer product line. HPC Software Suites includes: Smart Data Management Suite, Smart Energy Management Suite, Smart Performance Management Suite and Smart Management Center xScale.

In addition to enabling its clients to manage their supercomputers effectively and efficiently, Smart Energy Management Suite is used to manage energy whilst optimizing performance, to ensure that their HPC system is as energy efficient as possible with an optimized carbon footprint[2].

Atos has 30 supercomputers in the TOP500, including the supercomputing system at Forschungszentrum Jülich, named JUWELS, that is the most energy-efficient supercomputing system in the TOP100, ranks #3 on the Green500, #7 on the TOP500 and #5 on HPCG rankings[3].

Always ready to implement technology to aid social distancing

Despite the highly connected, information-dense world in which we live, disseminating accurate, up-to-date information about Covid-19 remains a challenge.

Atos has developed a virtual assistant that helps users get instant, accurate answers about Covid-19 symptoms, reducing the strain on physician offices and ERs. Built with data from the U.S. Centers for Disease Control and Prevention (CDC), the virtual assistant uses an AI-powered online symptom checker to disseminate critical information to the general public.

1 Additional information in https://atos.net/en/solutions/high-performance-computing-hpc
2 https://atos.net/en/2020/press-release_2020_11_19/new-hpc-software-suites
3 https://atos.net/en/2020/press-release_2020_11_17/atos-powers-europes-fastest-supercomputer-at-julich-in-germany-the-most-energy-efficient-system-in-the-top100

The chatbot is available 24/7, ready to provide authoritative advice about a patient's symptoms as well as any precautionary steps that should be taken. It uses an intuitive, low-friction interface to answer user questions, as well as an e-scheduler that can book any required appointments. The chatbot employs an integrated RPA and API-driven workflow to handle hand-offs, fulfillments and escalations when required. It uses Natural Language Processing and sentiment analysis to understand user responses and provide prescriptive recommendations for individuals.

Innovation is at the heart of Atos commitment with the communities we serve. During the Covid-19 crisis period, Atos is applying its digital and industry expertise, its technologies and people to join the fight against Covid-19. Helping students with remote collaboration tools, providing the supercomputer data crunching muscle to search for a Covid-19 vaccine or enabling remote consultations with patients, Atos innovation is at the service of the community, helping citizens to live and work sustainably and confidently in an ever changing digital landscape.

Sustainability Offerings

Atos measures the impact of some relevant practices on the sustainability of its clients and the estimated revenue is disclosed through the indicator A7.

The indicator A7 is calculated based on the revenues of the sustainability-oriented offerings that Atos sells to its clients. In the framework of the development of the new Atos SPRING portfolio and in line with sustainability requirements, and in particular in accordance with the new EU Taxonomy assessments, Atos is reviewing its offering in terms of its contribution to the key sustainability dimensions Environment, Social and Governance (ESG).

In 2020, solutions from the Atos Practices: Digital Workplace, Cloud, Data Center, Internet of Things (IoT) supported by cybersecurity and Data Protection made a significant contribution to the sustainability of business processes. To assess their sustainability impact, these revenues are multiplied by an index that assesses the degree of sustainability within each offering (from 20% to 100%). Sustainability-oriented offerings are identified and the associated indexes (degrees of sustainability) are set by Atos Group Solution Managers based on the screening of offerings on 24 aspects regrouping economic benefits, social impact and human rights, environmental footprint and climate change, governance trust and compliance provided by the offering. Whilst this methodology assesses the main positive impacts of Atos' offering in terms of sustainability, some offerings and relating impacts may not yet be taken into account. The overall process is coordinated at Group level. Atos SPRING portfolio sustainability impact will be therefore further updated.

Early 2021, Atos created a dedicated Decarbonization practice. Digital solutions from Atos that directly contribute to decarbonization are bundled in a specialized Decarbonization Portfolio (see section 5.3.6 Digital for decarbonization to address clients' challengesr). Atos will continue to expand its portfolio in terms of contribution to ESG factors, focusing in particular on the contribution to Decarbonization.

In 2020, revenues of the sustainability-oriented offering (indicator A7) amounted to € 3,114 million, a 13% increase compared to the previous year's value (€ 2,763 million).

5.4.4 Security and data protection

[SASB TC-SI-230a.2], [SASB TC-SI-330a.1]

Governance

Pierre Barnabé, SEVP member of the Group Management Committee (GMC), Head of Public Sector & Defense, Head of Big Data & Cybersecurity and as Executive in charge of Group Security function, oversees the cybersecurity strategy in the Cybersecurity/Information Security Committee which is responsible for cybersecurity strategy at Atos. He advises the Group Management Committee on trends, company activities and approach with regards to cybersecurity. Within the executive management team, the role of Chief Information Security Officer (CISO)/Chief Security Officer (CSO) is responsible for overseeing cybersecurity within the Company.

The Group Security organization is led by Paul Bayle, the Head of Group Security and Group CSO who in turn reports to Pierre Barnabé and is responsible for implementing, managing and keeping the Atos' Information Security Management System (ISMS) state of the art.

The Atos' Information Security Management System (ISMS), built in 2001, is mandated across all Atos legal entities. The Security organization manages the continuous improvement cycle required by the ISO 27001 certification. Planned enhancements to the ISMS include a single set of security policies that are harmonized across all areas of Atos worldwide.

The Head of Group Security is supported by practice heads. These consists of security heads of five Regional Business Unit, the Chief Information Security Officer and the Head of Group Safety. Each Regional Business Unit has a Chief Security Officer. The divisions have each a Global Divisional Security Officer. In total, Group Security comprises of some 80 full time staff, regrouped into a support function and deployed around the globe.

Each semester, the Head of BDS & PSD and the Head of Group Security make a presentation to the General Management Committee covering cybersecurity and safety including trend, priorities, major incidents, projects and changes to policies and infrastructure.

The appointment of a new Group Chief Data Governance Officer at the start of 2020 has enabled closer working relations between Group Security & Data Protection, resulting in each providing greater support to the other to the benefit of Atos and their customers.

The Group's main certifications regarding security include ISO 27001, ISAE 3402 and PCI/DSS for election of Atos data centers which house customer payment systems.

A comprehensive approach to the protection of assets

Atos' Group security organization has a comprehensive set of Global Security and Safety policies, standards and guidelines. The Atos Group Security policies are mandatory and binding for all Atos entities and employees worldwide in order to guarantee the safety and the security of Atos internal and external (i.e. "customer related") business processes.

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).

The main Atos security policies are part of 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;
- AP58 Atos Security Requirements for partners and suppliers.

In addition, Atos has defined and implemented 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.

To ensure that appropriate provisions are included in Atos contracts with customers and suppliers, and that confidential matters are appropriately dealt with in compliance with applicable laws, Atos Legal, Compliance & Contract Management department advises on all commercial transactions.

Atos monitors and governs sanctioned and unsanctioned Cloud services via web proxy services and integrated security tooling, allowing Atos to protect its information in the Cloud.

Atos also has implemented policies and procedures for all employees in order to ensure that they are aware of threat issues and the importance of information security/cybersecurity:

- an information security/cybersecurity policy is internally available to all employees;
- information security/cybersecurity awareness training is available to all employees: During 2020 the percentage of employees who successfully performed the Safety & Security E-learning was 97%, and the percentage of employees who successfully performed the Data Protection e-learning was 94%;
- a clear escalation process is available to all employees who can be easily follow in the event they notice something suspicious is in place;
- it is the responsibility of all members of staff to adhere to the Atos Security Policies and related standards, procedures and guidelines. Breach of these documents may result in disciplinary action, up to and including termination of employment.

Concerning the training for employees, a new cybersecurity & safety online training course has been developed and was deployed in some regions in October. Currently 31% of staff have completed this which involves passing a mandatory test. The Data protection online training course will be reviewed, and the new version deployed during 2021.

In 2021, the A3 KPI relating to the number of staff who have completed these training courses will be based on the new modules.

Other security measurements in place: Phishing Campaign

- Atos conducted 4 Phishing campaigns during 2020. Almost 370,000 emails were sent in total, using a variety of templates. On average, each in-scope Atos employee received one email per campaign, requesting them to click on an embedded link. Employees who did so were identified and required to undergo a Phishing Awareness training program. The number of employees requiring training reduced significantly throughout the year as a result of this. 96% of Atos staff avoided being Phished during these campaigns.
- Within the Atos Outlook application, a Suspicious Mail Reporting button has been implemented. This enables employees to report suspicious looking incoming mails to Atos SOC for analysis and feedback to the reporting employee.
- All emails from a non-Atos address now generate a pop-up message warning the recipient that this is an external email and of the need to be extra vigilant before opening attachments or clicking on an embedded link.

Additional controls have been defined and implemented to improve email security while at the same time, the email infrastructure gateways have been upgraded to improve email filtering.

Multi Factor Authentication (MFA)

- In 2017, Atos accelerated MFA deployment to protect against multiple threats associated with password authentication. Atos consistently extended this deployment with its newly acquired Syntel staff during 2019 and 2020. Atos now has a very large deployment and is enforcing MFA deployment across the entire organization, all business entities and all countries.
- Atos has developed a new MFA service on its authentication portal to permit MFA with mobile phones using a third-party application. This new MFA protocol is in addition to PKI card authentication, One Time Password authentication and PKI card calculators, allowing Atos to offer MFA to all its employees and ensure it is applied to all Atos critical applications authentication.

A KPI of the success of the Multi Factor Authentication has been added to the Group cybersecurity dashboard during 2020, compliance is currently measured at 92%.

Incident Response: Business continuity in the face of Covid-19
[SASB TC-SI-550a.2]

In response to the Covid-19 pandemic, Group Security initiated and coordinated the management and response to the Covid-19 crisis. Following the Group security crisis management methodology, Group Security brought together the senior management and have coordinated the various teams' responses. The Crisis team constantly monitors, defines and coordinates mitigation actions to protect Atos employees, ensure business continuity, including establishing a pandemic plan, activating business continuity plans, coordinating suppliers and clients, undertaking legal reviews, introducing a remote on-boarding process for new joiners, and reinforcing security rules.

Prescriptive Security

During 2020, Atos's digital security service has been further enhanced by the introduction of two new components:

Firstly, the **UBA (User Behavior Analytics) Service** with usage of big data for advanced security analytics. This focusses on modern technologies such as data science, machine learning, artificial intelligence, etc. to enhance our security analytics capabilities and to allow handling of increasing volumes of data coming from heterogeneous types of devices and technologies. Big data analytics reduces the time taken to detecting attacks and therefore improves response times.

Secondly, **SOAR (Security Orchestration Automation and Response) Tool** which is a key enabler of changing legacy SOC into next generation Prescriptive SOC. SOAR has resulted in the automation of many previously manual processes and facilitated the connectivity of numerous security systems and platforms. As a result, the quality of data for deep dive analysis and well-defined workflows for more precise Threat Hunting have improved significantly.

Atos is certified ISO 27001. The impact of security incidents, including data breaches, is minimized through the implementation of a Computer Security Incident Response Team to manage all security events and security incidents worldwide [SASB TC-SI-230a.1]. In addition to a crisis management policy, Atos has an established Cyber Emergency Policy to ensure a consistent methodology is applied in addressing any declared cyber emergency event.

Supplier monitoring and external Security Benchmarking

Atos continues to use an industry-recognized security scorecard comparison supplier to benchmark its suppliers and its own (including Atos subsidiaries) performance against key competitors. This permits Atos to control the maturity of its suppliers and launch actions to improve their cybersecurity which demonstrates that Atos is consistently outperforming its main competitors. Should the security scorecard show a reduction in score, Atos uses this as a key indicator for the initiation of change to improve Atos suppliers and Atos' own security position in the market.

Group Cyber Security Dashboard

The Group Cyber Security dashboard is a visual display of the automated feeds, without any human intervention, to indicate with high reliability at any given point our security posture. The dashboard has been structured using the NIST[1] cybersecurity framework categories: identify, protect, detect, respond and recover, which in conjunction with the use of RAG indicators assist in enabling prioritization of where focus is to be given in near real-time on an ongoing basis. This is seen as a critical tool for the security community and other stakeholders within Atos to facilitate rapid management of evolving threat actors.

The dashboard provides various layers of visualization and data, from the holistic view of the entire group estate right down to users' specific area of responsibility. Generation of reports to the senior leadership Committee and other key stakeholders can be provided which gives the status at the most current point. Each KPI target is reviewed twice yearly to aid in improving our security culture and maturity level.

Whilst this tool is predominately used to visualize key performance indicators, some areas where knowledge and focus is required by security is inappropriate/unable to be provided with a formally defined KPI, for example the ability to search by IP or host name and understand where it is located and its' current security posture at an asset level. These elements are also displayed in the dashboard and noted by category below.

From the inception of the cybersecurity dashboard in 2017, there are now 29 security areas that have formal Key Performance Indicators, six of these have been added during 2020.

1 *https://www.nist.gov/cyberframework*

New or enhanced categories added to the Dashboard in 2020 include:

- phishing ratio – the percentage of Atos employees who avoided being Phished during Atos Phishing Campaigns;
- advanced threat protection compliance – the percentage of Atos workstations with latest security solution installed;
- vulnerability status across the three main Atos networks categories (3 KPI's) – percentage of network assets without detected critical vulnerabilities;
- multi factor authentication enforced for users when connecting to corporate applications.

Security key performance indicators (KPIs) and reporting [SASB TC-SI-230a.1]

The Group Security Dashboard continues to be a key tool in assisting Atos to demonstrate its security approach. Further categories have been integrated into the dashboard to strengthen the ability to identify the constantly changing threat environment. KPIs have been improved by better definition, delivering more meaningful information to the relevant support functions and enhancing the capability to demonstrate the value of security. The following list set out the Key Performance Indicators reported on in section "A3", some of which are monitored with the new Security Dashboard on a daily basis:

- percentage of employees who successfully completed the safety & security e-learning;
- percentage of employees who successfully completed the data protection e-learning;
- percentage of open security incidents vs closed;
- percentage of compliance to malicious code prevention;
- percentage coverage of ISO 27001.

From a security performance management perspective, Atos is monitoring the deployment of ISO 27001 at all Atos in-scope sites.

In 2020, the External Certifier (Ernst and Young) audited a total of 12 locations in the busines units and Atos performed 171 Internal Audits at further sites.As summary, Atos has the right processes in place to prevent IT system interruptions and cyberattacks and it is well-prepared to react in case of such events.

- Atos has business continuity/contingency plans and incident response procedures in place which are tested at least semi-annually;
- the IT infrastructure and information security management system are certified according to ISO 27001 standard;
- Atos has other additional procedures implemented to assure the security of the IT infrastructure/information security management systems:
  - IT infrastructure and information security management systems are yearly audited by external auditors,
  - Atos does vulnerability analysis including simulated hacker attacks.

During 2020 Atos did not experience any security incident which resulted in our having to pay penalties or suffered revenue losses. Security events are rapidly identified, and prompt action is taken by security staff following established processes. As such, security incidents had only limited impacts on Atos and/or its business. No security incident exposed Atos to the application of penalties or claims as such (other than incidents covered within the application of SLAs in the normal course of business). No other costs were incurred by these security incidents.

To capture all Group security events and Group security incidents, Atos relies on a network of more than 200 Atos Group Security Officers worldwide. These security events and security incidents are reviewed in a weekly Security Operations Review which is chaired by the Atos Group Chief Security Officer (Atos Group CSO) as mentioned before.

Charter of Trust

Atos is one of the founding members of the Charter of Trust which was formally launched at the Munich Security Conference (MSC) in February 2018. As part of this worldwide agreement, the MSC and the globally active companies defined important principles for a secure digital world and are committed to contribute to the value and the further development of the charter for greater cybersecurity.

Atos Group Security created a Charter of Trust (CoT) team who act externally in the different CoT Task Forces as active Taskforce leader or member and ensure Atos internally maintains compliance with CoT principles and security requirements.

Emerged from the Charter of Trust Principle 2 working group whose aiming is "securing the digital supply chain", Atos have identified 17 "baseline requirements" that allow the Company to update its "security requirements for suppliers" accordingly. This document has been cascaded to Atos' suppliers with newly-issued purchase orders and a request for acknowledgement by our TOP 250 vendors, allowing Atos to strengthen its security approach towards its supply chain.

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Enhancements during 2020 include:

	Principle	Enhancement
2	Responsibility throughout the digital supply chain	Published "Common risk-based approach for the Digital Supply Chain" report
3	Security by default	Finalized Explanatory Document for Phase 1 Baseline Requirements (Products, Functionalities, Technologies)
6	Education	Strengthening community driven learning by exploring platform solutions (TrustNet)
7	Certification for critical infrastructure and solutions	Drafted Explanatory Document outlining a common approach, best practices, and created Chain of Trust models for certification standards
8	Transparency and response	Established Charter of Trust policy for threat information sharing, commenced human to human network and launched the proof of concept for threat intelligence platform

Data protection

The Atos Group Data Protection Policy applies to the entire operations across the whole Atos Group. Moreover, all Atos companies have adopted the Atos Binding Corporate Rules.

Regarding suppliers, the Privacy Policy of Atos provides key principles that apply to suppliers by the way of contractual clauses and commitments that frame their mandatory obligations regarding privacy, and this includes the Privacy Policy principles. Strictly speaking, the Privacy Policy does not form a contractual policy for suppliers because they have their own policy in place. Nevertheless, the suppliers and partners are regularly assessed:

- they are selected by a call for tender process including the privacy policy principles and an assessment of the personal data processing through a Compliance Assessment of Data Processing (CADP) tool composed of formal check lists of questions and tabs related to the supplier:
- they are bound by Atos procurement agreement including a Data Protection Addendum considering the privacy policy principles.

In addition, to complete the assessment, a Vendor Evaluation Questionnaire (VEQ) was already sent to more than 3,000 suppliers to have a view of their Data Privacy compliance and management.

5.4.5 Ethical management of data

[GRI 103-2 Customer privacy], [GRI 103-3 Customer privacy], [SASB TC-SI-220a.1]

5.4.5.1 Customers/Clients information

As an IT services company, Atos processes only limited end-customer information. Accordingly, while Atos processes extremely large amounts of data, including end-customer data, it only acts on behalf of its own customers: it holds a role as a **data processor** and not a data controller. However, Atos does assist and support its Customers in the assessment of data processing and the impact on privacy for the Customer and their final own clients (end users).

Accordingly, with regards to the end user information it may receive, Atos will comply with the explicit instructions of its clients that the Atos' Compliance Assessment of Data Processing tool (CADP) contributes to track, formalize and document.

Therefore, to ensure that Atos customers comply with the highest level of compliance with data protection rules, Atos systematically proposes to its clients:

- to amend former agreements in place to consider the General Data Protection Regulation (GDPR);
- to implement a reviewed data protection set of clauses including GDPR principles ("Atos –Standard data protection clause") in which Atos requires its customers to guarantee that they have provided adequate information in relation to data protection, so their data subjects benefit from the principles of Data Protection by Design;
- to assess any processing of personal data of final customers by a tool designed and developed by Atos and called the "Compliance Assessment of Data Processing" that shall be completed progressively as part of the bidding and contracting process by the relevant members of the bidding, solution and sales team as well as, where relevant, Subcontractors, with the support of or based on the information provided by clients. The CADP, being part of the contractual documentation with clients allows to gather the necessary information regarding the way in which personal data is processed and ensure that clients have defined an adequate fashion to inform their own customers. All relevant documentation including the CADP-P are gathered in the Atos' Account Client Management System (ACM).

Acting as a Data Controller and Data Processor Atos does not use any customer data for secondary purposes. [SASB TC-SI-220a.2].

Atos use customer's information in a B2B context, i.e. for marketing purposes or when performing contracts with the companies the individuals represent to Atos, strictly in line with local Data Protection obligations. Atos use at least Opt-Out mechanism if applicable, and use (single) Opt-In or Double Opt-In mechanisms in jurisdictions requiring. A data subject's consent always supersedes any other mechanism, hence once consent has been withdrawn Atos does not seek alternative mechanisms to circumvent the data subjects clearly expressed will not to receive Marketing Information.

Acting as Data Processor, Atos provides support to its Clients in order to answer data subjects' requests, including access, portability, correction and deletion requests; Atos informs website visitors regarding Data Privacy[1].

Atos inform its clients on the following privacy protection issues:

- nature of information captured;
- use of the collected information;
- possibility for customers to decide how private data is collected, used, retained and processed:
  - opt-out option is available,
  - opt-in consent is required,
  - request access to data held by the Company,
  - request their data be transferred to other service providers,
  - request their data be corrected,
  - request their data be deleted;
- how long the information is kept on corporate files;
- how the information is protected.

5.4.5.2 Protecting personal data in a data driven world

In a digital world driven by data, the main concern to build the necessary trust for digital business is based on protecting data and especially personal data by reducing the risks of incidents and breaches of customer privacy and losses. Atos has for many years positioned itself as a pioneer in the market with regard to its approach to the protection of personal data. Based on the comprehensive security organization, strong and enforced policies, interdisciplinary collaboration, and the intensive cooperation of all data protection experts within the Company, Atos follows the strictest data protection standards.

The Company could be materially adversely affected if it fails to protect its clients' data and therefore fails to comply with data protection requirements. Moreover, ethical aspects and responsibility as an employer and as a business partner require a strict implementation of data privacy mechanisms.

The main Atos policies or procedures for (or linked with) personal data protection are part of the Atos "Book of Internal Policies":

- AP17 Atos Personal Data Policy;
- AP21 Atos Personal Data Breach Policy;
- AP22 Atos Binding Corporate Rules;
- AP82 Policy for Access to Atos IT Network User Data;
- AP58 Atos Security requirements for Partners and Suppliers.

Atos implemented the policies, rules and requirements mentioned above into its operations and continues to enforce them. This approach was initiated through the GDPR program launched in 2017. As Atos top management considers Data Protection to be an ongoing endeavor that has to be put into practice by everyone, it continues to support it both, at global and at local levels.

The Atos data protection policies encompass the protection of all personal data collected or held in custody by Atos (acting as a data controller or acting as a data processor) with a focus in 2020 on the sharing of personal data (internally by the Atos Binding Corporate Rules (BCR) rollout and externally by the Atos Security requirements for Partners and Suppliers that include data protection requirements). Atos requires all its suppliers to comply with the same high data protection standards that it has set for itself via its above-mentioned policies or based on applicable data protection legislation.

Atos has also implemented a range of processes and tools (such as a Group-wide compliance assessment for data processing tool and a Group-wide Record of Processing activities tool) internally to assess risks and enhance the management of data privacy monitoring, documentation and Data Protection Impact Assessment.

5

1 *For more details, please read Atos Privacy & Cookies Statement at https://atos.net/en/privacy*

Atos IT, who is in charge of the Atos internal applications supporting most of the internal data processing activities of Atos as Data Controller around employees, customers, suppliers or partners as data subjects, has revised its Enterprise Application Policy (ASM-GIT-0006) and Enterprise Data Policy (ASM-GIT-0007) to translate in IT terms the requirements of personal data protection. To ensure awareness among the Atos IT staff, specific training modules have been elaborated around those revised policies, stressing the personal data protection aspects: identified ownership, documented data acquisition and propagation flows, explicit life cycle definition, consistency rules and quality indicators, special attention to backups, log files and archives (retention period, authorized access, protected storage). In addition, regular programs are executed to expand the coverage of the data policy to all the organization through improved awareness training of the Data-owners and constant update of the enterprise data inventory. The continuous improvement of these tools and processes allowed Atos to further integrate the "accountability principle" in a stringent way. Based on a data protection management software Atos modernized and automized in 2020 its assessment process for activities performed in the role of the Data Controller. At the same time the assessment process for activities performed in the role of the Data Processor went through the half-yearly regular improvement process. By these means Atos could strengthen its register of processing activities as well as its data protection or privacy by design approach in the creation and implementation of its systems and services.

To support this renewed commitment and approach, Atos has maintained a strong community focused on data protection topics, which will continue to grow through time allocation and training. Atos allocates significant resources to the management of this topic. As from April 2018, a Group Chief Data Governance Officer (GCDPO) reports directly to the Group Deputy General Counsel who reports to the General Secretary, member of the Group General Management Committee. In 2020 the Atos Community of Data Protection experts – a network of Data Protection Officers and (Legal) Experts – grew from 86 to 96 members, who are closely working together on a day-to-day basis, managed by the Atos Group Data Protection Office and in close cooperation with the Group LCM department and Group Security. Several working groups have been established in this community, amongst others for creating and testing data protection related KPI reporting (foreseen to be implemented in 2021), renewal of the Atos internal DPO cookbook (a comprehensive guideline for new joiners in the Data Protection Community), review of Atos Privacy Notices, and reviewing policies and tools.

The Atos Group Data Protection Office combines legal and operational skills regarding data protection and works in close collaboration with security experts and the Atos security organization. Applying change management and risk management as fundamental elements in the continued implementation and extension of this strategy in operations ensure a sustainable evolution of Data Protection throughout the Atos overall organization. The Atos Group Data Protection Office can be reached by any individual inside or outside the Atos organization for any question or feedback regarding data privacy via dpo-global@atos.net. Local Data Protection Offices can also be contacted directly via functional mailboxes. For individuals who wish to exercise their privacy rights (e.g. access, rectification or deletion) Atos offers an easy to use web-based tool, which forwards requests directly to the Data Protection Organization (https://atos.net/en/privacy/exercise-rights-regarding-personal-data)[1].

Training remains another fundamental pillar of the strategy. A new mandatory e-learning module on data protection was set up in the second semester of 2018 with a particular focus on new regulation in Europe (General Data Protection Regulation). Atos plans a renewal of the mandatory eLearning for 2021, which will then foresee a mandatory internal certification and subsequently annual re-certifications for each Atos employee.

Further local or function-specific training programs are being developed to ensure dedicated sessions for those members of the organization who are in a position to process personal data on a daily basis. In 2020 Atos Human Resources as well as Global IT organization attended function-specific Data Protection trainings. Moreover, Atos Global Data Protection Office delivered several training and awareness programs, e.g. during International Data Protection Day, during a specifc Data Protection week in November 2020, and focusing relevant developments in data protection (Schrems II CJEU ruling).

Furthermore, and from an operational perspective in 2020, Atos did not receive any complaints regarding breaches of customer privacy. [GRI 418-1], [SASB TC-SI-220a.3]

1 *For more details, please read Atos Privacy & Cookies Statement at https://atos.net/en/privacy*

5.4.6 Ethics and Compliance

5.4.6.1 Ethics & Compliance non-financial performance challenges

[GRI 103-2 Anti-corruption], [GRI 103-3 Anti-corruption]

Ethics & Compliance approach and governance

Atos' Sense of Purpose ("Raison d'Etre") is structured around the notion of the "information technology space" or digital, and Atos' contribution to making it safe, accessible to all and sustainable, therefore contributing to the common interest. Atos' commitment to integrity and strong foundation of Ethics & Compliance enable the confidence of the Group's employees, customers, and society at large, which is key to the digital space to which Atos contributes.

In order to achieve this ambition, Atos has developed an Ethics & Compliance program encompassing its key stakeholders and integrating them within its business model.

In meeting the challenges of an increasingly complex and constantly evolving business and regulatory environment, Atos targets the highest ethical standards and promotes them as a competitive advantage, bringing value to the business.

Atos' approach to Ethics & Compliance is to develop and monitor a coordinated program to prevent and detect risks in the following regulatory areas: 1) Anti-corruption, 2) Trade Regulations and Export Control, 3) Antitrust, and 4) Duty of Vigilance.

To ensure Compliance is fully embedded in Atos' culture, the Group Management Committee determines the direction and priorities for Compliance, which are relayed by RBUs and Divisions' CEOs who are responsible for implementing Compliance initiatives within their organizations.

Atos' Compliance program

To tackle Compliance risks, Atos relies on a four-stage risk management cycle, consisting of risk identification and assessment, prevention, detection and monitoring, thus enabling a continuous improvement cycle encapsulated in a dedicated Compliance program:

- the identification and assessment measures consist in the Corruption Risk Mapping and the Legal Risk Mapping, together with their related mitigation plans;
- the preventative measures include (i) the Code of Ethics, which sets out Atos' commitments and beliefs for Compliance and provides guidance on behaviors expected from all stakeholders, (ii) the Global Ethics & Compliance Policy, which supplements the Code of Ethics as an organizational and operational guide, and the other Compliance-related internal policies which regularly updated and adjusted to prevent risks effectively;
- preventative measures also include (iii) the training and awareness programs set up to ensure a thorough understanding of Compliance risks throughout the Group, and therefore develop the best ethical behaviors to prevent risks; as well as (v) due diligence processes on third parties which have been designed to ensure a proper assessment of the Compliance risk are properly assessed before any contract is signed, and the appropriate measures are adopted;
- as part of the risk management cycle, the Compliance program includes detection measures of potential breaches, in particular the Group Alert System Procedure which sets out a global framework for employees and third parties to report the any matter of concern in relation to potential breaches of the Code of Ethics, or applicable laws or regulations,
- monitoring measures include 1st, 2nd and 3rd level controls and allow to ensure and measure the effectiveness of the program.

In 2020, key Compliance initiatives focused on:

- the overhaul of the global compliance risk mapping;
- the revision of the Code of Ethics, the Global Ethics & Compliance Policies and other internal policies to ensure adherence to most recent laws and regulations and the highest ethical standards and practices;
- the further strengthening of the due diligence process on third parties and further improvement in tooling to reach a higher level of control on key compliance processes;
- the review and improvement of the compliance training program to further entrench the culture of ethics and integrity within the Group.

As part of the top initiatives to set the right tone, the new version of the Code of Ethics has been drafted with an introduction by the Chairman of the Board and the Group Chief Executive Officer formalizing Atos' commitment to conduct business in line with the highest ethical standards and zero tolerance approach to corruption. This updated version will be launched once the Social Processes have been completed in early 2021. The tone from the top message is enhanced annually by the Group Management Committee during the Anticorruption day on December 9.

The Group General Secretary and Chief Compliance Officer reports to the Board on an annual basis via the Compliance Annual Review. The Board has also appointed independent and highly expert external professionals to provide advice to the Group on Compliance issues requiring ethical judgements. This Committee meets as often as necessary when the importance, sensitivity or difficulty of a topic so requires. This Committee reports to the Board on any matters where they have been consulted. In 2020, the Committee has been involved in the revision of the Code of Ethics.

Senior management

The Senior Managers from all Atos entities are responsible for setting the proper tone from the top within their organization. They defend and promote Atos' culture of integrity and shall lead by example. They are in charge of setting the Compliance organization within their entity, appointing the Compliance Officers and ensuring that they have the qualifications, resources and authority to perform their duties. They also ensure that all Compliance guidance, rules and initiatives are implemented and effective within their organization and they regularly remind employees about the importance of observing the Code of Ethics, the Global Ethics & Compliance Policy and all internal policies designed to ensure that the business is run ethically.

On appointment, each CEO signs an acceptance form confirming that they take responsibility for ensuring that the Code of Ethics and the Global Ethics & Compliance Policy are fully implemented within their entity.

Group Compliance department and Compliance Officers' worldwide active network

On a day-to-day basis, Atos' Compliance activity is led by the Group Compliance department which (i) defines the Compliance strategy in line with the direction set by the Group Management Committee, (ii) advises senior management on the Compliance guidance, policies and tools to be implemented locally, (iii) supports Compliance Officers within the RBUs, Divisions and Functions, (iv) undertakes the Group Corruption Risk Mapping and develops related mitigation plans, (v) launches, leads and supports global internal investigations.

Compliance Officers within the RBUs, Divisions and Functions are in charge of supporting Senior Managers notably to promote a culture of Compliance and integrity in their organization, to monitor the implementation of Compliance initiatives, provide Compliance training, collect and investigate local alerts and Compliance issues raised to their attention. In 2020, Atos has set up and rolled out a new training program for the Compliance Officers worldwide to improve consistency and effectiveness in the implementation of the Compliance program locally.

In 2020, the Global Ethics & Compliance Policy has been further updated and improved, with a special focus on governance, and a clear reminder that every employee has a role to play by (i) strictly observing policies and using tools, designed to mitigate Compliance risk effectively, and (ii) reporting any concern they have that a law, regulation or principle in the Code of Ethics has been breached.

5.4.6.2 Ethics & Compliance Program

Atos has put in place a robust Ethics & Compliance program, in line with highest ethical standards and best practice. Adopting a risk management approach, the program consists in Identification and Assessment Measures (5.4.6.2.1), Preventative Measures (5.4.6.2.2), Detective Measures (5.4.6.2.3) and Monitoring Measures (5.4.6.2.4).

5.4.6.2.1 Ethics & Compliance Identification and Assessment Measures [GRI 102-16], [GRI 102-17]

Corruption Risk Mapping

In 2020, Atos has revised the methodology used to build its corruption risk mapping, in line with the enterprise risk management methodology (ERM), to identify and assess corruption and influence peddling risks. The exercise covered the whole Group. For each key process identified in the Book of Internal Control (BIC) as embedding a risk of corruption, top managers have been asked to assess the risk types and illustrative scenarios inspired by actual cases reported and other risk mapping exercises conducted in the Group.

The outcome of the 2020 Group Corruption Risk Mapping including a mitigation plan to address global and local points of attention, was presented to the Group Management Committee and to the Audit Committee. The progress made on the actions will be reported on the Group Management Committee on a semesterly basis.

Legal Risk Mapping

Atos has a Legal Risk Management (LRM) process, fully integrated into the enterprise risk management (ERM). It consists in the assessment of a series of legal and compliance risks, including human rights, environment, antitrust or export control by members of the legal community, as well as non-legal stakeholders (HR, IT, Security).

5.4.6.2.2 Ethics & Compliance Preventative Measures

Code of Ethics
[GRI 102-16], [GRI 102-17]

The Code of Ethics introduces Atos' commitment to comply with the highest standards of business integrity and ethics, as well as applicable laws and regulations in all countries.

It is a key preventative measure, as it covers a wide range of Compliance topics, guides employees for ethical decision-making and sets commitments expected from business partners.

The Code of Ethics refers to the Group alert system which ensures that any employee who considers that he/she has knowledge of a breach of law or regulation or any provision of the Code of Ethics may report to their concerns. For further information, please refer to the paragraph dedicated to the Group alert system in Section [5.4.6.2.3] "Ethics & Compliance Detective measures".

The Code of Ethics was initially adopted in 2003 and has been regularly reviewed since then to adjust to the change in the regulatory environment and reflect Atos' ethical ambition. The latest version of the Code of Ethics was endorsed by Atos' Board of Directors in 2018.

A further revision has been prepared in 2020. It is based around the Atos Sense of Purpose and extends the scope of the Code of Ethics to cover the range of the Group's ethical commitments. The new version was developed in consultation with key stakeholders, including Global Human Resources, CSR and Data Protection. It includes a foreword from the Chairman of the Board and the Group Chief Executive Officer setting the tone from the top that excellence in ethical standards is expected from all members of the Group.

In most RBUs, the Code of Ethics is specifically referred to in employment contracts and associated documentation in order to ensure full awareness by employees.

The proper monitoring of the Code of Ethics is ensured by KPIs which have been established in relation to employees' training on the Code of Ethics.

Global Ethics & Compliance Policy and other internal policies

The Global Ethics & Compliance Policy supports the Code of Ethics. Together with the related procedures, guidelines and materials, it forms the framework of the Atos Compliance Management System which is designed to provide guidance and ensure that Atos operates in an ethical manner [GRI 205-3].

The Global Ethics & Compliance Policy supports has been updated in 2020 in order to bring more clarity on governance

Other Compliance-related policies and guidelines include, among others:

- the Antitrust Guidelines, which aim at raising employees' awareness on the high standard of care required any situation that brings them into contact with actual or potential competitors;
- the Export Control Guidelines, which detail the conditions for a robust export control compliance program and organization within the Group;
- the Gift & Invitations Guide, which is intended to ensure that all employees are clear about the rules set by Atos for giving and receiving gifts and invitations, in line with the Group zero tolerance approach to corruption. In order to further monitor the compliance risk related to gifts and invitations, a dedicated tool has been developed internally, which has already been rolled out in 47 countries within the Group.

Awareness and training strategy
[GRI 102-16]

To ensure effectiveness of the Compliance program, it is key to ensure that policies, tools, and useful resources are appropriately communicated within the Group, with specific communication and training sessions.

Communication

The Global Compliance department regularly interacts with a large community, including all Compliance Officers as well as other key stakeholders relaying the Compliance program.

It also regularly shares with an even larger audience, including all CEOs, Senior Managers, Compliance Officers and General Counsels worldwide relevant Compliance news, covering both:

- an update on the Atos Compliance program and key initiatives for Senior Managers to be aware of and communicate in their organization, and;
- highlights of the latest external developments in Compliance globally and the lessons learnt for Atos.

On December 9, 2020, the Global Compliance department, supported by all Compliance Officers, organized a campaign to celebrate the UN International Anti-Corruption Day. The Group General Secretary and Chief Compliance Officer sent a video message to all employees, and CEOs in the RBUs also sent out their own messages reminding all their employees about the primary importance of Compliance.

Trainings

The e-learning on the Code of Ethics, is mandatory for all employees in the Group without exception. This module ensures a thorough understanding of Atos' ethical standards covering all themes of the Code of Ethics and promoting fair practices in daily business activities.

In 2020, 98% of employees completed the e-learning on the Code of Ethics [GRI 205-2].

To complement the e-learning module on the Code of Ethics, ETO²S ("Ethics in Tier One Organization School") specific classroom training sessions are organized throughout the Group which top managers are required to follow, as they are considered to be in the position to convey the right messages to their teams. The objective is for senior management to be in a position to lead by example and set the right tone within their organization. [GRI 205-2]

In addition, to ensure a deeper understanding of the specific risks related to corruption, Atos uses an e-learning module elaborated by Transparency International which is available to all employees and allows understanding of right behavior in an operational context. It allows a deep understanding of the UN Global Compact's tenth principle against corruption and the UN Convention against Corruption as it applies to the private sector.

Due diligence on third parties

Due diligences are key to prevent Compliance risks in the context of relationships with third parties, they allow a proper risk assessment and ensure appropriate measures are taken prior to entering into contract, as well as during the contractual relationship. They cover all categories of third parties, be they business partners, customers or prospects, suppliers or subcontractors, in line with their respective level of risk.

Business partners

Atos Business Partners are subject to precontractual due diligence and validation process supported by an automated tool, the Business Partner Tool (BPT), which allows a risk analysis based on corruption, sanctions and unethical practices. The BPT covers all geographies, Divisions and Functions in the Group. In 2020, the Atos Business Partner Policy has been revised to strengthen the Compliance checks process on Business Partners.

Other third parties

The checks on customers and prospects, contained in the bidding process, were also reviewed and improved. The checks on suppliers and subcontractors were also reviewed, as part of the Global Procurement process.

5.4.6.2.3 Ethics & Compliance Detective measures

Group alert system
[GRI 102-17]

Even before the entry into force of French laws relating to the Duty of Vigilance and the fight against corruption ("Sapin II"), Atos had set up a Group alert system to enable employees to report any matter of concern in relation to potential breaches of the Code of Ethics, or applicable laws or regulations.

Since 2018, the Code of Ethics explicitly refers to the Group Alert System, which is therefore accessible to third parties.

In accordance with the Group Alert System Procedure, the Global Compliance department will analyze the admissibility of any alert reported and will decide accordingly whether or not to conduct an internal investigation. [GRI 102-33]. Atos guarantees the protection of the confidentiality of all information exchanged as part of the processing of the alert, including the identity of the whistleblower and of any other person involved.

Compliance Officers report annually to the Global Compliance department statistics and key data on the alerts raised and investigated locally. In 2020, 78 ethical alerts were reported and monitored within the Group [GRI 102-34]. In 2020, an inter-department task force composed of Group Compliance, Finance, Internal Control and Audit was set up to review, assess and enhance the existing accounting controls in the Book of Internal Control (BIC) related to corruption risks. The task force reviewed the adequacy of monitoring and evaluation procedures for the three levels of control and developed additional processes and controls.

5.4.6.2.4 Ethics & Compliance program monitoring [GRI 103-3 Socio-economic Compliance]

The Compliance program monitoring is managed in cooperation between the Global Compliance department and the Group Internal Control & ERM team.

The Book of Internal Control (BIC) identifies the key controls to be executed by the 1st line of defense as well as the control procedures for the 2nd and 3rd line of defense within each Atos Key Transversal Process, and Key Transversal Activity. These controls are implemented at a first level by employees and their line managers as part of their daily activities. The controls are also checked via the Compliance Officers reporting (second level control) and by Group Internal Audit (third level control).

2nd level control

The implementation of the BIC is monitored through testing campaigns. In 2020, the Group Internal Control team conducted a dedicated testing campaign on controls from the BIC related to the corruption risk. The summary report was presented to the Group Management Committee and will be presented to the Audit Committee early in 2021. In addition, the Global Compliance department has exercised 2nd level control through reporting from all Compliance Officers on a semesterly basis.

3rd level control

All entity reviews conducted by Group Internal Audit contain checkpoints related to compliance risks and specific Internal Audits are also performed on compliance matters.

In 2020, no significant fine for non-compliance with laws and regulations was levied against the Group [GRI 419-1]. No client or supplier claim related to Atos legal compliance fields was levied against the Group [GRI 205-3].

5.4.7 Vigilance Plan

On March 27, 2017, the Duty of Vigilance law came into force in France and introduced a new legal framework by which French authorities could hold corporations accountable for serious impacts on Human Rights and fundamental freedoms, on the Health and Safety of individuals and on the Environment, resulting from the activities of Atos, its subsidiaries and the subcontractors and suppliers with whom they have an established business relationship.

The law requires eligible companies, like Atos, to implement a vigilance plan and report on their actions taken in accordance. The vigilance plan discloses key features of the management systems in place in terms of vigilance.

Vigilance measures include, but are not limited to risk mapping, evaluation procedures, mitigation actions, alert mechanisms, and monitoring systems on the effective and efficient implementation of measures.

Atos Vigilance Plan is structured around seven main sections. First, it describes the Scope (5.4.7.1) and the Governance (5.4.7.2) of the plan. Then, the measures relating to risk mapping, evaluation procedures and mitigation actions are detailed for Atos' own activities (5.4.7.3) and the supply chain (5.4.7.4). Finally, the Vigilance Plan presents the alert mechanism (5.4.7.5) and the monitoring system in place to evaluate the performance of the plan (5.4.7.6). The plan also displays a Cross-Reference Table to better link the vigilance plan with the other parts of the Universal Registration Document (5.4.7.7).

5.4.7.1 Scope

Group & Subsidiaries

The scope of the Vigilance Plan covers all Atos' activities as presented in Section 5.4.7.3 "own Activities".

Atos' vigilance perimeter does not include new entities acquired in 2020. The integration of these entities in the vigilance plan relies on the pre-acquisition assessment of their exposure to risks related to Human Rights, Health & Safety and the Environment and their current responses, but also requires onboarding to ensure an alignment with Atos' requirements and practices in the short and medium term.

Supply Chain

The vigilance perimeter includes suppliers and subcontractors with whom Atos has an established business relationship. Atos' Procurement approach is presented in Section 5.3.9 "Assessment of suppliers CSR performance", along with the spend by category and by country.

In 2020, the vigilance perimeter is limited to Atos' Tier-one (direct) suppliers.

5.4.7.2 Governance

General presentation of the governance of the Vigilance Plan

The Group General Secretary and Chief Compliance Officer is responsible for the development of the Vigilance Plan, as well as the publication of its results.

In 2020, the Group Compliance department placed under his supervision and in charge of monitoring its implementation, identified the main stakeholders to involve in order to ensure the establishment and effective implementation of the Vigilance Plan. As a result, the following resources were involved:

- Group Corporate Social Responsibility department;
- Group Human Resources department, Global Corporate Expertise, Employee Experience, Diversity department;
- Group Safety & Security department;
- Group Procurement department.

The Group Compliance department relied also on the UK teams involved in Atos' response to the UK Modern Slavery Act to leverage on areas of convergence, especially regarding the management of Human Rights risks.

In 2021, Atos will work further on the establishment of a dedicated governance for the Vigilance Plan. Upon identification of the most relevant stakeholders, Atos will assess how to best allocate resources to Vigilance management in order to effectively assess and monitor the measures implemented and the effectiveness of the Vigilance Pan.

Presentation of the Vigilance Plan

Atos' Vigilance Plan will be presented to the Atos' Group Management Committee in early 2021. The progress made on the actions will be reported to the Group Management Committee annually.

The measures implemented as part of the Vigilance Plan reflect Atos' commitment to integrity and strong foundation of Ethics & Compliance, which enable the confidence of its key stakeholders and the society at large. As such they contribute to Atos' Sense of Purpose ("Raison d'Être") which provides a unifying theme that links Atos' programs and measures and is a vital component of its DNA.

5.4.7.3 Own Activities

Risk Mapping

Human Rights

Atos acts to prevent from infringements on internationally recognized Human Rights as expressed in the International Bill of Human Rights, and on the principles set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. The Group aligns its prevention with the United Nations' Guiding Principles on Business and Human Rights and refers to the United Nations Global Compact principles on Human Rights, Labor, Environment and Anti-corruption.

Atos' risks relating to Human Rights are identified and assessed through the Legal Risk Mapping, which is conducted every two years with a methodology similar to the one used for the Enterprise risk management exercise, detailed in Section 7.1.1 "Enterprise risk management (ERM)". For the purpose of the Legal Risk Mappings, Human Rights violations are defined as any form of forced labor, such as: child labor, slavery, human trafficking and informed purchase of products or services from entities using forced, or slave labor.

The Environment

Atos' risks related to the Environment are identified by internal experts using a combination of analysis, tools and processes with the support of external experts. The identification and assessment of risks' methodology is detailed in Section 5.2.3 "Risks and opportunities related to Environment".

Health and Safety

Atos' risks related to employee safety are also covered by the Atos overall Enterprise Risk Mapping performed every year. For the purpose of the Enterprise Risk Mapping, these are the risks that any Atos' staff, sub-contractors, clients and visitors, anytime and anywhere are impacted intentionally or accidentally, which might result in people being physically injured or worst loosing lives, breach of laws and reputation damage.

In addition, Atos has developed a robust risk assessment methodology in order to assess the inherent site-risks based on 4 assets: people, hardware, software and the site itself. The risk mapping is updated annually and performed on each new site entering the scope. The methodology is in line with the ISO 27005 and ISO 27001 standards, which is monitored as well as its implementation by an external auditor as part of the Group's certification to the ISO 27001 standard.

Evaluation procedures

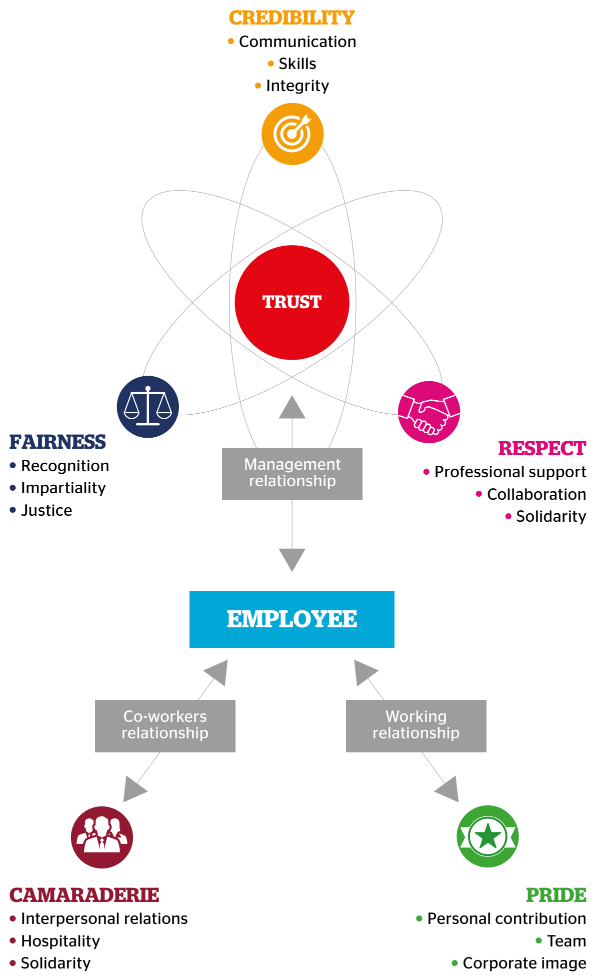
Atos is subject to an annual assessment conducted by EcoVadis regarding its policies, actions, and performance disclosure. This assessment focuses on four areas: the Environment, Labor and Human Rights, Sustainable Procurement, and Ethics. It allows to identify Atos' strengths and potential areas for improvement in each of these areas.

After 8 years of being awarded the EcoVadis Gold medal, Atos received for the first time in 2020 the highest distinction and was awarded the "Platinum" level. In particular, Atos' efforts in the Environment area were recognized with a score of 90/100.

Human Rights

The Atos "We are Atos" program includes wellbeing, diversity and inclusion, social value, life@work and employee experience with customers. Atos is in a continuous improvement mode regarding working conditions of its employees. For more details please refer to Section 5.3.8 "Employees Experience Program: We are Atos".

This program is subjected and assessed every year through the Great Place to Work survey, a survey Atos send to its employees since 2010 through the annual Great Place to Work® Survey.



This global survey, managed by the Great Place to Work Institute® (GPTW), helps Atos determine employees' expectations. The survey is structured around five dimensions: Credibility, Respect, Fairness, Pride and Camaraderie.

In 2020, six questions were related to employees' support during the Covid-19 pandemic. Atos considers two key measures over the years: the "Trust Index" that measures employees' perception of the workplace based on the outcome of most of the questions and the "One question: Taking everything into account, I would say this is a great place to work".

The Environment

Evaluation procedures related to the Environment are summed up in the Section 5.2.3.1 "Requests regarding climate change disclosures", and further detailed across in Chapter 5.2 Environment".

Health and Safety

Health and Safety is managed locally and governed by each Country Cluster or Country in line with the local legislation, norms and standards applicable such as the OHSAS 18001:2007 or ISO 45001:2018 standards. For more details please refer to Section 5.3.2 "Employees Health and Safety".

A network of Country Safety and Security Officers (CSSO) ensures the deployment of actions plans at country level working closely with Site Security Advisors (SSA) in charge of applying policies at site level. In case of non-conformity, SSA must report to CSSO to put measures in place and support site managers on continuous improvement plans.

Mitigation Actions

In order to prevent serious impacts on Human Rights, Health & Safety of the individuals and the Environment, Atos has implemented tailored prevention and mitigation measures. The table below associates for each risk category, the mitigation measures taken by Atos and displays for each of them a short description, their nature (policy, statement, program, certification or tool) and a reference to this document (The Universal Registration Document) where further details can be found, when applicable.

In 2020, the Covid-19 pandemic highlighted Atos' strong culture of social responsibility guided by people care as well as health and safety. From the beginning of the pandemic, the Group has enabled its workforce to work safely and efficiently from home and supported remote collaboration. For further information in this respect, please refer to health and safety indicators in the Section 5.5 "Non-Financial Performance Indicators".

Nature of risks	Major Risks	Mitigation Actions	
	Human Rights	Policy	• Code of Ethics, which encompasses Atos principles of ethical responsibility and promotes a culture of ethics and integrity, please see [5.4.6.2.2] "Ethics & Compliance Preventive Measures". • Global Ethics and Compliance Policy, which supports the Code of Ethics as part of the framework of the Compliance program, designed to provide guidance and ensure that Atos operates in an ethical manner, please see [5.4.6.2.2] "Ethics & Compliance Preventive Measures"". • Atos dignity at work and prevention of sexual harassment, which provides guidance in handling matters related to dignity at work and harassment, so that they are aware of the support available • Group Data Protection Policy, please see [5.4.4] "Security and Data Protection". • Atos security incident management policy according to ISO 27001 certification, which establishes the organizational structure for event or incident response, please see [5.4.5] "Ethical management of data".
		Statement	• Conflict Minerals Statement, which outlines the measures implemented by Atos to reduce the risks associated with "Conflict Minerals" throughout its supply chain; please see [5.2.6.1] "Eco-Designed supercomputers". • Atos Human Rights Policy Statement, which sets up Atos' commitment to protect Human Rights in all its sphere of influence; please see [5.4.8] "Human Rights". • Atos UK Modern Slavery Act Statement, which sets the measures taken by Atos UK entities to ensure that slavery and human trafficking are not taking place in their supply chains and in any parts of their business; please see online version https://atos.net/en-gb/united-kingdom/we-are-atos/key-regulatory-documents.
		Program	• "We are Atos" Program, please see [5.3.8] "Employee Experience Program: We are Atos". • Atos Gender Equity Program, which aims at attaining gender balance and advancement of women into senior positions; please see 5.3.5] "Diversity". • Diversity & Inclusion at Atos, which focuses on the 4 pillars: gender, generations, accessibility, and culture; please see [5.3.5] "Diversity". • Code of Ethics e-learning and ETO2S training program, please see [5.4.6.2.2] "Ethics & Compliance Preventive Measures".
		Tool	• Conflict Minerals – Due diligence supporting tool Silicon Expert.
	Health of employees	Certification	• Certification according to the OHSAS 18001:2007 or ISO 45001:2018, please see [5.3.2] "Employees Health and Safety".

Nature of risks	Major Risks	Mitigation Actions	
	Safety of the workplace	Policy	• Atos Safety Policy, which covers all internal/external and human/natural threats which can impact Atos staffs, sub-contractors, clients and visitors anytime and anywhere. • Atos Physical & Environmental Security Policy, which defines the minimum security requirements for all Atos sites based on ISO 27001. • Atos security incident management policy.
		Program	• Review of country evacuation plan for high-risk countries and development of specific ones when necessary.
		Tool	• Country-risk mapping indicating the level of risk based on seven criteria: terrorism, geopolitics, socio-political considerations, criminality, travelling security, sanitary aspects and disasters, and the Covid-19 threat which was included in 2020. • Travel mitigation measures for all sites: including a list of countries with related risks and emergency contacts, 38 e-learning modules, a "Human Resources Approval Process" and a Code of Conduct. • Alert mechanism based on safety risks: International SOS, external tool for travelers; Safety and Emergency Response Tool (SERT), internal tool for all employees; Emergency numbers.
		Certification	• ISO 27001:2018 certification (Atos' Group Level)
	The Environment	Policy	• Environmental Management System, please see [5.2.2.3] "Environmental Management System and ISO 14001 Certification". • Environmental Policy, which provides high-level principles over the short and long term, applicable to all Atos' entities and operations, all office sites and data centers regardless of their location and regarding the Group's main environmental challenges • For further details see Section [5.2.3.2] "Main environmental and climate-related risks".
		Program	• Environmental Program action plans. • Book of environmental guidelines per challenge. • Decarbonization program. • For further details see Section [5.2.3.2] "Main environmental and climate-related risks".
		Tool	• CSR Materiality and risks assessments. • CSR Data collection and KPIs tracking. • Decarbonization dedicated trainings. • For further details see Section [5.2] "Environment".
		Certification	• ISO 14001:2015 certification (Atos' main sites), please see [5.2.2.3] "Environmental Management System and ISO 14001 Certification".

5.4.7.4 Suppliers

The largest countries representing 82.3% of Atos spend are under control in terms of sustainability and are all located in Europe and North America. For more information, please see section 5.3.9 "Assessment of suppliers CSR performance".

Risk Mapping

In 2020, the Group Procurement department, supported by EcoVadis, conducted a risk mapping for all its purchasing categories, covering the full international perimeter. The risk mapping addresses all risks related to Environment, Labor and Human Rights, Ethics and Sustainable Procurement areas. These four risk categories are further detailed below.

Environment

Operations
- Energy consumption & GHGs
- Water
- Biodiversity
- Local & Accidental Pollution
- Materials, Chemicals & Waste

Products
- Product Use
- Product End-of-Life
- Customer Health & Safety
- Environmental Services & Advocacy

Labor & Human Rights

Human Resources
- Employee Health & Safety
- Working Conditions
- Social Dialogue
- Career Management & Training

Human Rights
- Child Labor, Forced Labor & Human Trafficking
- Diversity, Discrimination & Harassment
- External Stakeholder Human Rights

Ethics

- Corruption
- Anticompetitive Practices
- Responsible Information Management

Sustainable procurement

- Supplier Environmental Practices
- Supplier Social Practices

The risk analysis includes procurement risk and global CSR Risk. Global CSR Risks consider sector and country risk levels (the latest based on Environment, Health and Safety, Corruption, Governance and Human Rights dimensions).

Overall, 42% of the total spend has been identified as exposed to Labor and Human Rights risks and 90% of the total spend identified as being sourced from non-risky countries.

The purchasing categories with the highest risk exposure include call center services, electricity and waste services.

- The electricity sector is prone to significant Environment risks (energy efficiency, renewable sources, biodiversity). Combined with high spend concentration, this category presents an important focus area. Regarding Labor and Human Rights, challenges in managing employee/subcontractor Health and Safety as well as working conditions mainly contribute to the high inherent theme risk. Electricity as the telecommunication sector are subject to increased business ethics risks due to their monopolies and historical public ownership. While electricity providers bear a particular corruption risk linked to public procurement, telecommunication providers have a high responsibility when dealing with third party information.
- Risks related to call center activities concentrate on topics such as employee satisfaction, career management, fair pay but also diversity which is gaining in weight.
- The occupational health of professionals in the waste management industry is a real challenge. The broad variety of waste and the processes used for its collection lead to occupational exposure to a wide range of hazards: toxic chemicals, bacteria, high temperatures, intense noise, sources of fire or explosion, close proximity to mechanical or electrical equipment, the presence of sharp objects, vehicle traffic, etc. Workers may also be exposed to arduous working conditions involving the carrying of heavy loads, repetitive gestures, and night or shift work. Lastly, mental health risks can also be linked, for example, to working alone, violence or incivility, and a lack of recognition. Waste management can also have negative impacts on the Environment such as water/air/land pollution, greenhouse gas emissions from industrial processes, etc.

Atos works closely with EcoVadis to identify potential conflict minerals risks in the supply chain. Atos is mostly indirectly exposed to these risks but some purchasing categories such as storage, personal computers and peripherals, network and security and products and servers imply a high sourcing risk if they are purchased from high-risk countries.

Evaluation procedures

To ensure ethical and compliant activities, Atos focuses a significant portion of its spend on large Tier-One (direct) suppliers and have them assessed by EcoVadis on their Corporate Responsibility performance. In 2020, 327 suppliers were scored or reassessed by EcoVadis, representing 63% of the total spend and 62% of our strategic suppliers. For more information, please see Section 5.3.9 "Assessment of suppliers CSR performance".

Objective #1	Objective #2	Objective #3
100% of the strategic suppliers assessed by end of 2021 (top 250 supplier by spend)	70% of the total Atos Group spend assessed by end of 2021	Ensure no supplier score lower than 40/100

To fulfil its decarbonization ambition, Atos started to combine in 2020 the EcoVadis assessment Environmental results with their internal carbon rating methodology to gain further insight on their suppliers' environmental practices, especially their level of maturity regarding carbon management. Based on the EcoVadis Environment theme score or the Atos internal carbon rating, suppliers are classified green or red. For more information, please see Section 5.3.9 "Assessment of suppliers CSR performance".

Over the lifetime of the contract, Atos' Top 250 suppliers are assessed as part of the "Supplier Performance Management QCDIMS" evaluation procedure that considers quality, cost, delivery, innovation, management and sustainability dimensions. The sustainability dimension includes EcoVadis score and will be updated next year to include decarbonization aspects and will weigh more in the final score to drive sourcing decision-making process. Each of the Top 250 suppliers has a scorecard and low performance scoring can lead to specific actions to be taken.

Atos has also procedures in place to assess the security policies of its suppliers working on its sites and ensure they are aligned with Atos' Physical and Environmental Security Safety Policy requirements. As part of these assessment measures, suppliers are asked to take the "HSE Management System – Contractor Pre-Qualification Questionnaire". This pre-contractual evaluation provides information on the structure, the insurance, the certifications (BS 5750, ISO 9001, ISO 14001, OHSAS 18001 / ISO 45001) of Atos' sites, along with the governance in place and trainings delivered around Health & Safety or the latest statistics on work incidents over the last three years.

Atos proposed suppliers and subcontractors in the context of answer to clients' bids are subject to a pre-contractual due diligence and validation process. Integrity checks are carried out on the proposed suppliers and subcontractors before any commitment, using a dedicated tool. In case the integrity checks reveal any risk regarding the proposed partner, an in-depth assessment is carried out to assess the nature of the risk and its consequences.

See below how Atos uses the EcoVadis scorecards as part of its Sustainable Procurement strategy.

Risk assessment	Supplier performance management - QCDIMS	Bid support	Client sustainability dashboards	ISO 14001

In the future, Atos aims to go beyond the assessment of its Top 250 suppliers and look at smaller suppliers that may have a potential high-risk profile.

Mitigation Actions

New Atos buyers and buyer employees are trained every year on Procurement Code of Conduct, Code of Ethics and risk assessment specifically decarbonization.

To ensure that Atos' suppliers follow a similar approach to Atos' towards sustainability, they must accept and comply with the Atos Business Partners' Commitment to Integrity. Pursuant to this charter, Atos' suppliers adhere and commit themselves to respecting detailed rules regarding Human Rights (including the prevention of discrimination, child labor, forced or compulsory labor, compliance with working hours and laws relating to wages, usage of minerals from conflict regions), the Environment (with the requirement to manage environmental impact of the activity) and Health and Safety, through the preservation of a safe and healthy work environment. If a supplier does not accept to respect the Atos Business Partner Commitment to Integrity because they have their own charter in place, Atos expects their charter to be at the same level in terms of principles as the Atos one. For more information, please see Section 5.3.9 "Assessment of suppliers CSR performance".

A clause is included in all contracts with suppliers that entitles Atos' standard terms and conditions for Procurement contain specific provisions in relation with Human rights, Health and Safety and the Environment. Under these terms, Atos is entitled to terminate the business relationship immediately and without penalty if the supplier or its subcontractors has committed breaches of Human Rights, as well as compliance breaches in general. For more information, please see Section 5.4.8 "Human Rights", "Requirements for Atos' partners and supplier" paragraph.

The decarbonization of the supply chain is an important challenge for Atos which has recently increase the monitoring of its suppliers carbon maturity. For more information, please see Section 5.2.5.2 "Decarbonization of Atos' supply chain".

Atos' suppliers are required to implement adequate internal procedures to ensure that their officers, employees and subcontractors are trained and comply, notably, with the rules detailed in the Business Partners' Commitment to Integrity. They undertake to notify Atos in a timely manner of any suspected violation of the Atos Business Partner Commitment to Integrity that might impact their relationship with Atos, whether it is allegedly committed by Atos employees or the supplier's employees.

Atos' contractors working on Atos' sites must also comply with the Atos' Physical and Environmental Security Policy. The purpose of this policy is to protect Atos' employees, subcontractors' employees and customers' assets and information from all threats, whether internal or external, deliberate or accidental. This policy also supports the protection of information. It is imperative to implement and control adequate physical and environmental security measures, from basic security measures (Logistics & Housing) to security perimeters (welcome zone to high protected zone).

Going further, Atos sets some expectations in its Conflict Minerals Statement and enforce its partners to put in place all necessary compliance processes to ensure that their products are responsibly manufactured and do not contain conflict minerals. Furthermore, Atos' manufacturing activity uses the Silicon Expert as a tool to conduct its Conflict Mineral due diligence. Silicon expert delivers an environmental compliance management system and database providing information on over 300 million parts from over 15,000 manufacturers.

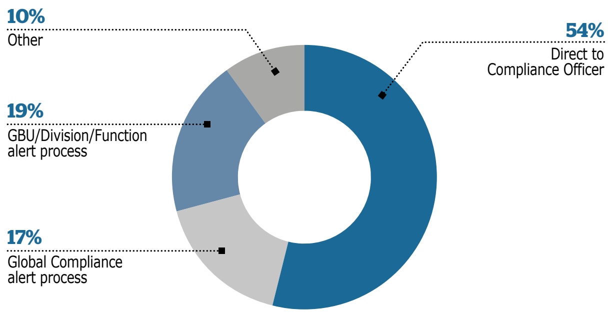
5.4.7.5 Alert mechanism

The Atos Group alert system enables both internal and external users to report any matter of concern in relation to potential breaches of the Code of Ethics, or applicable laws or regulations, including relating to Human Rights, Health and Safety and the Environment. For further information about the Atos Group alert system, please see Section 5.4.6.2.3 "Ethics and Compliance Detective Measures".

The Group Alert System is key to ensure that compliance issues, notably in relation with potential serious harms to Human Rights, Health and Safety and the Environment are investigated and dealt with effectively and with strict confidentiality.

Atos's employees have different channels available to raise alerts, they can reach out to their line manager, their local Compliance officer, or the Global Compliance department by using the dedicated e-mail address. Such email address is made public in the Code of Ethics, and is therefore accessible to all third parties, including all suppliers.

ALERTS RAISED BY CHANNEL



In accordance with the law, Atos has coordinated a concertation process with the stakeholders on the Group alert system, particularly on its accessibility, efficiency and transparency to enhance Atos' Vigilance Plan in this respect.

5.4.7.6 Monitoring system

Methodology

The Global Compliance department oversees reporting and monitoring Compliance alerts. Compliance Officers report annually to the Global Compliance department statistics and key data on the alerts raised and investigated locally. Such data, which are consolidated and processed on a no name basis, provide valuable information about potential patterns and are a key part of the Group's continuous improvement cycle, please see the "Group Alert System" paragraph in Section 5.4.6.2.3 "Ethics & Compliance Detective Measures" for more details.

The Procurement department has developed two indicators: the EcoVadis KPI evolution per month (spend) and the percentage of strategic suppliers evaluated by EcoVadis. EcoVadis Suppliers Evaluations are monitored on a monthly basis, please see Section 5.3.9 "Assessment of suppliers CSR performance".

Results

Since 2017, a review of all ethics and compliance alerts is reported to the Atos Board through the presentation of the Atos' Compliance Annual Review, please see online on https://atos.net/en/about-us/corporate-responsibility-and-sustainability/ethics.

This monitoring allows Atos to identify the number and nature of alerts and ensure that admissible ones are investigated and followed up with appropriate actions.

In 2020, 78 alerts were reported to local Compliance Officers or through the Alert System, at local or global level.

Since 2020, in addition to Compliance alerts, specific KPIs are followed to monitor Atos' duty of vigilance response.

KPI	Nature	Monitoring tool	N-1	N	Evolution N-1/N	URD Reference
% of employees trained on the Code of Ethics		Success Factor	95%	98%	+3%	5.4.6.3.2
% of employees trained on the Diversity & Inclusion learning programs		Success Factor	7%	8%	+1%	N.A
Number of offices and data centers ISO 14001 certified		Across	103	99	-4	5.5
Number of sites certified with a recognized Health and Safety management system		Internal platform	21	27	+6	N.A
Number of suppliers with corrective action initiation requested by Atos (for suppliers with an EcoVadis score < 40)".		Ecovadis	52	41	-11	N.A

5.4.7.7 Cross-reference table

The cross-reference table below identifies the information constituting the Atos' Vigilance Plan and its implementation as required by article L. 225-102-4 of the French Commercial Code.

	Human Rights	Health & Safety	The Environment
Vigilance measures	**URD Reference**	**URD Reference**	**URD Reference**
Risk Mapping	7.2.5.1	7.2.1.1	7.2.5.2
Evaluation Procedures	5.3.1 5.3.5 5.3.8 5.3.8.2 5.3.9	5.3.2	5.2 5.2.3.1
Mitigations Actions	5.3.1 5.3.5 5.3.9 5.3.8 5.4.8 5.4.5	5.3.2	5.2.2.3 5.2.3.1
Alert Mechanism	5.4.6.2.3	5.4.6.2.3	5.4.6.2.3
Monitoring System	5.4.6.2.4	5.3.2	5.2.3.1

5.4.8 Human Rights

In 2020, the Group has improved the measures adopted as part of its Vigilance plan, including, but not limited to, risk mapping, evaluation procedures, mitigation actions, alert mechanisms, and monitoring systems on potential infringements on internationally recognized Human Rights not only in its own activities but throughout its supply chain. For further information about these measures, please refer to Section 5.4.7 "Vigilance Plan".

5.4.9 Compliance with law and regulations

Atos conducts legal watch to ensure increasingly frequent changes in laws and regulations applicable to the Group are well anticipated and managed. The governance and program in place to ensure compliance with anticorruption laws, international sanctions and export control regulations and antitrust laws are further described in Section 5.4.6 Ethics and Compliance. The vigilance measures adopted in order for the Group to prevent and monitor the risk of serious harm to Human Rights, Health and Safety and on the Environment, resulting from the activities of Atos, its subsidiaries and the subcontractors and suppliers with whom they have an established business relationship are detailed in Section 5.4.7 Vigilance Plan.

Atos enterprise risk management (ERM), ensures the risks listed under its category "Laws and Regulations" are effectively addressed in the organization, so that Atos timely adapts and complies with laws. Ethics & Compliance, Finance, carefully cover their respective area of risk and set specific controls for each type of risk. Those controls are regularly tested.

5.4.10 Tax Strategy

Tax compliance

Atos is committed to full compliance with tax law and practice in countries where the Group operates.

In this respect, Atos pays taxes in the jurisdictions where business activities generate profits and value is created. This responsible behavior is achieved in accordance with domestic and international rules and standards as well as applying the OECD principles to transactions within the Group.

Tax risk management

Atos seeks to reduce the level of tax risk arising from its operations by ensuring that a strong care is applied in relation to all processes which could affect compliance with its tax obligations. Towards tax management, the Group takes benefit of available tax incentives, reliefs and exemptions in line with tax legislation and the business of the Group.

Governance

The Tax department, under the responsibility of the Chief Financial Officer, comprises of qualified and trained tax experts in the Group headquarter and in local countries who ensure the application of tax law and follow the development of tax standards. Whenever the complexity of given laws or situations require it, Atos uses external advisors to ensure the applicable tax treatment is adopted.

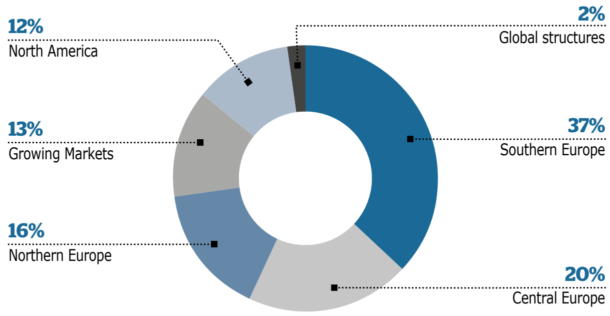
Tax transparency

Where tax law is subject to interpretation, the Group may seek a written opinion from the relevant tax authority to support the decision-making process or may engage transparent discussions to secure alignment on interpretation of tax rules. The Group meets its obligation in respect of the "country-by-country reporting" (CbCR), transfer pricing documentation in view of the applicable law and OECD guidelines and monitors the rules relating to the mandatory disclosure requirements.

Allocation of taxes and social contributions

In 2020 the Group expenses related to taxes and social contributions is amounted to € 1,116 million.

The allocation by geography is detailed below:



Financial assistance received from government

In 2020, Atos received a total amount of € 106 million in financial assistance from governments, including: i. tax relief and tax credits; ii. subsidies; iii. investment grants, research and development grants, and another relevant types of grant; iv. awards; v. royalty holidays; vi. other financial benefits received from any government for any operation [GRI 201-4].

5.4.11 Policy influence

Atos, as a corporate citizen, takes the opportunity to discuss with law and decision makers and participate in the public affairs. In all its influence policies and practices, Atos maintains transparency and integrity and complies with local laws, in particular with respect of disclosing or registration requirements aimed at ensuring transparency.

Atos is registered in the Transparency Register established by the European Parliament and the European Commission, to ensure transparency of the decision-making process relating to European policies by allowing for proper scrutiny and ensuring that the EU institutions are accountable.

As registrant, Atos commits to abide by the principles of the Transparency Register's Code of Conduct[1] setting the standards of behavior to be adopted in all relations with the EU institutions.

Atos prohibits payments to political parties or organizations, as well as any indirect financing of political activities. All contributions made by Atos are part of its philanthropic activities and performed consistently with the Group's raison d'être and commitments to improve access to education and knowledge equality, increase the skills and employability of youth, and work to include disadvantaged communities into the digital world.

Details about Atos' 2020 philanthropic contributions are available in Section 5.3.10 "Social Contribution/Community Investments".

1 *Transparency Register - Statistics for register (europa.eu)*

5.5 Non-Financial Performance Indicators

[GRI 103-3 Energy], [GRI 103-3 Emissions], [GRI 103-3 Employment], [GRI 103-3 Training and Education],

[GRI 103-3 pational Health and Safety], [GRI 103-3 Economic performance], [GRI 103-3 Customer Privacy],

[GRI 103-3 Anti-corruption], [GRI 103-3 Socioeconomic Compliance], [GRI 103-3 Atos specific indicators]

The following table provides issues and indicators relevant to our business, aligned to the disclosures from the Global Reporting Initiative (GRI), and aligned to the Sustainability Accounting Standards Board (SASB) standards for the "Software & IT Services" industry.

The code of the standards intendeds to help our stakeholders locate indicators of interest across Atos monitoring performance. It does not represent a complete overview of Atos reporting or practices.

Environmental Dimension

		2020	2019	2018	2020 perimeter *(in %)*		2019 Perimeter *(in %)*	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 302-1	**Energy consumption within the organization**							
GRI 302-1_E_c1, SASB TC-SI-130a.1 (1)	Total direct* and indirect* energy consumption *(in MWh)* (After rebaselining taking into account acquisitions and divestitures)	579,140	718,957	752,221	-	100%	-	100%
GRI 302-1_E_c1, SASB TC-SI-130a.1 (1)	Total direct* and indirect* energy consumption *(in MWh)* –before rebaselining	579,140	702,398	748,268	-	99.6%	-	98%
GRI 302-1_A	Total Direct Energy Consumption in Datacenters & Offices *(in MWh)*	27,364	36,439	40,392	. ---	99.6%	. ---	98%
GRI 302-1_A	Diesel consumption *(in MWh)*	4,501	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
GRI 302-1_A, G. Q71	Fuel oil consumption *(in MWh)*	1,557	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
GRI 302-1_A, G. Q72	Gas consumption *(in MWh)*	21,306	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
GRI 302-1_A-Off	Direct energy consumption in Offices *(in MWh)*	20,222	29,851	32,214	. ---	99.6%	. ---	98%
GRI 302-1_A-DC	Direct energy consumption in Datacenters *(in MWh)*	7,142	6,588	29,442	. ---	99.6%	. ---	98%
GRI 302-1_C	Total Indirect Energy Consumption in Datacenters & Offices *(in MWh)*	551,776	665,959	707,876	. ---	99.6%	. ---	98%
GRI 302-1_C, G. Q56	Electricity consumption *(in MWh)*	539,082	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
GRI 302-1_C	District heating consumption *(in MWh)*	12,694	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
SASB TC-SI-130a.1 (2)	Percentage of grid electricity *(in %)*	45%	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
SASB TC-SI-130a.1 (3)	Percentage of renewable electricity *(in %)*	46%	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
GRI 302-1_C	Percentage of decarbonized electricity (renewable and nuclear) *(in %)*	55%	Not disclosed	Not disclosed	. ---	99.6%	. ---	. ---
GRI 302-1_C-Off	Indirect Energy Consumption in Offices *(in MWh)*	153,971	197,955	189,983	. ---	99.6%	. ---	98%
GRI 302-1_C-DC	Indirect Energy Consumption in Datacenters *(in MWh)*	397,806	468,004	517,893	. ---	99.6%	. ---	98%
GRI 302-1_C1_c10	Total electricity consumption from renewable sources *(in MWh)*	248,840	210,416	243,740	. ---	99.6%	. ---	98%

Standard code	Indicator Name	2020 Group	2019 Group	2018 Group	2020 perimeter (in %) Per employee	2020 perimeter (in %) Per revenue	2019 Perimeter (in %) Per employee	2019 Perimeter (in %) Per revenue
GRI 302-1_C1_c9	Share of electricity supplied by decarbonized sources in Atos' core Datacenters (co-location excluded) *(in %)*	88%	100%	95%	. ---	100%	. ---	100%
GRI 302-1_C1_c8	Share of electricity supplied by renewable sources in Atos' core Datacenters (co-location excluded) *(in %)*	77%	70%	57%	. ---	100%	. ---	100%
GRI 302-2	**Energy consumption outside of the organization**							
	Travel intensity							
GRI 302-2_c1	Total KM Traveled per Employee *(KM per Employee)*	1,480	4,066	4,662	99%	. ---	98%	. ---
GRI 302-2_c2	Total km travelled per revenue *(Km per € million)*	13,576	37,497	37,291	. ---	99%	. ---	99%
	Distances travelled							
GRI 302-2_A6_c93	Total KM Traveled by Car	79,036,399	151,804,816	211,475,352	99%	. ---	98%	. ---
GRI 302-2_A6_c50	Total KM Traveled by Train	10,689,239	32,027,201	36,687,280	99%	. ---	98%	. ---
GRI 302-2_A6_c57	Total KM Traveled by Taxi	1,053,383	2,733,073	2,795,263	99%	. ---	98%	. ---
GRI 302-2_A6_c92	Total KM Traveled by Plane	60,076,638	244,180,946	193,964,286	99%	. ---	98%	. ---
	GHG emissions for company's cars							
GRI 302-2_A6_b70	Number of company cars	5,792	6,536	6,470	. ---	100%	. ---	100%
GRI 302-2_A6_b71	Number of cars below 120g CO_2/km	5,036	5,792	5,950	. ---	100%	. ---	100%
GRI 302-2_A6_c1	Percentage of company cars below 120 gr CO_2/km	89%	89%	92%	. ---	100%	. ---	100%
GRI 302-2_A6_b82	Average of emissions in company´s fleet cars *(gr CO_2/km)*	101	106	105	. ---	100%	. ---	100%
GRI 302-3	**Energy Intensity**							
GRI 302-1_E_c1	Total direct* and indirect* energy intensity *(Mwh/€ million)* (After rebaselining taking into account acquisitions and divestitures)	51.80	61.36	65.05	. ---	100%	. ---	100%
GRI 302-3_A_c1	Energy intensity by revenue *(Mwh per € million)* –before rebaselining	52.03	61.30	61.68	. ---	99.6%	. ---	98%
GRI 302-3_A_c2	Energy intensity by employee *(Mwh per Employee)*	5.68	6.53	7.81	99.3%	. ---	97%	. ---
GRI 302-4	**Energy Saving Initiatives**							
GRI 302-4_A_c1	Estimated Energy savings in Datacenters *(in MWh)*	3,703	3,718	1,152	. ---	61%	. ---	45%
GRI 302-4_A_c5	Estimated Energy savings in Offices *(in MWh)*	35,892	8,001	5,235	. ---	61%	. ---	45%
GRI 302-4_A_c14	Cost savings due to energy savings in Offices and Datacenters *(€ thousand)*	3,100	872	986	. ---	61%	. ---	45%
GRI 302-5	Reductions in energy requirements of products and services							
GRI 302-5_A	Etimated average PUE for core Datacenters	1.45	1.52	1.62	. ---	100%	. ---	100%

		2020	2019	2018	2020 perimeter *(in %)*		2019 Perimeter *(in %)*	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 305-1	**Direct greenhouse gas emissions (DCs & Offices)**							
GRI 305-1_A_c2	GHG emissions (scope 1) *(in tCO_2e)*	12,228	20,981	30,383	. ---	99.6%	. ---	98%
GRI 305-2	**Indirect greenhouse gas emissions (DCs & Offices)**							
GRI 305-2_A_c1	GHG emissions (scope 2) *(in tCO_2e)*	51,017	81,769	63,675	. ---	99.6%	. ---	98%
GRI 305-3	Other indirect greenhouse gas emissions (Scope 3)							
GRI 305-3_A_c1	GHG emissions ("Operational" Scope 3*) in tCO_2e	86,296	136,202	128,078	. ---	99.6%	. ---	98%
GRI 305-3_A_c2	GHG emissions (Scope 3b*) *(in tCO_2e)*	2.65	3.06	5.12	. ---	99.6%	. ---	98%
GRI 305-3_A_c3	GHG emissions (estimated full scope 3*) *(in tCO_2e)*	2.8	3.30	5.3	. ---	99.6%	. ---	98%
GRI 305-4	**Greenhouse gas emissions intensity**							
GRI 305-4_A_c3	Global GHG emissions *(tCO_2e)* (After uplifting to 100% and rebaselining taking into account acquisitions and divestitures)	149,541	242,986	254,608	. ---	100%	. ---	100%
GRI 305-4_A_c3	Global GHG emissions (*tCO_2e*) –before rebaselining –Including Homeworking	166,896	Not disclosed	Not disclosed	. ---	99.6%	. ---	98%
GRI 305-4_A_c3	Global GHG emissions *(tCO_2e)* –before rebaselining	149,541	238,952	222,137	. ---	99.6%	. ---	98%
GRI 305-4_A_c4	GHG emissions in Datacenters *(tCO_2e)* –before rebaselining	80,961	110,994	103,608	. ---	99.6%	. ---	98%
GRI 305-4_A_c5	GHG emissions in Offices *(tCO_2e)* –before rebaselining	48,235	73,804	55,773	. ---	99.6%	. ---	98%
GRI 305-4_A_c6	GHG emissions in Travels *(tCO_2e)* –before rebaselining	20,345	54,154	62,756	. ---	99.6%	. ---	98%
GRI 305-4_A_c1	GHG emissions by revenue *(tCO_2e/€ million)* (After uplifting to 100% and rebaselining taking into account acquisitions and divestitures)	13.37	20.74	22.02	. ---	100%	. ---	100%
GRI 305-4_A_c1	GHG emissions by revenue *(tCO_2e/€ million)* –before rebaselining	13.44	20.77	18.22	. ---	99.6%	. ---	98%
GRI 305-4_A_c3	GHG emissions by revenue *(tCO_2e/€ million)* –before rebaselining –Including Homeworking	14.93	Not disclosed	Not disclosed	. ---	99.6%	. ---	98%
GRI 305-4_A_c2	GHG emissions by employee (tCO_2e/employee) –before rebaselining	1.47	2.25	2.30	99.3%	. ---	97%	. ---
GRI 305-4_A_c3	GHG emissions by employee (tCO_2e/employee) –before rebaselining –Including Homeworking	1.62	Not disclosed	Not disclosed	. ---	99.6%	. ---	98%
GRI 305-5	**Reduction of greenhouse gas (GHG) emissions**							
GRI 305-5_A_c2	Estimation of GHG reductions achieved *(tCO_2e)*	24,058	33.71	3,516	. ---	61%	. ---	45%
GRI 305-5_A_cmp20	GHG emissions reduction due to the Energy saved in Datacenters *(tCO_2e)*	904	4.91	32	. ---	61%	. ---	45%
GRI 305-5_A_cmp40	GHG emissions reduction due to the Energy saved in Offices *(tCO_2e)*	23,154	28.80	3,484	. ---	61%	. ---	45%

		2020	2019	2018	2020 perimeter *(in %)*		2019 Perimeter *(in %)*	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 305-5	**Reduction of clients´ greenhouse gas (GHG) emissions**							
GRI 305-5_A_c3	Offsetting of Datacenters GHG emissions *(in %)*	100%	100%	100%	. ---	100%	. ---	100%
GRI 305-5_A_c4	Offsetting of Offices GHG emissions *(in %)*	100%	100%	0%	. ---	100%	. ---	98%
GRI 305-5_A_c5	Offsetting of Business Travel GHG emissions *(in %)*	100%	100%	0%	. ---	99%	. ---	99%
A14	**ISO 14001 certification of Atos main sites (offices and DC)**							
A14_c5	Number of Offices and Datacenters ISO 14001 certified	99	103	119	. ---	100%	. ---	100%
A14_c6	Percentage of Offices and Datacenters ISO 14001 certified	89%	89%	85%	. ---	100%	. ---	100%
A19	**Waste Electrical and Electronic Equipment (WEEE)**							
A19_A9_b3	WEEE collected or recovered *(in kg)*	176,006	366,398	448,167	. ---	61%	. ---	65%
A19_A2_b3	WEEE professionally disposed *(in kg)*	160,115	366,398	448,086	. ---	61%	. ---	65%
GRI 201-2	**Financial implications and other risks and opportunities due to climate change**							
GRI 201-2_A.iv_c1	Internal carbon price *(in €/ton CO_2e)*	80	Not disclosed	Not disclosed	. ---	100%		. ---
A20	**Natural disasters**							
A20_A	Percentage of the core Datacenters that have synchronous data replication capacities *(in %)*	100%	100%	100%	. ---	100%	. ---	100%
SASB TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Qualitative	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
419-1	**Significant fines for non-compliance concerning the provision and use of products and services**							
419-1_A	Significant fines for non-compliance concerning the provision and use of products and services	0	0	0	. ---	100%	. ---	100%
A7	**Green technologies and solutions**							
A7_A_c1	Decarbonization revenue *(in € million)*	47.5	Not disclosed	Not disclosed		. ---		. ---

Environment Dimension:

All environmental KPIs exclude Belorussia, Bosnia and Herzegovina, Algeria, Tunisia, Mali, Ivory Coast, Gabon, Lenbanon, French Polynesia and New Caledonia.

GRI 302-5: 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 Datacenter [GRI 302-5_C]. The scope of this indicator is the core datacenters. Those core datacenters are strategically selected with stricter requirements to the design and operation.

GRI 302-1, GRI 302-3, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4 Perimeter for Offices and Data Centers include Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Colombia, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hong Kong, Hungary, India, Ireland, Italy, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, Philippines, Poland, Portugal, Qatar, Romania, Russia, Senegal , Serbia, Singapore, Slovakia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, United Kingdom, Uruguay and USA.

GRI 302-3 the Energy Intensity includes the office´s and Datacenter´s scope of countries. The employees included in that scope of countries are 102,022. The revenue applicable for that scope of countries are 11,130.77 million of Euros.

GRI 302-2, GRI 305-1, GRI 305-3, GRI 305-4 perimeter for Travels include Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Colombia, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hong Kong, Hungary, India, Ireland, Italy, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, Philippines, Poland, Portugal, Romania, Russia, Senegal, Serbia, Singapore, Slovakia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, UNITED KINGDOM, Uruguay and USA.

Environment Dimension:

GRI 302-2 the Travel Intensity includes the travel´s scope of countries. The employees included in that scope of countries are 101,922. The revenue applicable for that scope of countries are 11,111.63 million of Euros.
GRI 302-1_C1_c9 and GRI 302-1_C1_c8: Approximated values. Strategic Datacenters managed by Atos in Infrastructure Data Management scope.
GRI 302-1_E_c1: direct: gas, fuel, diesel, coal…
GRI 302-1_E_c1: indirect: electricity and heating energy consumption
GRI 305-1_A_c2: tCO_2: Tons of CO_2
GRI 305-3_A_c1: "Operational" Scope 3a includes the same emission categories as 2018 and 2019 scope 3 (emission from business travel and 3rd Party energy consumption)
GRI 305-4 the Greenhouse Gas emissions Intensity includes the office´s, Datacenter´s and travel´s scope of countries. The employees included in that scope of countries are 102,022. The revenue applicable for that scope of countries are 11,130.77 million of Euros.
A14: A site has formally entered the "certification process" when a budget has been allocated or the manager of the Environmental Management System has been appointed.

Social Dimension

		2020	2019	2018	2020 perimeter (in %)		2019 perimeter (in %)	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 404-1	**Average training hours per employee**							
GRI 404-1_c1	Average hours of formal training per employee	29.67	21.70	17.43	81%	. ---	88%	. ---
GRI 404-1_c2	Average hours of formal training per male employee	26.10	20.24	18.03	81%	. ---	88%	. ---
GRI 404-1_c3	Average hours of formal training per female employee	37.62	25.03	15.96	81%	. ---	88%	. ---
GRI 404-1_c5	Average hours of training per employee	46.68	38.76	37.90	89%	. ---	85%	. ---
GRI 404-1_c6	Average hours of training per male employee	41.04	41.41	38.23	89%	. ---	85%	. ---
GRI 404-1_c7	Average hours of training per female employee	53.87	34.21	37.04	89%	. ---	85%	. ---
GRI 404-1_c4	Number of internships	1807	3737	2049	100%	. ---	100%	. ---
GRI 404-2	**Programs for upgrading employee skills**							
GRI 404-2_A_c1	Number of digital certifications registered	197,180	177,110	130,050	100%	. ---	100%	. ---
GRI 404-2_A_b0	Number of digital certifications obtained per year	85,216	51,736	40,316	100%	. ---	100%	. ---
GRI 404-2_A_b2	Total number of certifications registered	268,694	264,654	161,227	100%	. ---	100%	. ---
GRI 404-2_A_c3	Number of certifications obtained per year	133,164	64,019	58,522	100%	. ---	100%	. ---
A6_c10	Employee perception of its employability: Percentage of positive responses to "I am offered training or development to further myself professionally"	64%	57%	52%	66%	. ---	62%	. ---
GRI 404-3	**Career development monitoring**							
GRI 404-3_A_c1	Percentage of employees receiving performance appraisal in the last 12 months	88%	87%	88%	68%	. ---	77%	. ---
GRI 404-3_A_a1	Percentage of female who received a regular performance and career development review during the reporting period.	91%	86%	29%	68%	. ---	76%	. ---

		2020	2019	2018	2020 perimeter *(in %)*		2019 perimeter *(in %)*	
Standard code	Indicator Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
GRI 404-3_A_a2	Percentage of male who received a regular performance and career development review during the reporting period.	90%	88%	71%	68%	. ---	77%	. ---
GRI 404-3_A_c2	Percentage of employees with an Individual Development Plan	85%	85%	85%	64%	. ---	82%	. ---
GRI 404-3_A_c3	Percentage of Internal Fulfilment (Internal promotion of employees)	84%	81%	80%	100%	. ---	100%	. ---
GRI 401-1	**Organizational workforce in headcount and Employee Turnover**							
GRI 401-1_A_c2	Number of employees at the end of the reporting period (Legal staff)	102,708	107,602	97,824	100%	. ---	100%	. ---
GRI 401-1_A_b1	Females at the end of the reporting period (Legal staff)	31,771	33,273	28,781	100%	. ---	100%	. ---
GRI 401-1_A_b2	Males at the end of the reporting period (Legal staff)	70,937	74,329	69,043	100%	. ---	100%	. ---
	Employees by geographical breakdown							
LFR.50	Employees in France (in %)	10.6%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
LFR.51	Employees in Europe (excl. France) *(in %)*	41.6%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
LFR.52	Employees in North America *(in %)*	8.7%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
LFR.53	Employees in South America *(in %)*	2.7%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
LFR.54	Employees in Asia/Pacific (in %)	32.9%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
LFR.55	Employees in Middle East/Africa (in %)	3.4%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
A24.1	Number of employees in India	29,249	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
A24.2	Number of employees in United States	7,584	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
A24.3	Number of employees in Europe	53,696	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
	Employee Turnover							
GRI 401-1_B_c1	Number of employees leaving employment during the reporting period	13,035	13,043	14,874	100%	. ---	78%	. ---
GRI 401-1_B_b1	Males leaving employment during the reporting period	8,691	8,933	10,551	100%	. ---	78%	. ---
GRI 401-1_B_b2	Females leaving employment during the reporting reriod	4,344	4,110	4,323	100%	. ---	78%	. ---
GRI 401-1_B_c2	Percentage of voluntary attrition	9.98%	12.90%	12.38%	100%	. ---	78%	. ---
M.22.1	Retention rate among key people *(in %)*	95%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
GRI 102-8	**Number of employees**							
GRI 102-8	Total employees plus supervised workers (including: interims + interns + subcos)	121,280	127,827	121,393	100%	. ---	100%	. ---
GRI 102-8_A_c1	Percentage of employees with a permanent contract	99%	99%	98%	100%	. ---	100%	. ---
GRI 102-8_A1	Males with a permanent contract	70,313	73,625	67,923	100%	. ---	100%	. ---
GRI 102-8_A3	Females with a permanent contract	31,518	32,942	28,278	100%	. ---	100%	. ---
GRI 102-8_A_c2	Percentage of employees with a temporary contract	0.85%	0.96%	1.66%	100%	. ---	100%	. ---
GRI 102-8_A2	Males with a temporary contract	624	704	1,120	100%	. ---	100%	. ---

		2020	2019	2018	2020 perimeter *(in %)*		2019 perimeter *(in %)*	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 102-8_A4	Females with a temporary contract	253	331	503	100%	. ---	100%	. ---
GRI 102-8_A_c3	Percentage of employees in Full Time working	92%	93%	89%	100%	. ---	100%	. ---
GRI 102-8_B2	Number of male in full time employment	67,692	70,772	63,319	100%	. ---	100%	. ---
GRI 102-8_B4	Number of female in full time employment	28,193	29,085	23,376	100%	. ---	100%	. ---
GRI 102-8_A_c4	Percentage of employees in Part Time working	8%	7%	11%	100%	. ---	100%	. ---
GRI 102-8_B1	Number of male in part time employment	3,578	3,557	5,724	100%	. ---	100%	. ---
GRI 102-8_B3	Number of female in part time employment	3,245	4,188	5,405	100%	. ---	100%	. ---
GRI 405-1	**Diversity and Equal Opportunity**							
GRI 405-1_B_c3; SASB TC-SI-330a.3	Number of nationalities within Atos	139	134	140	77%	. ---	89%	. ---
GRI 405-1_B_c5; SASB TC-SI-330a.3	Number of nationalitites representing more than 5% of the Atos population	7	Not disclosed	Not disclosed	77%	. ---	. ---	. ---
GRI 405-1_B_c4; SASB TC-SI-330a.3	Percentage of females within Atos	30.93%	30.92%	29.42%	100%	. ---	100%	. ---
GRI 405-1_B_b1; SASB TC-SI-330a.3	Disabled employees	1,425	1,379	1,551	99%	. ---	97%	. ---
GRI 405-1_B_c1; SASB TC-SI-330a.3	Percentage of disabled people	1.39%	1.70%	1.60%	99%	. ---	97%	. ---
GRI 405-1_c15; SASB TC-SI-330a.3	Female ratio within the Group executive management (top 460)	30%	13%	Not disclosed	100%	. ---	100%	. ---
GRI 405-1_c14	Percentage of women identified in talents pool	29.84%	28.18%	27.88%	60%	. ---	86%	. ---
GRI 405-1_c15	Percentage of woman recruited	36.76%	33.50%	32.24%	100%	. ---	100%	. ---
GRI 405-2	**Salary rate between men and women**							
GRI 405-2_A_c3	Overall salary rate between woman and men in Annual Basic Salary	0.93	Not disclosed	Not disclosed	68%	. ---	. ---	. ---
GRI 405-2_A_c3	Overall salary rate between woman and men in Total Remuneration	0.92	Not disclosed	Not disclosed	68%	. ---	. ---	. ---
A6	**Diversity Perception (GPTW)**							
A6_c4	People here are treated fairly regardless of their age	76%	71%	71%	66%	. ---	62%	. ---
A6_c5	People here are treated fairly regardless of their gender	84%	80%	81%	66%	. ---	62%	. ---
A6_c6	People here are treated fairly regardless of their race or ethnicity	85%	82%	85%	66%	. ---	62%	. ---
A6_c7	People here are treated fairly regardless of their sexual orientation	86%	82%	85%	66%	. ---	62%	. ---
A6_c9	Average on Diversity Perception (GPTW survey questions)	83%	80%	81%	66%	. ---	62%	. ---
A16	**Health and safety**							
GRI 403-2_A, A16_B	Global absenteeism rate *(in %)*	1.8%	2.4%	2.4%	58%	. ---	64%	. ---
GRI 403-2_B_c1, A16_A_b3	Number of staff seriously injured work related	58	174	236	99%	. ---	78%	. ---
GRI 403-2_B_c2, A16_A_b4	Number of Atos staff´s dead work related	0	0	1	99%	. ---	78%	. ---
G. Q50	Accident frequency rate (number of lost time accidents x 1,000,000/number of hours worked)	0.50	Not disclosed	Not disclosed	99%	. ---	. ---	. ---
G. Q51	Accident severity rate *(in %)* (Number of days lost to accidents or occupational diseases x 1000/number of hours worked.)	0%	Not disclosed	Not disclosed	99%	. ---	. ---	. ---

		2020	2019	2018	2020 perimeter *(in %)*		2019 perimeter *(in %)*	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 403-1	Workers representation in formal joint management-worker health and safety commitees	Qualitative	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
GRI 403-3	Workers with high incidence or high risk of deseases related to their occupacion	Qualitative	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
GRI 403-4	Health and safety topics covered in formal agreements with trade unions	Qualitative	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
	Covid-19 pandemic managemet							
A16_C_c1	Average percentage of employees working from home during the pandemic	94%	Not disclosed	Not disclosed	100%	. ---	. ---	. ---
A2	**Employee Satisfaction**							
A2_B	Percentage of Responses to Great Place to Work surveys (Average of Response rate)	69%	66%	66%	66%	. ---	62%	. ---
A2_C	Percentage of positive responses to "Taking everything into account, I would say this is a great place to work"	63%	54%	52%	66%	. ---	62%	. ---
A2_D; SASB TC-SI-330a.2	Atos Trust Index® informed by Great Place to Work (GPTW)	65%	58%	57%	66%	. ---	62%	. ---
GRI 401-2	**Benefits to employees**							
GRI 401-2_A_C15	Percentage of Permanent employees participating in Death Benefits	84%	93%	89%	67%	. ---	88%	. ---
GRI 401-2_A_C16	Percentage of Temporary employees participating in Death Benefits	75%	77%	83%	67%	. ---	88%	. ---
GRI 401-2_A_C17	Percentage of Permanent employees participating in Disability benefits	77%	86%	83%	67%	. ---	88%	. ---
GRI 401-2_A_C18	Percentage of Temporary employees participating in Disability benefits	33%	31%	29%	67%	. ---	88%	. ---
GRI 401-2_A_C19	Percentage of Permanent employees participating in Health Care	80%	95%	92%	67%	. ---	82%	. ---
GRI 401-2_A_C20	Percentage of Temporary employees participating in Health Care	69%	70%	84%	67%	. ---	82%	. ---
GRI 201-3	Defined benefit plan obligations and other retirement plans	Qualitative	Qualitative	Qualitative				
GRI 401-3	**Return to work and retention rates after parental leave**							
GRI 401-3_A_c1	Total number of employees that were entitled to parental leave	159	168	194	11%	. ---	14%	. ---
GRI 401-3_B	Total number of employees that took parental leave	325	327	763	11%	. ---	14%	. ---
GRI 401-3_C	Total number of employees who returned to work after parental leave ended	30	24	29	11%	. ---	14%	. ---
GRI 401-3_D	Percentage of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	93%	91%	90%	11%	. ---	14%	. ---

Standard code	Indicator Name	2020 Group	2019 Group	2018 Group	2020 perimeter (in %) Per employee	2020 perimeter (in %) Per revenue	2019 perimeter (in %) Per employee	2019 perimeter (in %) Per revenue
GRI 102-41	**Collective bargaining coverage**							
GRI 102-41_A_c2	Percentage of employees covered by collective bargaining agreements	46%	59%	61%	99%	. ---	59%	. ---
GRI 401-1	**Employee Hiring**							
GRI 401-1_A_c1	New employees hired during the Reporting Period	11,495	12,051	13,510	100%	. ---	78%	. ---
GRI 401-1_A_a1	Males hires during the Reporting Period	7,269	8,014	9,155	100%	. ---	78%	. ---
GRI 401-1_A_a2	Females hires during the Reporting Period	4,226	4,037	4,355	100%	. ---	78%	. ---
GRI 401-1_A_a5	New employees hired in developing countries during the reporting period	5,796	Not disclosed	Not disclosed	91%	. ---	. ---	. ---
GRI 401-1_A_a3	Number of graduates recruited	5,433	5,046	6,085	91%	. ---	69%	. ---
GRI 401-1_A_a4	Percentage of graduates recruited	47.90%	42.93%	45.67%	91%	. ---	69%	. ---
GRI 202-2	**Proportion of senior management hired from the local community**							
GRI 202-2_A_b1	Number of national senior managers	2,184	2,299	2,632	77%	. ---	89%	. ---
GRI 202-2_A_b2	Total number of senior managers	2,358	2,474	2,841	77%	. ---	89%	. ---
GRI 202-2_A_c1	Percentage of national senior managers	92.6%	92.9%	92.6%	77%	. ---	89%	. ---
GRI 202-2_A_b3	Number of national employee	74,274	70,202	83,725	77%	. ---	89%	. ---
GRI 202-2_A_b4	Total number of employees	78,728	74,102	88,238	77%	. ---	89%	. ---
GRI 202-2_A_c2	Percentage of national employees	94.3%	94.7%	94.9%	77%	. ---	89%	. ---
GRI 202-2_A_b5	Number of national employees recruited	7,474	10,674	12,090	72%	. ---	89%	. ---
GRI 202-2_A_b6	Total number of employees recruited (Excluding acquisitions)	8,231	12,051	13,510	72%	. ---	100%	. ---
GRI 202-2_A_c3	Percentage of national employees recruited (Excluding acquisitions)	90.8%	90.8%	90.7%	72%	. ---	89%	. ---
GRI 201-1	**Community investments (Economic value distributed)**							
GRI 201-1_A6_c1	Total community investments *(in € thousand)*	2,766	2,543	3,887	. ---	87%	. ---	89%
GRI 201-1_A6_c3	Donations to Charity *(in € thousand)*	1,472	686	854	. ---	87%	. ---	89%
GRI 201-1_A6_c4	Contribution to Commercial initiatives for good causes *(in € thousand)*	45	125	142	. ---	87%	. ---	89%
GRI 201-1_A6_c8	Contribution to Universities and similar *(in € thousand)*	1,086	1,600	2,752	. ---	87%	. ---	89%
GRI 201-1_A6_c9	Contribution to Responsible IT Projects *(in € thousand)*	163	132	139	. ---	87%	. ---	89%
GRI 201-1_A6_c2	Total number of employees involved in the main social initiatives	2,193	1,476	2,118	58%	. ---	55%	. ---
GRI 201-1_A6_b1	Cash contribution *(in € thousand)*	1,088	1,550	3,437	. ---	87%	. ---	89%
GRI 201-1_A6_b2	Staff time cost *(in € thousand)*	1,398	655	256	. ---	87%	. ---	89%
GRI 201-1_A6_b3	In-kind contribution *(in € thousand)*	11	165	14	. ---	87%	. ---	89%
GRI 201-1_A6_b4	Management Cost of Social initiatives *(in € thousand)*	269	173	179	. ---	87%	. ---	89%

		2020	2019	2018	2020 perimeter (in %)		2019 perimeter (in %)	
Standard code	Indicator Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
GRI 201-4	**Financial assistance from governments**							
GRI 201-4_A_c1	Financial assistance from governments *(in €)*	105,901,574	75,130,290	90,618,439	. ---	99%	. ---	97%
GRI 203-1	Infrastructure investments and services supported	Qualitative	Qualitative	Qualitative				
GRI 203-2	Significant indirect economic impacts	Qualitative	Qualitative	Qualitative				
GRI 204-1	Proportion of spending on local suppliers							
GRI 204-1_A_c1	Percentage of local spending	82%	84%	85%	. ---	100%	. ---	100%
A17, GRI 205-1, GRI 412	**Supplier Screening**							
A17_A_c0	Number of strategic suppliers assessed by EcoVadis	154	130	138	. ---	100%	. ---	100%
A17_A_c1	Percentage of strategic suppliers evaluated by EcoVadis	62%	52%	57%	. ---	100%	. ---	100%
A17_A_c2	Total spend evaluated by EcoVadis *(in € million)*	3,420	2,927	3,377	. ---	100%	. ---	100%
A17_A_c3	Total percentage of spend assessed by EcoVadis	62.6%	56%	55%	. ---	100%	. ---	100%

Social Dimension:

GRI 405-1_c15, SASB TC-SI-330a.3: The executive group (GEM, group executive management) refers to a wider senior management network, holders of management positions and talents. Responsible for implementing strategy and delivering operational performance. This group is compound in 2020 by 464 employees.

GRI 404-1: The calculation of the average training by employee is done using the headcount closing 2020. This includes the hours registered in the Atos formal training tools and also the hours registered as informal training (self-directed training not accessed through the Atos´ learning management system).

GRI 401-1: The turnover is calculated as the total leaving excluding outsourcing divided by total headcount at the end of the year.

GRI 102-43, GRI 102-44: "Net Promoter Score": Percentage of "Promoters" minus Percentage of "Detractors". "Promoters" are ready to recommend Atos (score of 9 or 10 answering the recommendation question); "Detractors" are not likely to (score below or equal to 6).

GRI 404-1_c1, GRI 404-1_c2, GRI 404-1_c3: Subco/Externals excluded.

GRI 404-1_c1, GRI 404-1_c2, GRI 404-1_c3: Indirect employees/Subco/Externals excluded.

GRI 405-2: The calculation approach was adapted in 2020 to disclose a more realistic gender gap.

GRI 401-3: includes only France.

A17, GRI 205-1: Information contains data provided by EcoVadis. EcoVadis assessment is not only on corruption, but also on human rights and environment. Atos works with EcoVadis to assess strategic supplier's risks related to corruption (GRI 205-1: Total number and percentage of operations assessed for risks related to corruption and the significant risks identified).

A17_A_c0: Number of strategic suppliers assessed by EcoVadis = Number of suppliers assessed by EcoVadis during the current year out of the strategic suppliers (representing 70% of revenues spent).

A17_A_c1: Percentage of strategic suppliers evaluated by EcoVadis = Number of Atos' strategic suppliers evaluated by EcoVadis / number of Atos' strategic suppliers.

A17_A_c2: Total spend evaluated by EcoVadis (M EUR) = Total spend assessed by EcoVadis (regardless if spent on strategic suppliers).

A17_A_c3: Total percentage of spend assessed by EcoVadis = Total spend assessed by EcoVadis / global Atos spend during the year.

A16_C_c1: Of the respondents to our internal global employee survey held in May 2020, 95% of them were working from home. By the end of 2020 the average of employees working from home was 94%.

Governance Dimension

Standard code	Indicator Name	2020 Group	2019 Group	2018 Group	2020 perimeter (in %) Per employee	2020 perimeter (in %) Per revenue	2019 perimeter (in %) Per employee	2019 perimeter (in %) Per revenue
GRI 102-43, GRI 102-44	**Client satisfaction and delivery capability**							
GRI 102-43, GRI 102-44	Group Overall Customer Satisfaction (all clients part of strategic survey)	8.5	8.40	8.30	. ---	58%	. ---	64%
GRI 102-43, GRI 102-44	Net Promoter Score for our top clients	60%	58%	45%	. ---	71%	. ---	80%
GRI 102-43, GRI 102-44	Net Promoter Score for all clients	65%	59%	48%	. ---	60%	. ---	64%
GRI 102-28	**Corporate governance**							
LFR.149	Are the roles of Chairman and CEO separeted? (Y/N)	Y	Y	N	. ---	100%	. ---	100%
GRI 102-28	Attendance rate at Board meetings *(in %)*	95.61%	85.12%	84.44%	. ---	100%	. ---	100%
LFR.150	Number of members of the Board of Directors/Supervisory Board	13	12	12	. ---	100%	. ---	100%
LFR.150.1	Number of independent members of the Board of Directors	6	8	8	. ---	100%	. ---	100%
GRI 405-1	Percentage of female in Governance bodies (Board of Directors)	46%	40%	50%	. ---	100%	. ---	100%
G.Q11	Number of employee representatives among the Board	3	2	2	. ---	100%	. ---	100%
LFR.162	Number of Board members of different nationality than the company headquarters	6	6	6	. ---	100%	. ---	100%
LFR.197	Share capital held by members of the Management Board *(in %)*	0.1%	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
G.Q116	Number of members within the Management Committee	20	Not disclosed	Not disclosed	100%	. ---	100%	. ---
GRI 405-1_c16; SASB TC-SI-330a.3; G.Q605	Share of women in the Management Committee	5%	Not disclosed	Not disclosed	100%	. ---	100%	. ---
LFR.173	Does your Sustainable Policy rely on the UN 17 Sustainable Development Goals (Y/N)	Y	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
A26	Governance to implement the CSR strategy	Qualitative	Qualitative	Qualitative	. ---	100%	. ---	100%
G.Q643	Presence of the CSR manager at the Executive Committee (or Management Committee)	Qualitative	Qualitative	Qualitative	. ---	100%	. ---	100%
A3	**Data Security Incidents**							
A3_c2	Percentage of Open Security Incidents open vs closed (in %)	3.8%	2.4%	6.3%	100%	. ---	100%	. ---
A3_c3	Percentage of employees who successfully performed the Safety & Security E-learning	97%	94%	93%	81%	. ---	81%	. ---
A3_c4	Percentage of employees who successfully performed the Data Protection E-learning	94%	88%	74%	81%	. ---	81%	. ---
A3_c5	Percentage of compliance to malicious code prevention	100%	98%	99%	100%	. ---	100%	. ---
A3_c9	Percentage of coverage of ISO 27001 certifications	100%	100%	100%	100%	. ---	100%	. ---
SASB TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Qualitative	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
SASB TC-SI-330a.1	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Qualitative	Not disclosed	Not disclosed	. ---	100%	. ---	. ---

		2020	2019	2018	2020 perimeter *(in %)*		2019 perimeter *(in %)*	
Standard code	**Indicator Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 418-1, SASB TC-SI-220a.2	**Customer Privacy**							
SASB TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Qualitative	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
SASB TC-SI-220a.2	Number of users whose information is used for secondary purposes	0	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
GRI 418-1_A1, SASB TC-SI-220a.3	Total number of material complaints regarding breaches of customer privacy and losses of customer data resulting in judicial action	0	0	0	. ---	100%	. ---	100%
SASB TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	0	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
A10	**Initiatives regarding innovative services/product developments**							
A10_c1	Client innovation workshops delivered	424	370	297	. ---	100%	. ---	100%
A27_A	Investment in Research and Development per year *(in € million)*	235	235	Not disclosed	. ---	100%	. ---	100%
A27_B	Number of patents fulfilled during the reporting year	82	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
A10_c2	Clients perception to the Atos innovation in the customer satisfaction surveys (average score from 1 to 10)	7.63	Not disclosed	Not disclosed	. ---	58%	. ---	. ---
A7_total	Estimated revenue of "sustainability offering" *(in € million)*	3,114	2,764	3,257	. ---	100%	. ---	100%
A12	**Business partners & ecosystem**							
A23	New business generated with partners *(in %)*	67%	62%	59%	. ---	100%	. ---	100%
A12_A	Number of startups active during the reporting period	14	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
GRI 205-1	**Operations assessed for risks related to corruption**							
GRI 205-1_c1	Number of "alerts" reported through Whistle blowing systems	78	120	Not disclosed	. ---	100%	. ---	. ---
GRI 205-2	**Percentage of employees trained on the Code of Ethics**							
GRI 205-2_E_b1	Number of employees who successfully completed the web based Code of Ethics training	95,548	76,457	74,479	95%	. ---	75%	. ---
GRI 205-2_E_c1	Percentage of employees who successfully completed the Code of Ethics´ elearning	98%	95%	92%	95%	. ---	100%	. ---
GRI 205-3	**Actions taken in response to incidents of corruption.**							
GRI 205-3_A1_c2	Number of claims with clients or suppliers related to corruption (higher than € 100 thousand)	0	0	0	. ---	100%	. ---	100%
GRI 419-1	**Significant fines for non-compliance**							
GRI 419-1_A1_c1	Total value of significant fines (higher than € 300 thousand)	0	0	0	. ---	100%	. ---	100%
GRI 419-1_c3	Number of significant fines (higher than € 300 thousand)	0	0	0	. ---	100%	. ---	100%

		2020	2019	2018	2020 perimeter (in %)		2019 perimeter (in %)	
Standard code	Indicator Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
SASB TC-SI-520a.1	**Competitive Behavior**							
SASB TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	0	Not disclosed	Not disclosed	. ---	100%	. ---	. ---
SASB TC-SI-550a.2	**Systemic risk management**							
SASB TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Qualitative	Not disclosed	Not disclosed	. ---	100%	. ---	. ---

Governance Dimension:

GRI 405-1 regarding "Percentage of female in Governance bodies (Board of Directors)": 40% (4 out of 10) pursuant to the legal ratio. In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors.

GRI 405-1_c16; SASB TC-SI-330a.3; G.Q605: The new indicator for the share of women in the Management Committee use the Atos´ General Management Committee (GMC) which on Feb 1, 2021 is composed by 21 members of which three are women, increasing the percentage from 5% in 2020 to 14,3% in the second month of 2021. The general management committee (GMC) refers to Atos top management team leading group vision and defining strategy. Made up of the most senior managers in the organization.

GRI 418-1_A1, SASB TC-SI-220a.3: The threshold to report the complaints is 300K€

A10: see the methodological note in "Scope of the report": Detailed information related to Client Innovation Workshops [A10]

5.6 Non-Financial Performance Statement

Since 2010, Atos performs a yearly Materiality Assessment to identify main non-financial challenges for the Company taking into account stakeholders' expectations. From the materiality analysis, a set of non-financial risks and opportunities are identified and aligned with the overall risk identification process in Atos (Enterprise risk management detailed in section 7.1.1). The table below presents the Non-Financial Performance Statement, namely the references to easily find the Business Model of Atos, its non-financial risks and opportunities, the policies and mitigation actions to address them and the main Key Performance Indicators (KPIs) used to monitor its implementation. The overall approach follows up the principles of International Integrating Reporting Committee (IIRC), from the Company strategy setting into operations.

NFPS Themes	Description	Related Section
Business Model	Based on the multi-capital IIRC model, Atos presents its value creation over time.	2020 Universal Registration Document, Group Overview / Business model
Risks Assessment	With an integrated approach, Atos presents its overall set of Risks, including the non-financial ones.	2020 Universal Registration Document, 7 Risk Analysis, 5.4.6, 5.4.7, 5.4.9, 5.2.3

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
Environment	Natural disasters & extreme events	X	Resilience of sites and activities to host critical IT services	As a result of an exposure to the environmental disasters (flood, hurricanes, fires, extreme pollution, etc.) intensified by climate changes, the Company could be materially adversely affected if the organization is not effectively prepared to face/or recover from the effects of the disasters.	2020 Universal Registration Document 5.2.3.2 Main environmental and climate-related risks	A20_A Natural disasters
	Energy & carbon emissions, Potential changes in regulations linked to Climate change	X	Operational efficiency & cost reduction, Attractiveness of eco-friendly offers and promotion of sustainable solutions	Committing to reduce energy consumption & carbon footprint and following the recent International Climate Agreements the Company could be materially adversely affected if it fails to rapidly scale up its reduction efforts.	2020 Universal Registration Document 5.2.3 Risks and opportunities related to environment	GRI 302 Energy, GRI 305 Emissions, GRI 201-2 Financial implications and other risks and opportunities due to climate change
	Circular economy	NFPS	Positive impact for the planet	The finitude of resources, especially the rare raw materials used in electrical components, constitute a challenge for the industry, which will have to adapt and develop new solutions linked with eco-design and management of end-of-life products.	2020 Universal Registration Document 5.2.7.1 Waste and e-waste	A19 Waste Electrical and Electronic Equipment (WEEE)

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
Social	Key People attraction & retention	X	People engagement	Within a highly competitive labor market and as most of the Group's value is based on Human capital, the Company could be materially adversely affected if it fails to: - acquire the talents and digital experts - retain and motivate essential qualified staff - achieve up/reskilling of the employees - meet the expectations regarding well-being at work, personal development, fair and attractive company culture.	2020 Universal Registration Document 7.2.1.2 Key People retention & acquisition	GRI 404-3 Career development monitoring
	Skills enhancement	X	People's career development		2020 Universal Registration Document 7.2.1.3 Skills enhancement & performance	GRI 404-1 Average training hours per employee GRI 404-2 Employability initiatives
	Employee well-being at work (people care)	X	Collaborative environment and being a responsible employer by leveraging well-being at work		2020 Universal Registration Document 7.2.1.1 People Care & Health	A2 Employee satisfaction
	Collective agreements	NFPS	Being a responsible employer	As a result of being internationally located, the Company could be materially adversely affected if it fails to protect its employees.	2020 Universal Registration Document 5.3.8.2 Awareness and involving employees	GRI 102-41 Collective bargaining coverage
	Fight against discrimination (disabled persons)	NFPS		Being exposed internationally with violations of human rights, the Company could be materially adversely affected if it fails to maintain the business integrity and ethical behavior.	2020 Universal Registration Document, 5.3.7 Recognition and Loyalty	GRI 405-1 Disabled employees
Governance	Cyber Attack	X	Cyber and advanced security offering	As a result of the international exposure of the Group, the sensitivity of activities, and increasing sophistication of cyber-crime, the Company could be materially adversely affected if it fails to timely prevent and react to cyber-attacks, maintain availability or continuity in services for internal and external business activities.	2020 Universal Registration Document 7.2.2 Security risks: Cyber-attack, systems security and data protection	A3 Data security incidents
	Systems & data security, reliability & continuity	X				A3 Data security incidents
	Customer relationship, delivery quality	X	Qualitative delivery quality and competitive advantage	As a result of evolving customer preferences and IT services being a critical element for the performance of customers' business development, the Company could be materially adversely affected if it fails to adequately deliver and manage client relationship	2020 Universal Registration Document 7.2.3 Operational risks: Delivery quality and customer relationship	GRI 102-43and 102-44 Customer satisfaction survey

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
	Partners & Alliances	X	Powerful eco-system	Evolving in an ecosystem of partners and alliances for the design and delivery of products and services, the Company could be materially adversely affected if it fails to develop and maintain effectively the critical relationships to deliver innovative and qualitative services.	2020 Universal Registration Document 2.4.2 A unique ecosystem of technological partners	A12 Business partners & Ecosystem
	Innovation & customer Digital transformation	X	Sustainable digital transformation and Business reinvention	As a result of the swift evolution of disruptive new and emerging technologies, the Company could be materially adversely affected if it fails to develop and innovate at the speed required to take advantage from innovations, digitalization, new patent creation and registration.	2020 Universal Registration Document 7.2.4.2 Innovation and Customer digital transformation	A10 Initiatives regarding innovative services/Product developments
Governance	Change in laws & regulations	X	Operational excellence/ Reputation resilience/Legal & internal control mechanisms/Trust & compliance throughout the value chain	As a result of regular local and global changes in laws and regulations in multiple areas, the Company could be materially adversely affected if it fails to timely comply with them.	2020 Universal Registration Document 5.4.9 Compliance with law and regulations, 5.4.6 Ethics and Compliance, 5.4.7 Vigilance Plan,7.2.5.1 Regulation and compliance risks	GRI 419-1 Significant fines for non-compliance
	Bribery & corruption	X	Reputation resilience/Legal & internal control mechanisms/ Trust & compliance throughout the value chain	Being exposed internationally with evolving regulations, the Company could be materially adversely affected if it fails to maintain the business integrity and ethical behavior.		GRI 205-1 Total number and percentage of operations assessed for risks related to corruption, GRI 205-3 Actions taken in response to incidents of corruption
	Human rights	NFPS		Being exposed internationally with violations of human rights, the Company could be materially adversely affected if it fails to maintain the business integrity and ethical behavior.	2020 Universal Registration Document 5.4.8 Human Rights	A17 Supplier Screening
	Social commitments to sustainable development	NFPS		Committing to encourage sustainable actions, the Company could be materially adversely affected if it fails to rapidly scale up its reduction efforts.	2020 Universal Registration Document 5.1.3 Atos stakeholders' approach and engagement	LFR.173 rely on the UN 17 Sustainable Development Goals

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
	Animal welfare	N/A				
	Responsible food	N/A				
	Waste and food insecurity	N/A				
Governance	Tax evasion	NFPS	Reputation resilience/Legal & internal control mechanisms	As a transnational Group, the Company could be materially adversely affected if the organization is not effectively prepared to face from the effects of the disasters.	2020 Universal Registration Document 5.4.10 Tax Strategy	
	Client's data protection	X	Operational excellence/ Reputation resilience/Legal & internal control mechanisms/Trust & compliance throughout the value chain	Controlling and processing data being the core of Atos business, the Company could be materially adversely affected if it fails to protect Client's data and therefore to comply with Data Protection requirements.	2020 Registration Document 5.4.4 Security and data protection, 5.4.5 Ethical management of data, 7.2.2.3 Data protection	GRI 418-1 Customer Privacy

X: Relevant risk for Atos.

NFPS: Compliant with French Non-Financial Performance Statement (Déclaration Performance Extra Financière -DPEF-), but not identified as a main non-financial risk for Atos.

N/A: Not Applicable to Atos, not relevant for its activity.

5.7 Information about the report

5.7.1 Scope of the report

[GRI 102-10], [GRI 102-45], [GRI 102-48], [GRI 102-49], [GRI 102-50], [GRI 102-51], [GRI 102-52], [GRI 102-55], [GRI 102-56]

This chapter describes the scope of Atos 2020 Universal Registration Document 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.

5.7.1.1 French legal requirements related to the Corporate Responsibility reporting

[GRI 102-12]

With the Déclaration Performance Extra Financière (DPEF), French companies must report a greater amount of information related to Corporate Responsibility.

With the materiality methodology, Atos has defined objectively and according to the practices of reporting within IT sector the list of information which is "material" and needs 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.

5.7.1.2 Respect of the AA1000 standard

[GRI 102-12], [GRI 103-1]

Atos uses the AA1000 SES (2011) standard as framework to structure its stakeholder dialogue, in alignment with the following principles:

Inclusivity

Collecting and integrating the opinions of Atos stakeholders is key in defining Atos materiality assessment and main challenges. To ensure the Atos Corporate Responsibility strategy meets the expectations of its stakeholders (employees, clients, partners, suppliers and shareholders), regular meetings, discussions, and surveys are organized to share views and receive input relating to different areas of concern. 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. A global stakeholders' workshop is organized yearly to address key subjects for Atos and also regular consultations with different parties. The working meetings with the *Societas Europeas Council* (SEC) remains as an important component of the regular consultation process.

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 5.1.4. 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.

Responsiveness

Since 2013 (2012 results) the Atos Registration Document contains the non-financial indicators that Atos monitors. In addition, a separate communication document, the integrated report, is produced annually highlighting the four sustainability challenges and focusing on the material indicators that Atos monitors as well as interviews and case studies. Since 2013, Atos has a steady commitment to adhere to Integrated Reporting international principles. Atos aims to have a constructive reporting environment to articulate its strategy in order to drive performance internally and better explain to investors the value creation over time.

Impact

Since 2018 (2017 results) Atos carries out an impact valuation assessment with the objective to measure the most relevant externalities. This analysis seeks to explain the most relevant impacts that Atos is monitoring, measuring and accountable for in terms of how their actions affect their broader ecosystems.

5.7.1.3 Alignment with Global Reporting Initiative Standards (GRI) and Sustainability Accounting Standards Board (SASB) [GRI 103-1 Economic performance], [GRI 103-1 Anti-Corruption], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [GRI 103-1 Occupational Health and Safety], [GRI 103-1 Training and Education], [GRI 103-1 Customer Privacy], [GRI 103-1 Socio-economic Compliance], [GRI 103-1 Atos specific indicators]

In 2020, Atos conducted a new material analysis with a third party and aligned with GRI Standards in order to confirm the prioritization of its sustainable issues.

The interviews conducted by the expert third party evaluated the importance of each topic in relation to its significance for Atos' business strategy, its relationship to existing regulations as well as its link with targets set by the Atos Group.

Material issues are validated by the members of the Corporate Social Responsibility Program and approved by the Group Management Committee.

The materiality matrix presented in section 5.1.4 emphasizes the prioritization of Atos' Corporate Responsibility matters and restructures the disclosed information into the ESG dimensions of Environment, Social and Governance.

Atos reports on the full general disclosures (GRI 102 General disclosures), on the "management approach disclosures" for each material topic and on the reporting requirements of the GRI topic-specific disclosures that match with the material topic identify in the last materiality analysis. Additionally, other relevant Atos-specific indicators are also disclosed. Atos also use the industry-specific sustainability accounting standards for Software and IT services developed by SASB, for additionally identify a set of ESG issues most likely to impact the financial condition of the company. With those main frameworks and other best practices, Atos aims to demonstrate that the non-financial performance disclosures are accurate and extensive in line with the requirements of the GRI Standards and SASB Standard.

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, 2020 to December 31, 2020 in a comparable period (one year) to the previous 2019 report.

5.7.1.4 Process for defining report content

The selection of the Corporate Responsibility topics and indicators is aligned with Atos' business strategy and based on a materiality assessment (See section 5.1.4). Atos' Corporate Responsibility strategy includes a prioritization of topics which is an essential requirement for our performance dashboard and the internal foundation of the Corporate Social Responsibility Program follow up. At the same time the Atos CSR experts align the reporting to the "Software & IT Services" industry standard of the Sustainability Accounting Standards Board (SASB), using the advantage that a sector-specific standard could provide to Atos stakeholders focusing on disclosures and sector-specific indicators.

The GRI Content Index table can be found in the integrated 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.

Topics boundaries
[GRI 102-45], [GRI 103-1]

The following topics of GRI Standards are material for the overall Atos. Outside the organization, these topics are material for the stakeholders mentioned below.

GRI Material Topics	Topic boundaries outside the organization
418 Customer Privacy	Clients, Investors and analysts
302 Energy	Clients, Investors and analysts
305 Emissions	Clients, Investors and analysts
401 Employment	Not material outside the organization
404 Training and Education	
403 Occupational Health and Safety	
201 Economic performance	Clients, Investors and analysts, Suppliers, Business partners. Communities and NGOs, and Public entities
205 Anti-corruption	Clients, Investors and analysts, Suppliers, and Public entities
419 Socioeconomic Compliance	Clients, Investors and analysts, Communities and NGOs, and Public entities

Reporting scope for the indicators resulting from the materiality study
[GRI 102-4]

The Corporate Responsibility perimeter (entities under scope) includes the same entities included in the consolidated financial scope on December 31, 2020.

Atos obtains its Corporate Responsibility data from internal measurement and from external sources (third parties).

For the year 2020, the Atos Group is organized as indicated in Note 18 Main operating entities part of scope of consolidation as of December 31, 2020.

On the basis of this context, the perimeter (countries under scope) of the indicators does not vary significantly from the 2019 reporting period. The table of indicators in section "5.5 Non-Financial Performance Indicators" specify the perimeter associated to each indicator.

5.7.1.5 Methodological detailed information
[GRI 103-1], [GRI 103-2], [GRI 103-3]

Detailed information related to the restatements of information
[GRI 102-48]

No restated information from last year, on Fiscal Year (FY) 2020 reporting.

Detailed information GHG Protocol Scopes 1, 2 and 3
[GRI 305-1], [GRI 305-2], [GRI 305-3]

Atos calculates its carbon footprint using the most widely adopted standard: the "Greenhouse Gas Protocol (GHG Protocol). All Business Units monitor their carbon emissions and must put in place the proper action plans to progressively reduce their carbon intensity emissions (tCO_2e/€ million) (see sections 5.2.1.3 and 5.2.3.2).

As defined within the GHG Protocol, Atos' emissions are sub-categorized between Scopes 1, 2 and 3 and the Scope 3 is again sub-divided into fifteen distinct categories. For operational and monitoring purposes Atos' Scope 3 has been regrouped into 2 parts (part A and part B):

- Atos' Scope 3 – part A. This sub-scope called "Operational Scope 3" regroups categories covering Atos' main challenges and activities under operational control or direct influence. The categories include emissions from energy for offices, data centers and travel (planes, cars, trains and taxis). For these emissions a sound reporting process externally verified has been in place since 2008;
- Atos' Scope 3 – part B. This sub-scope called "Atos All Other Emissions Perimeter" regroups other categories not under Atos' influence. The most significant emissions come from categories 1 "Goods and services, 2 "Capital goods" and 11 "Use of sold products".

Detailed information regarding energy and carbon indicators
[GRI 302-1], [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

The data collection related to the environmental indicators involves all the Regional Business Units. 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 uses 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_2e calculations, country regulations and calculation methods have been applied.

The conversion factors have been adjusted according to the country for the electricity and district heating consumption and according the type of energy consumed (fuel oil, diesel, gas).

Conversion factors are based on Defra and the International Energy Agency (IEA).

Atos does not sell electricity, heating, cooling, or steam to third parties.

Detailed information regarding energy intensity indicators
[GRI 302-3]

The Energy intensity ratio is calculated by dividing the absolute energy consumption during the reporting year (the numerator) by the revenue metric expressed in million of euros (the denominator) produced by the organization, in the same reporting year. The Energy intensity expresses the energy required per unit of activity.

For the Energy Intensity ratio, the denominator for revenues is the complete organization, however, reporting is restricted to the list of countries included into the Office and Data center scope for 2020. Within that scope, the revenue is corresponding to the turnover generated by all countries under analysis during the year (reporting period: January 1 to December 31). The revenue applicable for that scope of countries is € 11,130.77 million.

For the Energy Intensity ratio the denominator for employees is the total headcounts registered at the end of the financial year (as on December 31) for all countries within the scope. The employees included in that scope of countries are 102,022.

The types of energy included in the intensity ratio are: electricity, gas, district heating, backup generator fuel (diesel and fuel oil).

The ratio uses energy consumed only within the organization (energy required to operate).

Detailed information regarding GHG emissions [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4]

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 [GRI 305-1_D].

Atos is applying the GHG protocol methodology for all GHG Scopes (Scopes 1, 2, 3). The GHG, 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 [GRI 305-1_E, GRI 305-2_D, GRI 305-3_F, GRI 305-5_D].

The gases included in GRI 305-2 –scope 2 are CO_2e [GRI 305-2_B]. The gases included in the calculation of Gases in [GRI 305-1 a] (CO_2e) –scope 1, in [GRI 305-3 a] (CO_2e) –Scope 3, and [GRI 305-4_D], [GRI 305-4_B], are CO_2e.

The chosen consolidation approach for emissions is based on an operational control. Site related data are collected at site level, and then consolidated with travel data which is collected at country level. This is then consolidated at Regional Business Unit level then at Global level [GRI 305-1].

For the GHG emission intensity ratio the denominator for revenues is the complete organization, however, reporting is restricted to the scope of countries included in at least one of the following perimeters: office perimeter, data center perimeter, travel perimeter measured in 2020. With those perimeters a weighted average perimeter is created for the emission´s indicators. Within that perimeter, the revenue is corresponding to the turnover generated by all countries within the scope during the year (reporting period: January 1 – December 31) under analysis. The revenue applicable for that scope of countries are € 11,130.77 million [GRI 305-4_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 emission´s perimeter as of December 31. The employees included in that scope of countries are 102,022 [GRI 305-4_B].

Atos is not producing any biogenic CO_2 emissions [GRI 305-1_C, GRI 305-3_C].

Detailed information regarding energy and GHG emissions indicators rebaselining [GRI 302-1], [GRI 302-2], [GRI 302-3], [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4]

The rapid transformations ongoing in the Atos Group both internally and externally (acquisitions or divestitures) have a direct impact on its energy and carbon emissions. New changes in geographic areas (with specific local energy mix), in activities and production capacities or in intensity profiles (e.g. new industrial business versus services) must be considered. To accommodate these changes, stay in line with the reality of the Company and compare similar scopes, Atos must regularly realign its absolute and intensity baselines. Concretely, to be able to compare the different years over an equivalent perimeter, it is necessary to reintegrate or exclude the emissions associated with these transformations.

The methodology for rebaselining/adjustments is in line with the requirements of the Science-Based target:

- revenue rebaselining/adjustments: The revenue is uplifted by adding the known revenue of the acquired companies to the known revenue of the Atos Group prior to the acquisitions. For the year preceding the integration (Y-1), the revenue for the acquired companies comes from publicly available information, known at the time of the acquisition. For the preceding years (Y-2, Y-3...), and if not available, the revenue is estimated by subtracting 5% each year from the annual revenue (SBT recommended annual progression/regression rate);
- margin/Value Added (VA) rebaselining/adjustments: The VA is uplifted by adding the known VA of the acquired companies to the known VA of the Atos Group prior to the acquisitions. For the year preceding the integration (Y-1), the VA for the acquired companies comes from publicly available information, known at the time of the acquisition. If the VA of the acquired companies is not publicly available estimation are made based on the Atos Revenue/VA ratio (if same type of activities) or based on the profile of the acquired companies (if not same type of activities). For the preceding years (Y-2, Y-3...) and if not available, the VA is estimated by subtracting 3.5% each year from the annual VA (SBT recommended annual progression/regression rate);
- CO_2e absolute emissions rebaselining/adjustments: The CO_2e is uplifted by adding the known absolute CO_2e emissions of the adquired companies to the known absolute CO_2e emissions of the Atos Group prior to the acquisitions. For the year preceding the integration (Y-1), the CO_2e for the acquired companies comes from publicly available information, known at the time of the acquisition. If the CO_2e of the acquired companies is not publicly available, estimations are made based on the Atos Revenue/VA ratio (if same type of activities) or based on the profile of the acquired companies (if not same type of activities). For the preceding years (Y-2, Y-3...), the CO_2e emissions are estimated following the SBTi recommended methodology, by multiplying the VA by the estimated GEVA. In addition, each year, the CO_2e emissions from Atos data collection are uplifted to 100% by extrapolating the externally-verified footprint (for example, 99% in 2020) to the entire company. This allows to compare several years with the same coverage of 100%;

- GEVA rebaselining/adjustments: GEVA is the tons of absolute CO_2 emissions divided by the Value Added (tCO_2/VA). For the years preceding the integration (Y-1, Y-2, Y-3...), the GEVA is the known or estimated absolute CO_2e emissions (tCO_2e) divided by the known or estimated VA. Following the SBTi recommended methodology, the GEVA for the preceding years can also be recalculated by adding 2% each year to the year that follows (SBT annual regression rate);
- energy rebaselining/adjustments: The energy is uplifted by adding the known absolute energy consumption of the acquired companies to the known absolute energy consumption of the Atos Group prior to the acquisitions. For the year preceding the integration (Y-1), the energy consumption for the acquired companies comes from publicly available information, known at the time of the acquisition. If the energy consumption of the acquired companies is not publicly available, estimations are made based on the Atos revenue/energy ratio (if same type of activities) or if not same type of activities based on either local CO_2e intensity/energy intensity ratios or either on the specific profile of the acquired companies (e.g.: high or low intensity activities).

Detailed information regarding Science-Based targets [GRI 305-4]

The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World-Wide Fund for Nature (WWF). The SBTi defines and promotes best practice in science-based target setting and independently assesses companies' targets.

Science-based targets are emissions reduction targets in line with what the latest climate science says is needed to meet the goals of the Paris Agreement –to limit global warming to well-below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C. Science-based targets are emissions reduction goals in line with what the latest climate science says is needed to prevent the worst impacts of climate change. Science-based targets show companies how much and how quickly they need to reduce their greenhouse gas emissions in order to be consistent with keeping warming below the most dangerous levels.

Atos has had its emissions reduction targets approved by the Science Based Targets initiative as consistent with climate science.

Detailed information related to Human Resources indicators [GRI 103-3 Employment], [GRI 103-3 Training and education], [GRI 103-3 Diversity and equal opportunity]

All the Human Resources indicators derived from the HR Information System [GRI 401-1], [GRI 401-2], [GRI 401-3], [GRI 404-1], [GRI 404-2], [GRI 404-3], [GRI 405-1], [GRI 405-2], [GRI 202-1], [GRI 202-2], and [A6] are based on an extraction made in January 2021. 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.

Detailed information related to ISO 27001 Audits [A3]

The percentage coverage of ISO 27001 audits demonstrates the number of on-boarded sites that have passed an external 27001 audit and the number of already certified sites that have passed an external 27001 audit in the reported year. All Atos worldwide sites with greater than 50 staff are in scope, however due to Mergers & Acquisitions, not all sites will be ready for inclusion and are therefore waiting to be on-boarded.

Detailed information related to Client Innovation Workshops [A10]

This indicator includes the number of "Innovation Workshops", "StratHacks" and "Multi-Client events" promoted by the Global and/or Local Markets and Global and/or Local Divisions and delivered to our clients with the support of the Atos Scientific Community and our network of Business Technology and Innovation Centers (BTICs).

StratHacks: Strategic Hackathons are Innovation Workshops with one client. Multi-Client Events: refers to the Innovation Workshops with several clients.

5.7.2 Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non financial statement for the year ended December 31, 2020

To the Shareholders,

In our capacity as Statutory Auditor of ATOS S.E., appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at www.cofrac.fr), we hereby report to you on the consolidated non-financialstatement for the year ended December 31, 2020 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement has been prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the company's website or on request from its headquarters.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections Iand IIof Article R. 225105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxationnor on the compliance of products and services with the applicable regulations.

Nature and scope of procedures

We performed our work in accordance with Articles A. 2251 et seq.of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the Group's business activity and the description of the principal risks associated.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in section III of Article L. 2251021 governing social and environmental affairs, as well as in the second paragraph of Article L. 22-10-36 regarding the respect for human rights and the fight against corruption and tax evasion.

- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code.
- We verified that the Statement presents the business model and a description of principal risks associated with all the entity's activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks.
- We referred to documentary sources and conducted interviews to :
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important[1]; concerning certain risks (anti-corruption), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities.
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.
- We carried out, for the key performance indicators and other quantitative outcomes[2] that in our judgment were of most significance:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities[3] and covered between 18% and all the consolidated data for the key performance indicators and outcomes selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

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1 *Qualititive information selected: Atos All Other Emissions Perimeter (Scope 3b – non-operational), Decarbonization of Atos supply chain, Ethics and compliance program, Atos All Other Emissions Perimeter (Scope 3b – non-operational), Decarbonization of Atos supply chain, Ethics and compliance program, Atos governance in Covid-19 Pandemic (as described in the first paragraphs of Section 5.3.1. Social Non-Financial Performance).*

2 *Quantitative information selected: Number of employees at the end of the Reporting Period (Legal staff); Number of employees leaving employment during the Reporting Period; Average hours of training that employees have undertaken during the year; Percentage of employees with an Individual Development Plan; Number of digital certifications obtained per year; Percentage of female within Atos; Percentage of women identified in talents pool; Atos Trust Index® informed by Great Place to Work (GPTW); Global absenteeism Rate (%); Net Promoter Score for our All clients; Client innovation workshops delivered; Percentage of coverage of ISO 27001 certifications; Total number of material complaints regarding breaches of customer privacy and losses of customer data giving rise to legal proceedings with an amount claim of at least 300k€; Offsetting of all data centers GHG emissions (%); Percentage of female in the Board of Directors; Attendance rate at Board meetings; Percentage of employees who successfully completed the Code of Ethics' e-learning; Number of significant fines (higher than 100k EUR); Percentage of strategic suppliers evaluated by EcoVadis; Total percentage of spend assessed by EcoVadis; Total number of employees recruited; Percentage of graduates recruited; Energy intensity by revenue (GJ per Million EUR) – before rebaselining; Energy intensity by employee (GJ per employee); GHG emissions by revenue (tCO_2 per Million EUR) – before rebaselining; GHG emissions by employee (tCO_2 per employee); Number and Percentage of Offices and Datacenters ISO 14001 certified.*

3 *Atos USA, Atos Germany, Atos Philippines.*

Means and resources

Our work engaged the skills of seven people between October 2020 and February 2021.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around twenty interviews with people responsible for preparing the Statement.

Conclusion

Based on our work, nothing has come to our attention that cause us to believe that the non-financialstatement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Comment

Without qualifying the conclusion expressed above and in accordance with Article A. 225-3 of the French Commercial Code, we make the following comment: as mentioned in the methodological note of the statement ("Information about the report") and the main KPIs tables, the reporting perimeter is limited for some indicators (including absenteeism rate,% of employees with a development plan and%of female identified in talent pool).

Paris-La Défense, April 1, 2021

One of the statutory auditors,

Deloitte & Associés

Jean-François Viat
Partner

Erwan Harscoët
Director, Sustainability Services

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Financial statements

6.1 Consolidated financial statements

6.1.1. Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2020

To the annual general meeting of Atos S.E.,

Qualified Opinion

In compliance with the engagement entrusted to us by the annual general meetings, we have audited the accompanying consolidated financial statements of Atos S.E. ("Atos", the "Company" or the "Group") for the year ended December 31, 2020.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Qualified Opinion

As part of our audit, we have identified in two US entities (Atos IT Solutions and Services Inc. and Atos IT Outsourcing Services LLC) several matters relating to internal control weaknesses over financial reporting process and revenue recognition in accordance with IFRS 15, leading to several accounting errors, as well as risk of override of controls in this respect.

The revenue and the operating margin of those two entities represent about 11% of consolidated revenue and 9% of consolidated operating margin.

As a result of the situation described above, the Group management hired external firms to perform additional works to obtain the necessary evidence that the financial reporting of these US entities is free of material misstatements and an independent forensic investigation.

Despite the additional audit procedures that we have carried out in those circumstances, we were not able to perform within the timeframe the necessary work to obtain sufficient appropriate audit evidence in respect of revenue recognition or other related account balances of these two US entities and on the absence of material misstatements for the consolidated financial statements.

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors for the period from January 1, 2020 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, and in addition to the matter described in the *Basis for qualified opinion* section, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

REVENUE RECOGNITION ON LONG TERM FIXED-PRICE CONTRACTS (EXCLUDING SUBSIDIARIES REFERRED TO IN THE "BASIS FOR QUALIFIED OPINION" SECTION)

Note 3 "Revenue, trade receivables, contract assets and contract costs" to consolidated financial statements

Key Audit Matter	Our audit approach
Regarding fixed-price contracts performed over the course of several years, particularly related to outsourcing, consulting and system integration activities, revenues are recognized, in accordance with IFRS 15 'Revenue from contracts with customers' based on the transfer of the control of the service provided. For multi-element service contracts, which may be a combination of different services, revenue is recognized separately for each performance obligation when the control is transferred to the customer. Revenue recognized depends on the fair value of the performance obligation and its allocated transaction price. Total contract costs and expected remaining costs are subject to regular monitoring to determine whether the stage of completion and margin recognized should be revised. If 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. We consider revenue recognition on long-term contracts and the associated costs as a key audit matter as identification of performance obligations and related allocations of the transaction price requires judgment from Management. When revenue is recognized on the basis of costs incurred, the completion degree relies on operational assumptions and estimates which impact the Group consolidated revenue and operating margin.	We assessed the internal control environment relating to contract accounting, in particular those relating to the costs incurred on contract and those relating to the costs to complete. For a number of contracts that were selected based upon quantitative and qualitative criteria (contracts that experienced technical difficulties or low profitability), we performed the following procedures: • for new fixed-price contracts, – we corroborated the analysis and accounting treatment retained (allocation of the transaction price to the different performance obligations identified, and definition of recognition conditions of the revenue recognized for each performance obligation); – we corroborated initial budget margin to the financial data within the signed contract and the associated cost estimation. • for contracts in progress, we performed the following procedures on the completion degree when revenue is recognized over time: – we reconciled the financial data (revenue, billing and work-in-progress) including in the work progress spreadsheet that is updated monthly by the financial controller to the accounting records; – we corroborated the amount of costs incurred with the data from the timesheet application system; – we analyzed standard hourly rates' calculation methodology; – we performed interviews with financial controllers and / or operational managers to assess the estimated costs yet to be incurred and the percentage of completion on the contract, which is the basis on which revenue and margin is recognized, we have furthermore analyzed the appropriateness of these estimates by comparing the forecasted data with the actual performance of the contract; – when necessary, we analyzed assumptions used by management to determine the loss recognized on any unprofitable contracts and confirmed these assumptions with historical performance on the contract and the remaining technical milestones to be achieved.

LITIGATIONS

Note 16 "Litigations" to consolidated financial statements

Key Audit Matter	Our audit approach
The Group is engaged in legal proceedings for a litigation mainly concerning intellectual property rights against Cognizant/TriZetto in the United States of America, the status of which as at December 31, 2020 is described in note 16 to the consolidated financial statements. On 27 October 2020, a jury in the United States District Court for the Southern District of New York found Syntel, which is now a subsidiary of Atos, liable for trade secrets misappropriation and copyright infringement and specified approximately $855 million in damages, due to Cognizant and its subsidiary TriZetto. We considered this matter to be a key audit issue because of the uncertainty of the outcome of the proceedings, the high degree of estimation and judgement used by management, and the potential materiality to consolidated net income and equity if these estimates were to change.	In order to obtain a sufficient understanding of the existing litigations and claims and the related judgements, we interviewed management and analysed the procedures implemented by the Group to identify disputes. With regard to the Cognizant/TriZetto litigation, we: • conducted interviews with Group management to assess the current status of the ongoing litigation; • consulted available procedural elements and other relevant information concerning the litigation and the likelihood and possible impact of the risk; • performed a critical review of the estimates and positions taken by management; • assessed whether the latest developments have been taken into account. We also assessed the disclosures in Note 16 to the consolidated financial statements.

GOODWILL VALUATION

Note 8 "Goodwill and fixed assets" to consolidated financial statements

Key Audit Matter	Our audit approach
As of December 31, 2020, goodwill is recorded in the balance sheet at a net book value of € 6,140 million, or 34% of the total assets. These assets are not amortized and are subject to an impairment test at least once a year, or if an impairment indication occurs. The annual impairment test is based on the value-in-use of each cash-generating unit (CGU), determined on the basis of an estimate of discounted future cash flows, requiring the use of assumptions and estimates. CGUs correspond to the geographical areas in which the Atos Group operates. We considered the valuation of goodwill as a key audit matter, given the weight of these assets in the consolidated balance sheet, the importance of management's judgment in determining cash flow assumptions, discount rates and long-term average growth rate, as well as the sensitivity of the valuation of their value-in-use to these assumptions.	As part of our audit, we examined the process implemented by the Group regarding the performance of impairment tests. We performed the following procedures, on the impairment tests for each CGUs: • we reconciled the cash-flow projections with the mid-term plan of the Group; • we analyzed the overall consistency of assumptions used with the performance history of the Group and / or the CGUs concerned and strengthened, especially through interviews with Management, future growth prospects, including the estimation of the perpetual growth rate used; • we assessed, with the support of our valuation specialists, the appropriateness of the valuation model and the discount rates used in relation with market benchmarks; • we performed our own sensitivity calculations, to corroborate the analysis performed by Management. We verified the information disclosed in note 8, including assumptions used and the sensitivity analysis is appropriate.

VALUATION OF DEFINED BENEFITS PLANS

Note 11 "Pension plans of other long-term benefits" to the consolidated financial statements

Key Audit Matter	Our audit approach
Certain employees and former employees of the Group benefit from defined benefit pension plans, some of which (notably in the United Kingdom, Germany, the United States and Switzerland) can be prepaid through plan assets (pension funds or insurance companies). The net obligations recognized in the Group balance sheet in respect of pension plans amount to € 1,204 million at December 31, 2020. The Group amends on a regular basis, by collective agreement or options to beneficiaries, the lump sum payments or annuities rights of certain plans. The main amendments performed in 2020 and their related impacts are disclosed in note 11 to the consolidated financial statements. We have considered the valuation of defined benefit pension plans as a key audit matter, based on: • the technical expertise required to assess inflation, discount, and longevity assumptions underlying the valuation of the plans, and the impacts that could result from a change in those assumptions on the recognized obligations; • the estimates related to beneficiaries' behaviors made by management to assess the impact of certain plan amendments, which could lead to significant impacts in operating margin, in case of variances with actual behaviors observed.	We reviewed the pension plans valuation process, and the methodology used by the Group to set up the underlying actuarial assumptions. With the support of our actuarial experts: • we assessed the actuarial assumptions used, in particular the consistency between the financial (inflation and discount rates) and demographic (mortality table) assumptions, in comparison with market indices and benchmarks, and; • for the plans we considered as the most significants, we reviewed the independent actuaries reports. We also reconciled the fair-value of plan assets with their market value (listed shares, bonds, swaps) or other external reports (real estate, unlisted shares, investments in infrastructure projects). We also verified that the recorded amendments of rights reflected the agreements signed with the beneficiaries of the plans. For amendments implying estimates on the beneficiaries' behaviors, we corroborated those estimates with the ones observed on similar plan amendments. Then, we verified that the information disclosed on the note 11 to the consolidated financial statements, in particular the description and changes on plans, the actuarial assumptions, and the sensitivity analysis disclosed, was appropriate.

DEFERRED TAX ASSETS RECOGNITION ON TAX LOSS CARRYFORWARD

Note 7 "Income tax" to the consolidated financial statements

Key Audit Matter	Our audit approach
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 prepared by Management. Duration of forecasts depends on local specificities. Deferred assets on tax losses carryforward amount to € 242 million as of December 31, 2020. The deferred tax assets on tax losses carryforward amount to € 3,572 million in basis, as of December 31, 2020, of which only a part is recognized with respect to estimated use. Unrecognized deferred assets on tax losses carryforward amounts to € 686 million as of December 31, 2020. We identified this issue as a key audit matter due to the particularly high level of tax loss carryforward that can be recognized, and the importance of Management judgment in taxable profits estimated and in tax loss carryforward use.	Our audit approach consisted in verifying, with the assistance of our tax experts, the probability of the Group making future use of the tax loss carryforward generated to date, particularly in regard to: • deferred tax liabilities in the same tax jurisdiction, that could be offset against deferred tax assets with the same maturity; and • the Group's ability to generate future taxable profits in the relevant tax jurisdiction in order to use prior-year tax losses recognized as deferred tax assets. We reviewed the appropriateness of main data and assumptions on which relies tax forecasts underlying the recognition and recoverability of deferred tax assets on tax loss carryforward. We also assessed the appropriateness of information disclosed relating to deferred tax assets in respect of tax losses carried forward in the note 7 to consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

Except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, we have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (*code de commerce*) is included in the information pertaining to the Group presented in the management report, being specified that, in accordance with the provisions of Article L.823-10 of the code, we have not verified the fair presentation and the consistency with the consolidated financial statements of the information contained therein and should be reported on by an independent insurance services provider.

Report on Other Legal and Regulatory Requirements

Format of the presentation of the consolidated financial statements intended to be included in the Annual Financial Report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of December 17, 2018 to years beginning on or after January 1, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the consolidated financial statements intended to be included in the Annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*).

Appointment of the Statutory Auditors

We have been appointed as statutory auditors of the Company by your General Shareholders' meetings held on December 16, 1993 for Deloitte & Associés, and on October 31, 1990 for Grant Thornton.

As at December 31, 2020, Deloitte & Associés was in its 27th year mandate, of total uninterrupted engagement, and for Grant Thornton in its 30th year mandate, total uninterrupted engagement, and for both statutory auditors, on 25 years of exercise of mandate since the Company securities were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (*code de commerce*) and in the French Code of Ethics (*code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Neuilly-sur-Seine, April 1, 2021

The Statutory Auditors

French original signed by

Deloitte & Associés	**Grant Thornton**
Jean-François Viat	Virginie Palethorpe

6.1.2 Consolidated income statement

(in € million)	Notes	12 months ended December 31, 2020	12 months ended December 31, 2019
Revenue	**Note 3.1**	**11,181**	**11,588**
Personnel expenses	Note 4.1	-5,063	-5,277
Operating expenses	Note 4.2	-5,117	-5,121
Operating margin		**1,002**	**1,190**
% of revenue		**9.0%**	**10.3%**
Other operating income and expenses	Note 5	-352	-530
Operating income		**650**	**660**
% of revenue		**5.8%**	**5.7%**
Net cost of financial debt		-33	-64
Other financial expense		-157	-162
Other financial income		139	18
Net financial expense	Note 6.1	-51	-208
Net income before tax		**599**	**452**
Tax charge	Note 7	-51	-82
Share of net profit/(loss) of associates	Note 10	5	47
Continuing operations			
Net income from continuing operations		**553**	**417**
Of which:			
• **attributable to owners of the parent**		**550**	**414**
• non-controlling interests		3	3
Discontinued operations			
Net income from discontinued operations		**-**	**3,075**
Of which:			
• **attributable to owners of the parent**		**-**	**2,986**
• non-controlling interests		-	89
Total Group			
Net income of consolidated companies		**553**	**3,491**
Of which:			
• **attributable to owners of the parent**		**550**	**3,399**
• non-controlling interests		3	92

(in € million and shares)	Notes	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income from continuing operations – Attributable to owners of the parent	**Note 14**	**550**	**414**
Weighted average number of shares		109,003,866	107,669,930
Basic earnings per share from continuing operations		**5.05**	**3.84**
Diluted weighted average number of shares		109,003,866	107,674,589
Diluted earnings per share from continuing operations		**5.05**	**3.84**
Net income from discontinued operation – Attributable to owners of the parent	**Note 14**	**-**	**2,986**
Weighted average number of shares		109,003,866	107,669,930
Basic earnings per share from discontinued operations		**-**	**27.74**
Diluted weighted average number of shares		109,003,866	107,674,589
Diluted earnings per share from discontinued operations		**-**	**27.73**
Net income of consolidated companies – Attributable to owners of the parent	**Note 14**	**550**	**3,399**
Weighted average number of shares		109,003,866	107,669,930
Basic earnings per share of consolidated companies		**5.05**	**31.56**
Diluted weighted average number of shares		109,003,866	107,674,589
Diluted earnings per share of consolidated companies		**5.05**	**31.56**

6.1.3 Consolidated statement of comprehensive income

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income of consolidated companies	**553**	**3,491**
Other comprehensive income		
• **to be reclassified subsequently to profit or loss (recyclable):**	**-580**	**132**
Change in value of cash flow hedges	-1	-3
Exchange differences on translation of foreign operations	-579	134
Deferred tax on items recyclable recognized directly on equity	-	1
• **not reclassified to profit or loss (non-recyclable):**	**-235**	**-98**
Actuarial gains and losses generated in the period on defined benefit plan	-262	-134
Deferred tax on items non-recyclable recognized directly in equity	27	37
Total other comprehensive income	**-815**	**34**
Total comprehensive income for the period	**-262**	**3,525**
Of which:		
• **attributable to owners of the parent**	**-265**	**3,433**
• non-controlling interests	3	92

6.1.4 Consolidated statement of financial position

(in € million)	Notes	December 31, 2020	December 31, 2019
ASSETS			
Goodwill	Note 8.1	6,140	6,037
Intangible assets	Note 8.2	1,391	1,675
Tangible assets	Note 8.3	514	552
Right-of-use assets	Note 9	1,135	1,084
Investments in associates accounted for under the equity method	Note 10	7	1,727
Non-current financial assets	Note 6.3	772	351
Deferred tax assets	Note 7.4	351	325
Total non-current assets		**10,310**	**11,751**
Trade accounts and notes receivable	Note 3.2	2,847	2,858
Current taxes		43	53
Other current assets	Note 4.4	1,631	1,568
Current financial instruments	Note 13	13	7
Cash and cash equivalents	Note 6.2	3,282	2,413
Total current assets		**7,816**	**6,898**
TOTAL ASSETS		**18,127**	**18,649**

(in € million)	Notes	December 31, 2020	December 31, 2019
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock		110	109
Additional paid-in capital		1,476	1,441
Consolidated retained earnings		5,457	2,278
Translation adjustments		-732	-152
Net income of consolidated companies attributable to the owners of the parent	Note 14.1	550	3,399
Equity attributable to the owners of the parent	Note 14.2	6,861	7,075
Non-controlling interests	Note 14.3	10	12
Total shareholders' equity		**6,871**	**7,087**
Provisions for pensions and similar benefits	Note 11	1,359	1,252
Non-current provisions	Note 12	47	69
Borrowings	Note 6.4	2,669	2,651
Derivative liabilities	Note 6.4	168	107
Deferred tax liabilities	Note 7.4	164	238
Non-current financial instruments	Note 13	0	2
Non-current lease liabilities		975	927
Other non-current liabilities		2	3
Total non-current liabilities		**5,385**	**5,249**
Trade accounts and notes payable	Note 4.3	2,230	2,278
Current taxes		86	182
Current provisions	Note 12	118	119
Current financial instruments	Note 13	13	1
Current portion of borrowings	Note 6.4	1,083	1,498
Current lease liabilities		360	346
Other current liabilities	Note 4.5	1,981	1,888
Total current liabilities		**5,871**	**6,313**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**18,127**	**18,649**

6.1.5 Consolidated cash flow statement

(in € million)	Notes	12 months ended December 31, 2020	12 months ended December 31, 2019
Profit before tax from continuing operations		**599**	**452**
Depreciation of assets	Note 4.2	332	334
Depreciation of right-of-use	Note 4.2	352	336
Net charge/(release) to operating provisions		-40	-82
Net charge/(release) to financial provisions		25	31
Net charge/(release) to other operating provisions		52	19
Amortization of intangible assets (PPA from acquisitions)	Note 5	153	157
Losses/(gains) on disposals of fixed assets		-159	76
Net charge for equity-based compensation		64	67
Unrealized losses/(gains) on changes in fair value and other	Note 6.1	-44	107
Net cost of financial debt	Note 6.1	33	64
Interest on lease liability	Note 6.1	27	27
Cash from operating activities before change in working capital requirement, financial interest and taxes		**1,394**	**1,588**
Tax paid		-113	-99
Change in working capital requirement		-63	-130
Net cash from/(used in) operating activities		**1,219**	**1,360**
Payment for tangible and intangible assets		-320	-324
Proceeds from disposals of tangible and intangible assets		5	15
Net operating investments		**-315**	**-309**
Amounts paid for acquisitions and long-term investments		-470	-54
Cash and cash equivalents of companies purchased during the period		14	5
Proceeds from disposals of financial investments		1,404	670
Cash and cash equivalents of companies sold during the period		-15	-1
Dividend received from entities consolidated by equity method		2	-
Net long-term investments		**934**	**619**
Net cash from/(used in) investing activities		**619**	**310**
Common stock issues on the exercise of equity-based compensation		36	14
Capital increase subscribed by non-controlling interests		-	4
Purchase and sale of treasury stock		-45	-113
Dividends paid		-	-55
Dividends paid to non-controlling interests		-5	-3
Lease payments		-361	-345
New borrowings	Note 6.5	846	591
Repayment of current and non-current borrowings	Note 6.5	-1,296	-1,657
Net cost of financial debt paid		-33	-64
Other flows related to financing activities		-10	4
Net cash from/(used in) financing activities		**-868**	**-1,624**
Increase/(decrease) in net cash and cash equivalents		**971**	**46**
Opening net cash and cash equivalents		**2,334**	**2,378**
Net cash from (used in) discontinued operation		-	-95
Increase/(decrease) in net cash and cash equivalents	Note 6.5	971	46
Impact of exchange rate fluctuations on cash and cash equivalents		-163	5
Closing net cash and cash equivalents	**Note 6.5**	**3,142**	**2,334**

6.1.6 Consolidated statement of changes in shareholders' equity

(in € million)	Number of shares at period end *(in thousands)*	Common Stock	Additional paid-in capital
At December 31, 2018, adjusted*	**106,886**	**107**	**2,862**
• Common stock issued	2,329	2	140
• Appropriation of prior period net income			
• Dividends paid			
• Distribution in kind of Worldline shares			-1,561
• Equity-based compensation			
• Changes in treasury stock			
• Non controlling interests Worldline			
• Other			
Transactions with owners	**2,329**	**2**	**-1,421**
• Net income of consolidated companies			
• Other comprehensive income			
Total comprehensive income for the period			
At December 31, 2019	**109,215**	**109**	**1,441**
• Common stock issued	778	1	35
• Appropriation of prior period net income			
• Dividends paid			
• Distribution in kind of Worldline shares			
• Equity-based compensation			
• Changes in treasury stock			
• Non controlling interests Worldline			
• Other			
Transactions with owners	**778**	**1**	**35**
• Net income of consolidated companies			
• Other comprehensive income			
Total comprehensive income for the period			
At December 31, 2020	**109,993**	**110**	**1,476**

* *Adjustment of December 31, 2018 shareholders' equity resulting from the initial application of IFRS 16.*

Consolidated retained earnings	Translation adjustments	Items recognized directly in equity	Net income	Total	Non controlling interests	Total shareholders' equity
2,748	**-285**	**11**	**630**	**6,074**	**2,027**	**8,101**
				142		142
630			-630	-0		-0
-182				-182	-3	-185
-783				-2,344		-2,344
67				67		67
-113				-113		-113
				-	-2,107	-2,107
	-1			-1	3	2
-381	**-1**	**-**	**-630**	**-2,431**	**-2,107**	**-4,538**
			3,399	3,399	92	3,491
-98	134	-2		34		34
-98	**134**	**-2**	**3,399**	**3,433**	**92**	**3,525**
2,269	**-152**	**9**	**3,399**	**7,075**	**12**	**7,087**
				36		36
3,399			-3,399	-		-
				-	-4	-4
				-		-
64				64		64
-45				-45		-45
				-		-
-3				-3	-1	-4
3,414	**-**		**-3,399**	**52**	**-5**	**47**
			550	550	3	553
-235	-579	-1		-815	-0	-815
-235	**-579**	**-1**	**550**	**-265**	**3**	**-262**
5,448	**-732**	**8**	**550**	**6,861**	**10**	**6,871**

6.1.7 Notes to the consolidated financial statements

6.1.7.1 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 323623603. Atos SE shares are traded on the NYSE 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.

Atos is a global leader in digital transformation and is the European number one in cloud, cybersecurity and high-performance computing. Atos provides end-to-end vertical solutions, smart data platforms and infrastructure solutions, working closely with global technology partners and leveraging innovations in business platforms, customer experience and digital workplace, artificial intelligence and hybrid cloud.

The consolidated financial statements of the Group for the twelve months ended December 31, 2020 comprise the Group and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

The Atos Group did not change its corporate name compared to the previous period.

These consolidated financial statements were approved by the Board of Directors on February 17, 2021. The consolidated financial statements will be submitted to the approval of the next Annual General Meeting.

6.1.7.2 Basis of preparation, estimates and judgments, and significant accounting policies

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may have rounding differences.

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, 2020 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31, 2020. 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.

As of December 31, 2020, 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.

Standards and interpretations applicable from January 1, 2020

The new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1, 2020 had no material impact on the consolidated financial statements:

- amendments to References to Conceptual Framework in IFRS Standards;
- amendments to IAS 1 and IAS 8 – Definition of Material;
- amendments to IFRS 3 – Definition of a business;
- amendment to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform (Phase 1);
- amendments to IFRS 16 – Covid-19-related rent concessions.

The 2019 IFRIC decision regarding the definition of the enforceable contractual period of a lease under IFRS 16 had no material impact on the Group

Other standards

The Group does not apply IFRS standards and interpretations that have not yet been approved by the European Union at the closing date. None of the new standards effective for annual periods beginning after January 1, 2021 and for which an earlier application is permitted have been approved by the European Union.

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. As a function of changes in these assumptions or in circumstances that may arise, particularly in the context of the current health and economic crisis, the amounts appearing in the future financial statements of the Group may differ from current estimates, particularly in the following areas:

- revenue recognition: estimates of percentage of completion, potential loss at completion (Note 3 Revenue, trade receivables, contract assets and contract costs);
- business combinations: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired, and liabilities assumed (Note 1 Changes in the scope of consolidation);
- impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts (Note 8 Goodwill and fixed assets);
- recognition and measurement of deferred tax assets: availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilized (Note 7 Income tax);
- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources with no counterpart (Note 12 Provisions);
- measurement of Defined Benefit Obligations: key actuarial assumptions (Note 11 Pension plans and other long-term benefits);
- lease liabilities and right-of-use assets: assessment of the lease term and incremental borrowing rates used (Note 9 Leases);
- financial assets: estimate and judgment relating to the recoverability of accounts receivable (Note 3 Revenue, trade receivables, contract assets and contract costs) and other financial assets;
- estimates and judgments regarding the outcome of disputes in progress and, more generally, estimates regarding all provisions and contingent liabilities (Notes 12 and 16).

Consolidation methods

Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. Control by the Group over its subsidiaries is based on its exposure or entitlement to variable income resulting from its investment in those entities, as well as its ability to exercise power over the entity in such a way as to influence the amount of the returns it receives. 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. In the event of a change in the percentage of the Group's interest in a subsidiary without loss of control, the change is recognized as a transaction between shareholders.

Non-controlling interests in the net assets of consolidated subsidiaries are presented on a separate line of equity under "non-controlling interests." Non-controlling interests include the amount of minority interests as of the acquisition date and the amount represented by minority interests in the change in equity since that date.

Joint ventures and associates

An associate is an entity over which the Group exercises significant influence. Significant influence is the power to influence the making of key financial and operational decisions within the entity, without this demonstrating control or joint control of the Group.

A joint venture is a joint arrangement in which the parties, who exercise joint control, are entitled to a share of the net assets of the joint venture. Joint control is demonstrated when, on the basis of the rights granted by the agreement, decisions on the relevant activities of the entity require the unanimous agreement of the parties.

The factors taken into account to demonstrate significant influence or joint control are similar to those used for analyzing the Group's control over its subsidiaries. Joint ventures and associates are accounted for using the equity method.

Joint operations

A joint operation is a partnership in which the partners (joint owners), who exercise joint control over the entity, have direct rights over the assets of the entity, and obligations in respect of its liabilities. As a co-investor, the Group recognizes the relevant assets and liabilities line by line, as well as the income and expenses related to its interests in the joint operations.

Financial assets classification and business model

IFRS 9 defines three approaches to classify and measure financial assets based on their initial recognition.

- amortized cost;
- fair value though other components of comprehensive income;
- fair value through income statement.

Financial assets are classified according to these three categories by reference to the business model the Group uses to manage them, and the contractual cash flows they generate.

Loans, receivables and other debt instruments considered "basic lending arrangements" as defined by IFRS 9 (contractual cash flows that are solely payments of principal and interest) are carried at amortized cost when they are managed with the purpose of collecting contractual cash flows, or at fair value through other components of comprehensive income when they are managed with the purpose of collecting contractual cash flows and selling the asset, while debt instruments that are not "basic lending arrangements" or do not correspond to these business models are carried at fair value through income statement. Equity instruments are carried at fair value through income statement or, under an irrevocable option, at fair value through Other components of comprehensive income.

The business model of the Group is to collect its contractual cash flows for its trade receivables.

Trade receivables can be transferred to third parties (banks) with conditions of the transfers meeting IFRS 9 requirements, meaning transfer of contractual cash flows and transfer of substantially all risks and rewards are achieved. Those trade receivables are in that case derecognized, further to the analysis of the actual transfer of risks, the non-materiality of any dilution risk based on experience, and the absence of continuing involvement.

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. 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/distribution and discontinued operations

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 at the reporting date. When these assets and liabilities represent either a complete line of business or a Business Unit, the profit or loss from these activities are presented on a separate line of the income statement and the related cash flows are presented distinctly in the cash flow statement.

Assets and liabilities held for sale/distribution are presented on separate lines in the Group's consolidated statement of financial position, without restatements for previous periods. They are measured at the lower of their carrying amount and fair value less costs to sell/distribute.

Translation of financial statements denominated in foreign currencies

Statements of financial positions of companies based outside the euro zone are translated at closing exchange rates. Income statement items are translated based on average exchange rates for the period. Statement of financial position and income statement translation adjustments arising from a change in exchange rates are recognized as a separate component of equity under "Translation adjustments". In the event of the disposal of a foreign entity, the proportionate share of accumulated foreign currency translation adjustments recognized in equity relating to this entity is reclassified in the statement of income.

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 except Argentina. Argentina is a hyperinflationary economy since July 1, 2018. As such, all income statement items from Argentinian entities have been restated from inflation in accordance with IAS 29.

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 hedge accounting is applied as explained in Note 13 Fair value and characteristics of financial instruments.

Impact of the pandemic crisis on the consolidated financial statements

Since the outbreak of the Covid-19 health crisis, Atos has implemented a set of measures to ensure both the health of its employees and the continuity of its customers' strategic businesses, in compliance with the directives of national and international health authorities.

As of the date of issue of the consolidated financial statements, unforeseen events related to the pandemic have not led to any contract termination, dispute with customers or suppliers, or material concessions made by Atos.

The events linked to Covid-19 led the Group to take into consideration the global economic downturn and recent market conditions in the judgments made and assumptions taken when preparing these consolidated financial statements.

Estimates on long-term contract have been reviewed taking into consideration potential loss-making situations or risks of recoverability on contract assets and contract costs. The expected credit loss valuation has also been reviewed to consider potential increased bankruptcy risk of customers.

In accordance with recommendations from European and French regulators, the Group has elected to maintain effects of the pandemic crisis as part of the operating margin and to not present them as part of Other operating income and expense.

There was no adverse effect on the liquidity position of the Group arising from the pandemic crisis, nor is there any expected effect on the cost of the debt. As such, the Group did not resort to borrowings from the French State ("Prêt Garanti par l'Etat"). In addition, the Group has only one financial covenant, which is associated with the revolving credit facility. The criterion of this covenant is met at December 31, 2020.

The liquidity situation of the Group is further described in Note 13.

6.1.7.3 Financial risk management

The Group's activities are exposed to a variety of financial risks including liquidity risk, interest rate risk, credit risk and currency risk. Financial risk is managed 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 ensuring the availability of funding through an adequate amount of committed credit facilities.

Atos' policy is to cover in full 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 the Group Treasury department.

An analysis of the maturity of financial liabilities is disclosed in Note 6.4.

Interest rate risk

Interest rate risk arises mainly on 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 risk 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. 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 conducted throughout the life cycle of a project.

Derivative counterparties and cash transactions are limited to high-credit quality financial institutions.

Currency risk

Atos Group policy promotes natural hedge positions in which costs and revenues are denominated in the same currency.

Nevertheless, the Group's financial performance can be influenced by fluctuations in exchange rates considering the growing portion of the external business involving offshore cost centers based mostly in India and Central Europe.

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 is known. 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 is not exposed to commodity price risks.

Considering its retained interest in Worldline accounted for at fair value through P&L at December 31, 2020, Atos is exposed to the fluctuations of Worldline share price.

In addition, the convertible bond issued in November 2019 contains an optional component indexed on Worldline share price. The redemption and/or exchange price of these bonds is linked to the evolution of Worldline share price. The reference exchange price was € 71.55 at issuance date.

At December 31, 2020, an increase in Worldline share price of € 1 would have a € 7 million positive impact on Atos financial result, and a negative impact of 4.6 million for the embedded derivative related to the OEB. A decrease in Worldline share price of € 1 would have a € 7 million negative impact on Atos financial result, and a positive impact of 4.4 million for the embedded derivative related to the OEB.

6.1.7.4 Alternative Performance Measures

Operating margin

Operating margin is equal to Revenue less personnel and operating expenses. It is calculated before Other Operating Income and Expenses as defined below.

Other Operating Income and Expenses

Other operating income and expenses include:

- the amortization and impairment of intangible assets recognized as part of business combinations such as customer relationships, technologies and goodwill;
- when accounting for business combinations, the Group may record provisions in the opening statement of financial position 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";
- the cost of acquiring and integrating newly controlled entities, including earn out with or without presence conditions;
- the net gain or losses on disposals of consolidated companies or businesses;
- the fair value of shares granted to employees including social contributions;
- the restructuring and rationalization expenses relating to business combinations or qualified as unusual, infrequent and abnormal. When a restructuring plan qualifies for Other Operating Income and Expenses, the related real estate rationalization & associated costs regarding premises are presented on the same line;
- the curtailment effects on restructuring costs and the effects of plan amendments on defined benefit plans resulting from triggering events that are not under control of Atos management;
- the net gain or loss on tangible and intangible assets that are not part of Atos core-business such as real estate;
- other unusual, abnormal and infrequent income or expenses such as major disputes or litigation.

Normalized net income

The normalized net income is the net income (Group Share – excluding net result attributable to Non-Controlling Interests) before Other Operating Income and Expenses and changes in derivative liabilities, net of taxes.

Normalized earnings per share

Normalized earnings per share are calculated by dividing the normalized net income (Group share) by the weighted-average number of common shares outstanding during the period, excluding treasury shares.

Net debt

The net debt comprises total borrowings (bonds, short term and long-term loans, securitization and other borrowings), short-term financial assets and liabilities bearing interest with maturity of less than 12 months, less net cash and cash equivalents. Liabilities associated with lease contracts and derivatives are excluded from the net debt.

Free Cash Flow

The Free Cash Flow represents the change in net cash or net debt, excluding equity changes, share buyback, dividends paid to shareholders and non-controlling interests, net acquisition or disposal of companies or businesses.

6.1.7.5 Notes to the consolidated financial statements

Note 1 Changes in the scope of consolidation

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 when fulfilling the definition of a business under IFRS 3.

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. It 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 acquire 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 to the income statement when incurred and presented as part of the Other Operating Income and Expenses.

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 methodology is made on a transaction-by-transaction basis.

All the assets, liabilities and contingent liabilities of the acquired subsidiary are measured at their fair value in the opening statement of financial position at acquisition date. The opening statement of financial position is adjusted, when necessary, during the 12 months following the acquisition date.

In step acquisitions, any equity interest held previously by the Group is remeasured at fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss is recognized in Other Operating Income and Expenses.

If control in a subsidiary is lost, any gain or loss is recognized in Other Operating Income and Expenses. 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 Other Operating Income and Expenses.

Purchase of non-controlling interests and sale of interests in a controlled subsidiary

Transactions with non-controlling interests, without impact on control, are treated as transactions with group shareholders and are recorded in equity.

1.1 – Acquisitions in 2019

IDnomic

The Group acquired IDnomic, European leader in digital identity management infrastructure to reinforce its global leadership in cybersecurity and expands its offering in the field of digital identity management and PKI (Public Key Infrastructure) solutions. The consideration transferred was € 37 million leading to the recognition of a goodwill of € 18 million.

1.2 – Transactions on Worldline shares

Discontinued operations up to April 30, 2019

Following the decision made on January 29, 2019 by Atos Board of Directors to submit to the Annual General Meeting the project to distribute 23.5% of Worldline total shares to Atos shareholders and the approval of the transaction by Atos shareholders at the Annual General Meeting on April 30, 2019, this distribution took effect on May 7, 2019, the payment date for the stock dividend. Thus, in accordance with IFRS 5, Worldline's results up to April 30, 2019 (instead of May 7, 2019 for practical reasons) was reclassified to "Net income from discontinued operations".

The distribution to Atos shareholders was made based on a ratio of 2 Worldline shares for 5 Atos shares held, in accordance with the terms of the transaction announced by Atos on March 22, 2019 and valued at the opening price on May 7, 2019 of the Worldline share (€ 54.70).

Under IFRS, the distribution in kind of Worldline shares took place in two steps: (i) the first step is the sale of the 50.8% of Worldline shares held by Atos, and (ii) the second step is the acquisition of the 27.3% of Worldline shares retained by Atos.

The net gain resulting from the loss of control of all Worldline shares held by the Group following the distribution was recognized in the consolidated income statement in "Net income from discontinued operations". This gain was presented net of current and deferred taxes and costs to distribute the Worldline shares (after tax). Cash flows relating to Worldline operations up to April 30, 2019 were reclassified in the consolidated statement of cash flows to "Net cash from (used in) discontinued operation".

Impact on the consolidated income statement

Worldline was not previously classified as held-for-distribution or as discontinued operations. The comparative condensed consolidated income statement has been restated to show discontinued operations separately from continuing operations.

The flows relating to the services rendered by the continuing operations to Worldline were eliminated at the Worldline level. As a result, the revenue of the Group includes revenues related to such flows.

DETAILED INCOME STATEMENT OF THE DISCONTINUED OPERATIONS

(in € million)	From January 1, 2019 to April 30, 2019*
Revenue	**705**
Personnel expenses	-289
Operating expenses	-263
Operating margin	**153**
% of revenue	**21.7%**
Other operating income and expenses	-22
Operating income	**131**
% of revenue	**18.6%**
Net financial income	71
Net income before tax	**201**
Tax charge	-48
Net gain (loss) on disposal of discontinued operation	2,931
Other costs related to the distribution of Worldline shares	-8
Net income	**3,075**
Of which:	
• **attributable to owners of the parent**	**2,986**
• non-controlling interests	89

* *Income and expense items relating to Worldline have been reclassified until April 30, 2019 to "Net income from discontinued operation", in accordance with IFRS 5. See Note 1.*

The deconsolidation of Worldline following the distribution in kind generated a net gain of € 2,931 million in 2019. This amount was net of € 29 million of cost to distribute (after tax).

Investment in associates from May 1, 2019

Following the distribution, Atos held 27.3% of Worldline's share capital and 35% of voting rights, subject to a six-month lock-up period. Starting May 1, 2019, the Group has no more control on Worldline, but a significant influence on Worldline. As such, the Group investment in Worldline was from that date presented as part of "Investments in associates accounted for under the equity method" in the 2019 consolidated financial statements. A purchase price allocation has been performed for the part of the business which is still held by the Group.

The Group share of Worldline net contributive result since May 1, 2019 is presented in the Group 2019 consolidated income statement in "Share of net profit/(loss) of associates". The new intangible assets generated by the purchase price allocation exercise are amortized on the same line.

Disposal of part of Worldline shares in November 2019

After having distributed 23.5% of Worldline shares to its shareholders on May 7, 2019, Atos completed in November 2019:

- the sale of 14.7 million of Worldline shares through an Accelerated Bookbuilding Offering (ABO);
- the issuance of € 500 million bond which will be exchangeable into Worldline shares;
- the transfer of £ 198 million (€ 230 million) of Worldline shares to Atos UK Pension Scheme in exchange of no additional funding in cash of the scheme for the next 15 years.

After completion of November transactions, Atos voting rights over Worldline amounted to 25.6%. The review of the governance led to the conclusion that Atos still has significant influence over Worldline. As such, the Group continued to consolidate Worldline under equity method.

Disposal of part of Worldline shares in 2020

In February 2020, Atos disposed of a part of its retained interest by selling ca. 23.9 million of Worldline shares through an Accelerated Bookbuiling Offering (ABO).

The gain on disposal was recognized in the consolidated income statement in "Other operating income and expenses".

Following this transaction, the Group's retained interest in Worldline was c. 3.8%. The Group considered it no longer had a significant influence over Worldline. Hence, at the disposal date, the retained interest in Worldline was classified as a financial asset measured at fair value through the income statement under IFRS 9.

1.3 – Acquisitions in 2020

Maven Wave

On January 31, 2020, Atos acquired Maven Wave, a US-based business and technology consulting firm specialized in delivering digital transformation solutions for large enterprises. The Company is a leading Google Cloud Premier Partner with eight Cloud Partner Specializations and recognized as the Google Cloud North America Services Partner of the year in both 2018 and 2019. Maven Wave is reported in the RBU North America.

The consideration transferred was € 172 million leading to the recognition of a € 131 million goodwill.

Had the acquisition of Maven Wave occurred on January 1, 2020, the twelve-month revenue and operating margin for 2020 would have been € 138 million and € 18 million, respectively.

Other acquisitions in 2020 included:

EcoAct

On September 29, 2020, Atos completed the acquisition of EcoAct, an internationally recognized carbon reduction strategy consulting firm. This acquisition will support Atos' decarbonization ambition by enriching its portfolio of carbon reduction digital solutions, services and strategies to further support its clients at every stage of their journeys towards carbon neutrality. EcoAct is mainly reported in the RBU Southern Europe.

Paladion

On October 8, 2020, Atos completed the acquisition of Paladion, a US-based global provider of Managed Security Services. Completing Atos' existing proficiency to anticipate, manage and respond to cyber threats, this acquisition will bring key Managed Detection & Response (MDR) capabilities – which customers need as they are adopting hybrid and multi-cloud transformation strategies for their businesses – to the Atos portfolio, with multiple MDR centers. It will also expand global coverage for cybersecurity monitoring and response with four additional Security Operations Centers (SOC) in the US, the Middle East and India.

Paladion is reported in the RBUs North America and Growing Markets.

Miner & Kasch

On April 10, 2020, Atos acquired Miner & Kasch, an artificial intelligence (AI) and data science consulting firm headquartered in Elkridge, Maryland, US, that specializes in building intelligent end-to-end, data-driven solutions.

ALIA Consulting

On July 31, 2020, Atos acquired ALIA Consulting in France to create a leading provider for energy and utility companies delivering state-of-the-art expertise in billing and CRM implementations and solutions.

Digital Security

On September 30, 2020, Atos completed the acquisition of Digital Security, a subsidiary of the Econocom group and a leading independent player in cybersecurity in France and BeLux. Digital Security is mainly reported in the RBU Southern Europe.

Edifixio

On November 30, 2020, Atos acquired Edifixio, a French cloud and Salesforce consulting and integration company.

Eagle Creek

On December 15, 2020, Atos acquired Eagle Creek, a US based technology and management consulting company specialized in Salesforce enterprise implementations for its customers across North America.

SEC Consult

On December 17, 2020, Atos acquired SEC Consult, a leading consulting company with a strong and innovative cybersecurity portfolio.

Total consideration transferred for these acquisitions was € 294 million leading to the recognition of a € 279 million goodwill.

Had those acquisitions occurred on January 1, 2020, the twelve-month revenue and operating margin for 2020 would have been € 179 million and € 16 million, respectively.

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 CEOs who makes strategic decisions.

The internal management reporting is built on two axes: Regional Business Units (North America, Northern Europe, Central Europe, Southern Europe and Growing Markets) and Industries (Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, and Healthcare & Life Sciences). Regional 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 Regional Business Units as operating segments.

A Business Unit is defined as an aggregation of several geographical areas which contain several countries, without taking into consideration the activities exercised within each country. Each Business Unit is managed by a dedicated member of the General Management Committee.

The measurement policies that the Group uses for segmental 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. 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 Business Unit where they are physically located even though they are used by several Business Units.

In 2020, the Group initiated a transformation, called "SPRING", aiming at reshaping its portfolio of offerings, reinforcing its go-to-market approach, and setting-up an Industry-led organization. In this context, six Industries have been created: Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, and Healthcare & Life Sciences.

At the same time, the Group gathered the former Global Business Units into five Regional Business Units ("RBU"), each of them under a single leadership: North America, Northern Europe, Central Europe, Southern Europe and Growing Markets. The Global delivery centers have been isolated in the Growing Markets segment.

The regional management axe (now the RBUs) remains the main operating segment.

In 2020, in order to facilitate the transition from the previous organization to SPRING, the Group also reports revenue by Division, including the comparative period.

All Industries are represented in each RBU. Regional segments are made of the following countries:

Operating segments	Industries
North America	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in Canada, Guatemala, Mexico and the United States of America.
Northern Europe	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in Belarus, Belgium, Denmark, Estonia, Finland, Ireland, Lithuania, Luxembourg, Poland, Russia, Sweden, The Netherlands and the United Kingdom.
Central Europe	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Israel, Romania, Serbia, Slovakia, Slovenia, Switzerland.
Southern Europe	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in Andorra, France, Italy, Morocco offshore delivery Center, Portugal and Spain.
Growing Markets	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in AbuDhabi, Algeria, Andorra, Argentina, Australia, Brazil, Chile, China, Colombia, Egypt, Gabon, Hong-Kong, India, Ivory Coast, Japan, Lebanon, Malaysia, Madagascar, Mauritius, Morocco, Namibia, New-Zealand, Peru, Philippines, Qatar, Saudi-Arabia, Senegal, Singapore, South-Africa, South Korea, Taiwan, Thailand, Tunisia, Turkey, UAE, Uruguay and also Major Events activities, Global Delivery Centers.

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.

The operating segment information for the periods was the following:

(in € million)	North America	Northern Europe	Central Europe	Southern Europe
12 months ended December 31, 2020				
External revenue by segment	**2,612**	**2,717**	**2,699**	**2,339**
% of Group revenue	23.4%	24.3%	24.1%	20.9%
Inter-segment revenue	63	166	196	104
Total revenue	2,675	2,882	2,895	2,443
Segment operating margin	**393**	**226**	**123**	**182**
% of margin	15.1%	8.3%	4.6%	7.8%
Total segment assets	**4,517**	**2,314**	**2,304**	**2,590**
Other information on income statement				
Depreciation of assets	-71	-61	-87	-47
Depreciation of right of use	-74	-86	-70	-41
Other information				
Capital expenditure	63	46	91	47
Net (debt)/cash	754	249	618	23
Year end headcount	9,968	14,091	12,522	17,295

12 months ended December 31, 2019*				
External revenue by segment	**2,725**	**2,715**	**2,784**	**2,447**
% of Group revenue	23.5%	23.4%	24.0%	21.1%
Inter-segment revenue	57	210	190	325
Total revenue	2,782	2,925	2,974	2,772
Segment operating margin	**343**	**253**	**209**	**228**
% of margin	12.6%	9.3%	7.5%	9.3%
Total segment assets	**4,817**	**2,390**	**2,264**	**2,440**
Other information on income statement				
Depreciation of assets	-67	-68	-84	-47
Depreciation of right of use	-76	-70	-73	-42
Other information				
Capital expenditure	49	43	98	61
Net (debt)/cash	1,370	-385	735	127
Year end headcount	10,698	14,936	12,762	17,485

* *Figures presented are restated by Regional Business Units, in accordance with IFRS 8.*

External revenue and inter-segment revenue for France amounted to € 1,656 million and € 2,138 million in 2020, respectively.

	Growing Markets	Total operating segments	Global structures	Elimination	Total Group
	814	**11,181**	**-**	**-**	**11,181**
	7.3%	100.0%			100.0%
	1,178	1,707	158	-1,865	-
	1,992	12,888	158	-1,865	11,181
	119	**1,043**	**-42**		**1,002**
	14.6%	9.3%			9.0%
	1,538	**13,262**	**1,190**		**14,452**
	-43	-310	-22		-332
	-67	-338	-14		-352
					-
	43	290	30		320
	893	2,536	-3,003		-467
	49,213	103,089	1,341		104,430

	917	**11,588**	**-**	**-**	**11,588**
	7.9%	100.0%			100.0%
	877	1,658	326	-1,984	-0
	1,793	13,246	326	-1,984	11,588
	200	**1,232**	**-42**		**1,190**
	21.8%	10.6%			10.3%
	1,599	**13,510**	**2,348**		**15,858**
	-46	-312	-22		-334
	-62	-322	-14		-336
		-			
	39	289	35		324
	722	2,571	-4,307		-1,736
	51,075	106,955	1,362		108,317

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The assets detailed above by segment are reconciled to total assets as follows:

(in € million)	December 31, 2020	December 31, 2019
Total segment assets	**14,452**	**15,858**
Tax assets	394	378
Cash & Cash Equivalents	3,282	2,413
TOTAL ASSETS	**18,127**	**18,649**

The Group revenue from external customers by Industry can be broken down as follows:

(in € million)	Manufacturing	Financial Services & Insurance	Public Sector & Defense	Telecom, Media & Technology	Ressources & Services	Healthcare & Life Sciences	Total Group
12 months ended December 31, 2020							
External revenue by market	**2,010**	**2,116**	**2,565**	**1,574**	**1,627**	**1,288**	**11,181**
% of Group revenue	18.0%	18.9%	22.9%	14.1%	14.6%	11.5%	100.0%
12 months ended December 31, 2019							
External revenue by market	**2,241**	**2,207**	**2,400**	**1,661**	**1,792**	**1,288**	**11,588**
% of Group revenue	19.3%	19.0%	20.7%	14.3%	15.5%	11.1%	100.0%

As described above, the Group also presents revenue from external customers by Division in 2020:

(in € million)	Infrastructure & Data Management	Business & Platform Solutions	Big Data & Cybersecurity	Total Group
12 months ended December 31, 2020				
External revenue by segment	**6,112**	**3,832**	**1,237**	**11,181**
% of Group revenue	54.7%	34.3%	11.1%	100.0%
12 months ended December 31, 2019				
External revenue by segment	**6,321**	**4,216**	**1,050**	**11,588**
% of Group revenue	54.6%	36.4%	9.1%	100.0%

Note 3 Revenue, trade receivables, contract assets, contract liabilities and contract costs

Revenue is recognized if a contract exists between Atos and its customer. A contract exists if collection of consideration is probable, rights to goods or services and payment terms can be identified, and parties are committed to their obligations. Revenue from contracts with customers is recognized either against a contract asset or receivable, before effective payment occurs.

Multiple arrangements services contracts

The Group may enter into multiple-element arrangements, which may include combinations of different goods or services. Revenue is recognized for each distinct good or service which is separately identifiable from other items in the arrangement and if the customer can benefit from it.

Contracts related to the management of IT infrastructure often embed transition and transformation prior to the delivery of recurring services, such as IT support and maintenance.

When transition or transformation activities represent knowledge transfer to set up the recurring service and provide no incremental benefit to the customer and cannot be considered as a separate performance obligation (set up activities), no revenue is recognized in connection with these activities. The costs incurred during these activities are capitalized as contract costs if they create a resource that will be used in satisfying future performance obligations related to the contract and if they are recoverable. They are amortized on a systematic basis over the contractual period. The cash collected for such activities is considered as advance payment, presented as contract liability, and recognized as revenue over the recurring service period. When these activities transfer to the customer the control of a distinct good or service and the customer can benefit from this good or service independently from the recurring services, they are accounted for separately as separate performance obligations and revenues relating to these activities are recognized.

When a single contract contains multiple distinct goods or services, the consideration is allocated between the goods and services based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices including usual discounts granted at which the Group sells the goods or services separately. Otherwise, the Group estimates stand-alone selling prices using a cost-plus margin approach.

Principal versus agent

When the Group resells hardware, software and IT services purchased from third-party suppliers, it performs an analysis of the nature of its relationship with its customers to determine if it is acting as principal or as agent in the delivery of the good or service. The Group is a principal if it controls the specified good or service before it is transferred to the customer. In such case, revenue is recognized on a gross basis. If the Group is an agent, revenue is recognized on a net basis (net of supplier's costs), corresponding to any fee or commission to which the Group is entitled. When the Group is providing a significant service of integrating and/or designing the specified good or service, it is acting as a principal in the process of resale. If the specified good or service is distinct from the other services promised to its customer, the Group is acting as a principal notably if it is primarily responsible for the good or service meeting the customer specifications or assumes inventory or delivery risks.

At a point in time versus over time recognition

Revenue is recognized when the Group transfers the control of a good or service to the customer, either at a point in time or over time.

For recurring services, the revenue is recognized over time as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs. If the Group has a right to invoice a customer at an amount that corresponds directly with its performance to date, the revenue is recognized at that amount. Otherwise, revenue is recognized based on the costs incurred if the entity's efforts are not expensed evenly throughout the period covered by the service.

When the Group builds an asset or provides specific developments, revenue is recognized over time, generally based on costs incurred.

When the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or when the performance does not create an asset with an alternative, use and the Group has an enforceable right to payment for the performance completed to date by the contract and local regulations, revenue is recognized over time, generally based on costs incurred.

Otherwise, revenue is recognized at a point in time.

Customer contracts in the form of a lease

Part of certain service arrangements may qualify as a lease under IFRS 16 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 as manufacturer or dealer-lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the assets to its customers (finance lease), the Group recognizes revenue representing the selling price of assets held under lease and presents those as contract assets.

Contract costs – Costs to obtain and fulfill a contract

Incremental costs to acquire a multi-year service contracts are capitalized and amortized over the life of the contract.

Transition & Transformation costs that do not represent a separate performance obligation of a contract are capitalized as contract costs if they create a resource that will be used to perform other performance obligations embedded in the contract, are recoverable. Other costs incurred to obtain or fulfill a contract are expensed when incurred.

Statement of financial position presentation

Contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date. Invoiced to be issued are presented as part of contract assets. When the rights to consideration are unconditional, they are classified as trade receivables.

Contract liabilities relate to payments received from customers in excess of the amounts recognized in revenue in connection with the satisfaction of the related performance obligations. Contract costs are presented separately from contract assets. Contract assets and contract liabilities are netted on a contract by contract basis.

Revenue recognition and associated costs on long-term contracts

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. A provision for onerous contract is booked if the future costs to fulfill a contract are higher than its related benefits.

Financing component

When Atos expects the period between the transfer of goods and services and customer payment to be greater than 12 months, it assesses whether the contract is embedding a financing component granted or received. When significant, interests generated by this financing component are booked separately from revenue.

Impairment of trade receivables and contract assets

Trade receivables and contract assets are recognized using the amortized cost method.

Impairment is calculated on the basis of the expected credit loss model. Under this model, 12-month expected credit losses (resulting from the risk of defaults in the next 12 months) are recorded at their initiation, when the corresponding financial asset is recognized.

3.1 - Disaggregation of revenue from contracts with customers

Most of the revenue generated by the Group is recognized over time for fixed price contracts and at a point of time for time & material-based contracts. The Group applies the "cost-to-cost" method to measure progress to completion for fixed price contracts. Most of the Big Data and security activities revenue is recognized at a point of time when solutions are delivered except for High Performance Computer solutions when Atos is building a dedicated asset with no alternative use and has right to payment arising from the contract or local regulation for costs incurred including a reasonable margin. In this specific case, revenue is recognized over time.

Disaggregated revenue by Region, Industry and Division is presented in Note 2.

3.2 - Trade accounts and notes receivable, and contract liabilities

(in € million)	**December 31, 2020**	**December 31, 2019**
Contract assets	1,686	1,517
Trade receivables	1,140	1,301
Contract costs	130	106
Expected credit loss allowance	-109	-66
Trade accounts and notes receivable	**2,847**	**2,858**
Contract liabilities	-773	-680
Net accounts receivable	**2,074**	**2,178**
Number of days' sales outstanding (DSO)	**46**	**47**

Changes in the contract asset and liability balances over 2020 were a result of increased High-Performance Computing projects. The € 169 million increase reflects in particular the progress on certain contracts where revenue is recognized based on cost incurred. At the same time, contract liabilities have increased by € 93 million based on more favorable invoicing terms and advance payments received.

The average credit period on sale of services is between 30 and 60 days depending on the countries. Main part of the contract assets should be converted in trade receivables in the 12 coming months except for contract assets corresponding to the transfer of IT equipment under lease model and the grant of multi-years right to use licenses. Most of the contract liabilities should be converted in revenue in the coming months. The DSO ratio decreased from 47 days to 46 days at December 31, 2020.

Transfer of trade receivables

Atos used to hold a securitization program of trade receivables with a maximum amount of receivables sold of € 500 million and a maximum amount of financing reduced from € 200 million to € 100 million. At December 31, 2019, the Group sold with recourse trade receivables for € 108 million on which € 10 million were received in cash. These trade receivables were not derecognized from the statement of financial position because the Group retained substantially all risks and rewards. The amount received on transfer was recognized as a secured bank loan.

In October 2020, the securitization program, including "On" and "Off" compartments, was terminated.

As of December 31, 2020, € 878 million of trade receivables were transferred to third parties with conditions of the transfers meeting IFRS 9 requirements, meaning transfer of contractual cash flows and transfer of substantially all risks and rewards are achieved. Those trade receivables were therefore derecognized in the statement of financial position as of December 31, 2020. The € 878 million included $ 46 million in the US where Atos only sold 95% of the right to cash flows and then derecognizes 95% of the receivables.

The level of trade receivables sold with no recourse to banks with transfer of risks as defined by IFRS 9 remained at the same level than the end of December 31, 2019. DSO has been positively impacted by the sale of receivables on large customer contracts by 25 days, stable compared to December 2019.

Ageing of trade receivables past due

(in € million)	December 31, 2020	December 31, 2019
Current	982	1,072
1-30 days overdue	63	90
31-60 days overdue	16	43
Beyond 60 days overdue	80	96
TOTAL	**1,140**	**1,301**

Movement in expected credit loss allowance

(in € million)	December 31, 2020	December 31, 2019
Balance at beginning of the year	-66	-84
Impairment losses recognized	-53	-28
Amounts written off as uncollectible	17	12
Impairment losses reversed	0	-2
Impact of business combinations	-3	-1
Reclassification and exchange differences	-4	37
BALANCE AT END OF THE YEAR	**-109**	**-66**

Note 4 Operating items

4.1 – Personnel expenses

(in € million)	12 months ended December 31, 2020	% Revenue	12 months ended December 31, 2019	% Revenue
Wages and salaries	-4,099	36.7%	-4,280	36.9%
Social security charges	-942	8.4%	-980	8.5%
Tax, training, profit-sharing	-61	0.5%	-77	0.7%
Net (charge)/release to provisions for staff expenses	-1	0.0%	0	0.0%
Net (charge)/release of pension provisions	41	-0.4%	60	-0.5%
TOTAL	**-5,063**	**-45.3%**	**-5,277**	**45.5%**

4.2 – Non-personnel operating expenses

(in € million)	12 months ended December 31, 2020	% Revenue	12 months ended December 31, 2019	% Revenue
Subcontracting costs direct	-1,883	16.8%	-1,892	16.3%
Hardware and software purchase	-1,239	11.1%	-1,154	10.0%
Maintenance costs	-624	5.6%	-626	5.4%
Rent expenses	-11	0.1%	-29	0.3%
Telecom costs	-293	2.6%	-288	2.5%
Travelling expenses	-48	0.4%	-154	1.3%
Professional fees	-193	1.7%	-202	1.7%
Others expenses	-254	2.3%	-247	2.1%
Subtotal expenses	**-4,545**	**40.6%**	**-4,590**	**39.6%**
Depreciation of assets	-332	3.0%	-334	2.9%
Depreciation of right-of-use	-352	3.1%	-336	2.9%
Net (charge)/release to provisions	0	-0.0%	23	-0.2%
Gains/(Losses) on disposal of assets	-10	0.1%	-17	0.1%
Trade receivables write-off	-16	0.1%	-12	0.1%
Capitalized production	138	-1.2%	145	-1.3%
Subtotal other expenses	**-572**	**5.1%**	**-531**	**4.6%**
TOTAL	**-5,117**	**45.8%**	**-5,121**	**44.2%**

Hardware and software purchase increased vs. 2019 mainly due to higher business activity in Big data and High-Performance Computing and the first time consolidation of acquisitions with software purchases.

Rent expense corresponds to short-term lease contracts and low value assets (see Note 9).

4.3 – Trade accounts and notes payable

(in € million)	December 31, 2020	December 31, 2019
Trade accounts and notes payable	**2,230**	**2,278**
Net advance payments	-55	-31
Prepaid expenses and advanced invoices	-732	-691
Net accounts payable	**1,444**	**1,556**
Number of days' payable outstanding (DPO)	**80**	**79**

4.4 – Other current assets

(in € million)	December 31, 2020	December 31, 2019
Inventories	141	104
State - VAT receivables	271	212
Prepaid expenses and advanced invoices	732	691
Other receivables & current assets	432	529
Net advance payments	55	31
TOTAL	**1,631**	**1,568**

4.5 – Other current liabilities

(in € million)	December 31, 2020	December 31, 2019
Employee-related liabilities	312	355
Social security and other employee welfare liabilities	169	172
VAT payables	466	371
Contract liabilities	773	680
Other operating liabilities	261	310
TOTAL	**1,981**	**1,888**

Note 5 Other operating income and expenses

Other Operating Income and Expenses is an Alternative Performance Measure and is defined in section 6.1.7.4

Equity-based compensation

Performance shares and stock options are granted to management and certain employees at regular intervals. Those equity-based compensation schemes are measured at fair value at the grant date using the Black-Scholes model; the fair value of these plans also considers employee turnover during the vesting period as well as the value of the lock-up period restriction when applicable. Changes in the fair value of options after the grant date have no impact on the initial valuation. The fair value of instruments is recognized in "other operating income and expense" on a straight-line basis over the period during which those rights vest, with the offsetting credit recognized directly in equity.

In some tax jurisdictions, Group 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 equity.

Employee share purchase plans offer employees the opportunity to invest in Group shares at a discounted price. Shares are subject to a five-year lock-up period. Fair values of such plans are measured considering:

- the exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant;
- the percentage of discount granted to employees;
- the attribution of performance shares for the first subscribed shares according to the matching share plan;
- 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: the date on which the plan and its terms and conditions, including the exercise price, is announced to employees.

Fair value of such plans is fully recognized in "Other operating income and expenses" at the end of the subscription period.

Social contributions linked to equity-based compensation schemes are also presented as "Other operating income and expenses".

The following table presents "Other operating income and expenses "by nature":

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Staff reorganization	-127	-100
Rationalization and associated costs	-36	-34
Integration and acquisition costs	-42	-41
Amortization of intangible assets (PPA from acquisitions)	-153	-157
Equity based compensation	-74	-73
Other items	80	-125
TOTAL	**-352**	**-530**

The € 127 million **staff reorganization** expense was mainly the consequence of the adaptation of the Group workforce in several countries, in particular Germany. The increase in 2020 came mostly from specific measures in Germany and other European countries.

The € 36 million **rationalization and associated costs** primarily resulted from the closure of office premises and data centers consolidation, mainly in France.

Integration and acquisition costs at € 42 million mainly related to the integration costs of Syntel to generate synergies while the other costs relate to the migration and standardization of internal IT platforms from earlier acquisitions.

In 2020, the € 153 million amortization charge in connection with **Purchase Price Allocation** (PPA) intangible assets was mainly composed of:

- € 65 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- € 19 million of SIS customer relationships amortized over 12 years starting July 1, 2011;
- € 19 million of Xerox ITO customer relationships amortized over 6 to 12 years starting July 1, 2015;
- € 16 million of Unify customer relationships and technologies amortized over 2 to 10 years starting February 1, 2016;

- € 16 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014.

In 2020, the amount of amortization of intangible assets recognized in the Purchase Price Allocation (PPA) decreased from € 157 million to € 153 million, mainly reflecting the limited amount of amortization charge arising from 2020 acquisitions while intangible assets related to certain past acquisitions ceased to be amortized in 2020.

The **equity-based compensation** expense amounted to € 74 million compared to € 73 million in 2019.

In 2020, **other items** decreased significantly from an expense of € 125 million to a net income of € 80 million including the following exceptional expenses:

- the transaction made in February 2020 on Worldline shares as follows:
  - the Accelerated Bookbuilding Offering of Worldline shares on the market at a share price of € 61.5 led to a net gain on disposal, before tax, of € 120 million, including the derecognition of the intangible assets generated by the Worldline purchase price allocation in May 2019 upon the loss of control over Worldline and while Worldline was accounted for under the equity method;
  - the retained interest of Atos in Worldline group (c. 3.8%) was valued at the fair value at the disposal date, resulting in an additional profit of € 54 million presented as part of the net gain on disposal.
- excluding the transaction described above totaling € 171 million (including transaction costs), other expenses amounted to € 91 million. Other items mainly included other long-term employee benefits in Germany, France and the UK, unusual impacts from settlements and a limited number of bankruptcies. They also included costs to implement transformation programs.

Equity-based compensation

The € 74 million expense recorded within Other Operating Income and Expense relating to equity-based compensation (€ 73 million in 2019) is mainly made up of:

- € 71 million related to performance share plans granted from 2015 until 2020 of which € 6 million related to the 2020 performance share plan;
- € 2 million related to the employee share purchase plan Share 2020.

The equity-based compensation plans are detailed by year and by nature as follows:

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
By years:		
Plans 2020	21	-
Plans 2019	15	6
Plans 2018	21	21
Plans 2017	14	29
Plans 2016	1	10
Plans 2015	1	6
TOTAL	**74**	**73**
By category of plans:		
Performance share plans	71	72
Stock option plan	0	0
Employee share purchase plan	2	1
TOTAL	**74**	**73**

Performance share plans

In 2020, Atos implemented a new performance share plan detailed as follows:

	Atos
Grant Date	**July 24, 2020**
Number of shares granted	870,630
Share price at grant date *(in €)*	75.0
Vesting date	July 24, 2023
Expected life *(in years)*	3
Expected dividend yield *(in%)*	2.1
Fair value of the instrument *(in €)*	**68.74**
2020 expense recognized *(in € million)*	**6**

Atos performance share plans

Rules governing the performance share plans in Group Atos are as follows:

- to receive the share, the grantee must generally be an employee or a corporate officer of the Group or a company employee related to Atos;
- vesting is conditional on both the continued employment and the achievement of performance criteria, financial and non-financial ones;
- the financial performance criteria are the following:
  - Group revenue,
  - Group Operating Margin (OM), and
  - Group Free Cash Flow (FCF);
- the vesting period varies according to the plan rules but never exceeds 4.5 years;
- the lock-up period is 0 to 2 years;
- Atos performance share plans are equity-settled.

Following the announcement of the acquisition of Syntel, the Board of Directors replaced the performance criterion on FCF by a criterion based on earnings per share (EPS) in respect of the July 25, 2017 performance share plans.

For 2018 performance share plans, rules described above are the same except for the FCF criterion replaced by earnings per share (EPS).

The performance criteria for 75% of performance shares granted as part of July 25, 2017, March 27, 2018 and July 22, 2018 performance share plans have further been modified by the Board of Directors on October 22, 2018 to align with the revised guidance provided to the market. Based on 2018 Group results, the remaining 25% of performance shares of the above plans will not be vested.

Main previous plans impacting 2020 consolidated income statement are detailed as follows:

	Atos	
Grant Date	**October 23, 2019**	**July 24, 2019**
Number of shares granted	12,000	857,743
Share price at grant date *(in €)*	63.6	69.8
Vesting date	October 23, 2022	July 24, 2022
Expected life *(in years)*	3	3
Expected dividend yield *(in %)*	2.1	2.1
Fair value of the instrument *(in €)*	**59.77**	**65.55**
2020 expense recognized *(in € million)*	**0**	**17**

	Atos			
Grant Date	**July 26, 2016**	**July 25, 2017**	**March 27, 2018**	**July 22, 2018**
Number of shares granted	947,884	777,910	8,550	891,175
Share price at grant date *(in €)*	86.05	90.00	90.0	90.0
Vesting date	July 26, 2019	July 25, 2020	March 27, 2021	July 30, 2021
Expected life *(in years)*	3	3	3	3
Expected dividend yield *(in%)*	1.2	1.2	1.2	1.2
Fair value of the instrument *(in €)*	**83.00**	**88.12**	**87.08**	**87.08**
2020 expense recognized *(in € million)*	**1**	**14**	**0**	**20**

Stock option plans

In 2019, Atos implemented a stock option plan detailed as follows:

Number of shares issued	209,200
Share price at grant date *(in €)*	77.9
Strike price (€)	80.1
Vesting date	July 24, 2022
Expected maturity of the plan *(in years)*	3 years
Expected dividend yield *(in%)*	2.07%
Fair value of the instrument *(in €)*	**6.67**
Expense recognized in 2020 *(in € million)*	**0**

The change in outstanding share options for Atos SE during the period was the following:

	12 months ended December 31, 2020		12 months ended December 31, 2019	
(in € million)	Number of shares	Weighted average strike price *(in €)*	Number of shares	Weighted average strike price *(in €)*
Outstanding at the beginning of the year	**168,900**	**77.9**	**25,467**	**52.2**
Granted during the year	-	-	209,200	77.9
Forfeited during the year	-6,000	77.9	-40,300	77.9
Exercised during the year	-	-	-25,467	52.2
Expired during the year	-	-	-	-
Outstanding at the end of the year	**162,900**	**77.9**	**168,900**	**77.9**
Exercisable at the end of the year, below year-end stock price*	**-**	**-**	**-**	**-**

* *Year-end stock price: € 74.78 at December 31, 2020 and € 74.32 at December 31, 2019.*

Employee share purchase plans Share 2018 and Share 2020

In December 2018 and June 2020, the Group implemented employee share option plans called Share 2018 and Share 2020, respectively.

Those plans were open to employees throughout the Group. This new plan offered eligible employees the purchase of shares with a discount, a five-year lock-up period and the attribution of performance shares for the first 2 subscribed shares.

As a consequence of those plans, the Group issued 263,518 shares in 2019 and 778,252 shares in 2020 at a reference share price of € 74.4 (before the 20% discount application) and € 64.6 (before the 25% discount application), respectively.

The cost related to Share 2018 and Share 2020 takes into account the effect of the five-year lock-up period calculated based on the following parameters:

	Share 2018	Share 2020
Number of shares issued	263,518	778,252
Share price at grant date *(in €)*	68.8	67.82
Percentage of discount	20%	25%
Lock-up period	5 years	5 years
Risk free interest rate *(in%)*	-0.003%	-0.490%
Expense recognized in 2020 *(in € million)*	**0**	**2**

Note 6 Financial assets, liabilities and financial result

6.1 - Financial result

Net financial expense amounted to € 51 million for the period (compared to € 208 million prior year) and was composed of a net cost of financial debt of € 33 million and other financial costs of € 18 million.

Net cost of financial debt

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Net interest expenses	**-31**	**-64**
Gain/(loss) on disposal of cash equivalents	0	2
Gain/(loss) on interest rate hedges of financial debt	-2	-2
Net cost of financial debt	**-33**	**-64**

Net cost of financial debt was € 33 million (compared to € 64 million in 2019) and resulted from the following elements:

- excluding the OEB, the average gross borrowing of € 3,585 million compared to € 5,371 million in 2019 bearing an average expense rate of 1.17% compared to 1.56% last year. The average gross borrowing expenses were mainly explained by:
  - the used portion of the syndicated loan combined with the Negotiable European Commercial Papers (NEU CP) and the Negotiable European Medium-Term Note program (NEU MTN) for an average of € 1,318 million (compared to an average of € 1,478 million in 2019) bearing an effective interest rate of 0.33%, benefiting from the attractive remuneration applied to the NEU CP,
  - a € 600 million bond issued in July 2015 bearing a coupon rate of 2.375% and reimbursed in April 2020,
  - a € 300 million bond issued in October 2016 bearing a coupon rate of 1.444%,
  - a € 700 million bond issued in November 2018 bearing a coupon rate of 0.750%,
  - a € 750 million bond issued in November 2018 bearing a coupon rate of 1.750%,
  - a € 350 million bond issued in November 2018 bearing a coupon rate of 2.500%,
  - other sources of financing, including securitization, for an average of € 51 million, bearing an effective interest rate of 1.03%;

- the average gross cash varied from € 1,441 million in 2019 to € 2,090 million in 2020 bearing an average income rate of 0.61% compared to 1.58% in 2019.

The decrease in the net cost of financial debt compared to 2019 can mainly be explained by the reimbursement of the € 600 million bond in April 2020, and the full reimbursement in November 2019 of the $ 1,900 million term loan to fund the Syntel acquisition.

Other financial income and expenses

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Foreign exchange income/(expenses)	-6	-3
Fair value gain/(loss) on forward exchange contracts	0	-1
Change gain/(loss) on financial instruments related to Worldline	56	-54
Interest on lease liability	-27	-27
Other income/(expenses)	-41	-59
Other financial income and expenses	**-18**	**-144**
Of which:		
• other financial expenses	-157	-162
• other financial income	139	18

Non-operational financial costs amounted to € 18 million compared to € 144 million in 2019, and were mainly composed of:

- a net gain of € 56 million related to the net values of the OEB derivative and the underlying Worldline shares, both measured at fair value;
- lease liability interest of € 27 million (stable compared to 2019);
- pension related interest of € 12 million compared to € 31 million in 2019. This variation arose from the decrease in discount rates in all countries/zones, and a higher value of the surplus since the end of 2019 as a consequence of the distribution of the Worldline shares to the "UK 2019" scheme for £ 198 million;
- net foreign exchange loss (including hedges) of € 6 million compared to a loss of € 4 million in 2019.

6.2 - Cash and cash equivalents

Cash and cash equivalents 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".

For entities having subscribed to the Group cash pooling agreement, the cash/debt positions which are linked to this agreement are mutualized and only the net position is presented in the consolidated statement of financial position.

The cash and cash equivalents are held with bank and financial institutions counterparts, the majority of which are rated A- to AA-. Impairment on cash and cash equivalents is calculated based on S&P default probability.

(in € million)	December 31, 2020	December 31, 2019
Cash in hand and short-term bank deposit	3,235	2,363
Money market funds	47	50
TOTAL	**3,282**	**2,413**

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.

6.3 - Non-current financial assets

Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are recognized at their fair value. For listed shares, fair value corresponds to the share price at the closing date.

(in € million)		December 31, 2020	December 31, 2019
Pension prepayments	Note 11	112	231
Fair value of non-consolidated investments, net of impairment		556	4
Other*		103	116
TOTAL		**772**	**351**

* *"Other" includes loans, deposits, guarantees and up-front and underwriting fees related to past acquisitions amortized over the duration of the debt instrument*

Changes in the fair value of non-consolidated investments included € 553 million related to the fair value of the retained interest in Worldline (see Note 1).

6.4 - Financial liabilities

Borrowings

Borrowings are initially recognized at fair value, net of debt issuance costs. Borrowings are subsequently measured at amortized cost. The calculation of the effective interest rate considers interest payments and the amortization of debt issuance costs.

Debt issuance costs are amortized in financial expenses over the life of the loan though the use of the amortized cost method. The residual value of issuance costs for loans derecognized is fully expensed on the date of derecognition.

Bank overdrafts are recorded in the current portion of borrowings.

Derivatives

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.

The market value of derivative financial instruments was provided by the financial institutions involved in the transactions or calculated using standard valuation methods that factor market conditions as of the end of the reporting period.

The Group has identified three financial instrument categories based on the two valuation methods used (listed prices and valuation techniques). In accordance with IFRS, this classification is used as a basis for presenting the characteristics of financial instruments recognized in the statement of financial position at fair value through income as of the end of the reporting period:

- level 1 category: financial instruments quoted on an active market;
- level 2 category: financial instruments whose fair value is determined using valuation techniques drawing on observable market inputs;
- level 3 category: financial instruments whose fair value is determined using valuation techniques drawing on non-observable inputs (inputs whose value does not result from the price of observable market transactions for the same instrument or from observable market data available as of the end of the reporting period) or inputs which are only partly observable.

Issuance of a € 500 million bond exchangeable in Worldline shares

Atos issued on November 2019 bonds due in 2024 for an aggregate nominal amount of € 500 million. The bonds will be exchangeable in Worldline shares, at a premium of 35% above the placing price of the Equity placement. The bonds will not bear interest and have a maturity of 5 years (except in case of early redemption). The bonds have been offered at a price of 108.875% of the principal amount and will be redeemed at their principal amount of maturity, corresponding to an annual yield to maturity of -1.7%.

In accordance with IFRS 9, a derivative liability was initially booked corresponding to the value of a call option on Worldline shares (Level 2 category) at the issuance of the bond. The net change in the fair value of the derivative liability between December 31, 2019 and December 31, 2020 of € 52 million was recorded in income statement as part of the financial result leading to a total value in the consolidated statement of financial position of € 168 million at December 31, 2020.

The call option derivative component value is indexed to Worldline shares price and other criteria. At issue date, the reference exchange price of Worldline shares was € 71.55. At December 31, 2020, the Worldline share price was € 79.10.

	December 31, 2020			December 31, 2019		
(in € million)	Current	Non-current	Total	Current	Non-current	Total
Bonds	-	2,100	2,100	600	2,100	2,700
Optional exchangeable bond	-	500	500	-	500	500
Banks loans and commercial papers	915	50	965	755	50	805
Securitization	-	-	-	10	-	10
Other borrowings	168	19	187	133	1	134
TOTAL BORROWINGS	**1,083**	**2,669**	**3,752**	**1,498**	**2,651**	**4,149**

In October 2020, Atos discontinued the securitization program (see Note 13).

Borrowings in currencies

The carrying amounts of the Group borrowings were denominated in the following currencies:

(in € million)	EUR	Other currencies	Total
December 31, 2020	**3,565**	**187**	**3,752**
December 31, 2019	4,015	134	4,149

Value and effective interest rate of financial debt

The fair value of bank loans, which are primarily composed of variable interest rate loans, is considered to be equal to 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)	2022	2023	2024	2025	>2025	Total
Bonds	700	300	-	750	350	2,100
Optional exchangeable bond	-	-	500	0	-	500
Banks loans and NEU CP	-	-	-	-	50	50
Other borrowings	12	7	0	0	0	19
DECEMBER 31, 2020	**712**	**307**	**500**	**750**	**400**	**2,669**

(in € million)	2021	2022	2023	2024	>2024	Total
Bonds	-	700	300	-	1,100	2,100
Banks loans and commercial papers	-	-	-	500	-	500
Banks loans and NEU CP	-	-	-	-	50	50
Other borrowings	0	0	0	0	0	1
DECEMBER 31, 2019	**0**	**700**	**300**	**500**	**1,150**	**2,651**

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, 2020; and
- interest rates presented hereafter.

The effective interest rates in 2020 were as follows:

(in € million)	Carrying value	Fair value	Effective interest rate
Bonds	2,100	2,100	1.67%
Optional exchangeable bond	500	500	0.95%
Banks loans and commercial papers	965	965	0.33%
Other borrowings	187	187	-
TOTAL BORROWINGS	**3,752**	**3,752**	**-**
DERIVATIVE LIABILITIES	**168**	**168**	**-**

6.5 – Change in net debt over the period

	Liabilities						Equity				Net Cash & cash equivalents		Change in Net debt/(cash)
(in € million)	Bonds	Optional exchangeable bond	Bank loans and commercial papers	Securitization	Other borrowings excl. overdraft	Lease liability	Common stock	Additional paid-in-capital	Consolidated retained earnings	Non controlling interests	Cash & cash equivalents	Overdraft	Total
At January 1, 2020	**2,700**	**500**	**805**	**10**	**55**	**1,273**	**109**	**1,441**	**2,269**	**12**	**2,413**	**-79**	**1,736**
Capital Increase	-	-	-	-	-	-	1	35	-	-	-	-	-
Common stock issues on the exercise of equity-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase and sale of treasury stock	-	-	-	-	-	-	-	-	-45	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-4	-	-	-
Lease payments	-	-	-	-	-	-361	-	-	-	-	-	-	-
New borrowings	-	-	835	-	11	-	-	-	-	-	-	-	846
Repayment of current and non-current borrowings	-600		-675	-	-21	-	-	-	-	-	-	-	-1,296
Net cost of financial debt paid	-	-	-	-	-33	-	-	-	-	-	-	-	-33
Other flows related to financing activities	-	-	-	-10	-	-	-	-	-	-	-	-	-10
Net cash from/(used in) financing activities excluding lease payments and equity related flows	**-600**	**-**	**160**	**-10**	**-43**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-493**
Net cash from/(used in) financing activities	**-600**	**-**	**160**	**-10**	**-43**	**-361**	**1**	**35**	**-45**	**-4**	**-**	**-**	**-**
Net cost of financial debt accrual	-	-	-	-	33	-	-	-	-	-	-	-	33
New leases including business combinations	-	-	-	-	-	449	-	-	-	-	-	-	-
Interest on lease liability	-	-	-	-	-	27	-	-	-	-	-	-	-
Impact of exchange rate fluctuations	-	-	-	-	-1	-52	-	-	-	-	-200	37	162
Other changes	**-**	**-**	**-**	**-**	**32**	**423**	**-**	**-**	**-**	**-**	**-200**	**37**	**195**
Variance in net cash and cash equivalents	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,069**	**-98**	**-971**
Other Equity non-related changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,225**	**2**	**-**	**-**	**-**
AT DECEMBER 31, 2020	**2,100**	**500**	**965**	**-**	**47**	**1,335**	**110**	**1,477**	**5,448**	**10**	**3,282**	**-140**	**467**

(in €million)	December 31, 2020	December 31, 2019
Cash and cash equivalents	3,282	2,413
Overdrafts	-140	-79
TOTAL NET CASH AND CASH EQUIVALENTS	**3,142**	**2,334**

6.6 - Breakdown of assets and liabilities by financial categories

The book value of financial assets corresponds to their fair value.

As at December 31, 2020 the breakdown of assets was the following:

(in € million)	Loans and receivables at amortized cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivative related assets
Non-current financial instruments	-	-	-	-
Trade accounts and notes receivables	2,847	-	-	-
Other current assets	1,631	-	-	-
Current financial instruments	-	-	4	9
Cash and cash equivalents	3,235	-	47	-
TOTAL	**7,713**	**-**	**51**	**9**

As at December 31, 2019, the breakdown of assets was the following:

(in € million)	Loans and receivables at amortized cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivative related assets
Non-current financial instruments	-	-	-	-
Trade accounts and notes receivables	2,858	-	-	-
Other current assets	1,568	-	-	-
Current financial instruments	-	-	1	6
Cash and cash equivalents	2,363	-	50	-
TOTAL	**6,789**	**-**	**51**	**6**

As at December 31, 2020 the breakdown of liabilities was the following:

(in € million)	Financial Liabilities designated at fair value through profit or loss	Financial Liabilities - Measurement at amortized cost	Derivative related liabilities	Other
Borrowings	-	2,669	-	-
Derivative liabilities	-	-	168	-
Non-current financial instruments	-	-	0	-
Trade accounts and notes payables	-	2,230	-	-
Current portion of borrowings	-	1,083	-	-
Current financial instruments	-	-	13	-
TOTAL	**-**	**5,982**	**181**	**-**

As at December 31, 2019 the breakdown of liabilities was the following:

(in € million)	Financial Liabilities designated at fair value through profit or loss	Financial Liabilities - Measurement at amortized cost	Derivative related liabilities	Other
Borrowings	-	2,651	-	-
Derivative liabilities		-	107	-
Non-current financial instruments	-	-	2	-
Trade accounts and notes payables	-	2,278	-	-
Current portion of borrowings	-	1,498	-	-
Current financial instruments	-	-	1	-
TOTAL	**-**	**6,427**	**110**	**-**

Note 7 Income tax

The income tax charge includes current and deferred tax expenses. Deferred tax is calculated whenever temporary differences occur between the tax base and the consolidated base of assets and liabilities. Deferred tax assets and liabilities are valued using the enacted tax rate at the closing date that will be in force when temporary differences reverse. They are not discounted.

In case of a change in tax rate, the deferred tax assets and liabilities are adjusted through the income statement except if those changes relate to items recognized in other comprehensive income or in equity.

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, i.e. when it is probable that taxable profit will be available against which the deferred tax assets can be utilized. Estimates of taxable profits and utilizations of tax loss carry forward are prepared on the basis of profit and loss forecasts arising from the Group mid-term plan (other durations may apply due to local specificities)

Deferred tax liabilities are recorded for all taxable temporary differences of subsidiaries, associates and partnerships, unless Atos is in a position to control the timing of reversal of the temporary differences and it is probable that such reversal will not take place in the foreseeable future.

Deferred tax assets and liabilities are netted off at the taxable entity level, when there is a legal right to offset.

7.1 - Current and deferred taxes expense

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Current tax	-120	-122
Deferred tax	68	40
TOTAL	**-51**	**-82**

7.2 - Effective tax rate

The difference between the French standard tax rate and the Effective Tax Rate (ETR) is explained as follows:

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Profit before tax	599	452
French standard tax rate	32.0%	34.4%
Theoretical tax charge at French standard rate	**-192**	**-156**
Impact of permanent differences	91	7
Differences in foreign tax rates	28	39
Movement on recognition of deferred tax assets	7	36
Equity-based compensation	-22	-24
Change in deferred tax rates	1	2
Taxes not based on taxable income	0	-1
Withholding taxes	0	-2
French Tax credit	12	12
Other	23	3
Group tax expense	**-51**	**-82**
Effective tax rate	**8.6%**	**18.2%**

The tax charge for 2020 was € 51 million with a profit before tax from continuing operations of € 599 million. The Effective Tax Rate (ETR) was 8.6% compared to 18.2% in 2019. In 2020, it benefitted from one-time items, mainly Worldline transactions and Syntel tax liability release.

7.3 – Restated effective tax rate

After restating the unusual items, the restated profit before tax was € 895 million, restated tax charge of € 172 million and the restated effective tax rate was 19.2%.

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Profit before tax	**599**	**452**
Other operating income and expenses	-352	-530
Net gain (loss) at fair value measurement on derivative liability and underlying Worldline shares	56	-54
Profit before tax excluding unusual items	**895**	**1,036**
Tax impact on unusual items	120	164
Group tax expense	-51	-82
Total of tax excluding unusual items	**-172**	**-246**
Restated effective tax rate	**19.2%**	**23.7%**

7.4 – Deferred taxes assets and liabilities

(in € million)	December 31, 2020	December 31, 2019
Deferred tax assets	351	325
Deferred tax liabilities	164	238
Net deferred tax	**187**	**87**

7.5 – 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
December 31, 2018	**376**	**-486**	**-31**	**273**	**-94**	**38**
Assets held for distribution	-34	185	49	-39	-21	141
Charge to profit or loss for the year	-48	38	-2	-42	94	40
Change of scope	-0	-9	-1	-2	-157	-169
Charge to equity	-	-	-	37	2	40
Reclassification	-	9	-5	-3	-	0
Exchange differences	0	-6	3	-0	1	-2
December 31, 2019	**294**	**-269**	**13**	**225**	**-175**	**87**
Charge to profit or loss for the year	-46	49	-8	-9	82	68
Change of scope	1	0	0	0	-4	-3
Charge to equity	0	-	-0	27	1	29
Reclassification	-2	-1	2	-2	2	0
Exchange differences	-6	19	-2	-3	-4	6
DECEMBER 31, 2020	**242**	**-202**	**6**	**239**	**-98**	**187**

7.6 – Tax losses carry forward schedule (basis)

(in € million)	December 31, 2020 Recognized	December 31, 2020 Unrecognized	December 31, 2020 Total	December 31, 2019 Recognized	December 31, 2019 Unrecognized	December 31, 2019 Total
2020	-	-	-	2	47	49
2021	7	54	61	3	49	52
2022	1	100	102	1	99	100
2023	2	14	16	2	11	13
2024	12	71	83			
Tax losses available for carry forward for 5 years and more	**21**	**43**	**63**	**15**	**112**	**127**
Ordinary tax losses carry forward	**44**	**282**	**326**	**23**	**318**	**341**
Evergreen tax losses carry forward	**813**	**2,433**	**3,246**	**1,053**	**2,196**	**3,249**
TOTAL TAX LOSSES CARRY FORWARD	**857**	**2,715**	**3,572**	**1,076**	**2,514**	**3,590**

In 2020, the countries with the largest tax losses available for carry forward were France (€ 1,516 million, compared to € 1,550 million in 2019), Germany (€ 1,050 million, compared to € 992 million), the Netherlands (€ 271 million, compared to € 280 million), the United Kingdom (€ 237 million, compared to € 238 million), Austria (€ 104 million, compared € 60 million), the United States (€ 88 million, compared to € 107 million), Brazil (€ 84 million, compared to € 117 million) and Spain (€ 54 million, compared to € 58 million).

7.7 – Deferred tax assets not recognized by the Group

(in € million)	December 31, 2020	December 31, 2019
Tax losses carry forward	686	665
Temporary differences	189	181
TOTAL	**875**	**846**

Note 8 Goodwill and fixed assets

8.1 – 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 amounts of the identifiable assets acquired and the liabilities assumed at the acquisition date. If, after reassessment, the resulting difference is negative, the excess is recognized immediately in profit or loss as a bargain purchase gain. The amount of goodwill is definitively set within 12 months of the date of acquisition.

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, generally countries, where the Group has operations.

Goodwill is allocated to a Cash Generating Unit (CGU) or a group of CGUs for the purpose of impairment testing. Goodwill is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level at which management monitors goodwill. Goodwill is tested for impairment at the Regional Business Unit level as RBU are the lowest level at which the goodwill is monitored for internal management purposes. Changes in internal management reporting are applied retrospectively and comparative figures are restated.

Goodwill is not amortized and is subject to an impairment test performed at least annually or more often whenever events or circumstances indicate that the carrying amount could not be recovered. 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.

The impairment test is performed by comparing the carrying value of the CGU or group of CGUs to its recoverable amount. The recoverable value of a CGU is based on the higher of its fair value less cost to sell and its value in use. The value in use is determined using the discounted cash-flows method at the closing date based on the mid-term plan of the Group.

When the recoverable value is less than its carrying amount, an impairment loss is recognized in "Other operating income and expenses". The impairment loss is first recorded as an adjustment to the carrying amount of the goodwill allocated to the CGU, and the remainder of the loss, if any, is allocated pro rata the other assets of the CGU.

Impairment losses recognized on goodwill cannot subsequently be reversed.

When a CGU or part of a CGU is sold, the share of goodwill corresponding to the transferred entity is taken into account in the carrying amount of its net assets used to determine the gain or loss realized. The share of goodwill is measured based on the relative value of the scope transferred within the CGU or group of CGUs.

(in € million)	December 31, 2019	Assets held for distribution	Impact of business combination	Exchange differences and other	December 31, 2020
Gross value	6,617	-	410	-322	6,705
Impairment loss	-580	-	-	15	-565
CARRYING AMOUNT	**6,037**	**-**	**410**	**-307**	**6,140**

Over 2020, goodwill increased from € 6,037 million to € 6,140 million mainly due to the acquisitions of the year as detailed in Note 1.

(in € million)	December 31, 2018	Assets held for distribution	Impact of business combination	Exchange differences and other	December 31, 2019
Gross value	9,431	-3,050	115	122	6,617
Impairment loss	-567	1	-	-13	-580
CARRYING AMOUNT	**8,863**	**-3,049**	**115**	**109**	**6,037**

In 2019, impact on goodwill of assets held for distribution arose from certain transactions on Worldline shares as described in Note 1.

The impact of business combination in 2019 was related to the acquisition of IDnomic and X-Perion, as well as adjustments on the opening statement of financial position on Syntel acquisition, mainly related to tax items.

A summary of the carrying values of goodwill allocated by RBU is presented hereafter.

(in € million)	December 31, 2020	December 31, 2019
North America	3,034	3,092
Northern Europe	942	970
Central Europe	993	957
Southern Europe	791	657
Growing Markets	380	361
TOTAL	**6,140**	**6,037**

Value-in-use calculations are in particular based on the following assumptions:

- terminal value is calculated beyond the horizon of the mid-term plan, using an estimated perpetual growth rate of 2.0% (aligned with 2019). Although sometimes 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 RBU based on the Group's weighted average cost of capital and adjusted to consider specific tax rates and country risks relating to each geographical area.

The discount rates used by RBU are presented below:

	2020 discount rates	2019 discount rates
North America	7.5%	8.0%
Northern Europe	8.3%	8.0%
Central Europe	7.8%	8.0%
Southern Europe	8.4%	8.0%
Growing Markets	10.3%	between 8.0% and 9.8%

In addition, potential effects of the pandemic crisis have been considered when determining the values in use at December 31, 2020.

Based on the impairment tests carried out at year-end, no impairment loss was recognized as at December 31, 2020.

An analysis of sensitivity to a combined change in key parameters (operating margin, discount rate and perpetuity growth rate) based on reasonably probable assumptions of variations of +/-75 bp for each of those parameters was performed and did not result in any probable scenario where the RBU recoverable amount would fall below its carrying amount.

8.2 - Intangible assets

Intangible assets other than goodwill

An intangible asset is recognized when it is probable that future economic benefits therefrom will accrue to the Company and if the cost of this asset can be reliably estimated based on reasonable and documented assumptions.

Intangible assets are recorded at their acquisition or production cost.

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, software, customer relationships and technologies acquired as part of business combinations, as well as internally developed IT solutions.

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group distinguishes the research phase and the development phase.

Under IAS 38, no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Such expenditure is therefore recognized as an expense when it is incurred.

Expenses resulting from a development project (or from the development phase of an internal project) are recognized as intangible assets if the project meets the following criteria:

- 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.

Development expenditure refers to IT solutions developed for the Group's own use, to specific implementation projects for specific customers or innovative technical solutions made available to a group of customers. Development projects are analyzed on a case-by-case basis and the only costs which are capitalized are those attributable to the creation, production and preparation of the asset to be capable of operating in the manner intended by management. It is accounted for at cost less accumulated depreciation and any impairment losses. It is amortized on a straight-line basis over a useful life between 3 and 15 years, the standard scenario being set at 5 years.

An intangible asset related to customer relationships and backlog acquired during a business combination is recognized as customer relationships. The value of this asset is based on certain assumptions of renewal of the underlying contracts and on the discounted flows of these contracts. This asset is amortized on an estimate of its average life.

The value of the developed technology acquired is derived from an income approach based on the relief from royalty method. This method relies on (i) assumptions of the technological obsolescence curve and (ii) the theoretical royalty rate applicable to similar technologies, to determine the discounted cash flows expected to be generated by this technology over their expected remaining useful life. The developed technology is amortized on an estimate of its average life. The cost approach may also be implemented as a secondary approach to derive an indicative value for consistency purposes. This method relies on an assumption of the costs that should be engaged to reproduce a similar new item having the nearest equivalent utility as the asset being valued. On the contrary, if technology is believed to be the most important driver for the business, an Excess Earning method could also be implemented.

Intangible assets are amortized in operating margin on a straight-line basis over their expected useful life. Customer relationships, patents, technologies and trademarks acquired as part of a business combination are amortized in "Other operating income and expenses" on a straight-line basis over their expected useful life, generally not exceeding 19 years.

Impairment of intangible assets other than goodwill

Impairment tests are performed on intangible assets with finite useful lives whenever there is an indication of impairment. Impairment losses on intangible assets may be reversed later if there has been a change in the estimates used to determine the recoverable value of the asset and if that amount again comes to be greater than the net carrying amount. The value of the asset after reversal of the impairment loss is capped at the carrying amount net of amortization, as if no impairment loss had been recognized in prior years.

(in € million)	Customer relationships	Trademarks, Software and licences	Other intangible assets	Total
Gross value				
December 31, 2019	**1,358**	**796**	**534**	**2,689**
Assets held for distribution				-
Additions	0	78	14	92
Impact of business combinations		1	5	6
Intangible assets recognized as part of a Purchase Price Allocation	38			38
Capitalized costs			72	72
Disposals	-5	-44	-23	-72
Exchange differences and others	-61	-142	-76	-279
DECEMBER 31, 2020	**1,330**	**688**	**526**	**2,545**
Accumulated depreciation				
December 31, 2019	**-568**	**-299**	**-146**	**-1,013**
Assets held for distribution				-
Amortization charge for the year		-22	-38	-59
Amortization of intangible assets recognized as part of a Purchase Price Allocation	-119	-33	-1	-153
Amortization of capitalized costs			-58	-58
Disposals	5	42	23	70
Exchange differences and others	17	30	12	60
DECEMBER 31, 2020	**-665**	**-281**	**-207**	**-1,153**
Net value				
December 31, 2019	**790**	**497**	**388**	**1,675**
DECEMBER 31, 2020	**665**	**407**	**319**	**1,391**

(in € million)	Customer relationships	Trademarks, Software and licences	Other intangible assets	Total
Gross value				
December 31, 2018	**1,898**	**854**	**1,309**	**4,061**
Assets held for distribution	-585	-177	-827	-1,590
Additions	-	110	8	118
Impact of business combinations	-	-	11	11
Intangible assets recognized as part of a Purchase Price Allocation	10	-	-	10
Capitalized costs	-	-	84	84
Disposals	-3	-28	-21	-52
Exchange differences and others	39	37	-30	46
DECEMBER 31, 2019	**1,358**	**796**	**534**	**2,689**
Accumulated depreciation				
December 31, 2018	**-475**	**-396**	**-377**	**-1,248**
Assets held for distribution	40	153	304	496
Amortization charge for the year	-	-12	-36	-47
Amortization of intangible assets recognized as part of a Purchase Price Allocation	-120	-34	-2	-157
Amortization of capitalized costs	-	-	-56	-56
Disposals	1	18	14	34
Exchange differences and others	-15	-28	6	-36
DECEMBER 31, 2019	**-568**	**-299**	**-146**	**-1,013**
Net value				
December 31, 2018	**1,422**	**458**	**933**	**2,813**
DECEMBER 31, 2019	**790**	**497**	**388**	**1,675**

In 2019, following the loss of control over Worldline in May 2019, a purchase price allocation was performed for the part of the business which was still held by the Group and presented as part of "Investments in associates accounted for under the equity method". Therefore the former purchase price allocation was reversed from intangible assets in "Assets held for distribution" in the above table.

In 2020, the € 153 million amortization charge in connection with **Purchase Price Allocation** (PPA) intangible assets was mainly composed of:

- € 65 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- € 19 million of SIS customer relationships amortized over 12 years starting July 1, 2011;
- € 19 million of Xerox ITO customer relationships amortized over 6 to 12 years starting July 1, 2015;
- € 16 million of Unify customer relationships and technologies amortized over 2 to 10 years starting February 1, 2016;
- € 16 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014.

In 2020, the amount of amortization of intangible assets recognized in the **Purchase Price Allocation** (PPA) decreased from € 157 million to € 153 million, mainly reflecting the limited amount of amortization charge arising from 2020 acquisitions while intangible assets related to certain past acquisitions ceased to be amortized in 2020.

The gross book value of customer relationship for € 1,330 million as at December 31, 2020 presented above, included mainly:

- € 510 million relative to the Syntel acquisition in 2018;
- € 348 million relative to the Siemens IT Solutions and Services acquisition in 2011;
- € 144 million relative to the Xerox ITO acquisition in 2015;
- € 81 million relative to the Anthelio acquisition in 2016;
- € 142 million relative to the Unify acquisition in 2016;
- € 34 million in connection with the Maven Wave acquisition in 2020.

8.3 – 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;
- office furniture and equipment: 5 to 10 years.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the income statement.

Impairment of tangible assets

Impairment tests are performed on tangible assets whenever there is an indication of impairment. Impairment losses on tangible assets may be reversed later if there has been a change in the estimates used to determine the recoverable value of the asset and if that amount again comes to be greater than the net carrying amount. The value of the asset after reversal of the impairment loss is capped at the carrying amount net of depreciation, as if no impairment loss had been recognized in prior years.

(in € million)	Land and buildings	IT equipments	Other tangible assets	Total
Gross value				
December 31, 2019	**332**	**499**	**149**	**980**
Assets held for distribution				0
Additions	22	111	39	172
Impact of business combination	2	3	3	8
Disposals	-30	-274	-42	-346
Exchange differences and others	-10	-83	-39	-132
DECEMBER 31, 2020	**316**	**258**	**110**	**682**
Accumulated depreciation				
December 31, 2019	**-171**	**-217**	**-40**	**-428**
Assets held for distribution				0
Depreciation charge for the year	-26	-135	-13	-175
Disposals	23	268	39	330
Exchange differences and others	10	83	12	105
DECEMBER 31, 2020	**-164**	**-1**	**-4**	**-168**
Net value				
December 31, 2019	**162**	**282**	**108**	**552**
DECEMBER 31, 2020	**153**	**257**	**105**	**514**

(in € million)	Land and buildings	IT equipments	Other tangible assets	Total
Gross value				
December 31, 2018	**465**	**970**	**205**	**1,639**
Assets held for distribution	-68	-411	-52	-531
Additions	32	149	65	246
Impact of business combination	1	1	2	4
Disposals	-113	-173	-30	-316
Exchange differences and others	16	-38	-41	-63
DECEMBER 31, 2019	**332**	**499**	**149**	**980**
Accumulated depreciation				
December 31, 2018	**-286**	**-548**	**-80**	**-914**
Assets held for distribution	51	306	30	387
Depreciation charge for the year	-29	-146	-14	-190
Disposals	98	169	25	291
Exchange differences and others	-5	2	0	-3
DECEMBER 31, 2019	**-171**	**-217**	**-40**	**-428**
Net value				
December 31, 2018	**179**	**422**	**125**	**725**
DECEMBER 31, 2019	**162**	**282**	**108**	**552**

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 the technical infrastructure of Group datacenters.

Note 9 Leases

Existence of a lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration. Lease liabilities and right-of-use assets are recognized at the lease commencement date.

The Group does not recognize short term leases (less than 12 months) and leases for which the underlying asset is of a low value except when those assets are subleased to end customers. Such leases are expensed directly and future commitments to pay rents are presented as off-balance sheet commitments.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rates since implicit rates are not readily available. Those rates have been determined for all currencies of the Group by geography and by maturity. The incremental borrowing rates are calculated by taking for each currency a reference market index quotation and adding up a spread corresponding to the cost of financing that would be applied by a lender to any subsidiary of the Atos Group.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, a change in estimate of the amount expected to be payable under a residual value guarantee, or changes in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain to be exercised, resulting from a decision of the Group.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentive received.

Real estate leases

The Group leases most of its offices and strategic production sites such as data centers. Terms and conditions of those lease contracts can be very heterogeneous depending on the nature of the sites and local regulations. Those leases have terms between 2 to 20 years.

The Group is applying judgment to determine the lease term for some real estate lease contracts in which it is a lessee and that include renewal or early termination options analyzing whether those sites, mainly offices and data centers, are strategic or not. In most cases, the Group retains the earliest date when the Group can exit its lease commitment without paying any significant penalty.

IT equipment and company cars

The Group leases IT equipment for its own use or to deliver its services to end customers (computers, servers). Those leases are entered for terms between 3 to 5 years.

Deferred tax treatment

Deferred tax is applied to IFRS 16 entries based on local applicable tax rates.

Right-of-use assets

(in € million)	Land and buildings	IT equipments	Cars and others	Total
Gross value				
December 31, 2019	**943**	**349**	**89**	**1,381**
Additions	249	201	17	467
Disposals	-37	-53	-17	-106
Exchange differences and others	-36	-35	-8	-78
DECEMBER 31, 2020	**1,119**	**463**	**81**	**1,663**
Accumulated depreciation				
December 31, 2019	**-174**	**-94**	**-29**	**-297**
Depreciation charge for the year	-189	-136	-29	-355
Disposals	39	49	16	104
Exchange differences and others	10	8	2	20
DECEMBER 31, 2020	**-314**	**-174**	**-40**	**-528**
Net value				
December 31, 2019	**768**	**256**	**60**	**1,084**
DECEMBER 31, 2020	**805**	**289**	**41**	**1,135**

(in € million)	Land and buildings	IT equipments	Cars and others	Total
Gross value				
January 1, 2019	**912**	**223**	**71**	**1,206**
Additions	66	167	20	253
Disposals	-15	-44	-2	-61
Exchange differences and others	-20	-3	-	-17
DECEMBER 31, 2019	**943**	**349**	**89**	**1,381**
Accumulated depreciation				
January 1, 2019				
Depreciation charge for the year	-189	-115	-32	-336
Disposals	16	24	3	42
Exchange differences and others	-1	-2	0	-3
DECEMBER 31, 2019	**-174**	**-94**	**-29**	**-297**
Net value				
january 1, 2019	**912**	**223**	**71**	**1,206**
DECEMBER 31, 2019	**768**	**256**	**60**	**1,084**

Lease liabilities

(in € million)	December 31, 2020
Maturing in one year or less	360
Maturing in 1-2 years	276
Maturing in 2-3 years	218
Maturing in 3-4 years	146
Maturing in 4-5 years	89
Maturing in more than 5 years	247
TOTAL	**1,336**

The amounts represent future disbursements expressed before[1] discounting.

1 *Compared to the version of the Group consolidated financial statements published by the Company on February 18, 2021, the following correction has been done: the word "before" has been replaced by the word "after".*

Note 10 Investments in associates accounted for under the equity method

Investments in associates over which the parent company directly or indirectly exercises significant influence, without however exercising full or joint control, are accounted for under the equity method. This method consists in recording the Group's share in profit for the year of the associate in the consolidated income statement as part of "Share of net profit/(loss) of associates".

The Group's share in the net assets of the associate is recorded under "Investments in associates accounted for under the equity method" in the consolidated statement of financial position. Goodwill arising on the acquisition of associates is included in the carrying amount of the investment.

The Group decided to classify all gains or losses on the disposal of investments in associates in "Other operating income and expenses".

(in € million)	December 31, 2019	Disposal	Net results	Exchange differences and other	December 31, 2020
Worldline	1,724	-1,281	2	-445	0
Other	3		3	1	7
TOTAL	**1,727**	**-1,281**	**5**	**-444**	**7**

In 2019, following the distribution in kind of Worldline's shares, Atos held 27.3% of Worldline's share capital and 35% of voting rights. As such, the Group investment in Worldline was from that date presented as part of "Investments in associates accounted for under the equity method" in the 2019 consolidated financial statements.

Following the transaction in February 2020 (see Note 1), the Group considered it no longer had a significant influence over Worldline. Hence, at the disposal date, the retained interest in Worldline was classified as a financial asset measured at fair value through the income statement under IFRS 9.

Note 11 Pension plans and other long-term benefits

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution plans are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been provided by beneficiaries.

The valuation of Group defined benefit obligations is based on a single actuarial method known as the "projected unit credit method". Under this method, the amount of future benefit payments to employees is determined on the basis of actuarial assumptions (change in wages, retirement age, probability of payment, turnover rate and mortality rate). These future payments are reduced to their present value using a discount rate determined according to the rates of investment-grade corporate bonds of a maturity equivalent to that of the Company's corporate liabilities. The actuarial assumptions are periodically updated, with the support of the external actuaries used by the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing.

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.

From one accounting period to the other, any difference between the projected and actual pension obligation and their related assets is combined at each benefit plan's level to form actuarial differences. Those 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 plan 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".

The total amount recognized in the Group statement of financial position in respect of pension plans was € 1,204 million at December 31, 2020 compared to € 972 million at December 31, 2019. The total amount recognized for other longer-term employee benefits was € 42 million compared to € 50 million at December 31, 2019.

(in € million)	**December 31, 2020**	**December 31, 2019**
Amounts recognized in financial statements consist of:		
Prepaid pension asset	112	231
Accrued liability – pension plans [a]	-1,317	-1,203
Total Pension plan	**-1,204**	**-972**
Accrued liability – other long-term employee benefits [b]	-42	-50
TOTAL ACCRUED LIABILITY [A] + [B]	**-1,359**	**-1,252**

Pension plans

The Group's pension obligations are located predominantly in the United Kingdom (53% of Group total obligations), Germany (30%), US (5%), Switzerland (5%) and France (4%).

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. 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 a sole independent trustee.

The current asset allocation across United Kingdom plans is 79% fixed income, 21% equities and 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. The fixed income allocation comprises a significant exposure to investment grade credits 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 and Unify in 2016. 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 partially 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 composed of employer representatives. The asset allocation related to the largest German schemes is 66% fixed income, 22% return seeking assets and other assets and 12% property. 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 credits and, to a lesser extent, in balanced funds and European high yield.

In Switzerland, the obligations are generated by legacy defined benefit plans, exceeding the minimum benefit requirements under Swiss law (BVG). Pension contributions are paid by both the employees and the employer and are calculated as a percentage of the covered salary. The rate of contribution depends on the age of the employee. At retirement, the employees' individual savings capital is multiplied by the conversion rate, as defined by the pension fund regulations, and can be paid out as either a lifetime annuity or a lump-sum payment. In the event of disability, the pension plan pays a disability pension until ordinary retirement age.

The Group obligations are also generated by Qualified and Unqualified Pension plans in the USA and, 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 and asset ceiling effects generated in the period in "Other comprehensive income".

Events in 2019

Since the distribution of Worldline shares by Atos in 2019, Worldline has been accounted for in Atos consolidated financial statement first under the equity method, then, since the ABO in February 2020 (see Note 1), as a financial asset measured at fair value through the income statement. That led to a decrease in the net pension liabilities of € 110 million as at January 1, 2019 (a decrease in the pension obligations of € 536 million and a decrease in plan assets of € 426 million).

In November 2019, Atos merged three Defined Benefit pension schemes together, with transfer of assets and liabilities into a newly Scheme (the Atos UK 2019 Pension Scheme). Members of those plans are either deferred or pensioner members. The deficit at the date of the merger was expected to be around £ 265 million. An agreement has been reached with the Trustee of the new Scheme to arrange a one-off contribution of £ 198 million (€ 230 million) through the distribution of Worldline share. This non-cash transaction would prevent Atos from any additional funding in cash for the next 15 years, subject to ensuring compliance with UK pension funding regulations.

Twice this year, Atos UK Ltd offered to some of the current active members of the Atos 2011 Pension Scheme, a Bridging Pension Option (BPO). This option gives members the opportunity to give up some of their pension rights to be received after State Pension Age (SPA) as a counterpart of temporary pension uplift when retiring from the scheme up to their SPA. This led to a reduction in obligation and operating expenses of € 10 million, including actuarial, legal and other project costs.

In France, the Occupational Pension plan offered to General Management Committee members has been frozen as a result of the PACTE law, implementing in the French regulation parts of the EU directive related to pension accrual portability. The French government clarified via the Ordinance of July 3, 2019 how those new rules apply. Defined Benefit Pension plans were closed to new entrants starting July 4, and no additional benefit accruals were allowed from January 1, 2020 onwards. As a consequence of this new legal framework, upon recommendation of the Nomination and Remuneration Committee, the Board of Directors decided on December 16, 2019 that the new CEO will no longer be eligible to the Occupational Pension plan offered to General Management Committee members. Besides, former Chairman and CEO Thierry Breton, who left Atos on October 31, 2019 and settled his Defined Benefit pension accrued rights, waived his pension supplement that he could be entitled to, during his mandate period at the European Commission. All these impacts were treated as a plan amendment under IAS 19. The positive impact of it has been recognized as part of operating margin in the second half of the year for € 12 million.

Events in 2020

In July 2020, Atos sold the Unify business in Belgium. This led to a reduction of the obligation of € 18 million corresponding to accrued benefits for the transferred active employees and accrued benefits of deferred plan members, and a reduction of the associated pension assets of € 15 million.

Atos UK Ltd offered to some of the current active members of the Atos 2019 Pension Scheme a Bridging Pension Option (BPO). This option gives members the opportunity to give up some of their pension rights to be received after State Pension Age (SPA) as a counterpart of temporary pension uplift when retiring from the scheme up to their SPA. This led to a reduction in obligation and operating expenses of € 20 million, including actuarial, legal and other project costs.

The corporate bond interest rate markets for all major zone/countries were particularly volatile this year due to the Covid-19 crisis, with a peak at the end of March 2020.

The discount rate curves have been sloping downwards since then as a consequence of the drop in the sovereign bond rates combined with the reduction in the credit spread. The discount rates at December 31, 2020 have decreased since December 31, 2019 for the Eurozone, the UK and to a lower extent for Switzerland. This led to a large increase in the obligation of about € 426 million, partially compensated by the actuarial gains of € 202 million on the pension assets due to the Liability Driven Investment (LDI) strategy and the unexpected good performance of the stock market over the second half of the year. The net amount led to an increase in the pension liability recognized through other comprehensive income.

(in € million)	December 31, 2020	December 31, 2019
Amounts recognized in financial statements consist of:		
Prepaid pension asset	112	231
Accrued liability – pension plans	-1,317	-1,203
Net amounts recognized – Total	**-1,204**	**-972**
Components of net periodic cost		
Service cost (net of employees contributions)	51	51
Past service cost, Settlements	-29	-46
Administration costs	2	2
Operating expense	**25**	**8**
Interest cost	74	104
Interest income	-58	-74
Financial expense	**16**	**30**
Net periodic pension cost – Total expense/(profit)	**41**	**37**
Change in defined benefit obligation		
Total Defined Benefit Obligation at January 1	**4,855**	**4,901**
Scope adjustment (Worldline)	-	-536
Exchange rate impact	-176	138
Service cost (net of employees contributions)	51	51
Interest cost	74	104
Past service cost, Settlements	-29	-51
Business combinations/(disposals)	-15	-
Employees contributions	5	7
Benefits paid	-188	-183
Actuarial (gain)/loss – change in financial assumptions	426	454
Actuarial (gain)/loss – change in demographic assumptions	17	-45
Actuarial (gain)/loss – experience results	81	16
Reclassification	1	-
Defined benefit obligation at December 31	**5,102**	**4,855**

The weighted average duration of the liability is about 15 years.

(in € million)	December 31, 2020	December 31, 2019
Change in plan assets		
Fair value of plan assets at January 1	**3,883**	**3,704**
Scope adjustment (Worldline)	-	-426
Exchange rate impact	-174	131
Actual return on plan assets	319	364
Employer contributions	16	33
Benefits paid by the funds	-134	-151
Settlements	-	-5
Business combinations/(disposals)	-16	-
Employees contributions	5	7
Administration costs	-3	-3
Reclassification (Worldline shares distributions by Atos SE)	-	230
Fair value of plan assets at December 31	**3,898**	**3,883**
Reconciliation of prepaid/(accrued) Benefit cost		
Funded status	-1,204	-972
Any other amount not recognized (asset ceiling limitation)	-	-
Prepaid/(accrued) pension cost	**-1,204**	**-972**
Reconciliation of net amount recognized (all plans)		
Net amount recognized at beginning of year	**-972**	**-1,197**
Scope adjustment (Worldline)	-	110
Net periodic pension cost	-41	-37
Benefits paid by employer	54	32
Employer contributions	16	33
Business combinations/(disposals)	-1	-
Amounts recognized in Other Comprehensive Income	-262	-134
Other (exchange rate)	3	-7
Transfer of Worldline shares to Atos UK Pension Scheme	-	230
Reclassification	-1	-1
Net amount recognized at end of year	**-1,204**	**-972**

The development in the main countries was as follows:

(in € million)	UK schemes	German schemes	Other schemes
Reconciliation of net amount recognized in main plans:			
Net amount recognized at beginning of year	**150**	**-730**	**-393**
Net periodic pension cost	9	-24	-26
Benefits paid by employer & employer contributions	6	15	49
Business combinations/disposals	0	0	-1
Amounts recognized in Other Comprehensive Income	-163	-100	1
Other (exchange rate and reclassification)	-5	-1	8
Net amount recognized at end of year	**-3**	**-839**	**-362**
Defined benefit obligation at December 31	-2,679	-1,531	-892
Fair value of plan assets at December 31	2,676	692	530
Asset ceiling limitation at December 31	-	-	-
Net amount recognized at end of year	**-3**	**-839**	**-362**

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		Switzerland		USA	
	12 months ended December 31, 2020	December 31, 2019	12 months ended December 31, 2020	December 31, 2019	12 months ended December 31, 2020	December 31, 2019	12 months ended December 31, 2020	December 31, 2019
Discount rate	1.50%	2.10%	0,5% ~ 0,9%	0,8% ~ 1,3%	0.15%	0.25%	2.25%	3.00%
Salary increase	2.50%	2.55%	2,0% ~ 2,2%	2,0% ~ 2,2%	1.00%	1.00%	na	na
Inflation assumption	RPI: 2.90% CPI: 2.20%	RPI: 2.95% CPI: 1.95%	1.45%	1.45%	na	na	na	na

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 +25bp	Inflation rate +25bp
United Kingdom main pension plans	-3.9%	+4.0%
German main pension plans	-3.7%	+2.5%

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:

	December 31, 2020	December 31, 2019
Equity	14%	15%
Bonds/Interest Rate Swaps	68%	66%
Real Estate	7%	7%
Cash and Cash equivalent	2%	2%
Other	9%	10%

Of these assets, 89% are valued on market value, 9% relates to property, private equity and infrastructure investments where valuations are based on the information provided by the investment managers and 2% relate to insurance contracts.

A significant part of the Bonds and Interest Rate Swaps are part of the interest rate hedging program operated by the Atos United Kingdom pension plans, which aims to hedge a significant portion of funding liabilities. None of the plans are hedged for longevity risks.

Atos securities or assets used by the Group are not material.

Prepaid pension situations on statement of financial position

The net asset of € 112 million mostly relates to two schemes in the United Kingdom and is supported by appropriate refund expectations according to IFRIC 14. Those two schemes are still in surplus despite the market turmoil of 2020.

Summary net pension impacts on income statement

The net impact of defined benefit pension plans on Group financial statements can be summarized as follows:

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Operating margin	-28	-9
Other operating income and expenses	3	1
Financial result	-16	-30
Total (expense)/profit	**-41**	**-37**

Other long-term employee benefits

The net liabilities related to other long-term employee benefits were € 50 million at December 31, 2019. They decreased to € 42 million at December 31, 2020 via benefit payments and employer contributions (€ 25 million), net of expenses recorded in the income statement (€ 18 million).

Note 12 Provisions

Provisions are determined by discounting the excepted future cash flows to extinguish the liability. Provisions are recognized when:

- the Group has a present legal, regulatory, contractual or constructive obligation as a result of past events and;
- 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.

(in € million)	December 31, 2019	Business combinations	Charge	Release used	Release unused	Other*	December 31, 2020	Current	Non-current
Reorganization	74	-	35	-28	-2	-1	79	74	5
Rationalization	9	-	4	-1	-1	-2	9	4	6
Project commitments	30	-	8	-9	-3	-4	23	20	3
Litigations and contingencies	75	3	5	-1	-16	-12	54	20	34
TOTAL PROVISIONS	**188**	**3**	**52**	**-39**	**-21**	**-18**	**165**	**118**	**47**

* *Other movements mainly consist of currency translation adjustments.*

(in € million)	December 31, 2018	Assets held for distribution	Charge	Release used	Release unused	Other*	December 31, 2019	Current	Non-current
Reorganization	70	-5	50	-36	-6	1	74	69	5
Rationalization	18	-0	1	-6	-7	3	9	7	2
Project commitments	37	-3	14	-12	-5	-1	30	26	4
Litigations and contingencies	121	-31	17	-4	-12	-17	75	17	58
TOTAL PROVISIONS	**247**	**-38**	**82**	**-58**	**-30**	**-14**	**188**	**119**	**69**

* *Other movements mainly consist of currency translation adjustments.*

Reorganization

New reorganization provisions were posted for € 35 million over the year mainly in Germany, France and the UK, driven by new plans or specific measures aimed at improving Group efficiency and productivity.

The € 28 million consumptions primarily corresponded to workforce optimization in Germany.

Rationalization

The new provisions of € 4 million mainly related to office premises rationalization in Germany and France.

Project commitments

The € 8 million charge was mainly incurred in Central and Southern Europe.

Project commitments provisions release for € 9 million primarily related to cost overruns incurred on some projects in Central Europe.

Litigation and contingencies

Contingency provisions decreased to € 54 million over 2020. They were composed of a number of long-term litigation issues, such as non-income tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers, notably in South America.

Note 13 Fair value and characteristics of financial instruments

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 hedge of existing assets or liabilities, the hedged portion of an instrument is reported at fair value on the statement of financial position. Any change in fair value is recorded as an expense or an income in the income statement, where it is offset simultaneously by changes in the fair value of the designated hedged elements except for any ineffectiveness;
- for cash flow hedge, the effective portion of the change in fair value of the hedging instrument is directly recognized 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". Amounts deferred in equity are taken to the income statement at the same time as the related hedged cash flow.

The Group uses forward foreign exchange contracts to hedge the variability of cash flows arising from changes in foreign exchanges rates sales and purchases in foreign currencies.

The Group designates only the spot element of the forward exchange contract as the hedging instrument in cash flow hedging relationships for highly probable transactions.

Under IFRS 9, the Group has elected to separately account for the forward points as a cost of hedging. Consequently, the changes in forward points will be recognized in other comprehensive income and accumulated in a cost of hedging reserve as a separate component within equity and accounted for subsequently as gain and losses accumulated in the cash flow hedge reserve as part of the underlying covered transaction.

	December 31, 2020		December 31, 2019	
(in € million)	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	13	-13	7	-1
Forward interest rate contracts	-	0	-	-2
Analysed as:				
Non-current	-	-	-	-2
Current	13	-13	7	-1

The fair value of financial instruments is provided by independent counterparties.

Interest rate risk

Bank loans and commercial papers of € 755 million in 2019 and € 915 million in 2020 were 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.

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 € 2,679 million as at December 31, 2020. A 1.0% decrease in short-term reference rates in Euro would reduce income from interest by € 26.8 million in theory assuming the structure (cash/floating debt/hedges) remains stable for the full period of the year.

		Exposure		
(in € million)	Notes	Less than 1 year	More than 1 year	Total
Bank loans & NEU CP		-915	-	-915
Securitization	Note 6.4.1	-	-	-
Other		-28	-19	-47
Total liabilities		**-943**	**-19**	**-962**
Cash and cash equivalents	Note 6.5	3,282	-	3,282
Overdrafts	Note 6.5	-140	-	-140
Total net cash and cash equivalents*		**3,142**	**-**	**3,142**
Net position before risk management		2,198	-19	2,179
Hedging instruments		500	-	500
Net position after risk management		**2,698**	**-19**	**2,679**
Bonds	Note 6.4	-	-2,100	-2,100
Optional exchangeable bond	Note 6.4	-	-500	-500
NEU MTN at fixed rate		-	-50	-50
Total net debt/cash after risk management		**2,698**	**-2,669**	**29**

* *Overnight deposits (deposit certificate) and money market securities and overdrafts.*

Liquidity risk

On April 2, 2020, Atos fully repaid by anticipation the 5-year € 600 million bond maturing on July 2, 2020. The coupon rate was 2.375%.

On February 4, 2020, Atos disposed part of its retained interest by selling ca. 23.9 million Worldline shares through an Accelerated Bookbuilding Offering on the market for € 1,402 million, net of disposal costs and tax.

On October 30, 2019 Atos announced the disposal of Worldline share capital (€ 780 million through a private placement by way of Accelerated Book building Offering (ABO)) and the issuance of € 500 million zero coupon bonds exchangeable into Worldline shares with a maturity of 5 years and an exchange premium of 35%. Total gross proceeds for Atos was € 1,280 million for the combined transactions.

On November 5, 2018, Atos announced the successful placement of its € 1.8 billion bond issue. The € 1.8 billion triple tranche-bond issue consists of three tranches:

- € 700 million notes with a 3.5-year maturity and 0.75% coupon;
- € 750 million notes with a 6.5-year maturity and 1.75% coupon;
- € 350 million notes with a 10-year maturity and 2.50% coupon.

There are no financial covenants attached to this bond. The rating agency Standard and Poor's assigned a rating of BBB+ to the three tranches, subsequently to the rating of Atos described here below. On December 17, 2020, Standard and Poor's reaffirmed BBB+/Stable rating for Atos.

On October 11, 2018, Atos signed with a number of major financial institutions a five-year € 2.4 billion revolving credit facility (the Facility) maturing in November 2023 with an option for Atos to request the extension until November 6, 2025 in two times. Atos exercised the second option on 2020 to extend the maturity of the Facility until November 6, 2025. The Facility is available for general corporate purposes and replaces the existing € 1.8 billion facility signed in November 2014.

The Facility includes one financial covenant which is the leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times. The calculation at December 31, 2020 presented here below excludes IFRS 16 impacts for an amount of € 369 million.

Nature of ratios subject to covenant	Covenant	12 months ended December 31, 2020	12 months ended December 31, 2019
Leverage ratio (net debt/OMDA)*	not greater than 2.5	0.36	1.19

* *OMDA: Operating Margin before non cash items.*

On May 4, 2018 Atos implemented a Negotiable European Medium-Term Note program (NEU MTN) in order to optimize financial expenses and improve Group liquidity management, for an initial maximum amount of € 600 million.

On June 2, 2017, Atos implemented a Negotiable European Commercial Paper program (NEU CP) in order to optimize financial expenses and improve Group liquidity management, for an initial maximum amount of € 900 million raised to € 1.8 billion in October 2018. On December 10, 2019 the maximum amount of € 1.8 billion was increased to € 2.4 billion.

On September 29, 2016, Atos issued a Euro private placement bond of € 300 million with a seven-year maturity and with a 1.444% fixed interest rate (unrated). There are no financial covenants attached to this bond.

On July 2, 2015 Atos issued a bond of € 600 million with a five-year maturity. The coupon rate is 2.375% (unrated). This bond was reimbursed in April 2020.

Atos securitization program of trade receivables had been renewed for 5 years on May 29, 2018 with a maximum amount of receivables sold of € 500 million and a maximum amount of financing reduced from € 200 million to € 100 million. The program was restricted to two French participant entities. In October 2020, this program was terminated.

Currency exchange risk

Atos operates in 71 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:

	2020	2019	2020	2019	2020	2019
(in € million)		EUR		GBP		USD
Assets	188	189	50	38	207	214
Liabilities	63	44	33	3	158	145
Foreign exchange exposure before hedging	125	145	18	35	50	70
Hedged amounts	-490	-328	-80	-80	-99	-119
FOREIGN EXCHANGE IMPACT AFTER HEDGING	**-365**	**-183**	**-62**	**-45**	**-50**	**-49**

Foreign currency sensitivity analysis

The entities with functional currencies in EUR, GBP and USD are mainly exposed to foreign exchange risk.

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.

	2020	2019	2020	2019	2020	2019
(in € million)		EUR		GBP		USD
Income statement	-18	-9	-3	-2	-2	-2

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.

As at December 2020, derivatives were all allocated to the hedging of transactional risks (foreign exchange currency risks). From an accounting perspective, most of the derivatives were considered as cash flow hedge instruments.

The breakdown of the designation of the instruments by currency is as follows:

(in € million)	December 31, 2020		December 31, 2019	
Instruments	**Fair value**	**Notional**	**Fair value**	**Notional**
Cash flow hedge				
Interest rate				
SWAP	0	500	-2	545
Foreign exchange				
Forward contracts CHF	0	6	0	10
Forward contracts CNY	0	2	0	2
Forward contracts GBP	0	-7	-	-
Forward contracts INR	-1	134	2	161
Forward contracts MAD	0	16	0	13
Forward contracts MXN	2	27	1	26
Forward contracts PHP	0	26	0	27
Forward contracts PLN	3	114	1	108
Forward contracts RON	1	48	0	43
Forward contracts RUB	0	7	0	9
Forward contracts SEK	0	-4	-	-
Forward contracts USD	-4	184	0	31
Trading and fair value hedge				
Foreign exchange				
Forward contracts CHF	0	-17	-	-
Forward contracts CNY	0	0	-0	1
Forward contracts GBP	0	-10	-0	-14
Forward contracts INR	0	9	0	12
Forward contracts MAD	0	7	0	7
Forward contracts MXN	-	-	0	3
Forward contracts PHP	0	1	0	3
Forward contracts PLN	0	22	-0	18
Forward contracts RON	0	8	0	5
Forward contracts USD	-3	68	0	61

The net amount of cash flow hedge reserve at December 31, 2020 was €+1 million (net of tax), with a variation of €-3 million (net of tax) over the year.

Note 14 Shareholders' equity

14.1 – Earnings per share

Basic earnings per share is 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 considered in the calculation of basic or diluted earnings per share.

Diluted earnings per share is 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.

In 2019, potential dilutive instruments comprised stock options (4,659 employee stock options).

(in € million and shares)	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income from continuing operations– Attributable to owners of the parent [a]	**550**	**414**
Impact of dilutive instruments		-
Net income from continuing operations restated of dilutive instruments – Attributable to owners of the parent [b]	**550**	**414**
Average number of shares outstanding [c]	109,003,866	107,669,930
Impact of dilutive instruments [d]	-	4,659
Diluted average number of shares [e]=[c]+[d]	109,003,866	107,674,589
(in €)		
Basic EPS from continuing operations [a]/[c]	**5.05**	**3.84**
Diluted EPS from continuing operations [b]/[e]	**5.05**	**3.84**

(in € million and shares)	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income from discontinued operation – Attributable to owners of the parent [a]	**-**	**2,986**
Impact of dilutive instruments		-
Net income from discontinued operations restated of dilutive instruments – Attributable to owners of the parent [b]	**-**	**2,986**
Average number of shares outstanding [c]	109,003,866	107,669,930
Impact of dilutive instruments [d]	-	4,659
Diluted average number of shares [e]=[c]+[d]	109,003,866	107,674,589
(in €)		
Basic EPS from discontinued operations [a]/[c]	**0.00**	**27.74**
Diluted EPS from discontinued operations [b]/[e]	**0.00**	**27.73**

No significant share transactions occurred subsequently to the 2020 closing that could have a dilutive impact on earnings per share calculation.

14.2 - Equity attributable to the owners of the parent

Treasury shares

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.

Capital increase

In 2020, Atos SE increased its share capital by incorporating additional paid-in-capital and common stock for € 36 million related to the issuance of 778,252 new shares.

As at December 31, 2020, Atos SE issued share capital amounted to € 110 million, divided into 109,993,166 fully paid-up common stock of € 1.00 par value each.

Distribution in kind - Worldline in 2019

Following the decision made on January 29, 2019 by Atos Board of Directors to submit to the Annual General Meeting the project to distribute 23.5% of Worldline total shares to Atos shareholders and the approval of the transaction by Atos shareholders at the Annual General Meeting on April 30, 2019, this distribution of Worldline shares took effect on May 7, 2019, the payment date for the stock dividend, for a total amount of € 2,344 million, corresponding to a distribution of 42,852,724 Worldline shares valued at € 54.7 per share.

14.3 - Non-controlling Interests

Non-controlling interests purchase commitments

The Group can take commitments to repurchase the non-controlling interests of shareholders of certain subsidiaries. The strike price of these put options may be set or determined according to a predefined calculation formula, and the options may be exercised at any time or on a specific date.

The Group records a financial liability at the present value of the strike price in respect of the put options granted to holders of non-controlling interests in the entities concerned. The offsetting entry for this financial liability differs depending on whether the non-controlling shareholders have maintained present access to the economic benefits of the entity. In the case of present access to the entity's economic benefits, non-controlling interests are maintained in the statement of financial position and the liability is recognized against equity attributable to owners of the parent. Where access to the entity's economic benefits is no longer available by virtue of the put option, the corresponding non-controlling interests are derecognized.

The difference between the liability representing the commitment to repurchase the non-controlling interests and the carrying amount of derecognized non-controlling interests is recorded as a deduction from equity attributable to owners of the parent. Subsequent changes in the value of the commitment are recorded by an adjustment to equity attributable to owners of the parent.

(in € million)	December 31, 2019	2020 Income	Assets Held for distribution	Dividends	Scope changes	Other	December 31, 2020
Worldline	-						-
Other	12	3	-	-4	-0	-1	10
TOTAL	**12**	**3**	**-**	**-4**	**-0**	**-1**	**10**

(in € million)	December 31, 2018	2019 Income	Assets Held for distribution	Dividends	Scope changes	Capital Increase	December 31, 2019
Worldline	2,019	89	-2,107	-	-	-	-
Other	9	3	-	-3	-	3	12
TOTAL	**2,027**	**92**	**-2,107**	**-3**	**-**	**3**	**12**

In 2019, the significant decrease of the non-controlling interest was due to the loss of control of Worldline, following the distribution in kind of Worldline shares on May 2019, from now accounted for under equity method.

Non-controlling interests are no longer significant for the Group.

Note 15 Off-balance sheet commitments

Contractual commitments

The table below illustrates the minimum future payments under firm obligations and commitments over the coming years:

(in € million)	December 31, 2020	Maturing			December 31, 2019
		Up to 1 year	1 to 5 years	Over 5 years	
Leases of low value and short term leases	37	14	23	-	19
Non-cancellable purchase obligations (> 5 years)	268	8	173	87	101
TOTAL COMMITMENTS GIVEN	**305**	**22**	**196**	**87**	**120**
Financial commitments received (Syndicated Loan)	2,320	-	2,320	-	2,320
TOTAL COMMITMENTS RECEIVED	**2,320**	**-**	**2,320**	**-**	**2,320**

The financial commitment received refers exclusively to the non-utilized part of the € 2.4 billion credit revolving facility.

Commercial commitments

(in € million)	December 31, 2020	December 31, 2019
Bank guarantees	**366**	**347**
• Operational – Performance	226	253
• Operational – Bid	14	14
• Operational – Advance Payment	101	68
• Financial or Other	25	12
Parental guarantees	**4,343**	**3,343**
• Operational – Performance	4,264	3,168
• Financial or Other	79	175
Pledges	**6**	**7**
TOTAL	**4,714**	**3,697**

For various large long-term contracts performed by its subsidiaries, the Group provides performance guarantees to its clients. These guarantees amounted to € 4,264 million as of December 31, 2020, compared with € 3,168 million at the end of December 2019. This variation of € 1,096 million compared to last year is mainly due to the issuance of some guarantees provided to the benefit of the customers in the United States of America and the United Kingdom.

In addition, in relation to the multi-currency revolving facility extended until October 2025, Atos SE issued a parental guarantee for the benefit of the consortium of banks represented by BNP Paribas, in order to guarantee up to € 660 million (unchanged amount) the obligations of its two subsidiaries: Atos Telco Services BV and Atos International BV.

In the framework of the Atos pension schemes rationalizatplan in the UK aiming to a more efficient structure, the Board of Directors of Atos SE, on July 22, 2018 meeting, gave consent to the grant of a parental guarantee to the Atos Pension Schemes Limited as trustee of the new Atos UK 2019 Pension Scheme set up on November 1, 2019. Under this guarantee, Atos SE guarantees the obligations of the sponsoring employers vis-à-vis the pension scheme. On December 22, 2020, the guarantee has been confirmed and extended to take into consideration the merger of the Atos 2011 Pension Trust into the Atos UK 2019 Pension Scheme and the transfer of the related liabilities. The new total estimated amount of the guarantee was £ 860 million (€ 948 million).

Note 16 Litigations

The Group is regularly involved in various claims and legal proceedings arising in the ordinary course of business. While the Group does not expect that the ultimate resolution of any existing claims and proceedings (other than the specific matters described below, if decided adversely), individually or in the aggregate, will have a material adverse effect on its financial position, an unfavorable outcome in some or all of these proceedings could have a material adverse impact on results of operations or cash flows for a particular period. This assessment is based on the current understanding of relevant facts and circumstances. As such, the Group's view of these matters is subject to inherent uncertainties and may change in the future.

Moreover, since the Group includes a great many entities located in other countries, it is regularly audited by tax authorities. Several audits and tax-related proceedings or disputes have been initiated or are currently being conducted by those authorities or in the courts, but none are expected to give rise to or has given rise to material tax expense that could have a significant impact on the financial statements as the Group considers that it has sound means of defense and that it employs the legal procedures available to it to prevent any unfavorable outcome.

TriZetto

The case, dated 2015, is about the use by Syntel of tools (software platform and other materials) from TriZetto to provide a project to certain customers. Syntel made a case against TriZetto considering unlawful termination of subcontracting. In response, Cognizant suited Syntel for violating IP rights on IP for the software and commercial secret.

On October 27, 2020, a jury in the United States District Court of New York found Syntel, now part of Atos, liable for trade secret misappropriation and copyright infringement and specified approximately $ 855 million in damages, of which $ 570 million defined as "punitive" damages, due to Cognizant and its subsidiary TriZetto, now part of Cognizant.

Atos has already filed a motion challenging the validity of TriZetto's claims and will immediately seek to file a further motion to overturn the verdict. These motions will be decided by the Judge presiding over the case. If these motions were denied, Atos would have the right to appeal. Atos considers that the jury's verdict is not supported by the evidence presented during the trial or the applicable law.

The position of Atos and Atos|Syntel is that this claim has no merit and the amount of damages is grossly out of proportion. As Atos argued at trial, as well as stated in a press release dated October 28, 2020, the maximum amount of damages legally available to TriZetto in this case would be approximately $ 8.5 million.

Note 17 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 members of the General Management Committee.

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.

Transactions between the related parties

The main transactions between the related entities are composed of:

- the reinvoicing of the premises;
- the invoicing of delivery services such as personnel costs or use of delivery infrastructure;
- the invoicing of administrative services; and
- the interest expenses related to the financial items.

These transactions are entered into at market conditions.

Related party transactions are detailed as follows:

(in € million)	1 month ended January 31, 2020
Revenue	6
Operating income/expenses	-2
Discontinued operations	
Cost to distribute	0

There were no receivables and liabilities included in the statement of financial position linked to related parties.

Compensation of members of the Board of Directors as well as members of the General Management Committee

The remuneration of the key members of management during the year is set out below:

(in € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Short-term benefits	13	6
Employer contributions & other taxes	5	3
Post-employment benefits	1	1
Equity-based compensation: stock options & free share plans	12	7
TOTAL	**30**	**18**

Following the Board's decision to separate the offices of Chairman of the Board and Chief Executive Officer, the General Management Committee has been extended to include the Chief Executive Officer, Elie Girard, and the Heads of Group Industries, Operations, Regional Business Units and Functions, while the former General Management Committee was composed of the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer and three Senior Executive Vice-Presidents. As a result, the figures stated in the table above for the 2020 financial year are not comparable to those stated for the previous year.

Short-term benefits include salaries, bonuses and fringe benefits. Bonuses correspond to the total charge reflected in the income statement including the bonuses actually paid during the year, the accruals relating to current year and the release of accruals relating to prior year.

Note 18 Main operating entities part of scope of consolidation as of December 31, 2020

	% of Interest	Consolidation method	% of Control	Adress
HOLDING				
Atos SE		Consolidation parent company		80, quai Voltaire – 95870 Bezons, FRANCE
Atos International BV	100	FC	100	Burgemeester Rijnderslaan 30, 1185 MC Amstelveen, THE NETHERLANDS
Saint Louis Ré	100	FC	100	74, rue de Merl – L2146 Luxembourg, FRANCE
Atos International SAS	100	FC	100	80, quai Voltaire – 95870 Bezons, FRANCE
Bull SA	100	FC	100	Rue Jean-Jaurès – 78340 Les Clayes-sous-Bois, FRANCE
FRANCE				
Atos Integration SAS	95	FC	100	80, quai Voltaire – 95870 Bezons
Atos Infogérance SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Atos Consulting SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Atos Worldgrid SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Yunano	100	FC	100	80, quai Voltaire – 95870 Bezons
Bull SAS	100	FC	100	Rue Jean-Jaurès – 78340 Les Clayes-sous-Bois
Agarik SAS	100	FC	100	20, rue Dieumegard 93400 Saint-Ouen
Avantix SAS	100	FC	100	655, avenue Galilée – 13794 Aix-en-Provence
Evidian SA	100	FC	100	Rue Jean-Jaurès – 78340 Les Clayes-sous-Bois
Air Lynx	100	FC	100	1, avenue de l'Atlantique, Immeuble Everest – 91940 Les Ulis
Keynetics SA	100	FC	100	175, rue Jean-Jacques-Rousseau – 92130 Issy les Moulineaux
Alia Consulting SAS	100	FC	100	3, rue de Liège – 75009 Paris
Econocom Digital Security SAS	100	FC	100	50, avenue Daumesnil – 75012 Paris
EcoAct SAS FR	100	FC	100	35, rue de Miromesnil – 75008 Paris
Edifixio SAS	100	FC	100	123, Rue Jules Guesde – 92300 Levalois-Perret
GERMANY				
X PERION Consulting AG	100	FC	100	Nikolaus-Otto-Strasse, 1 – 22946 Trittau
Atos Information Technology GmbH	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
CHG Communications Holding GmbH	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Unify Funding GmbH	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Atos IT Dienstleistung und Beratung Gmbh	100	FC	100	Bruchstrasse, 5 – 45883 Gelsenkirchen
Atos International Germany Gmbh	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Applied International Informatics GmbH	100	FC	100	Torstraβe, 49 – 10119 Berlin
Bull GmbH	100	FC	100	Von-der-wettern-straße, 27 – 51149 Cologne
Science + computing AG	100	FC	100	Hagellocher Weg, 73 – 72070 Tübingen
Energy4u GmbH	100	FC	100	Albert-Nestler Straße, 17 – 76131 Karlsruhe
Atos Support GmbH	100	FC	100	The Squaire, Am Flughafen 14 – 60549 Frankfurt am Main
Atos IT Services GmbH	100	FC	100	Stinnes-Platz, 1 – 45 472 Mülheim an der Ruhr
Unify Communications and Collaboration GmbH & Co. KG[1]	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Atos Systems Business Services GmbH	100	FC	100	Am seestem, 1 – 40547 Dusseldorf
Cycos AG	95.1	FC	100	Joseph-von-Frauenhofer-Straβe, 5 – 52477 Alsdorf
Unify Software and Solutions GmbH & Co. KG[1]	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Unify GmbH & Co. KG[1]	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Unify Beteiligungsverwaltung GmbH & Co. KG[1]	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Unify Deutschland Holding GmbH	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
Unify Patente GmbH & Co. KG[1]	100	FC	100	Otto-Hahn-Ring, 6 – 81739 Munich
THE NETHERLANDS				
Atos Nederland BV	100	FC	100	Burgemeester Rijnderslaan, 30 – 1185 MC Amstelveen
Atos Telco Services BV	100	FC	100	Burgemeester Rijnderslaan, 30 – 1185 MC Amstelveen
OTHER EUROPE – MIDDLE EAST – AFRICA				
Algeria				
Bull Algerie	100	FC	100	Rue Yehia El-Mazouni, 16, El Biar – Algiers

	% of Interest	Consolidation method	% of Control	Adress
Austria				
Atos IT GmbH	100	FC	100	Siemensstraße, 92 – 1210 Vienna
Atos IT Solutions and Services GmbH	100	FC	100	Siemensstraße, 92 – 1210 Vienna
TSG EDV-Terminal Service GmbH	99	FC	100	Modecenterstraße, 1 – 1030 Vienna
SEC Consult Austria	100	FC	100	14, 1. Stock Komarigasse – 2700 Wiener Neustadt
Belgium				
Atos Belgium SA/NV	100	FC	100	Da Vincilaan, 5 – 1930 Zaventem
Bielorussia				
LLC ATOS IT Solutions and Services	100	FC	100	Ul Leonid BEDI, 11, Building 1 – 220040 Minsk
Bulgaria				
Atos IT Solutions and Services EOOD	100	FC	100	Mladost 4 Region, Business Park Sofia Str, 4 – 1766 Sofia
Ivory Coast				
Bull Cote d’Ivoire	100	FC	100	31, avenue Noguès – 01 BP 1580 Abidjan 01
Denmark				
Atos IT Solutions and Services A/S	100	FC	100	Dybendalsvaenget, 3 – 2630 Taastrup
Croatia				
Atos IT Solutions and Services d.o.o	100	FC	100	Heinzelova, 69 – 10000 Zagreb
Czech Republic				
Atos IT Solutions and Services sro	100	FC	100	Doudlebská, 1699/5 – 14000 Praha 4
Gabon				
Bull Gabon	100	FC	100	Immeuble Abiali, ZI d’Oloumi – BP 2260 Libreville
Greece				
Atos Greece SA	100	FC	100	Irakleio Avenue, 455, N. Iraklio – 14122 Athens
Finland				
Atos IT Solutions and Services oy	100	FC	100	Kalkkipellontie, 6 – 026050 Espoo
Hungary				
Atos Magyarország Kft	100	FC	100	1138 Budapest, Vaci ut 121-127. Vaci greens D Building, 4th floor
Ireland				
Atos IT Solutions and Services Limited	100	FC	100	Level 5, Block 4, Dundrum Town Centre, Sandyford Road – Dublin 16
Italy				
Atos Italia SpA	100	FC	100	Via Caldera, no. 21 – 20158 Milan
Lebanon				
Bull SAL	100	FC	100	Rue Jal el Dib, 69 – Secteur 1 – BP 60208 Beyrouth
Lithuania				
UAB “Bull Baltija”	100	FC	100	Gostauto Street, 40 – 01112 Vilnius
Luxembourg				
Atos Luxembourg PSF SA	100	FC	100	1, rue Edmond Reuter Contern – 5326 Luxembourg
Madagascar				
Bull Madagascar SA	100	FC	100	12, rue Indira Gandhi, Tsaralalana, BP 252 Antananarivo
Morocco				
Atos IT Services SARL	100	FC	100	Espace les Palmiers, angle avenues Mehdi Benbaraka et Annakhil – Hayryad Rabat
Atos ITS Nearshore Center Maroc SARL	100	FC	100	Boulevard Al Qods, Quartier Sidi Maarouf, Casanearshore – 1100 Casablanca
Bull Maroc	100	FC	100	Boulevard Al Qods, Quartier Sidi Maarouf, Casanearshore – 1100 Casablanca
Namibia				
Bull Information Technology Namibia Pty. Ltd.	100	FC	100	C/o Deloitte & Touche, Namdeb Center, Bulow street, 10 – PO Box 47 Windhoek

	% of Interest	Consolidation method	% of Control	Adress
Poland				
Atos Polska SA	100	FC	100	Krolewska, 16 – 00-103 Warsaw
Atos Poland Global Services Sp Zoo	100	FC	100	Ul. Krolewska 16 – 00-103 Warszawa
Portugal				
Atos Soluções e Serviços para Tecnologias de Informação, Unipessoal, Ltda	100	FC	100	Avenida José Malhoa 16 – Piso sétimo B2 – Edificio Europa. Distrito: Lisboa, Concelho: Lisboa, freguesia: Campolide – 1070 159 Lisbon
Romania				
Atos IT Solutions and Services srl	100	FC	100	Calea Floreasca, 169A, Sector 1 – 014459 Bucharest
Atos IT Solutions Romania SRL	100	FC	100	Calea Floreasca, 169A, Sector 1 – 014459 Bucharest
Atos Convergence Creators GmbH SRL	100	FC	100	Municipiul Braşov, Strada MIHAIL KOGĂLNICEANU, Nr. 21, Bloc C6, Judet Braşov
Russia				
Atos IT Solutions and Services LLC	100	FC	100	1st Kozhevnicheski per. 6, bld. 1 – 115114 Moscow
Senegal				
Bull Senegal	100	FC	100	Cité Keur Gorgui, Immeuble Khadimou Rassoul – BP 3183 Dakarl
Serbia				
Atos IT Solutions and Services d.o.o.	100	FC	100	Danila Lekica Spanca 31 – 11070 Beograd
South Africa				
Atos (PTY) Ltd	74	FC	100	Woodlands Office Park, Ground Floor Building 32 – 2144 Woodlands
Spain				
Atos Consulting Canarias SA	100	FC	100	Calle Subida al Mayorazgo, 24b – 38110 Santa Cruz de Tenerife
Atos Spain SA	100	FC	100	Albarracin, 25 – 28037 Madrid
Atos IT Solutions and Services Iberia SL	100	FC	100	Ronda de Europa, 5 – 28760 Madrid
Atos Worldgrid SL	100	FC	100	Calle Isabel Torres, 19 Edificio Cisga – 39011 Santander
MSL Technology SL	100	FC	100	C/Marques de Ahumada, 7 – 28028 Madrid
Slovakia				
Atos IT Solutions and Services sro	100	FC	100	Pribinova 19/7828 – 811 09 Bratislava
Sweden				
Atos IT Solutions and Services AB	100	FC	100	Johanneslundsvägen, 12-14 – 194 87 Upplands Väsby
Switzerland				
Atos AG	100	FC	100	Freilagerstrasse, 28 – 8047 Zürich
Turkey				
Atos Bilisim Danismanlik ve Musteri Hizmetleri Sanayi ve Ticaret A/S	99.92	FC	100	Yakacık Caddesi, No 111 – 18 – 34870, Kartal, Istanbul
United Arab Emirats – Dubai				
Atos Origin FZ LLC	100	FC	100	Office G20, Building DIC-9 Dubai Internet City – PO Box.500437
ATOS FZ LLC Dubai Branch	100	FC	100	The Galleries Building, No2 Level 2 – 500437 Downtown Jebel
Paladion Sharjah (Branch)	100	FC	100	Saif Suite X4 – 03 and SAIF Office P8-05-58, Sharjah Airport International Free Zone, Sharjah, Sharjah, 120398
Qatar				
Atos Qatar Llc	100	FC	100	Sheikh Suhaim bin Hamad Street – No.89858 Doha
Egypt				
Atos IT SAE	100	FC	100	50, Rue Abbass El Akkad, Nasr city – Cairo

	% of Interest	Consolidation method	% of Control	Adress
THE UNITED KINGDOM				
Atos Consulting Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos IT Services Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos IT Services UK Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos UK IT Holdings Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Shere Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos BPS Ltd	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos UK Holdings Ltd	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos International IT Holdings Ltd	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Atos Restaurant Technology Services UK Limited	100	FC	100	Triton Square, 4, Regent's Place – NW1 3HG London
Unify Enterprise Communications Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Engage ESM holding LTD	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Engage ESM LTD	100	FC	100	High holborn, 71, Mid City Place Second Floor – WC1V6EA London
Carbon Clear LTD	100	FC	100	70-78, York Way, Unit A N1 9AG – London
ASIA PACIFIC				
Australia				
Atos (Australia) Pty. Ltd	100	FC	100	Mountain Highway, 885 – 3153 Bayswater Victoria
China				
Atos Information Technology (Nanjing) Co., Ltd	100	FC	100	Floor 12, Building 1B Powerise accelerator, High Tech zone Software park – Nanjing Jiangsu Province
Atos Information Technology (China) Co. Ltd	100	FC	100	Room 05.161, Floor 5, Building E No.7, Zhonghuan Nanlu Wangjing – Chaoyang District Beijing
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
RTS Information Consulting (Chengdu) Co. Ltd	100	FC	100	Room 108-109, 1st floor, Building B2, Tianfu Software Park, High Tech Zone – Chengdu Sichuan Province
Hong Kong				
Atos Information Technology HK Ltd	100	FC	100	8/F Octa Tower – 8 Lam Chak Street – Kowloon Bay
Bull Information Systems (Hong Kong) Limited	100	FC	100	RM 1401 – Hutchison House – 10, Harcourt Road
India				
Atos India Private Limited	100	FC	100	Godrej & Boyce Complex – Plant 5 – Pirojshanagar – LBS Marg Vikhroli(W) – Mumbai – 400079
Atos IT Services Private Limited	99.99	FC	100	Innovator Building – International Tech Park – Whitefield Road – 560066 Bangalore – Karnataka
Anthelio Business Technologies Private Limited	99.99	FC	100	Level 1, Part A of Tower1, Phase 2, SY.NO 115 (Part) Waverock, APIIC IT\ITES SEZ, Nanakramguda Serilingampally Mandal Hyderabad Telangana 500008
Syntel Pvt Ltd.	100	FC	100	Unit No, 112, SDF IV, SEEPZ Andheri (East) Mumbai 400 096 Maharashtra
State street Syntel Services Pvt Ltd[2]	100	FC	100	4/5th floor, Building No.4, Mindspace - Navi Mumbai, Thane-Belapur road, Airoli-400708
Syntel Global Pvt Ltd	100	FC	100	Ground floor, E-Tech Software Technology Park, Dhokali Naka, Kolshet road, Thane(West)-400607
Paladion Networks Pvt. Ltd. India	100	FC	100	Level 6, 10/11 Dr. Radhakrishnan Salai Mylapore – Chennai 600004

	% of Interest	Consolidation method	% of Control	Adress
Japan				
Atos KK	100	FC	100	6 F, Daisan Toranomon Denki Building – 1-2-20 Minato-ku Tokyo
Evidian-Bull Japan KK	100	FC	100	6 F, Daisan Toranomon Denki Building – 1-2-20 Minato-ku Tokyo
Malaysia				
Atos Services (Malaysia) SDN BHD	100	FC	100	16-A (1st Floor) Jalan Tun Sambanthan – 3 Brickfields – 50470 Kuala Lumpur
Mauritius				
State street Syntel Services Mauritus Ltd[2]	100	FC	100	C/o SGG Corporate Services (Mauritius) Ltd 33, Edith Cavell Street – Port Louis, 11324
Philippines				
Atos Information Technology Inc.	99.94	FC	100	23/F Cyber One Building – Eastwood City – Cyberpark – 1110 Libis, Quezon City
Atos Global Delivery Center Philippines, Inc.	100	FC	100	8th Floor, Two E-Com Center, Palm Coast Ave., Mall of Asia Complex, 1110 Pasay City
Singapore				
Atos Information Technology (Singapore) Ptd Ltd	100	FC	100	Blk 988 Toa Payoh North #08-01 – 319002
Taïwan				
Atos (Taiwan) Ltd	100	FC	100	5F, No 100 Sec 3, Min Sheng E. Road – Taipei
Thaïland				
Atos IT Solutions and Services Ltd	100	FC	100	2922/339 Charn Issara Tower II – 36th Floor – New Petchburi Road – Bangkapi – Huay Kwang – 10310 Bangkok
AMERICAS				
Argentina				
Atos Argentina SA	100	FC	100	Cnel. Manuel Arias 3751, piso 18, PB, C.A.B.A.-C1430DAL, Buenos aires
Bull Argentina SA	100	FC	100	Manuela Saenz 323 5to. Piso Of. 506 – C 1107 bpa, Buenos aires
Brazil				
Atos Brasil Ltda	100	FC	100	Avenida das Nacoes Unidas, 12901 – Torre Norte, 19 Andar, PARTE B – Brooklin, CEP 04578-910, na Cidade de Sao Pauolo
Atos Serviços de Tecnologia da Informação do Brasil Ltda	100	FC	100	Avenida das Nacoes Unidas, 12901 – Torre Norte, 19 Andar, PARTE B – Brooklin, CEP 04578-910, na Cidade de Sao Pauolo
Bull Ltda.	100	FC	100	Avenida das Nacoes Unidas, 12901 – Torre Norte, 19 Andar, PARTE B – Brooklin, CEP 04578-910, na Cidade de Sao Pauolo
Canada				
Atos Inc.	100	FC	100	6375 Shawson Drive – L5T 1S7 Mississauga – Ontario
Colombia				
Atos IT Solutions and Services SAS	100	FC	100	Autopista Norte Carrera 45 N° 108-27 Torre 2 oficina 1505 – Bogotá
Mexico				
Atos Global Delivery Center México, S. de RL de CV	99.9	FC	100	Sevilla No. 40 Piso 3 – Colonia Juarez delgation Cuauhtemoc – 06600 Ciudad de Mexico
The United States of America				
Atos IT Solutions and Services Inc.	100	FC	100	4851 Regent Boulevard – Irving, TX 75063
Atos IT Outsourcing Services, LLC	100	FC	100	4851 Regent Boulevard – Irving, TX 75063
Atos Governmental IT Outsourcing Services, LLC	100	FC	100	4851 Regent Boulevard – Irving, TX 75063
Atos Healthcare Services, LLC	100	FC	100	4851 Regent Boulevard – Irving, TX 75063
Atos Syntel Inc.	100	FC	100	525 E. Big Beaver Road, Suite 300, Troy, MI 48083
Anthelio Global Inc.	100	FC	100	One Lincoln Centre, Suite 200 – 5400 LBJ Freeway TX 75240 Dallas
Atos Digital Health Solutions	100	FC	100	2500 Weschester Ave – 3rd Floor – Purchase New York 10577
Pyramid Healthcare Solutions Inc.	100	FC	100	One Lincoln Centre, Suite 200 – 5400 LBJ Freeway TX 75240 Dallas
Evidian Systems Inc.	100	FC	100	285 Billerica Road, Suite 200 – Chelmsford, MA 01824-4174
Unify Inc.	100	FC	100	1630 Corporate Court – Irving – Texas 75038

	% of Interest	Consolidation method	% of Control	Adress
Engage ESM Inc.	100	FC	100	4851, Regent Boulevard – Floors 1, 3 & 4 Irving – TX 75063
Maven Wave Partners LLC	100	FC	100	71 S. Wacker Drive, Suite 2040, Chicago, IL 60606
Paladion Technologies Inc.	100	FC	100	Delaware corporation with its office at 11480 Commerce Park drive, Suite 210, Reston Virginia 20191
Eagle Creek Software Services	100	FC	100	10050 Crosstown Circle, Suite 360, Eden Prairie, Minnesota 55344
Uruguay				
Bull Uruguay SA	100	FC	100	Av. Dr Luis A. de Herrera, 2802 – 1160 Montevideo

1 *The Group has an interest in five German companies, which are fully consolidated into these Group financial statements. The companies have made use of the stipulations available under § 264b of the German Commercial Code (HGB). It exempts these legal entities from the requirement to disclose separate audited financial statements as of December 31, 2020, since they are included in the Consolidated Financial Statements of the ultimate parent company (Atos SE) and such Consolidated Financial Statements for the full year of 2020 are registered with the trade register of the particular entity.*

2 *Atos owns 49% of the shares of State Street Syntel Services (Mauritius) Ltd, which owns 100% of State Street Syntel Services Pvt Ltd. The joint arrangement between the Atos Group and the State Street group has been qualified as joint operation under IFRS 11. Under IFRS 11.21, a joint operator shall account for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the assets, liabilities, revenues and expenses. The rights and obligations of the two Joint operators are defined in the Master Service Agreement signed between both parties and the shareholders agreement. The JVs set up with State Street group and Atos Group are committed to deliver IT services to the State Street group as per the Master Service Agreement. Atos is entitled to 100% of the financial outcome of the contract and has to bear all liabilities. Therefore, Atos obligations are to ensure the settlement of JVs liabilities, ensure that state street receives the promised services. The Atos Group is entitled in counterpart to recognize revenue related to the services rendered to the State Street group accounted for in accordance with IFRS 15.*

Note 19 Subsequent events

There were no material subsequent events that required a disclosure in the consolidated financial statements.

Note 20 Auditors' fees

2020 :

	Grant Thornton				Deloitte			
	Grant Thornton		Other Grant Thornton members firms		Deloitte & Associés		Other Deloitte members firms	
(in € thousand and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	980	67%	-	-	1,257	72%	-	-
Subsidiaries	453	31%	3,178	73%	487	28%	1,862	78%
Sub-total Audit	**1,433**	**99%**	**3,178**	**73%**	**1,744**	**100%**	**1,862**	**78%**
Non audit services*								
Parent company	-	-	-	-	-	0%	-	-
Subsidiaries	20	1%	1,191	27%	-	0%	517	22%
Sub-total Non Audit	**20**	**1%**	**1,191**	**27%**	**-**	**0%**	**517**	**22%**
TOTAL FEES 2020	**1,453**	**100%**	**4,369**	**100%**	**1,744**	**100%**	**2,379**	**100%**

* *In 2020, non audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the Human Resources, environmental and social information pursuant to article of the French Commercial Code, (ii) due diligence, and (iii) tax services, authorized by local legislation, in some foreign subsidiaries*

2019 :

	Grant Thornton				Deloitte			
	Grant Thornton		Other Grant Thornton members firms		Deloitte & Associés		Other Deloitte members firms	
(in € thousand and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	1,076	70%	-	-	1,328	63%	-	-
Subsidiaries	460	30%	3,369	78%	614	29%	2,093	76%
Sub-total Audit	**1,536**	**99%**	**3,369**	**78%**	**1,942**	**92%**	**2,093**	**76%**
Non audit services*								
Parent company	-	-	-	-	109	5%	-	-
Subsidiaries	8	1%	954	22%	70	3%	658	24%
Sub-total Non Audit	**8**	**1%**	**954**	**22%**	**179**	**8%**	**658**	**24%**
TOTAL FEES 2019	**1,544**	**100%**	**4,323**	**100%**	**2,121**	**100%**	**2,751**	**100%**

* *In 2019, non audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the Human Resources, environmental and social information pursuant to article of the French Commercial Code, (ii) due diligence, and (iii) tax services, authorized by local legislation, in some foreign subsidiaries*

6.2 Parent company summary financial statements

6.2.1 Statutory auditors' report on the financial statements for the year ended December 31, 2020

To the General meeting of Shareholders of Atos S.E,

Opinion

In compliance with the engagement entrusted to us by your general meetings, we have audited the accompanying financial statements of Atos S.E.for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors'Responsibilities for the Audit of the Financial Statements"section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors, for the period from January 1,2020 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies'internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon,and wedo not provide a separate opinion on specific items of the financial statements.

VALUATION OF PARTICIPATING INTERESTS

Note 'Accounting rules and policies – Financial assets'of consolidated financial statements and Note 2"Financial fixed assets"

Key Audit Matter	Our audit approach
As of December 31, 2020, Participating interests are recorded on the balance sheet at a net book value of €10,215.0 million, or 79% of total assets. Participating interests are initially booked at their acquisition cost. An impairment loss is recognized when the acquisition cost exceeds the value-in-use determined as follows: • on the basis of their part of interest in shareholding equities for the holding entities. • on the basis of the enterprise value for the operational entities based on cash flow forecasts; We considered the valuation of participating interests as a key audit matter, given the weight of these assets in the balance sheet and the importance of management's judgments and estimates in the determination of cash flow assumptions.	Our assessment of the valuation of participating interests is based on the process implemented by the Company to determine their value-in-use. We performed the following procedures: • for valuation based on historical value, we verified the consistency of the part of interest in the investment's shareholder equity as calculated by the Company with the financial statements of the related entities; • for valuation based on forecasts: – obtain the cash flow forecasts of the entities concerned and reconcile them with the mid-term financial plan per Cash Generating Unit (CGU) approvedby Management, – analyze the consistency of the assumptions used with the performance history of the Group and the entities, and confirm through interviews with Management and other procedures, future growth prospects.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of Board of Directors and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (code de commerce).

Report on corporate governance

We attest that the Board of Directors'report on corporate governance sets out the information required by Article L. 225-37-4, L.22-10-10 and L. 22-10-9 the French Commercial Code (code de commerce).

Concerningthe information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by or awarded to the Directorsand 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 controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (*Code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other Information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rightshas been properly disclosed in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

In accordance with Article 222-3, IIIof the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the financial statements in compliance with the European single Electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, Iof the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of the Company by your general meetings of December 16, 1993 for Deloitte & Associés, and October 31, 1990 for Grant Thornton.

As at December 31, 2020, Deloitte & Associés was in its 27th year mandate, without any interruption, and for Grant Thornton in its 30th year mandate, without any interruption, and for both statutory auditors, on 25 years of exercise of mandate since the Company securities had been admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors'Responsibilitiesfor the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

Aspart of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committeethe risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris–La Défense and Neuilly-sur-Seine, April 1st, 2021

The Statutory Auditors

French original signed by

Deloitte & Associés	Grant Thornton
Jean-François Viat	Virginie Palethorpe

6.2.2 Statutory auditors' special report on regulated agreements and commitments with third parties – Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2020

To the General Meeting of Shareholders of Atos S.E.,

In our capacity as Statutory Auditors of your Company, wehereby report to you on regulated agreements with third parties.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms, the conditions and the reasons for the Company's interest of those agreements 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, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*Code de Commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements, already authorized by the Shareholders' Meeting and having continuing effect during the year, 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 submitted for approval to the Shareholders'Meeting

Agreements authorized and concluded during the year

Pursuant to Article L. 225-40 of the French Commercial Code (*Code de Commerce*), we have been informed of the following agreement, concluded during the year, which was previously authorized by your Board of Directors.

Customer Relationship Agreements 2.0 concluded with three entities of the Siemens Group, including Siemens AG

Director concerned: M. Cedrik Neike, Director of Atos SE and member of the Management Board of Siemens AG

Atos SE and the Siemens Group have concluded three new Customer Relationship Agreements on September 22, 2020, with the following main features:

(i) three 5-year contracts signed by Atos SE respectively with (i) Siemens AG, (ii) Siemens Gas and Power GmbH & Co KG, and (iii) Siemens Healthineers AG;

(ii) new volume commitments of the Siemens group for a total amount of €3 billion;

(iii) extension of the scope to cover Digital Workplace, Application Modernization, Digital Platforms and End-to-End Integration and Security to support Siemens' strategic digital objectives, such as its service modernization, data exploitation and cloud transformation.

Your Board of Directors authorized at its meeting of September 22, 2020 the conclusion of the three Customer Relationship Agreements 2.0, considering that it was in the interest of the Company to extend the commercial agreement with Siemens, as mentioned in the second part of this report, and expand its scope.

Agreements already approved by the Shareholders'Meeting

Agreements approved in prior years whose implementation continued during the year

Pursuant to Article R. 225-30 of the French Commercial Code (*Code de Commerce*), we have been informed that the following agreements, already approved by the Shareholders' Meeting in previous years, continued during the year.

a. Customer Relationship Agreemententered into with Siemens AG

Directors concerned: M. Roland Busch (until January 17, 2020) and M. Cedrik Neike, Directors of Atos SEand member of the Management Board of Siemens AG

On May 20, 2011, Atos SEand Siemens AGentered into a commercial agreement (hereafter the "Customer Relationship Agreement") regarding their future provider-customer relationship. The initial term of the contract was 7 years and Siemens committed to a certain volume of services (€5.5 billion).

On October 28, 2015, subject to the condition precedent of the authorization by your Board of Directors, Atos SE and Siemens A Gentered into an agreement called "Third Amendment Agreement to the Customer Relationship Agreement", for the purpose of amending the Customer Relationship Agreementmainly as follows:

(i) extend the term of the Customer Relationship Agreement for an additional period of 3.5 years, and in this context, increase the minimum volume of services to which Siemens remains committed towards Atos by an additional amount of €3.23 billion (i.e., a contract length extended until December 31, 2021, and a total amount of services of €8.73 billion to which Siemens remains committed)

(ii) in addition to managed services, application management and systems integration projects included in the initial contract, include in the scope of the Customer Relationship Agreement Cloud, industrial data analytics, and cyber-security services

The Board of Directors authorized the amendment to this agreement at its meeting of November 3, 2015 and therefore satisfied the condition precedent, considering that it was in the Company's interest to extend the commercial agreement with Siemens and expand its scope. This same agreement was approved by the Shareholders' Meeting on May 26, 2016.

This agreement continued during the year ended December 31, 2020, until its replacement by the signature of three new Customer Relationship Agreements on September 22, 2020, as mentioned in the first part of this report.

b. Lock-Up Agreemententered into with Siemens Pension Trust e.V.

Person concerned: Siemens Pension Trust e.V., shareholder holding more than 10% of the voting rights of Atos SE

On May 20, 2011, Atos SE, Siemens AG and Siemens Beteiligungen Inland GmbH("Siemens Inland") entered into a lock-up agreement (hereafter the "Lock-Up Agreement") which provides for a lock-up undertaking of Siemens AGand Siemens Inland on the participating interests held by Siemens Inland in the share capital of Atos SE (12,483,153 shares) until June 30, 2016 (hereafter the "Lock-Up Period"). Siemens Inland transferred this shareholding in the share capital of Atos SE to Siemens A Gin December 2013.

In the context of the strengthening of the partnership between Atos and Siemens, as announced by the parties in July 2015, Atos SE, Siemens AG and Siemens Inland entered, on October 30, 2015, into an agreement called "Amendment to the Lock-Up Agreement", subject to the condition precedent of the authorization by the Board of Directors of the Company, for the purpose of amending the Lock-Up Agreementas follows:

(i) extend the maturity date of the Lock-Up Period until September 30, 2020 (i.e., an additional lock-up period of 4 years and 3 months)

(ii) provide for the possibility for Siemens AG or Siemens Inland, as from July 1, 2016, to transfer the shares to two Siemens employees' pension funds named Siemens Pension Trust e.V. and BSAV-Trust e.V. (or to any investment fund or investment vehicle in which - directly or indirectly - either or both of these pension trusts invest their assets provided that these pension trusts are the only investors), subject to such transferee agreeing to abide by the Lock-Up Agreement

Thus, on March 27, 2018, in connection with the funding of a pension plan by Siemens AG, Siemens AG transferred, off-market, to Siemens Pension-Trust eV that it controls its entire participation in the Company, corresponding to 12,483,153 ATOS SE shares. As part of the transfer mentioned above, Siemens Pension-Trust eV signed on March 23, 2018 an act entitled "Joinder Agreement" under which Siemens Pension-Trust eV agreed to be bound by all terms and conditions of the Lock-up Agreement.

The Board of Directors authorized this agreement at its meeting of November 3, 2015 and therefore satisfied the condition precedent, considering that it was in the Company's interest to extend the commercial agreement with Siemens and expand its scope. This same agreement was approved by the Shareholders' Meeting on May 26, 2016.

This agreement continued during the year 2020.

Paris-La Défense and Neuilly-sur-Seine, April 2, 2021
The Statutory Auditors
French original signed by

Deloitte & Associés	**Grant Thornton**
	French Member of Grant Thornton International
Jean-François Viat	Virginie Palethorpe

6.2.3 Atos SE Financial statement

As of December 31, 2020, the Group issued common stock amounted to € 109.9 million comprising 109,993,166 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. Atos SE is the only listed company of the Group.

6.2.3.1 Balance sheet

		December 31, 2020			December 31, 2019
(in € thousand)	Notes	Gross	Amortization/ Depreciation	Net	
Intangible fixed assets	**Note 1**	**113,918**	**-113,918**	**-**	**-**
Tangible fixed assets		-	-	-	-
Participating interests	Note 2	10,774,836	-559,798	10,215,038	10,140,241
Other participating interests	Note 2	6,624	-	6,624	-
Other financial investments	Note 2	-	-	-	98,031
Total fixed assets		**10,895,378**	**-673,716**	**10,221,662**	**10,238,272**
Advances and down payments		296	-	296	301
Trade accounts and notes receivable	Note 3	48,245	-	48,245	42,115
Other receivables	Note 3	1,146,549	-13,667	1,132,882	1,334,841
Cash and cash equivalent	Note 4	1,548,179	-66	1,548,113	989,697
Total current assets		**2,743,269**	**-13,733**	**2,729,536**	**2,366,954**
Prepayments, deferred expenses	Note 5	36,741	-	36,741	27,958
TOTAL ASSETS		**13,675,388**	**-678,449**	**12,987,939**	**12,633,184**

(in € thousand)	Notes	December 31, 2020	December 31, 2019
Liabilities and shareholders' equity			
Common stock		109,993	109,215
Additional paid-in capital		1,607,738	1,572,382
Legal reserves		10,999	10,715
Other reserves and retained earnings		3,528,430	-
Net income for the period		1,378,572	3,528,637
Shareholders' equity	Note 6	6,635,732	5,220,949
Provisions for contingencies and losses	Note 7	2,628	7,179
Borrowings	Note 8	4,631,288	5,405,584
Trade accounts payable	Note 9	30,251	19,726
Other liabilities	Note 9	1,687,855	1,979,612
Total liabilities		**6,352,022**	**7,412,001**
Unrecognised exchange gains, deferred income	Note 10	185	134
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**12,987,939**	**12,633,184**

6.2.3.2 Income statement

(in € thousand)	Notes	December 31, 2020	December 31, 2019
Revenue	**Note 11**	**124,080**	**141,074**
Other income		5,126	12,900
Total operating income		129,206	153,974
Purchases and external expenses		-13,920	-37,311
Taxes		-1,708	-1,498
Remuneration and social charges		-2,474	-2,564
Depreciation amortization and provisions		-	-
Other expenses	Note 12	-18,045	-15,542
Total operating expenses		**-36,147**	**-56,915**
Operating margin		**93,059**	**97,059**
Net financial result	**Note 13**	**-196,452**	**157,010**
Net income on ordinary activities		**-103,393**	**254,070**
Non-recurring items	**Note 14**	**1,516,293**	**3,300,805**
Employee profit sharing			
Corporate income tax	**Note 15**	**-34,328**	**-26,238**
NET INCOME FOR THE PERIOD		**1,378,572**	**3,528,637**

6.2.4 Notes to the Atos SE statutory financial statements

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 consist mainly of 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

In 2020, Atos has completed the sale of 23.9 million Worldline shares, for € 1.5 billion, through a placement to qualified investors by way of an accelerated bookbuilt offering. Following the success of the Placement, Atos holds 7.0 million Worldline shares, representing 3.8% of the Worldline share capital, which are underlying the € 500 million zero per cent convertible Bonds.

Impact of the pandemic crisis on the consolidated financial statements

Since the outbreak of the Covid-19 health crisis, Atos has implemented a set of measures to ensure both the health of its employees and the continuity of its customers' strategic businesses, in compliance with the directives of national and international health authorities.

As of the date of issue of the consolidated financial statements, unforeseen events related to the pandemic have not led to any contract termination, or dispute with customers or suppliers. Ad hoc discussions are nevertheless under way with some of them to restructure certain contractual obligations without prejudice to the parties.

The events linked to Covid-19 led the Group to take into consideration the global economy downturn and recent market conditions in the judgments made and assumptions taken when preparing these consolidated financial statements.

Estimates on long-term contract have been reviewed taking into consideration potential loss-making situations or risks of recoverability on contract assets and contract costs. The expected credit loss valuation has aso been reviewed to consider potential increased bankruptcy risk of customers.

In accordance with recommendations from European and French regulators, the Group has elected to maintain effects of the pandemic crisis as part of the operating margin and to not present them as part of Other operating income and expense.

Rules and accounting methods

The financial statements of Atos SE have been prepared in application with ANC 2018-07 and current regulations with generally accepted accounting principles in France.

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 softwares are booked at the acquisition cost and amortized on a straight-line basis over their expected useful life.

Those assets are fully depreciated at December 31, 2020.

Tangible assets

There are no tangible assets at December 31, 2020.

Financial assets

Financial assets consist of participating interests and other financial investments (loans and deposits).

Participating interests carried in the balance sheet are booked at their acquisition cost, including any transaction fees. A provision for impairment is set aside when the acquisition cost exceeds the value-in-use determined as follows:

- based on the enterprise value for the operational subsidiaries based on present value of discounted future cash flows using the mid-term plan of the Group, also used for the Goodwill impairment tests at consolidation level (Discounting Cash Flows methodology);
- based on their part of interest in shareholding equities for the non-operational subsidiaries.

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, in addition to the depreciation of the related current assets a provision for risk may be required when the carrying value exceeds the value in-use.

Bonds

Bond issues are recorded for their refund value at the date of receipt of the funds, the trigger event.

Issue premiums are capitalized and amortized over the term of the loan.

Non-recurring items

Non-recurring items are made of incomes and expenses generated by operations which are unusual, abnormal or infrequent in their magnitude or occurrence.

Note 1 Intangible assets

Net value of intangible fixed assets

(in € thousand)	December 31, 2019	Acquisitions/ charges	Disposals/reversals	December 31, 2020
Intangible assets	**113,918**	**-**	**-**	**113,918**
Amortization	-9,960	-	-	-9,960
Depreciation	-103,958	-	-	-103,958
TOTAL OF AMORTIZATION & DEPRECIATION	**-113,918**	**-**	**-**	**-113,918**
Net value of intangible assets	**0**	**-**	**-**	**0**

The intangible assets are mainly composed of:

- a merger deficit resulting from the transfer of assets and liabilities from Atos Investissement 6 to Atos SE in 2004, fully depreciated since 2016. 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.
- and other merger deficit accounted prior 2004 for a gross value of € 9.96 million, depreciated on a straightline basis.

Note 2 Financial fixed assets

Change in financial fixed assets – Gross value

(in € thousand)	December 31, 2019	Acquisition	Decrease	Reclassification	December 31, 2020
Investments in consolidated companies	10,592,006	212,115	-22,661	-6,624	10,774,836
Investments in non consolidated companies	124	-	-124	-	-
Other investments	85	-	-85	6,624	6,624
Total investments	**10,592,215**	**212,115**	**-22,870**	**-**	**10,781,460**
Intercompany loans and accrued interests	0	-	-	-	-
Others	98,031	-	-98,031	-	-
Total other financial assets	**98,031**	**-**	**-98,031**	**-**	**-**
TOTAL	**10,690,246**	**212,115**	**-120,901**	**-**	**10,781,460**

Acquisition/diminution of participating interest and other movements

In the course of the year, Atos SE increased the capital of the following entities of the Atos Group:

- Atos International BV for € 172.5 million by the way of subscription to share premium contributions of AIBV as part of the Maven Wave by its subsidiary Atos IT Solutions and Services Inc.;
- Atos International SAS for € 39.3 million as part of its recapitalization.

The decrease of the participating interests corresponds mainly of the 23.9 million Worldline shares sale for a net book value of € 22.6 million.

The remaining 7 million shares representing a 3.8% ownership of Worldline share capital for € 6.6 million have been reclassified as other investments.

Other financial assets

It corresponded to the net deposit under securitization program for receivables which has been closed in 2020 and is therefore cleared.

Change in financial fixed assets – Impairment

(in € thousand)	December 31, 2019	Depreciation	Release	December 31, 2020
Investments in consolidated companies	-451,766	-122,179	14,147	-559,798
Investments in non consolidated companies	-124	-	124	-
Other investments	-85	-	85	-
TOTAL	**-451,975**	**-122,179**	**14,356**	**-559,798**

The release of the period corresponded mainly to the impairment of entities in France for € 5.3 million and in Turkey for an amount of € 8.8 million.

The depreciation of the period corresponded mainly to French subsidiaries: Atos Infogérance for € 60.3 million, Atos Investissement 10 for € 42.6 million and Atos International SAS for € 18.7 million.

Net value of the financial fixed assets

(in € thousand)	Gross amount	Depreciation	Net value
Investments in consolidated companies	10,774,836	-559,798	10,215,038
Investments in non consolidated companies	-	-	-
Other investments	6,624	-	6,624
Investments	**10,781,460**	**-559,798**	**10,221,662**
Loans and accrued interests	-	-	-
Others	-	-	-
Other financial assets	**-**	**-**	**-**
TOTAL	**10,781,460**	**-559,798**	**10,221,662**

Main subsidiaries and investments

(in € thousand)	% interest	Gross value at December 31, 2020	Net value at December 31, 2020	Loans and advances made by the Company not refunded	Sureties and guaranties made	Dividends received
A) SUBSIDIARIES (over 50% interest)						
French subsidiaries						
Bull SA	100	1,340,186	1,340,186			
Atos Infogérance	100	339,501	125,457		100,000	
Atos Intégration	95	221,054	221,054		180,000	
Atos Consulting	68	16,539	5,273		3,500	
Atos Participation 2	100	30,616	16,036			
Atos International	100	142,983	20,536		97,569	
Atos Investissement 10	100	88,899	26,199		1,650	
Atos Management France	100	44,820	0			
Atos Investissement 12	100	62	26			
Atos Meda	100	8,840	8,840			
Atos Investissement 19	100	59	59			
Atos Investissement 20	100	37	37			
Atos Investissement 21	100	37	37			
Atos Worldgrid	100	32,328	32,328		231,815	
Foreign subsidiaries						
Atos Origin Srl, Italie	100	57,183	0			
St Louis Ré, Benelux	100	2,174	2,174		27,750	
Atos Spain SA	100	128,121	128,121		86,936	10,014
Atos Information Technology GmbH	100	585,747	585,747		447,224	
Atos International BV, Pays Bas	100	7,682,179	7,682,179			
Atos Bilisim, Turquie	81	22,276	20,370		71,450	
Atos Customer Serv Turquie	92	199	199		5,000	
B) SUBSIDIARIES (10 to 50% interest)						
Canopy uk	11	30,245	5			
Group technic informatic, Spain	33	751	175			

(in € thousand)	
Total equity from French subsidiaries	2,587,933
Total equity from foreign subsidiaries	8,278,649
Total net income from French subsidiaries	-70,455
Total net income from foreign subsidiaries	-137,716

Note 3 Trade accounts, notes receivable and other receivables

Trade accounts, notes receivable and other receivables

(in € thousand)	Gross amount December 31, 2020	Depreciation	Net value December 31, 2020	Net value December 31, 2019
Trade accounts and notes receivable and doubtful debtors	40,742	-	40,742	34,619
Invoices to be issued	7,503	-	7,503	7,496
Trade accounts and notes receivables	**48,245**	**-**	**48,245**	**42,115**
State and income tax	1,198	-	1,198	82,369
VAT receivable	5,301	-	5,301	4,481
Intercompany current account	1,140,004	-13,667	1,126,337	1,241,808
Other debtors	46	-	46	6,183
Other debtors	**1,146,549**	**-13,667**	**1,132,882**	**1,334,841**
TOTAL	**1,194,794**	**-13,667**	**1,181,127**	**1,376,956**
Of which operating		-		

The trade accounts and doubtful debtors mainly include intra-Group receivables. The "invoices to be issued" mainly relates to intercompany invoicing of Trademark Fees for € 5.6 million.

Intercompany current accounts include mainly receivable as part of the cash pooling.

The depreciation on current accounts was reversed for a net amount of € 16.6 million in relation to the impairment of some affiliates, for a balance of € 13.7 million as of December 31, 2020.

Maturity of trade accounts receivable and other debtors

(in € thousand)	Gross amount at December 31, 2020	Up to 1 year	1 to 5 years
Trade accounts and notes receivable and doubtful debtors	40,742	40,742	-
Invoices to be issued	7,503	7,503	-
State and income tax	1,198	1,198	-
VAT receivable	5,301	5,301	-
Intercompany current account	1,140,004	1,140,004	-
Other debtors	46	46	-
TOTAL	**1,194,794**	**1,194,794**	**-**

Accrued income

(in € thousand)	December 31, 2020	December 31, 2019
Accrued income included in Receivable accounts	-	-
Other receivables	612	553
TOTAL	**612**	**553**

Note 4 Cash and cash equivalents

Cash and cash equivalents and mutual funds

(in € thousand)	Gross amount at December 31, 2020	Depreciation	Net value December 31, 2020	Net value December 31, 2019
Mutual funds	-	-	-	-
Treasury stocks – owned shares	4,049	-66	3,983	39,913
Short Term Bank deposits	-	-	-	-
Cash at bank	1,544,130	-	1,544,130	949,784
TOTAL	**1,548,179**	**-66**	**1,548,113**	**989,697**

Movement in Treasury stocks-owned shares

As at December 31, 2020, the Company owned 53,265 Atos SE shares which amounted to 0.05% of the share capital with a portfolio value of € 3,983,156.70, based on December 31, 2020 market price, and with a book value of € 4,048,773.69. These shares were purchased in the context of a share buyback program and were assigned to the allocation of shares to employees or corporate officers of the Company or its group and correspond to the hedging of its undertakings under the performance shares plans or share purchase plans.

The Company proceeded to the purchase of:

- 215,000 shares from March 23, 2020 to March 24, 2020, as part of a mandate given to a financial intermediary as announced by the Group on March 23, 2020;
- 445,000 shares from June 24, 2020 to June 30, 2020, as part of a mandate given to a financial intermediary as announced by the Group on June 24, 2020.

From January 1, 2020 to December 31, 2020 the Company transferred 1,188,939 shares of the Company to beneficiaries of LTI (Long term Incentives) plans.

Short term bank deposits

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 5 Prepayments and deferred expenses

(in € thousand)	December 31, 2020	December 31, 2019
Redemption premiums of bonds	3,803	4,883
Translation losses	-	-
Prepaid expenses	22,002	9,056
Deferred expenses	10,937	14,019
TOTAL	**36,742**	**27,958**

The redemption premiums of bonds, for an amount of € 3,803 million, are related to the € 1,800 million bonds emitted in November 2018.

The amounts are deduction made of the amortization (amortization on a straight-line basis depending on the maturities).

The prepaid expenses relate to the payment of the Marketing right of the 2020 Tokyo Olympic games for € 21.8 million, in relation with their postponement after December 31, 2020 due to Covid-19.

The deferred expenses consist of fees amortization related to:

- the syndicated loan for € 2.0 million;
- the € 1,800 million 2018 bonds for € 3.4 million;
- the € 900 million 2015-2016 bonds for € 0.4 million;
- the € 500 million 2019 zero coupon convertible bond for € 4.7 million;
- the € 50 million 2019 NEU MTN (Negotiable European Medium-term Note) for € 0.4 million.

Note 6 Shareholders' equity

Common stock

	December 31, 2020	December 31, 2019
Number of shares	109,993,166	109,214,914
Nominal value *(in €)*	1	1
COMMON STOCK *(IN € THOUSAND)*	**109,993**	**109,215**

Capital ownership structure over three years

	December 31, 2020		December 31, 2019		December 31, 2018	
	Shares	%	Shares	%	Shares	%
Siemens Pension Trust e.V.	12,483,153	11.3%	12,483,153	11.4%	12,483,153	11.7%
Employees	2,445,817	2.2%	1,520,828	1.4%	1,156,732	1.1%
Board of Directors	89,442	0.1%	54,493	0.1%	517,054	0.5%
Treasury stock	53,265	-	582,204[1]	0.5%	54,842	0.1%
Others[2]	94,921,489	86.3%	94,574,236	86.6%	92,674,438	86.7%
TOTAL	**109,993,166**	**100.0%**	**109,214,914**	**100.0%**	**106,886,219**	**100.0%**

1 *Including 540,266 shares to be effectively delivered to LTI beneficiaries on January 2, 2020.*

2 *Includes all shareholders holding less than 5% of the share capital.*

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 (the "Lock-Up Agreement"). This lock-up commitment was extended to September 30, 2020, pursuant to an amendment to the Lock-up Agreement entered into on October 30, 2015 between Siemens AG, the Company and Siemens Beteiligungen Inland GmbH, in the context of the strengthening of the alliance between both Siemens and Atos. Under this agreement, Siemens nevertheless retained the possibility, as from July 1, 2016, to transfer its shareholding in the Company to two Siemens employees pension funds named Siemens Pension Trust e.V. and BSAV-Trust e.V., provided that such pension trust agree to abide by the terms and conditions of the Lock-Up Agreement, and that when exercising the right to suggest a representative to be elected to the Atos Board of Directors, it shall always suggest an active member of the Management Board of Siemens.

On March 27, 2018, in connection with the financing by Siemens AG of a pension plan, Siemens AG transferred, off the market, the entirety of its shareholding in the Company, i.e. 12,483,153 Atos SE shares, to Siemens Pension-Trust e.V. In connection with the above-mentioned transfer of shares, Siemens Pension Trust e.V. executed a Joinder Agreement on March 23, 2018 under which Siemens Pension Trust e.V. agreed to be bound by the terms and conditions of the Lock-Up Agreement, as mentioned hereabove. Following the expiration on September 30, 2020 of the lock-up commitment pursuant to the Lock-up Agreement, considering that Siemens Pension-Trust e-V. acts independently with regard to its status, and is not legally controlled by Siemens AG, the 12,483,153 Company shares owned by Siemens Pension Trust-e.V. are included in the free float.

The Company has not received notice of any other shareholder agreements for filing with the stock exchange authorities and, to the best knowledge of the Company, no "action de concert" or similar agreements exists.

The Group's shares which are owned by employees are mainly managed by Group mutual funds (FCPE). The Supervisory Boards of the group mutual funds exercise the voting rights attached to the securities held within the funds. As per the rules of the Group mutual fund (FCPE), Atos Stock Plan, the Supervisory Board decides on the contribution of shares in case of public offer (purchase or exchange). The Supervisory Board decides on any merger, spin-off and liquidation of any compartment of the fund and approves certain modifications to the rules of the fund. As at December 31, 2020, the shareholding of current and former Atos Group employees into Atos SE represented an overall 2.2% of the share capital.

To the Company's knowledge, there is no agreement capable of having a material effect, in case of public offer on the share capital of the Company.

Share buy-back legal Framework

The 22nd resolution of the Annual General Meeting of June 16, 2020 renewed in favor of the Board of Directors, the authorization to trade in the Group's shares, in connection with the implementation of a share buyback program.

These purchases may be carried out:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;

- 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. 225-177 et seq. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 et seq. 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 set 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 the 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 relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital authorized by the General Meeting, in particular pursuant to the 23rd resolution of the Annual General Meeting held on June 16, 2020.

This authorization shall be used at any time except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequent to the 2020 Annual General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit will be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies, or by the issuance of securities giving access to the Company's capital, in compliance with the relevant legal and regulatory provisions.

The maximum purchase price per share may not exceed € 120 (fees excluded).

The Board of Directors may adjust the aforementioned maximum 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 the free allocation of shares, as well as in the event of division of the nominal value of the share or share consolidation or any other transaction on equity, so as to take account of the impact of such transactions on the value of the shares.

As a result, the maximum amount of funds assigned to the share buyback program amounts to € 1,310,578,968 as calculated on the basis of the share capital as at December 31, 2019, 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 18 months as from June 16, 2020.

Description of the share buyback program to be submitted to the approval of the next Annual General Meeting

In connection with the share buyback program (and within the limit of 10% of the share capital), it is expected to propose, during the next Annual General Meeting, the renewal of the authorization to purchase shares which was granted during the Annual General Meeting held on June 16, 2020, for 18 months, and will expire on December 16, 2021.

In accordance with the AMF General Regulations (articles 241-1 et seq.), this description of the program is aimed at detailing the objectives and the terms and conditions of the new Company's share buyback program which will be subject to the authorization of the next Annual General Meeting.

The aims of this program are:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;
- 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. 225-177 et seq. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 et seq. 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 set 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 the 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 relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;

- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital.

This authorization may be used at any time, except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit shall be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales, and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies such as purchases or sales of purchase or sale options, or by the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, exercise of a warrant or any other means to Company shares held by this latter party, and when the Board of Directors or the person acting on the Board of Directors' authority, under conditions laid down in the law, decides in compliance with the relevant legal and regulatory provisions.

The maximum purchase price is set at € 120 (excluding taxes) per share and the number of shares which may be acquired is 10% of the share capital of the Company, at any time, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, theoretically 10,999,316 shares as calculated on the basis of the share capital as at December 31, 2020. The maximum amount of the funds assigned to the share buyback program is € 1,319,917,920, as calculated on the basis of the share capital on December 31, 2020. This maximum amount may be adjusted to take into account the share capital amount on the day of the General Meeting.

As from its authorization by the next Annual General Meeting, this program will be in force for a maximum duration of 18 months.

As of December 31, 2020, the Company held 53,265 shares of treasury stocks.

Free Float

As at December 31, 2020	Shares	% of share capital	% of voting rights
Employees	2,445,817	2.2%	2.2%
Board of Directors	89,442	0.1%	0,1%
Treasury stock	53,265	-	-
Free float	107,404,642	97.6%	97.7%
TOTAL	**109,993,166**	**100.0%**	**100.0%**

Atos updated its level of free float following the expiration, on September 30, 2020, of the lock-up commitment pursuant to the Lock-up Agreement between Atos SE and Siemens Pension-Trust e.V. (SPT). Considering that SPT acts independently with regard to its status, and is not legally controlled by Siemens AG, the 12,483,153 Atos shares owned by SPT, which represented 11.4% of Atos' share capital as of December 31, 2020, were included in the free float. Stakes owned by the employees and the management as well as treasury shares, are also excluded from the free float.

The Company's shares which are owned by employees are managed by Group mutual funds (FCPE) or held in direct shareholding.

The Supervisory Boards of the Group mutual funds exercise the voting rights attached to the securities held within the funds. As at December 31, 2020, the shareholding of current and former Atos Group employees into Atos SE represented an overall 2.2% of the share capital.

As at December 31, 2020, no other shareholder had disclosed a shareholding of more than 5% of the Company's share capital.

Changes in shareholders' equity

(in € thousand)	December 31, 2019	Exercice of share options	Dividends	Appropriation of result	Capital increase	Net Income 2020	December 31, 2020
Common stock	109,215	-	-	-	778	-	109,993
Additional paid-in capital	1,572,382	-	-	-	35,356	-	1,607,738
Legal reserve	10,715	-	-	207	77	-	10,999
Other reserves	-	-	-	-	-	-	-
Retained earnings	-	-	-	3,528,430	-	-	3,528,430
Net income for the period	3,528,637	-	-	-3,528,637		1,378,572	1,378,572
TOTAL OF THE SHAREHOLDERS' EQUITY	**5,220,949**	**-**	**-**	**-**	**36,211**	**1,378,572**	**6,635,732**

As at December 31, 2020, the Company's issued common stock amounted to € 109.9 million, divided into 109,993,166 fully paid-up shares of € 1.00 par value each.

Compared to December 31, 2019, the share capital was increased by the issuance of 778,252 new shares, resulting a capital increase reserved to the employees;

No dividends were paid in 2020 by Atos SE.

Potential common stock

Based on 109,993,166 outstanding shares as of December 31, 2020, the common stock of the Group could be increased by 2,975,762 new shares, representing 2.71% of the common stock before dilution. This dilution could come from the exercise of stock subscription options granted to employees or from the acquisition of performance shares, as follows:

(in shares)	December 31, 2020	December 31, 2019	Change	% dilution
Number of shares outstanding	**109,993,166**	**109,214,914**	**778,252**	**-**
From stock subscription options	162,900	168,900	-6,000	0,15%
From performance shares	2,812,862	2,857,280	-44,418	2,56%
Potential dilution	**2,975,762**	**3,026,180**	**-50,418**	**2,71%**
TOTAL POTENTIAL COMMON STOCK	**112,968,928**	**112,241,094**	**-**	**-**

On the total of 162,900 of stock options, no option had a price of exercise lower than € 75 (opening stock price as of December 31, 2020).

Note 7 Provisions

Provisions

(in € thousand)	December 31, 2019	Charges	Release used	Release unused	December 31, 2020
Subsidiary risk	7,159	-	-	-4,531	2,628
Contingencies	20	-	-	-20	-
Litigations	-	-	-	-	-
TOTAL	**7,179**	**-**	**-**	**-4,551**	**2,628**
Of which					
• Operating	20	-	-	-20	-
• financial	7,179	-	-	-4,531	2,628
• Exceptional	-	-	-	-	-

A reversal of provisions for subsidiary risk has been made for € 4,5 million as part of a value adjustment of a participating interest. The impairment losses are recognized when the acquisition cost of a subsidiary exceeds the value-in-use and after the complete depreciation of the participating interests, receivables and current accounts, with a limitation up to the negative equity.

Note 8 Financial borrowings

Closing net debt

(in € thousand)		Up to 1 year	1 to 5 years	Over 5 years	Gross value December 31, 2020	Gross value December 31, 2019
Bank overdraft		1,062,130	-	-	1,062,130	1,368,932
Bonds		-	1,750,000	350,000	2,100,000	2,700,000
Convertible Bond		-	533,994	-	533,994	542,913
Bank loans		835,000	-	50,000	885,000	725,000
Other borrowings		-	3,045	31,457	34,502	46,284
Loan Interest to be paid		15,662	-	-	15,662	22,455
Borrowings		**1,912,792**	**2,287,039**	**431,457**	**4,631,288**	**5,405,584**
Cash at bank	Note 5	1,544,130	-	-	1,544,130	949,784
CLOSING NET DEBT		**368,662**	**2,287,039**	**431,457**	**3,087,158**	**4,455,800**

- Financial borrowings included mainly:
  - bonds as detailed below for € 2,100 million;
  - in October 2016, a € 300 million bond, 7 years maturity (2023, between one and 5 years at the end of 2020) with a fixed coupon of 1.444%;
  - in November 2018, a € 700 million bond, 3.5 years maturity (2022, between one and 5 years at the end of 2020) with a fixed coupon of 0.75%;
  - in November 2018, a € 750 million bond, 6.5 years maturity (2025, between one and 5 years at the end of 2020) with a coupon of 1.75%.
  - in November 2018, a € 350 million bond, 10 years maturity (2028, over 5 years at the end of 2020) with a coupon of 2.5%;
- convertible bonds issued on November 1 due 2024 for an aggregate nominal amount of € 500 million, which will be exchangeable into Worldline shares at a premium of 35% above the placing price of the Equity Placement. The convertible bonds have been issued with a premium of € 44.375 million corresponding to the offering price of 108,875%;
- NEU MTN for € 50 million with a maturity in 2026, over 5 years at the end of 2020;
- NEU CP for € 835 million, maturity 2020 up to one year;
- profit sharing for € 3.0 million.

Syndicated loan extended to 2025

In 2018, a credit facility was signed for € 2.4 billion, maturing in November 2023 with an option for Atos to request the extension of the Facility maturity date until November 2025. In 2019, the maturity has been extended until November 2024, and in 2020 until November 2025 for € 2,366 million (€ 34 million remaining with a maturity as of November 2024).

This facility is used for the general needs of the Group: as of December 31, 2020, Atos SE has not used this facility.

Note 9 Trade accounts, notes payable and other liabilities

Maturity of trade accounts, notes payable and other liabilities

(in € thousand)	Gross amount December 31, 2020	Up to 1 year	1 to 5 years	Gross amount December 31, 2019
Trade accounts and notes payable	**30,251**	**30,251**	**-**	**19,726**
Social security and other employee welfare liabilities	395	395	-	4,405
VAT payable	478	478	-	867
Intercompany current account liabilities	1,636,664	1,636,664	-	1,873,233
Other liabilities	50,317	50,317	-	101,107
Other liabilities	**1,687,854**	**1,687,854**	**-**	**1,979,612**
TOTAL	**1,718,105**	**1,718,105**	**-**	**1,999,338**

Terms of payments

The general terms of external purchases were sixty days as from the date of issuance of the invoice except lawful or agreed contrary provisions between the parties.

As far as intercompany purchases are concerned, the general terms of payments are 30 days.

The breakdown of accounts payable at the end of the financial year was as follows:

(in € thousand)	Gross amount December 31	Associated companies	Other	Total December 31	Overdue for more than one year	Overdue for less than one year	Invoices non-due at December 31
2020							
Accounts payable and liabilities	**30,251**	**23,726**	**6,525**	**30,251**	**-**	**3,477**	**26,774**
	100.0%	-	-	-	-	11.5%	88.5%
Accounts payable	3,498	-	3,498	3,498	-	3,477	21
Invoices to be received	26,753	23,726	3,027	26,753	-	-	26,753
2019							
Accounts payable and liabilities	**19,726**	**11,054**	**8,672**	**19,726**	**65**	**2,121**	**17,540**
	100.0%	-	-	-	0.3%	10.8%	88.9%
Accounts payable	2,420	1,671	0,750	2,420	65	2,121	0,234
Invoices to be received	17,306	9,383	7,922	17,306	-	-	17,306

Deferred Expenses

(in € thousand)	December 31, 2020	December 31, 2019
Deferred Expenses included in the trade payable accounts		
Invoices to be received	26,753	17,306
Other liabilities	2,556	15,131
State and employee related liabilities	1,500	916
TOTAL	**30,809**	**33,353**

Note 10 Unrecognized exchange gains and deferred income

The deferred income are mainly related to financial interests.

Note 11 Revenue

Revenue split

	December 31, 2020		December 31, 2019	
	(in € thousand)	*(in%)*	*(in € thousand)*	*(in%)*
Trademark fees	113,268	91.3%	132,049	93.6%
Re-invoicing	763	0.6%	754	0.5%
Parental guarantees	10,049	8.1%	8,271	5.9%
TOTAL REVENUE BY NATURE	**124,080**	**100.0%**	**141,074**	**100.0%**
France	24,190	19.5%	21,214	15.0%
Foreign countries	99,890	80.5%	119,860	85.0%
TOTAL REVENUE BY GEOGRAPHICAL AREA	**124,080**	**100.0%**	**141,074**	**100.0%**

Note 12 Other expenses

Expenses

(in € thousand)	December 31, 2020	December 31, 2019
Group functions expenses	-17,043	-10,081
Software and Patent	-24	-3,995
Directors' fees	-862	-518
Other expenses	-	-948
Operating Foreign exchange loss	-117	-
TOTAL	**-18,046**	**-15,542**

Group functions expenses mainly include 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.

Note 13 Financial result

(in € thousand)	December 31, 2020	December 31, 2019
Dividends received	10,014	284,694
Intercompany current account interests	549	1,237
Other financial assets income	-	12,202
Investment banking revenues	299	1,724
Other financial income on Convertible Bond	8,919	1,509
Reversal of provisions on investments in consolidated companies	37,254	38,966
Reversal of financial provisions	4,739	1,456
Reversal of provisions on treasury stock	-	1,341
Disposal of short-term investment	943	396
Foreign exchange gains	632	11,350
Total of the financial incomes	**63,349**	**354,875**
Interests on borrowings	-36,685	-49,563
Securitisation interests	-592	-763
Intercompany loans interests	13	-14,401
Intercompany current accounts interests	-	5
Provision for depreciation on investments in consolidated companies	-128,677	-24,524
Provision for depreciation of treasury stocks – owned shares	-66	-
Provision for deferred expenses	-4,753	-4,123
Other financial provisions	-	-7,159
Short term borrowing interests	-6,616	-5,688
Foreign exchange losses	-536	-13,514
Other financial expenses	-81,889	-78,135
Total of the financial expenses	**-259,801**	**-197,865**
NET FINANCIAL RESULT	**-196,452**	**157,010**

Financial incomes

Atos SE received from its subsidiary, Atos Spain SA, the amount of € 10.0 million of dividends in 2020.

The depreciation on investments has been disclosed in the Note 2 Financial Assets and Note 7 Provision.

Financial expenses

The interests on borrowings are composed of:

- € 2.6 million on syndicated loan;
- € 35.0 million on bonds;
- €-0.9 million on NEU CP and MTN/Negociable European Commercial Paper – Medium Term Note.

The provision for deferred expenses is composed of € 0.4 million related to the syndicated loan and € 4.3 million to the bonds.

The other financial expenses are mainly related to the loss incurred on the delivery of the 1,183,347 performance shares to the employees for an amount of € 80.6 million (€ 78 million in 2019).

The depreciation on investments has been disclosed in the Note 2 Financial Assets and Note 7 Provision.

Note 14 Non-recrurring items

(in € thousand)	December 31, 2020	December 31, 2019
Selling price from disposal of financial investments	1,455,007	3,354,372
Other income	90,333	73,272
Provisions on receivables	20	245
Total of non recurring income	**1,545,360**	**3,427,889**
Amortization of merger loss		
Net book value of financial investments sold	-22,870	-64,855
Net book value of fixed assets sold	-	-
Provisions for liabilities and charges	-	-
Other expenses	-6,197	-62,229
Total of non recurring expenses	**-29,067**	**-127,084**
NON RECURRING ITEMS	**1,516,293**	**3,300,805**

In 2020, the non-recurring incomes are mainly related to the sales of 23.9 million Worldline shares for € 1,455.0 million, representing 13.1% of Worldline share capital, through a private placement by way of accelerated bookbuilding offering.

The related Net book value of the Worldline shares sold is disclosed as part of the non-recurring expenses for € 22.7 million.

The other non-recurring incomes for € 80.8 million are mainly composed of re-invoicing to the Group of the costs of the performance plan granted to employees.

The other non-recurring expenses are mainly composed of costs incurred due to the Worldline share disposal.

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 separately;
- 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. In the event of tax audit, the subsidiary which exited from the Group remains liable toward Atos SE of any additional income tax related to the time it was part of the tax consolidation.

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:

(in € thousand)	Basis Decrease	Basis Increase
Non deductible provisions for timing differences	-	20
TOTAL	**-**	**20**

No deferred tax assets or liabilities had been recognized.

Breakdown between net income on ordinary activities and non-recurring items

(in € thousand)	Before tax	Computed tax	Net amount
Net income on ordinary activities	-103,393		-103,393
Non recurring items and legal profit sharing	1,516,293		1,516,293
Tax charge	-	-34,328	34,328
TOTAL	**1,412,900**	**-34,328**	**1,378,572**

The result of the fiscal consolidation is a profit of € 190.7 million with a related tax charge of € 61 million. The tax charge of Atos SE is € 34.1 million and the tax that would have been paid by the Company in the absence of French tax consolidation would have been an expense of € 70.8 million.

There are no more losses carried forward as of December 31, 2020.

Note 16 Off-balance sheet commitments

Commitments given

(in € thousand)	December 31, 2020	December 31, 2019
Performance Parental Guarantees	4,192,755	3,081,844
Bank guarantees*	63,294	78,464
TOTAL	**4,256,049**	**3,160,308**

* *Borne by Atos SE.*

For various large long-term contracts, Atos SE provides performance guarantees to its clients. These guarantees amount to € 4,193 million as of December 31, 2020, compared with € 3,082 million at the end of December 2019. This increase of € 1,111 million compared to last year is mainly due to the issuance of some guarantees provided to the benefit of the US and UK customers.

In addition, Atos SE has given several of its subsidiaries (including Atos Information Technology GmbH) financial support guarantees, in particular to comply with local regulations.

Regarding the multi-currency revolving credit facility extended until October 2025, Atos SE has issued in favour of a consortium of banks represented by BNP Paribas to cover up to € 660 million (unchanged), the obligations of its subsidiaries: Atos Telco Services BV and Atos International BV.

In connection with the acquisition of Unify Group, the Board of Directors of Atos SE, at its meeting on December 17, 2015, agreed to provide a 30-year guarantee to several beneficiaries in accordance with the regulations in place in Germany. The maximum amount of this guarantee amounts to € 225 million (of which € 191 million for Deutsche Treuinvest).

As part of the rationalization of pension funds in the UK for a more efficient structure, the Board of Directors of Atos SE on July 22, 2018 authorized the granting of a parental guarantee to Atos Pension Schemes Limited as trustee of the new Atos UK 2019 Pension Scheme fund established on November 1, 2019. As part of this guarantee, Atos SE is committed to guaranteeing the obligations of employer entities to the pension fund. As of December 22, 2020, this guarantee has been confirmed and extended to take into account the transfers of liability resulting from the merger of the Atos 2011 Pension Trust with the Atos UK 2019 Pension Scheme. The new total estimated amount of the guarantee amounts to £ 860 million (€ 948 million).

Commitments received

(in € million)	December 31, 2020	December 31, 2019
Syndicated loan	**2,320**	**2,320**

The received financial commitment refers exclusively to the part non utilized at Group level of the € 2.4 billion revolving facility.

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, 2020.

Long- and medium-term liabilities

As of December 31, 2020, Atos SE doesn't present a long- and medium-term liabilities related to the syndicated loan.

Liquidity risk

Syndicated loan extended to 2025

On October 11, 2018, Atos signed with a number of major financial institutions a five-year € 2.4 billion credit facility maturing in November 2023 with an option for Atos to request the extension of the Facility maturity date until November 2025 in two times. Atos exercised the second option in 2020 to extend the maturity of the Facility until November 2025 for € 2,366 million (€ 34 million remaining with a maturity as of November 2024).

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.

This facility is used for the general corporate purpose: as of December 31, 2020, Atos SE has not used this facility.

Securitization program

Atos securitization program of trade receivables was renewed for 5 years on May 29, 2018 with a maximum amount of receivables sold of € 500 million and a maximum amount of financing reduced from € 200 million to € 100 million. The program has been restricted to two French participants: it was terminated in October 2020.

The Atos securitization program included one financial covenant which is the leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5.

Liquidity risk at December 31, 2020

Instruments	Fix/Variable	Line *(in € million)*	Maturity
Syndicated loan	Variable	2,400	November 2025
Securitization program	Variable	100	May 2023
Bond borrowing (reimbursed in April 2020)	Fixe	600	July 2020
Bond borrowing	Fixe	300	September 2023
Bond borrowing	Fixe	700	May 2022
Bond borrowing	Fixe	750	May 2025
Bond borrowing	Fixe	350	November 2028

On June 2, 2017, Atos implemented a Negotiable European Commercial Paper program (NEU CP) in order to optimize financial expenses and improve Group liquidity management, for an initial maximum amount of € 900 million raised to € 1.8 billion on October 17, 2018. On December 10, 2019 the maximum amount of € 1.8 billion was increased to € 2.4 billion.

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 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 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.

Note 18 Related parties

There is no transaction made by the Company (trademark fees, financing operations and tax consolidation) that was not performed under market conditions.

Note 19 Subsequent events

No subsequent event has occurred since the closure of the accounts.

6.2.5 Atos SE financial summary for the last five years

(in € million)	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
I – Common stock at period end					
Common stock	109.9	109.2	106.9	105.4	104.9
Number of shares outstanding	109,993,166	109,214,914	106,886,219	105,445,349	104,908,679
Maximum number of shares that may be created by:					
conversion of convertible bonds	-	-	-	-	-
exercise of stock subscription options	2,975,762	3,026,180	2,620,383	3,205,927	3,128,274
II – Income for the period					
Revenue.	124.1	141.1	145.6	144.4	169.6
Net income before tax. employee profit-sharing and incentive schemes. Depreciation. amortization and provisions	1,504.4	3,548.3	114.6	76.7	23.5
Corporate income tax	-34.3	-26.2	26.3	13.5	6.2
Net income after tax, employee profit-sharing, depreciation, amortization and provisions	1,378.6	3,528.6	161.0	167.0	29.5
Dividend distribution	-	-	181,7	179.2	167.6
III – Per share data *(in €)*					
Net income after tax and employee profit-sharing but before depreciation. Amortization and provisions	13.4	32.3	1.3	0.9	0.3
Net income after tax, employee profit-sharing, depreciation, amortization and provisions	12.5	32.3	1.5	1.6	0.3
Dividend per share	-	-	1,7	1.7	1.6
IV – Employees					
Average number of employees during the period	1	1.5	1.0	1.0	1.0
Total payroll for the period	2.0	2.1	2.8	3.3	3.0
Employee social security and welfare payments	0.5	0.4	0.7	0.8	0.9

6.2.6 Payables and receivables payment terms

INVOICES RECEIVED AND EMITTED NOT PAID AT YEAR'S END CLOSING BUT DUE (STATEMENT I OF ARTICLE D. 441-4)

	Article D. 441 I.-1°: Invoices received not paid at year's end closing but due						Article D. 441 I.-1°: Invoices emitted not paid at year's end closing but due					
	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Payment delay periods												
Number of invoices concerned	0					104	4					783
Total amount of invoices concerned excluding VAT *(in € thousand)*	0	1,870	211	1	23	2,105	101	10,827	20,089	869	8,320	40,105
Total amount percentageof year expenses	0.00	5.85	0.66	0.00	0.07	6.58						
Percentage of year's sales excluding VAT							0.08	8.73	16.19	0.70	6.71	32.32
(B) Invoices excluded of (A) related to contentious payables and receivables or not recorded												
Number of excluded invoices												
Total amount of excluded invoices												
(C) Used reference payment terms (contractual or legal term – article L. 441-6 or article L. 443-1 of Code of Commerce)												
Payment terms used for late payment penalties calculation	Contractual payment terms: 60 days Legal payment terms: N/A						Contractual payment terms: 30 days Legal payment terms: N/A					

7

Risk Analysis

The Group operates in a changing environment and is exposed to risks that, if materialized, may have a material adverse effect on its business, prospects, customers, partners, reputation, financial condition, including operating results and cash flows.

Risk assessment and management is an integral part of the Group's operational and strategic management. The Company conducts on a regular basis a review of risks through different channels, described hereinafter in section [7.1], thereby enabling to select them, and rank them by order of importance as reflected in section [7.2]; this document follows the guidelines of the AMF dated October 24, 2018 concerning the implementation of Regulation (EU) 2017/1129 of June 14, 2017, with regards to the description of risk factors in Universal Registration Documents. The risks described in section [7.2.1 to 7.2.4] are those assessed as the most critical risks for the Company, i.e. which could have the most material adverse impact on its business or results (or its ability to achieve its objectives), and/or which could be likely to occur. In addition, section [7.2.5] outlines the growing risks that are not critical yet but may significantly impact the Company's business or its results in the mid-term. For each risk, mitigation actions are set out.

The non-financial performance analysis assesses on a yearly basis risks related to the three ESG factors (Environmental, Social and Governance) underlined through the Corporate Social Responsibility program. This materiality assessment is aligned with the enterprise risk management exercise described in section 7.1.1. A mapping table is presented at the beginning of section 7.2 to highlight their intertwining.

7.1 Risk management activities

Risks are assessed and monitored through Regional Business Units/Operations and Functions. In addition to managing the risks embedded in each process, dedicated risk management activities are also deployed transversally. This combination of functional and transversal approaches enables the identification of the most critical risks for the Company.

7.1.1 Enterprise risk management (ERM)

A risk mapping is revised regularly under the oversight of the Group Management Committee, addressing all risks from a strategic perspective.

Risk categories are identified based on research and analysis of the trends on the market, external risk studies, internal reporting on operational risks, CSR strategy and interviews with a panel of key managers and subject experts. Potential risks taken into account by ERM relate to:

- external factors (stakeholders' eco-system, external events and market environment);
- the organization and the business development (ability to innovate, organization alignment, market positioning);
- services and products delivery (people, system performance, delivery); and
- compliance and information used for the decision-making (laws and regulations, CSR, financial performance).

More than 300 top managers are then usually involved via questionnaires and workshops, to collect their perception of the main risks, their relative importance (inherent risk) and mitigation effectiveness (residual risk).

Results are shared with senior management and the Group Management Committee, and appropriate improvement plans for the main residual risks are designed and implemented at local and Group level. The results are also presented to the Audit Committee of the Board of Directors.

This recurring process allows identifying evolutions year on year. In 2020, the risk mapping was updated based on a limited number of interviews to reallocate management time to the SPRING transformation project and managing the effects of Covid-19 pandemic.

In parallel, other dedicated risk assessments are performed within departments such as Legal and Compliance, Security and Corporate Social Responsibility. These assessments are aligned with the enterprise risk management exercise.

7.1.2 Business risk assessment and management

Atos has a robust business risk management approach reinforced during the last years, based on specific processes and organization.

7.1.2.1 Business risk management system

Atos Rainbow (Risk Assessment in Named Business Opportunities Worldwide) 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 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 challenges 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;
- 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 to minimize the exposure. All operational projects are monitored monthly at different levels (Industries, Regional Business Units or Group level, as the case may be) according to their size and risk exposure, using the Rainbow Delivery Dashboard, providing status on financial, delivery and technology, customer, legal, Human Resources and supplier KPI’s.

Bids are also monitored on a constant basis at different levels (from Regional Business Units/Industries to Global Industries level) according to their size, using standardized review templates to bid phases (Pursuit, Strategy, Solution, Offer, Contract, Handover) to balance sales and risks while ensuring the re-use of experience/best practices and the adherence to Atos standards.

7.1.2.2 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 CFO, with the Bid Control Managers and Risk Managers in the Regional Business Units/Global Industry reporting respectively to the Group Vice-President for Bid Control and Group Vice-President for business risk management.

7.1.2.3 Group Risk Management Committee

A Group Risk Management Committee convenes on a monthly basis to review the most significant contracts and the sensitive ones. If needed weekly reviews can take place. The Committee is chaired by the Group CFO and led 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 Industries and several other representatives from the Global Functions, including Finance and Legal. On a quarterly basis, the Audit Committee conducts a thorough review of all the major critical contracts considered to be high risk. The Global Industries and the Risk Managers perform the continuous monitoring of contracts in deviation of their initial business case, thanks to the Rainbow Delivery Dashboard which contains all financial, commercial, and operational KPIs.

7.1.3 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 2020 represented circa 0.16% of Group consolidated revenue.

The most important global insurance programs are bought and managed centrally with renewal on January 1st for Commercial General Liability/Professional Indemnity (CGL/PI) insurance and Property Damage and Business Interruption insurance. In 2020, the Property Damage and Business Interruption policy and CGL/PI policies were both renewed for limits respectively of € 180 million and € 150 million. Several additional policies cover insurable business risks such as cargo, crime, cyber risks or car fleet and are maintained at cover limits commensurate with the Group's size and risk exposures.

Deductible are used both to promote good risk management practices and to control the quantity of claims and premiums's costs.

Each country also may contract insurance policies in accordance with local regulations, customs, and practice. These include employers' liability, workers compensation and employee travel.

Atos's wholly owned reinsurance company provides reinsurance for some layers of the Property Damage Business Interruption, CGL/PI and Cyber policies, which are the most critical ones for the Group's operations.

Insurable losses are not a frequent occurrence. This is partly due to quality risk management processes which are deployed at all key locations to protect assets from natural disasters and other unexpected events as well as to ensure business continuity in the event of damage or loss. With respect to offers and contracts with customers, a uniform and mandatory process of risk management is used as described in the preceding section.

Risks are also monitored by the Underwriting Committee of the Atos reinsurance company which maintains adequate net equity and technical reserves commensurate with the level of reinsured risks and check the need to extend to potential external reinsurers. The Underwriting Committee also carries out regular surveys and analyses to monitor the relevance of Atos's insurance coverage.

7.2 Risk Factors

The above-mentioned risk mapping exercise allowed the Group management to select, and rank in priority order, the risk factors specific to Atos which are the most material.

Critical risks for the Group are presented hereafter. They are classified by risk categories and by significance (in decreasing of magnitude):

1. People risks;
2. Security risks;
3. Operational risks;
4. Go to market risks;
5. Growing risks.

A specific risk factor has been included in connection with the qualification for limitation on the scope of the audit issued on April 1, 2021 by the statutory auditors relating to two US subsidiaries.

To connect these categories of enterprise risks with the classification of non-financial risks (i.e. the three top areas underlined through the Corporate Social Responsibility program – see 5.1.4), the table below presents their mapping:

Strategic risks	Non-financial Challenges	Reference to section 7	Reference to section 5
People Risks: • People care & Health • Key people retention & acquisition • Skills enhancement & performance • Labor market	**Social**	7.2.1	5.3
Security risks: • Cyber Attacks • Systems security • Data protection	**Governance**	7.2.2	5.4.4
Operational risks: • Delivery Quality • Customer relationship (contract management/satisfaction) • Credit risk/receivables	**Governance**	7.2.3	5.4.2
Go to Market risks: • Customer Digital Transformation • Market environment (competitors, Business model disruption) • Innovation	**Governance**	7.2.4	5.4.3
Growing risks: • Regulation and compliance • Environmental Impact	**Governance** **Environment**	7.2.5	5.4.6 5.2

Atos carries out and updates yearly a comprehensive assessment of the risks related to the three main non-financial areas identified as challenges under the Group's Corporate Social Responsibility program. The magnitude of these risks varies in terms of impact on Atos's business or results and/or likelihood of occurring. The chart below represents the combination of the identified 2020 non-financial risks that could adversely affect the achievement of goals to create value as well as the potential opportunities that are open to Atos and to its clients to balance those risks, including their link to the Sustainable Development Goals defined by the United Nations.

Main risks related to Atos' three CSR challenges

Risks balanced by opportunities

Sustainable development goals (SDGs)

7.2.1 People risks: People care & health, Key People retention, acquisition, Skills enhancement & performance

In all areas of the organization, from R&D teams to Sales, Operations, and Support functions teams, People are the essence of the activity. Therefore, several risk factors related to human capital have been identified. As the Company mostly delivers services, it remains highly dependent on the skills, the experience and the performance of its employees and the key members of its management teams. Quality of service is dependent on the establishment of skilled and stable teams, committed to meeting customers' needs.

Not granting sufficient attention to People-related risks could materially adversely impact the Company as it may limit the organization's ability to sell the adequate and innovative services/products and deliver the quality of services agreed by contract, potentially resulting in penalties/claims, loss of customers and reputational damage.

7.2.1.1 People Care & Health

Enterprise risk	Mitigation actions
People are Atos's main asset. In the current pandemic context, the vigilance in the care of Atos employees and their families is the highest priority. If Atos was unable to protect their **health and safety** or to adapt its wellbeing initiatives to take into account changing working practices, employee attrition may increase, and employee performance may decrease.	A global crisis management team (CMT) was set up to constantly monitor, define, and coordinate with local CMTs the mitigation actions related to (but not limited to) People health. We adhere strictly to the World Health Organization's instructions and closely follow the evolution of the infection. Measures to avoid contamination at the office, ensure home office readiness, and promote wellbeing initiatives, such as avoiding people in isolation and ensuring balance with family duties, are undertaken.
Wellbeing at work allowing personal development and developing a fair and attractive company culture remain important, especially when working conditions are modified with work from home becoming standard due to the current pandemic. If the Company culture does not address the evolving needs and desires of employees or falls behind those of competitors, the Group's employees may become less engaged, and their performance may decrease.	Through the "We Are Atos" program, Atos creates a collaborative environment which is underpinned by development (including Individual Development Plans) and career mobility plans such as Internal First, as well as initiatives to close the gender gap and encourage inclusiveness (for further details on those programs please refer to 5.3.8 "Employee experience program We are Atos").

7.2.1.2 Key People retention & acquisition

Enterprise risk	Mitigation actions
The success of the organization heavily depends, on its ability to **retain and attract key qualified staff** and to use their competences for the benefit of customers. Atos may be unable to retain or attract qualified employees. The loss of personnel and the inability to replace them with equally qualified employees could increase operating costs or impair the Group's ability to perform under certain contracts, which could have an adverse effect on its results of operations and cash flows.	An **active follow-up of key people** (top performers, talents, experts) is implemented through a regular risk level status monitoring per key person including a weekly Risk Alert Bulletin. An end-to-end career management governance for key people has been set to meet the 95% retention of key people. More and more efforts were initiated in social collaboration to create **communities of professionals and experts,** in which sharing of knowledge and expertise is encouraged. In 2020, Atos further increased experts' visibility and facilitated their involvement, especially on global integrated accounts.

7.2.1.3 Skills enhancement & performance

Enterprise risk	Mitigation actions
The success in a fast-evolving sector, depends on the Company's ability to **continuously up/reskill its employees,** to meet customer demand, as well as its capacity to transform the new acquired skills into experience. If the Group is unable to effectively manage its employees' skillsets and capacity, it may have to redeploy existing employees to other projects, increase reliance on subcontractors in order to meet the needs of its clients, any of which could negatively affect its profitability.	Skills enhancement & performance is managed through on-going **investment in certifications** (e.g., 3-year digital certification program with a focus on key skills supporting growth), adaptive and multi-channel learning and the development of Atos University located in India. The Group is also focusing on **facilitating the gain of experience** after being trained by expanding mentoring and project rotation.

7.2.1.4 Labor Market

Enterprise risk	Mitigation actions
Attracting qualified staff is becoming a substantial challenge considering the current highly competitive **labor market** for digital skills. If the Group is unable to recruit qualified personnel, this may prevent it from growing its business and staying in tune with market trends.	Atos is focused on providing attractive career opportunities and job content. In 2020, investment has been made on **Atos employer branding,** resulting from a renewed employee value proposition. It materialized into a worldwide campaign "the future is our choice".

All these People initiatives allowed faster adaptation of people to client needs and led to greater mobility, which also helped to balance attrition. The success of these initiatives is evidenced by an increase in the Trust Index as well as in the social dimension of the Dow Jones Sustainability Index (DJSI). For the third year in a row, Atos is the IT sector leader in the DJSI.

7.2.2 Security risks: Cyber-attack, systems security and data protection

[SASB TC-SI-330a.1]

7.2.2.1 Cyber attacks

Enterprise risk	Mitigation actions
The visibility and worldwide presence of Atos and its clients may expose Atos to **attacks on its systems** that could compromise the security of data. The sensitivity of Atos's and of its customers' activities, the growing complexity of technical infrastructures, and the increasing sophistication of cyber-crime contribute to intensify this risk. An information breach or unauthorized access in or through the Atos systems and/or a loss of sensitive or confidential information could have a long and significant impact on the business operations. It could result in reputational damage, in losing the customers' confidence and thus in the loss of their business, as well as expose the Group to potential claims.	First answer to Cyber-attacks are protection and detection mechanisms. Atos uses best in class security solutions with multiple vendors strategy associated with tight monitoring by Big Data & Cybersecurity experts. In case the risk would materialize, crisis management is defined in the **Atos crisis management policy.** In addition, Atos has established a **Cyber Emergency Policy** to ensure the implementation of a consistent methodology in case of any declared cyber emergency event. To minimize the impact of security incidents, improve the responsiveness and enforce the management of cybersecurity defenses, Atos has implemented a **CSIRT (Computer Security Incident Response Team)** to manage all security events worldwide 24x7. In addition, the CSIRT provides forensic and threat management expertise. A **Threat Intelligence Team** is responsible for identifying and monitoring all published security vulnerabilities and reports to the Group Chief Security Officer.

7.2.2.2 Systems security

Enterprise risk	Mitigation actions
Being an IT company, **IT system breakdowns or disruptions** could also be highly detrimental both for the Group's internal operations and its customers. A failure in providing the appropriate and contractually required level of services and protection to customer environments and data could negatively impact the Group's ability to perform under its contracts, and could lead to customer data leakage, business disruption, high recovery costs in case of an incident, and customer loss of trust, with a significant impact on reputation.	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. To strengthen its defense capabilities and prevent unauthorized access to information, including personal data, and systems, Atos has deployed an **information security management system which is certified to the ISO 27001 standard.** To prevent and limit the risks of IT system breakdowns or disruptions caused, Atos has deployed a new worldwide awareness training program refreshed in 2020, mandatory for all employees within the Group.

7.2.2.3 Data protection

Enterprise risk	Mitigation actions
In the course of its business, Atos stores and processes large amounts of data for its clients, including sensitive and personally-identifiable information, and is subject to numerous laws and regulations which **protect personal data** in the digital world, such as the European Union General Data Protection Regulation (GDPR). These laws increase in complexity and number and change frequently. Any negligence or breach of the Group's established controls with respect to client or Atos data, could result in unauthorized disclosure of personal data and may subject Atos to reputational harm, significant litigation, customer claims, monetary damages, regulatory enforcement actions, fines and/or criminal prosecution.	**Atos Data Protection policy** is in place and **Atos Binding corporate rules** were adopted. Suppliers and partners are regularly assessed with regards to Atos Privacy policy. Identification of personal data triggers the use of Compliance Assessment of Data Processing (CADP) tool, composed of formal check lists of questions. As general principle, any personal data breach is qualified as a security incident. Therefore, in case of data breach, the Data Protection Officer is invited to be part of the response team in accordance with Atos Data Breach Policy. To prevent and limit the risks of data breach caused by its own employees and to enhance their responsiveness in such cases, Atos has deployed a new **worldwide awareness training program,** mandatory for all employees within the Group.

7.2.3 Operational risks: Delivery quality, customer relationship, and Credit risk/receivables

The IT services provided to customers may be a critical element for the performance of their commercial activities. Often, 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 deteriorated customer relationship (penalty claims or litigations). As a result, the risks related to delivery quality and client relationship are highly important for the Group in terms of impact and likelihood and are therefore proactively and closely monitored.

Below are some of the key risks that Atos manages in this area.

7.2.3.1 Delivery quality

Enterprise risk	Mitigation actions
The **quality of services and products delivered** by the Group may not be at the expected level, including due to reliance on third party products and/or product customization that Atos cannot fully control, or the Group may face significant delays or difficulties in providing the services or the products. If Atos is unable to meet contractual requirements or customer expectations, including due to inadequate assessment of the services that have been agreed to with customers, the Group may be subject to claims or penalties under its contracts, potentially leading to operational losses.	To prevent this from occurring, the Group seeks to minimize the risks related to the delivery quality through **rigorous review processes** (including a technical and delivery assessment of the solution) right from the offer stage. A dedicated process is in place, called Atos Rainbow (further detailed in section 7.1.2) under which 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 and allowing proper risk management. To allow a higher productivity while securing a good level of delivery quality, Atos has built up a **framework for automation.** More and more use cases are now assessed, developed, and implemented.

7.2.3.2 Customer relationship

Enterprise risk	Mitigation actions
In case delivery quality would not be correctly managed, there is a risk that **customer relationships** could be harmed, which might result in claims, penalties, recovery costs, deterioration of customer loyalty, failed renewals and lack of up-selling opportunities.	Since 2018, Group Quality department is running a diagnostic on Net Promoter Score (NPS) downturn to understand the root causes and address them specifically if applicable. This enabled a recovery of the NPS. To further strengthen Atos's operational excellence, a **Group contract management program** is deployed on major accounts to globalize and homogenize contract management activities, **combining legal risk assessment, contractual obligations, and performance management.** Taskforces are also set up in the event of delivery issues, aimed at responding quickly and adequately to such challenges.

7.2.3.3 Credit risk/receivables

Enterprise risk	Mitigation actions
In the context of current pandemic and degraded economic environment, there is an increased risk of default (or other failure to perform) of debtors or other counterparties, which may result in non-recoverable receivables or increased collection costs, which could adversely affect the Group's cash flow and financial position.	The collection of outstanding clients' receivables is closely monitored and tracked by the teams in the RBUs, the Industries, and the Finance function. This management process was strengthened following the beginning of the Covid-19 outbreak in the first quarter of 2020. Appropriate measures are undertaken on a case by case basis. In the bidding phase, more focus is allocated to securing payments and improved payment terms.

7.2.4 Go-to-Market risks: Market environment, innovation and customer digital transformation

7.2.4.1 Market environment

Enterprise risk	Mitigation actions
The activity of the Group is dependent on the demand **fluctuation in the different markets of our clients.** Volatile, negative, or uncertain economic conditions and patterns of economic growth in the markets we serve could adversely affect client demand for our services and solutions. As a result, clients may reduce or defer their spending under existing contracts with the Group or on new initiatives and technologies, which may negatively affect the Group's business and results. Uncertain and volatile economic conditions may also make it more difficult for Atos to accurately forecast client demand and allocate resources effectively.	The overall market risk is mitigated by the balanced industry and geographic coverage of the Group's activity. In an increasingly global market, Atos organization is naturally facing some degree of competitive risk. Atos is performing periodically **a review of the different markets to plan and adapt its activities.** This is further detailed in section of the Group Overview "Market sizing and competitive landscape" and new expected position of Atos. Atos believes its **verticalized Industry-led organization** will contribute, through an **increased client centricity** and intimacy, to better manage client relationship and to seize opportunities to answer evolving customer preferences through cross-selling and thanks to a fully adapted portfolio of technology services and solutions.

7.2.4.2 Innovation and Customer digital transformation

Enterprise risk	Mitigation actions
In a context of rapid technological evolution, accelerated digital shockwaves, rapid business transformation and emergence of offers on the market, there is a risk for Atos to miss technological shifts or to neglect business model disruptions. The Company's success in supporting the **clients' digital transformation** depends on its capacity to explore new ideas and concepts and to protect its **innovation** against infringement, and on its freedom to innovate. The Group also relies upon adequate definition and readiness of its offerings and adequacy of the overall solutions portfolio. The Company could be materially adversely impacted if it fails in any of these domains as it could result in the loss of opportunities, the inability to compete, and may impede access to more profitable or Growing Markets.	In this domain, Atos has deployed a **proactive strategy** under the supervision of the Chief Technology Officer, which involves a Scientific Community looking ahead for future trends, and a network of recognized "Experts". The R&D Investment Committee oversees the **global R&D roadmap** and a specific risk assessment process (named "RAPID") has been setup to approve and follow R&D investments. According to this strategy, Atos is addressing such risks by developing and managing its intellectual property (IP) and related rights consisting in patents, copyrights, trademarks, and trade secrets, to protect its innovation and its freedom to innovate against any third party. To better adapt to customer demand, solutions have been defined per Industry and are pushed throughout the organization by subject matter experts and business developers. Regular coaching sessions are undertaken to maintain the adequate level of knowledge.

7.2.5 Growing Risks

Those are risks with a potential material impact in the mid-term considering their fast evolution.

7.2.5.1 Regulation and compliance

Enterprise risk	Mitigation actions
Due to its business model delivering IT products and services throughout the world, Atos is subject to a wide array of stringent regulations, particularly in the following fields: competition law, corruption, controls on exports of dual-use goods, human rights, international sanctions, fraud, intellectual property, taxation, harassment and discrimination. As a result of the surge of **local and global changes in laws and regulations** in multiple areas, implying changes in systems and organizations, the Company could be materially affected if it fails to timely comply with them and may be subject to claims, investigations, sanctions, fines or other penalties. Significant sanctions could notably result in being excluded from public tenders and/or termination of public contracts.	To tackle Compliance risks, Atos's senior management promotes a strong culture of Ethics & Compliance. Atos relies on a four-stage risk management cycle, consisting of risk identification and assessment, prevention, detection, and monitoring, thus enabling a **continuous improvement cycle encapsulated in a dedicated Compliance program.** Preventive measures include the **Code of Ethics** that provides guidance on behaviors expected from all stakeholders, internal policies such as the **Global Ethics & Compliance policy** (operational and organizational guide), training and awareness program, as well as due diligence processes on third parties before signing contracts. Detection measures include the **Group Alert system,** as well as first level Compliance controls. Further detail on mitigation actions is available in section 5.4.6

7.2.5.2 Environmental impact

Enterprise risk	Mitigation actions
The environmental risk is two-fold: the impact of our business on the environment and the impact of increasing environmental change and related regulation on the business. Consequently, Atos's main global external environmental risks relate to climate change **(adaptation of changes in regulations),** to **natural disasters** (more frequent and extreme natural events) and to **energy and carbon emissions** (new constraints, new limits, new taxes). If the Group is unable to manage these risks and to adapt to changes in environmental regulation, it could have an adverse effect on the Group's business.	The Group's main potential impacts, risks and opportunities are regularly evaluated through specific work and activities. Given Atos's core business, its most significant impacts relate to energy, travel, greenhouse gases and digital services, solutions, and technologies. Atos has committed to reducing its global impact and, as invited by the European Commission or the Task Force on Climate-related Financial Disclosures (TCFD), has also undertaken to better assess, anticipate and mitigate future changes. Further detail on mitigation actions is available in section 5.2.

7.2.6 Risks related to the qualification for limitation of scope issued by the statutory auditors relating to two US subsidiaries

Enterprise risk	Mitigation actions
As part of their audit of the 2020 consolidated financial statements, the Group statutory auditors have identified in two US subsidiaries (Atos IT Solutions and Services Inc. and Atos IT Outsourcing Services LLC, which represent 11% of 2020 consolidated revenues), several matters relating to internal control weaknesses over financial reporting process and revenue recognition in accordance with IFRS 15 leading to several accounting errors, as well as risk of override of controls in this respect. Despite additional audit procedures, the statutory auditors were not able to perform within the timeframe the necessary work to obtain sufficient appropriate audit evidence in respect of revenue recognition or other related account balances of these two US entities and on the absence of material misstatements for the consolidated financial statements. In this context, the statutory auditors have issued a qualified opinion due to a limitation on the scope of the audit, which is included in their report on the consolidated financial statements for the year ended December 31, 2020 available in section 6.1.1 of this document. As of today, the Company has not identified misstatements on the two US entities that are material for the consolidated financial statements. However, additional work is ongoing to obtain sufficient appropriate audit evidence in respect of revenue recognition or other related account balances of these two US entities. It cannot be excluded that, as part of this additional work, misstatements are identified that could be material for the consolidated financial statements. In addition, this situation and its consequences could reveal human deficiencies in the application of the Group's accounting standards and financial procedures and give rise to proceedings or investigations, in France or abroad.	The Group's financial processes are subject to a rigorous internal control system relating to accounting and financial information, as described in section 7.4.4 of this document. As soon as the Group became aware of potential internal control weaknesses, it hired external firms to perform additional work to obtain the necessary evidence that the financial reporting of the two relevant US entities is free of material misstatements and an independent forensic investigation. To address the weaknesses identified, the Group Finance Department has also defined a comprehensive action plan notably including the strengthening of preventive controls and processes, an update of the Group Accounting Manual, a reinforcement of the dedicated teams, an upgrade of the training programs, in particular in the context of the rollout of the new version of the Group Code of Ethics, as well as the setting up of dedicated training modules. The implementation of this comprehensive action plan by the Group management will regularly and closely be monitored by the Audit Committee and its Chairman. The action plan could be enriched during its implementation phase, notably thanks to the continuous exchanges with the Group statutory auditors and to the additional ongoing work.

7.3 Claims and litigation

The Atos Group is a global business operating in some 71 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.

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. 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.

Due to the deconsolidation of Worldline, Worldline's claims and litigations have been removed and are no longer supervised by the Group. However, in the context of their Global Alliance, Atos and Worldline have agreed to cooperate in the management of current and future litigations involving both groups by coordinating their respective Legal departments.

During the second half-year of 2020 the Group has successfully put an end to several significant litigations through settlements agreements.

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 31st, 2020 to cover for the identified claims and litigations, added up to € 34.7 million (including tax and commercial claims but excluding labor claims).

7.3.1 Risks relating to the Covid-19 pandemic

The Covid-19 pandemic generated the need to handle the risks related to potential commercial and labor claims.

In order to properly address those risks, a Global Crisis Committee was set up, as well as a specific Crisis Committee at Legal Excom Level. The Global Crisis Committee meeting took place 3 times per week at the peak of the crisis and it had the purpose of coordinating Atos' reaction to the Covid emergency.

The Legal department's coordinated efforts allowed for the elaboration of templates (e.g. letters, clauses, documents, recommendations) and the constant follow-up of specific cases. In addition, a check-list was implemented to analyze all the major and at-risk contracts. The Legal department also supported the Delivery, Business and Communication departments.

All instructions and recommendations were based on the synchronized work done by the Legal department, the Global Crisis Committee and based on legal advice provided by external counsels.

7.3.2 Tax claims

The Group is involved in a number of routine tax claims, audits and litigations. Such claims are usually solved through administrative non-contentious proceedings.

Some of the tax 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 Stamp Duty re-imbursement. Following a judgement of the European Justice Court, Atos UK commenced proceedings in 2009 to recover a stamp duty paid in 2000 of an amount over € 10 million. The Stamp Duty aspect of the claim was won in 2012. Regarding the time limit rule a favorable judgment was obtained in April 2017. Atos UK is now waiting for the outcome of the HMRC's request for appeal in the test case.

The total provision for tax claims, as inscribed in the consolidated accounts closed as at December 31, 2020 was € 23 million.

7.3.3 Commercial claims

There are a small number of commercial claims across the Group.

Significant commercial cases have been closed this semester.

There is a number of significant on-going commercial cases in various jurisdictions that the Group has integrated as a result of several acquisitions, the latest one being a litigation inherited from Syntel.

On October 27, 2020, a jury in the United States District Court for the Southern District of New York found Syntel, now part of Atos, liable for trade secret misappropriation and copyright infringement and specified an amount of damages due to Cognizant and its subsidiary TriZetto of approximately $ 855 million in damages. The case started in 2015 between Syntel and TriZetto and predated the 2018 acquisition of Syntel by Atos.

Atos has already filed a motion challenging the validity of TriZetto's claims and has also filed a further motion to overturn the verdict. These motions will be decided by the Judge presiding over the case. If these motions were denied, Atos would have the right to appeal. Atos considers that the jury's verdict is not supported by the evidence presented during the trial or the applicable law. In addition, Atos considers the amount of damages grossly out of proportion to the acts complained of.

As Atos argued at trial, the maximum amount of damages legally available to TriZetto in this case is approximately $ 8.5 million. Atos confirms this position.

Previously, the Group and Siemens signed two settlements agreements covering the Unify cases on one hand and the Siemens IT Solutions et Services cases on the other hand. Further to the signature of these agreements, the Group is confident that it has obtained a satisfactory coverage for the residual risks associated with the acquisition of Unify.

The total provision for commercial claim risks, as inscribed in the consolidated accounts closed as at December 31, 2020, amounts to € 11.7 million.

7.3.4 Labor claims

There are close to 105,000 employees in the Group and relatively few labor claims. In almost every jurisdiction 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 or inflated and typical for companies operating in this region.

The Group is respondent in a few labor claims of higher value, but in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

All of the claims exceeding € 300,000 have been provisioned for an overall amount of € 6 million as inscribed in the consolidated financial statements as at December 31st, 2020.

7.3.5 Representation & Warranty claims

The Group is a party to a very small number of representation & warranty claims arising out of acquisitions/disposals.

7.3.6 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.

7.4 Internal control

The internal control system whose definition is stated in section 7.4.1 below and designed within Atos relies on the internal control reference framework prescribed by the AMF (Autorité des Marchés Financiers).

Internal control players are described in section 7.4.2.

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 7.4.3. Specific attention has been given to the internal control system relating to accounting and financial information – section 7.4.4, in compliance with the application guide of the AMF.

7.4.1 Internal control definition and objectives

The Internal control system designed throughout the Group aims to ensure:

- compliance with applicable laws and regulations;
- application of instructions and directional guidelines set by general management;
- correct functioning of the Company's internal processes to establish operational effectiveness and efficiency, the safeguarding of assets and the reliability of financial information.

One of the objectives of internal control procedures is to prevent and control risks of error and fraud.

As for any internal control system, this mechanism can only provide reasonable assurance and not an absolute guarantee against these risks.

7.4.2 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 and business information and stays informed about the proper implementation of the Internal Control System.

Group Management Committee (GMC)

The Group Management Committee leads the operational performance of the Group. As part of its role, it oversees the definition of the framework of the internal control system.

Management at different levels, is responsible for implementing and monitoring the internal control system within their respective areas of responsibility.

Internal control & ERM (enterprise risk management)

Internal control & ERM function is to ensure the development and the coordination of the internal control system, like the implementation of the Book of Internal Control (BIC) and its continuous monitoring and improvement within the Group. Internal control & ERM also runs the Enterprise Risk assessment in coordination with Global Functions, Operations and Business Units.

Internal control relies on internal control managers and internal control coordinators in each Global Function and Business Unit who 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 is validated by the CEO. The Audit Committee also receives regular reports on the Internal Audit work plan, objectives of assignments, and associated results and findings.

In 2020, Group Internal Audit department confirms its certification by the French Institute for Internal Audit. This accreditation attests the quality of the Internal Audit (IA) function, the level of compliance with international standards and IA's degree of control over key challenges.

7.4.3 Components of the internal control system

A – Governance/control environment

The organization, competencies, policies (methods, procedures and practices) and systems 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 (Regional Business Units, Industries, Global Operations) and Functional Management (Support Functions). This matrix structure allows a dual view on all operations and therefore enhances the control environment.

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 approved by the Board of Directors and rolled-out under the supervision of the Group Legal & Compliance department;
- segregation of Duties: The segregation of duties (SOD) policy is defining accountability for implementing and monitoring organizational and technical measures proportionate to the risks of errors or fraud. A tool is used to perform automatic assessments of those rules in the main systems.

Compliance coordination: Compliance is managed by a team placed under the responsibility of the Group General Counsel, to ensure that the organizations, processes, and activities effectively support the compliance policy of Atos.

Competencies: 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.

Policies and procedures: Policies and procedures contribute to an appropriate control environment: Main ones are gathered in the Book of Internal Policies and stored in a common repository. They include among other, Code of Ethics (further described in the section 5.4.6 –Ethics and Compliance Program), Data protection, Payments & Treasury Security Rules, Investment Committee, Security Policy.

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), Sales Operations (account planning, customer relationship management), 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 Industry and by 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 almost all countries of the Group except recently acquired entities, 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 (Operational, Geographical and Industry axis).

Formal information reporting lines have been defined, following the operational and the functional structures. This formal reporting, based on standard formats, concerns financial and non-financial information as well as operational risks (through Risk Management Committees), treasury (with Payments and Treasury Security Committee), or financial structuring (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 are in place for risk management, as described in section [7.1 –Risk management activities] of this document.

D – Control activities

Atos key control activities are described in the Book of Internal Control (BIC) on the basis of main risks identified. This document, sent out to all entities, complements the different procedures by addressing the key control objectives of each process to achieve an appropriate level of internal control.

It covers the financial processes, but also the various operational processes (Opportunity to Order, Order to Cash, Offering Lifecycle, HR management, Asset Lifecycle) and Risk & Compliance activities (Security, Legal, Sustainability).

An updated version of the Book of Internal Control has been released and distributed throughout the Group in July 2020, to consider additional controls and some improvements in various processes. This framework will continue to evolve, according to growing maturity of processes and emerging risks (update at least once a year).

An IT control framework (part of the BIC) has been defined, detailing control activities related to client service. This framework is used to issue "ISAE 3402" reports[1] for several Atos clients.

E – Monitoring

Monitoring of the internal control system is the responsibility of the Group and local management and is also supported by Internal Audit missions.

Control testing (evidence based) are performed by the Functions and the Operations within the RBUs/Countries and are 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 defines, in partnership with Group and local management, action plans for continuously improving internal control processes.

In 2020, Internal Audit carried out a total of 12 audit assignments (including investigations and adhoc engagements at the request of general management) assessing the functioning of the internal control system: 10 in the domain of business and support functions and 2 related to IT and Operations. All assignments have been finalized by the issuance of an audit report including action plans to be implemented by the related units or country.

Twice a year, a full review of open recommendations is performed by Internal Audit with concerned owners, and critical, high & medium risk actions are reported up to the Group Management Committee and Audit Committee. For the year 2020, 97% of high and medium audit recommendations have been implemented in the due semester.

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.

1 *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.*

7.4.4 Systems related to accounting and financial information

The financial governance of the Group supports a set of global financial processes, which are part of the Group Internal Control system and are carefully monitored due to their sensitive nature:

- finance processes: general accounting, budgeting and forecasting, 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 twice a month and are chaired by the Group CFO:

- the Finance Leadership Team meeting (FLT) comprises CFOs from the Regional Business Units, Product Houses, and the Industries; Global Operations and Global Delivery Centers CFO; Atos|Syntel CFO; Corporate CFO and Group Consolidation, Accounting & Tax; the Group Heads of Treasury, Controlling & Reporting, Risk & Rainbow, Finance Internal Control, Finance Transformation and Sales Operations (and other Directors according to the agenda). It covers all relevant topics across the Global Finance organization;
- the Central Finance Team (CFT) is composed of the Heads of the main functions within the Finance organization. This Committee addresses cross functional subjects critical to the Group.

A direct reporting line to the Group Finance Function, as it is the case for the other support functions, reinforces the integration of the financial function, contributes to the full alignment of key finance processes and provides an appropriate support to operational entities of the Group.

The Group Finance department oversees the financial processes, especially through financial consolidation, monitoring of compliance matters and supplying expertise and control of the reported financial information.

In light of the internal control weaknesses reported, the Finance function has started to implement a comprehensive program to strengthen the competencies and processes in the US and also to further strengthen the preventive control across the Group.

B – Group Finance policies & procedures

Group Finance has drawn up a number of Group policies and procedures to control how financial information is recorded and processed in the subsidiaries. These policies and procedures are discussed with the statutory external auditors before issuance. They cover a number of elements:

- financial accounting policies cover Group reporting and accounting principles, guidelines on how financial information must be prepared, with common presentation and valuation standards. They also specify the accounting principles to be followed by Atos entities to prepare budgets, forecasts and submit actual financial reporting required for Group consolidation purposes. Group Reporting Definitions (GRDs), internal guidelines for IFRS and accounting rules applicable in the Operations, are regularly updated;
- training and information sessions are organized regularly to disseminate these policies and procedures within the Group. A dedicated Intranet site is accessible to all accounting staff to facilitate the sharing of knowledge and issues raised by members of the Atos financial community;
- instructions and timetable: Financial reporting including budgets, forecasts and financial statements by subsidiary is performed in a standard format and within a timetable defined by specific instructions and procedures. Group Finance liaises with statutory auditors to coordinate the annual and half-year closing process.

C – Information systems

Information systems play a key role in the establishment and maintenance of a control system related to accounting and financial information. They have led to strongly structure the processes and have enabled automated preventive controls. They also provide ongoing monitoring and analysis capabilities.

An integrated ERP system supports the production of accounting and financial information in almost all the subsidiaries within the Group. Recently acquired entities are progressively migrated onto the standard ERP.

A single group reporting, and consolidation tool is used for financial reporting (operational management reporting and statutory data). Each subsidiary reports its financial statements on a standalone basis to be consolidated at Group level. There is no intermediary consolidation level and all accounting entries linked to the Group consolidation remain under the direct control of Group Finance. Off balance sheet commitments are reported as part of the mainstream financial information and are reviewed 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 all applicable policies, rules and instructions.

The Closing File (which is closely linked with the Book of Internal Control) has been deployed at local level across all RBUs. It requires the main subsidiaries to complete a standard electronic closing file on a quarterly basis to formalize key internal controls performed over financial cycles and provide appropriate back up to support 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 forecasts.

Operational and financial reviews: Group Controlling supports Operations and general management in the decision-making process through monthly reviews and by establishing a strong link with country and industry management in performing financial analysis and monitoring, enhancing control over operations and improving the accuracy and reliability of information reported to the Group.

7.4.5 Outlook and related new procedures to be implemented

In 2021, 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, for the internal control improvement plan, the finance department is committed to reinforce the first and second lines of defense by enforcing stringent procedures across the group. Recently acquired entities will also be integrated in the 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 review program updated following the most recent risk assessment performed, and the follow-up of the implementation of its recommendations.

8

Commun Stock Evolution and Performance

[GRI 102-16]

8.1 Basic data

8.1.1 Information on stock trading

The Company's shares have been admitted to trading on the Euronext Paris regulated market (Compartment A) since 1995, under ISIN code FR0000051732. Atos SE shares are eligible for SRD and PEA. The Company's shares have been included in the CAC 40, the main share index published by Euronext Paris, since March 20, 2017.

The main tickers are:

Source	Tickers
Euronext	ATO
AFP	ATO
Bloomberg	ATO FP
Reuters	ATOS PA
Thomson	ATO FR

The Euronext sector classification is as follows:

Euronext : classification sectorielle ICB	
Industry	9000, Technology
Supersector	9500, Technology
Sector	9530, Software and Computer Services
Subsector	9533, Computer Services

8.1.2 Free Float

Atos updated its level of free float following the expiration, on September 30, 2020, of the lock-up commitment pursuant to the Lock-up Agreement between Atos SE and Siemens Pension-Trust e.V. (SPT). Considering that SPT acts independently with regard to its status, and is not legally controlled by Siemens AG, the 12,483,153 Atos shares owned by SPT, which represented 11.3% of Atos' share capital as of December 31, 2020, were included in the free float. Stakes owned by the employees and the management as well as treasury shares, are excluded from the free float.

As of December 31, 2020	Shares	% of share capital	% of voting rights
Employees	2,445,817	2,2%	2,2%
Board of Directors	89,442	0,1%	0,1%
Treasury stock	53,265	-	-
Free float	107,404,642	97,6%	97,6%
TOTAL	**109,993,166**	**100,0%**	**100,0%**

8.2 Stock ownership

Principal changes in the ownership of the Company's shares in the past three years have been as follows:

	December 31, 2020		December 31, 2019		December 31, 2018	
	Shares	%	Share	%	Shares	%
Siemens Pension-Trust e.v.	12,483,153	11.3%	12,483,153	11.4%	12,483,153	11.7%
Employees	2,445,817	2.2%	1,520,828	1.4%	1,156,732	1.1%
Board of Directors	89,442	0.1%	54,493	0.1%	517,054	0.5%
Treasury Stock	53,265	-	582,204[1]	0.5%	54,842	0.1%
Others[2]	94,921,489	86.3%	94,574,236	86.6%	92,674,438	86.7%
TOTAL	**109,993,166**	**100.0%**	**109,214,914**	**100.0%**	**106,886,219**	**100.0%**

1 Including 540,266 shares to be effectively delivered to LTI beneficiaries on January 2, 2020.
2 Includes all shareholders holding less than 5% of the share capital.

The Company's shares which are owned by employees are managed by Group mutual funds (FCPE) or held in direct shareholding. The Supervisory Boards of the Group mutual funds exercise the voting rights attached to the securities held within the funds. As at December 31, 2020, the shareholding of current and former Atos Group employees into Atos SE represented an overall 2.2% of the share capital.

As at December 31, 2020, no other shareholder had disclosed a shareholding of more than 5% of the Company's share capital.

The treasury stock evolution is described below in section ***8.7.6 Treasury stock and liquidity contract***.

The threshold crossings which were disclosed in 2020 are described in section ***8.7.3 Threshold crossings***.

8.3 Dividend policy

[GRI 201-1]

The Group intends to pursue its current policy in line with the pay-out ratio between 25% and 30% of Net income Group share.

In 2020, considering the Covid-19 crisis, the Company intended to act responsibly and spread the efforts requested across all its stakeholders. As a result, the Board of Directors decided on April 21, 2020 to withdraw its proposal to pay a dividend and therefore the related option to receive the dividend in shares at the Annual General Meeting held on June 16, 2020.

The Company confirmed that the cancellation of the dividend in 2020 was an exception to its dividend policy.

During its meeting held on February 17, 2021, the Board of Directors decided to propose to the next Annual General Meeting a dividend in 2021 on the 2020 results of € 0.90 per share. The ordinary dividend would be paid in May 2021.

During the past three fiscal periods, Atos SE paid the following dividends:

Fiscal period	Amount of the dividend
Distribution for the 2019 financial year	N/A
Dividend 2018 (paid in 2019)	€ 1.70
Dividend 2017 (paid in 2018)	€ 1.70

8.4 Shareholder documentation

In addition to the Universal Registration Document, which is published in English and French, the following information is available to shareholders:

- a half-year report;
- quarterly revenue and operational reviews;
- regular press releases, regulated information and general Group's information, available through the Atos website at atos.net.

8.5 Financial calendar

April 20, 2021	First quarter 2021 revenue
May 12, 2021	Annual General Meeting
July 28, 2021	First half 2021 results
October 21, 2021	Third quarter 2021 revenue

8.6 Contacts

[GRI 102-53]

Institutional investors, financial analysts as well as individual shareholders can contact:

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8.7 Common stock

8.7.1 At December 31, 2020

As at December 31, 2020, the Company's issued common stock amounted to ca. € 110 million, divided into 109,993,166 fully paid-up shares of € 1.00 par value each.

Compared to December 31, 2019, the share capital was increased by the issuance of 778,252 new shares resulting from a capital increase reserved to the employees.

8.7.2 Over the 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)		
2016	Exercise of stock options	04/08/2016	240,301	103,759,543	0.3	12.9	103.8
	Payment of the dividend in shares	06/22/2016	892,830	104,652,373	0.9	65.6	104.7
	Exercise of stock options	06/30/2016	107,260	104,759,633	0.1	3.8	104.8
	Exercise of stock options	10/07/2016	115,904	104,875,537	0.1	3.7	104.9
	Exercice of stock options	12/31/2016	33,142	104,908,679	0.0	1.1	104.9
2017	Capital increase reserved to employees[1]	02/17/2017	294,965	105,203,644	0.3	22.1	105.2
	Exercise of stock options	04/01/2017	107,922	105,311,566	0.1	3.4	105.3
	Exercise of stock options	06/30/2017	57,402	105,368,968	0.0	1.8	105.3
	Exercise of stock options	09/30/2017	14,876	105,383,844	0.0	0.4	105.3
	Exercise of stock options	12/31/2017	61,505	105,445,349	0.1	1.8	105.4
2018	Exercise of stock options	03/31/2018	153,130	105,598,479	0.2	4.9	105.6
	Payment of the dividend in shares	06/21/2018	1,063,666	106,662,145	1.1	110.7	106.7
	Exercise of stock options	06/30/2018	222,074	106,884,219	0.2	6.5	106.9
	Exercise of stock options	12/31/2018	2,000	106,886,219	0.0	0.1	106.9
2019	Capital increase reserved to employees[2]	02/28/2019	263,518	107,149,737	0.3	15.4	107.2
	Exercise of stock options	03/31/2019	5,667	107,155,404	0.0	0.3	107.2
	Payment of the dividend in shares	05/27/2019	2,039,710	109,195,114	2.0	124.5	109.2
	Exercise of stock options	06/30/2019	19,800	109,214,914	0.0	0.8	109.2
2020	Capital increase reserved to employees[3]	07/31/2020	778,252	109,993,166	0.7	36.9	109.9

1 Under the 19th resolution of the Annual General Meeting of May 26, 2016.
2 Under the 20th resolution of the Annual General Meeting of May 24, 2018.
3 Under the 20th resolution of the Annual General Meeting of April 30, 2019.

8.7.3 Threshold crossings

The Group has not been informed of any statutory thresholds' crossings for the period between January 1, 2020 to December 31, 2020.

8.7.4 Voting rights

Voting rights are in the same proportion as shares held except for treasury shares which do not carry any voting right. No shares carry double voting rights.

8.7.5 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 (the "Lock-Up Agreement"). This lock-up commitment was extended to September 30, 2020, pursuant to an amendment to the Lock-Up Agreement entered into on October 30, 2015 between Siemens AG, the Company and Siemens Beteiligungen Inland GmbH, in the context of the strengthening of the alliance between both Siemens and Atos. Under this agreement, Siemens nevertheless retained the possibility, as from July 1, 2016, to transfer its shareholding in the Company to two Siemens employees pension funds named Siemens Pension Trust e.V. and BSAV-Trust e.V., provided that such pension trust agree to abide by the terms and conditions of the Lock-Up Agreement, and that when exercising the right to suggest a representative to be elected to the Atos Board of Directors, it shall always suggest an active member of the Management Board of Siemens.

On March 27, 2018, in connection with the financing by Siemens AG of a pension plan, Siemens AG transferred, off the market, the entirety of its shareholding in the Company, i.e. 12,483,153 Atos SE shares, to Siemens Pension-Trust e.V. In connection with the above-mentioned transfer of shares, Siemens Pension Trust e.V. executed a Joinder Agreement on March 23, 2018 under which Siemens Pension Trust e.V. agreed to be bound by the terms and conditions of the Lock-Up Agreement, as mentioned hereabove. Following the expiration on September 30, 2020 of the lock-up commitment pursuant to the Lock-Up Agreement, considering that Siemens Pension-Trust e-V. acts independently with regard to its status, and is not legally controlled by Siemens AG, the 12,483,153 Company shares owned by Siemens Pension Trust-e.V. are included in the free float.

The Company has not received notice of any other shareholder agreements for filing with the stock exchange authorities and, to the best knowledge of the Company, no "action de concert" or similar agreements exists.

The Group's shares which are owned by employees are mainly managed by Group mutual funds (FCPE). The Supervisory Boards of the group mutual funds exercise the voting rights attached to the securities held within the funds. As per the rules of the Group mutual fund (FCPE), Atos Stock Plan, the Supervisory Board decides on the contribution of shares in case of public offer (purchase or exchange). The Supervisory Board decides on any merger, spin-off and liquidation of any compartment of the fund and approves certain modifications to the rules of the fund. As at December 31, 2020, the shareholding of current and former Atos Group employees into Atos SE represented an overall 2.2% of the share capital.

To the Company's knowledge, there is no agreement capable of having a material effect, in case of public offer on the share capital of the Company.

8.7.6 Treasury stock and liquidity contract

Treasury Stock

As at December 31, 2020, the Company owned 53,265 Atos SE shares which amounted to less than 0.1% of the share capital with a portfolio value of € 3,983,156.70, based on December 31, 2020 market price, and with book value of € 4,048,773.69. These shares were purchased in the context of share buyback program and are intended to be delivered to beneficiaries of performance shares plans, share purchase plans or other long term incentive plans.

The Company proceeded to the purchase of:

- 215,000 shares from March 23, 2020 to March 24, 2020 as part of a mandate given to a financial intermediary as announced by the Group on March, 23, 2020;
- 445,000 shares from June 24, 2020 to June 30, 2020, as part of a mandate given to a financial intermediary as announced by the Group on June 24, 2020.

From January 1, 2020 to December 31, 2020 the Company transferred 1,188,939 shares of the Company to beneficiaries of long term incentive plans.

Liquidity Contract

Atos and Rothschild Martin Maurel entered into a liquidity contract on February 14, 2019, effective as from January 1, 2019.

This contract has been concluded following changes to the regulation applicable to liquidity contracts and is compliant with the AMF decision n° 2018-01 dated July 2, 2018 (the "AMF Decision"), effective since January 1, 2019.

The trading platform on which trades under the liquidity contract are made is Euronext Paris.

Pursuant to its provisions, situations or conditions leading to the suspension or termination of the liquidity contract are the following:

- the performance of the liquidity contract is suspended in the conditions set forth in article 5 of the AMF Decision;
- it can be suspended at Atos' request for technical reasons, such as the counting of shares benefiting from voting rights before a General Meeting or the counting of shares benefiting from a dividend before the ex-dividend date, and for a period of time specified by Atos.

The liquidity contract may be terminated at any time and without notice by Atos or by Rothschild Martin Maurel, subject to a one-month prior notice.

The transactions carried out in 2020 under the liquidity contract are as follows:

Cumulated gross flows as at December 31, 2020	Cumulative purchases	Cumulated sales
Number of shares	2,910,561	2,910,561
Average Sale/Purchase price	72.7577	72.6358
Total Amount of Purchases/Sales	211,765,707.08	211,410,845.21

Legal Framework

The 22nd resolution of the Annual General Meeting of June 16, 2020 renewed in favor of the Board of Directors, the authorization to trade in the Group's shares, in connection with the implementation of a share buyback program.

These purchases may be carried out:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;
- 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. 225-177 et seq. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 et seq. 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 set 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 the 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 relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital authorized by the General Meeting, in particular pursuant to the 23rd resolution of the Annual General Meeting held on June 16, 2020.

This authorization shall be used at any time except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequent to the 2020 Annual General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit will be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies, or by the issuance of securities giving access to the Company's capital, in compliance with the relevant legal and regulatory provisions.

The maximum purchase price per share may not exceed € 120 (fees excluded).

The Board of Directors may adjust the aforementioned maximum 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 the free allocation of shares, as well as in the event of division of the nominal value of the share or share consolidation or any other transaction on equity, so as to take account of the impact of such transactions on the value of the shares.

As a result, the maximum amount of funds assigned to the share buyback program amounts to € 1,310,578,968 as calculated on the basis of the share capital as at December 31, 2019, 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 18 months as from June 16, 2020.

Description of the share buyback program to be submitted to approval of the next Annual General Meeting

In connection with the share buyback program (and within the limit of 10% of the share capital), it is expected to propose, during the next Annual General Meeting, the renewal of the authorization to purchase shares which was granted during the Annual General Meeting held on June 16, 2020, for 18 months.

In accordance with the AMF General Regulations (articles 241-1 et seq.), this description of the program is aimed at detailing the objectives and the terms and conditions of the new Company's share buyback program which will be subject to the authorization of the next Annual General Meeting.

The aims of this program are:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;
- 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. 225-177 et seq. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 et seq. 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 set 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 the 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 relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital.

This authorization may be used at any time, except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit shall be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales, and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies such as purchases or sales of purchase or sale options, or by the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, exercise of a warrant or any other means to Company shares held by this latter party, and when the Board of Directors or the person acting on the Board of Directors' authority, under conditions laid down in the law, decides in compliance with the relevant legal and regulatory provisions.

The maximum purchase price is set at € 120 (excluding taxes) per share and the number of shares which may be acquired is 10% of the share capital of the Company, at any time, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, theoretically 10,999,316 shares as calculated on the basis of the share capital as at December 31, 2020. The maximum amount of the funds assigned to the share buyback program is € 1,319,917,920, as calculated on the basis of the share capital on December 31, 2020. This maximum amount may be adjusted to take into account the share capital amount on the day of the General Meeting.

As from its authorization by the next Annual General Meeting, this program will be in force for a maximum duration of 18 months.

8.7.7 Potential common stock

Potential dilution

Based on 109,993,166 outstanding shares as of December 31, 2020, the common stock of the Group could be increased by 2,975,762 new shares, representing 2.71% of the common stock before dilution. This dilution could come from the exercise of stock subscription options granted to employees or from the acquisition of performance shares, as follows:

(in shares)	December 31, 2020	December 31, 2019	Change	% dilution
Number of shares outstanding	**109,993,166**	**109,214,914**	**778,252**	
From stock subscription options	162,900	168,900	-6,000	0.15%
From performance shares	2,812,862	2,857,280	-44,418	2.56%
Potential dilution	**2,975,762**	**3,026,180**	**-50,418**	**2.71%**
TOTAL POTENTIAL COMMON STOCK	**112,968,928**	**112,241,094**		

On the total of 162,900 of stock options, no option had a price of exercise lower than € 75 (opening stock price as of December 31, 2020).

Stock options evolution

Number of stock subscription options at December 31, 2019	168,900
Stock subscription options granted in 2020	0
Stock subscription options exercised in 2020	0
Stock subscription canceled or forfeited in 2020	6,000
Number of stock subscription options at December 31, 2020	**162,900**

As of December 31, 2020, no stock options granted by the Group are exercisable. All outstanding stock options are vesting and will be exercisable as from July 24, 2022.

Current authorizations to issue shares and other securities

Pursuant to the resolutions adopted by the Annual General Meetings held on April 30, 2019 and June 16, 2020, the following authorizations to modify the share capital and to issue shares and other securities granted by the General Meeting to the Board of Directors are in force as of December 31, 2020:

Authorization	Authorization amount (value)	Use of the authorizations (par value)	Unused balance (par value)	Authorization expiration date
EGM June 16, 2020 22nd resolution Authorization to buyback the Company shares	10% of the share capital adjusted at any moment	445,000[1]	9.59%	12/16/2021 (18 months)
EGM June 16, 2020 23rd 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	08/16/2022 (26 months)
EGM June 16, 2020 24th resolution Share capital increase with preferential subscription right	32,764,474	0	32,764,474	08/16/2022 (26 months)
EGM June 16, 2020 25th resolution Share capital increase without preferential subscription right by public offer[2 3]	10,921,491	0	10,921,491	08/16/2022 (26 months)
EGM June 16, 2020 26th resolution Share capital increase without preferential subscription right by private placement[2 3]	10,921,491	0	10,921,491	08/16/2022 (26 months)
EGM June 16, 2020 27th resolution Share capital increase without preferential subscription right to remunerate contribution in kind[2 3]	10,921,491	0	10,921,491	08/16/2022 (26 months)
EGM June 16, 2020 28th resolution Increase in the number of securities in case of share capital increase with or without preferential subscription right[2 3 4]	Extension by 15% maximum of the initial issuance	0	Extension by 15% maximum of the initial issuance	08/16/2022 (26 months)
EGM June 16, 2020 29th resolution Share capital increase through incorporation of premiums, reserves, benefits or other	5,111 million	0	5,111 million	08/16/2022 (26 months)
EGM June 16, 2020 30th resolution Capital increase reserved to employees[2]	2,184,298	0	2,184,298	08/16/2022 (26 months)
EGM June 16, 2020 31st resolution Capital increase reserved to operations reserved to employees in certain countries through equivalent and complementary framework[2]	218,429	0	218,429	08/16/2022 (26 months)
EGM June 16, 2020 32nd resolution Authorization to allot free shares to employees and executive officers	982,934	851,960[5]	130,974	08/16/2023 (38 months)
EGM April 30, 2019 22nd resolution Authorization to grant stock options to employees and executive officers	214,315	209,200[6]	5,115	06/30/2021 (26 months)

1 *The purchase of 215,000 shares carried out from March 23, 2020 to March 24, 2020 is not included as it deducted from the amount authorized under the 18th resolution of the Combined General Meeting of April 30, 2019.*

2 *Any share capital increase pursuant to the 25th, 26th, 27th, 28th, 30th and 31st resolutions of the Combined General Meeting of June 16, 2020 shall be deducted from the cap set by the 24th resolution of the Combined General Meeting of June 16, 2020.*

3 *The share capital increases without preferential subscription right carried out pursuant to the 25th, 26th, 27th and 28th resolutions of the Combined General Meeting of June 16, 2020 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 June 16, 2020 (i.e. € 10,921,491). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate sub-cap.*

4 *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 24th resolution of the Combined General Meeting of June 16, 2020, and (iii) in case of share capital increase without preferential subscription rights, the amount of the sub-cap mentioned at 3 here above.*

5 *Initial Grant of 870,630 performance shares on July 24, 2020, among which 18,670 were cancelled.*

6 *Including 46,300 cancelled stock-options*

The number of new authorized shares that may be issued pursuant to the above-mentioned delegations of authority (the 28th and 29th resolutions of the Annual General Meeting held on June 16, 2020 being set aside) amounts to 32,881,894, representing 29.89% of the share capital on December 31, 2020.

8.8 Share trading performance

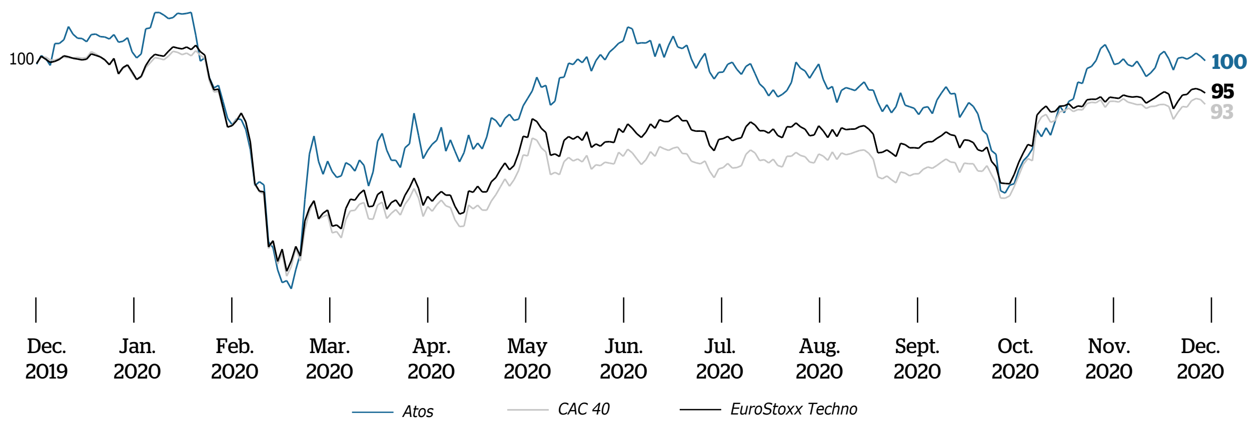
8.8.1 Stock market overview

In a year driven by macroeconomic tensions due to Covid-19, Atos overperformed the European technology stocks and the CAC40 index, supported by its resilient profile and its new shift started in June as part of the 2020 Analyst Day to become the leader in Secure and Decarbonized Digital.

Atos' stock price ended 2020 up +0.6% at € 74.78, compared to the French reference Index CAC 40 at -7.1%.

Atos market capitalization reached € 8,225 million at the end of 2020.

ATOS' SHARE PERFORMANCE IN COMPARISON WITH INDICES (BASE 100 AT DECEMBER 31, 2020)



8.8.2 Key figures

	2020	2019	2018	2017
Highest	81.06	79.24	130.30	135.40
Lowest *(in €)*	45.15	51.71	66.14	97.94
Closing as of 30/12 *(in €)*	74.78	74.32[2]	71.48	121.35
Average daily volume processed on Euronext platform *(in number of shares)*	456,990	475,750	403,600	276,651
Free-float	97.60%	86.60%	86.70%	86.20%
Market capitalization as of 31/12 *(in € million)*	8,225	8,117	7,640	12,796
Enterprise Value as of 31/12[1] *(in € million)*	8,692	9,853	10,512	12,488
EV/revenue	0.8	0.9	0.9	1.0
EV/OMDA	5	5	7	8
EV/OM	9	8	8	10
P/E (year-end stock price ÷ normalized basic EPS)	11.2	9.6	9.3	14.7

1 *Assuming that (Enterprise Value) = (Net Debt) + (Market Capitalization).*
2 *The distribution of 23.5% of Worldline share capital on May 2019 for € 2,344 million, represented € 21.88 per Atos share.*

8.8.3 Market capitalization

Based on a closing share price of € 74.78 on December 31, 2020 and 109,993,166 shares in issue, the market capitalization of the Group at December 31, 2020 was € 8,225 million compared to € 8,117 million at the end of December 2019.

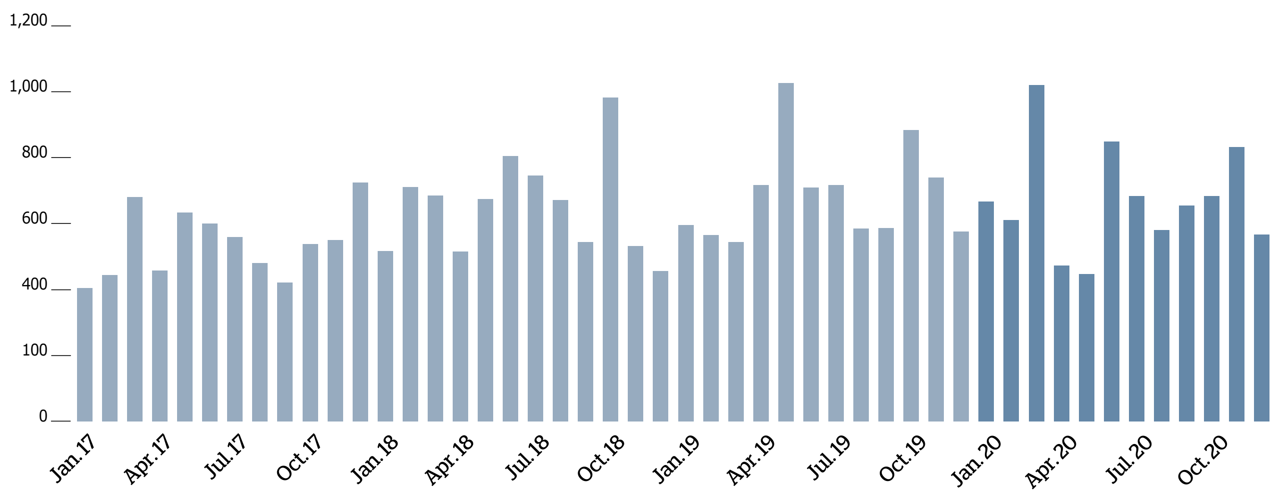
As of December 31, 2020, Atos was ranked 40th within the CAC 40 index, which includes the largest companies by market capitalization on the Paris stock exchange.

8.8.4 Traded volumes

	Trading Volume (Euronext)	
	(in thousands of shares)	*(in € million)*
1st quarter 2020	34,609	2,300,197
2nd quarter 2020	26,180	1,770,119
3rd quarter 2020	26,316	1,920,769
4th quarter 2020	30,342	2,084,099
TOTAL	**117,447**	**8,075,183**

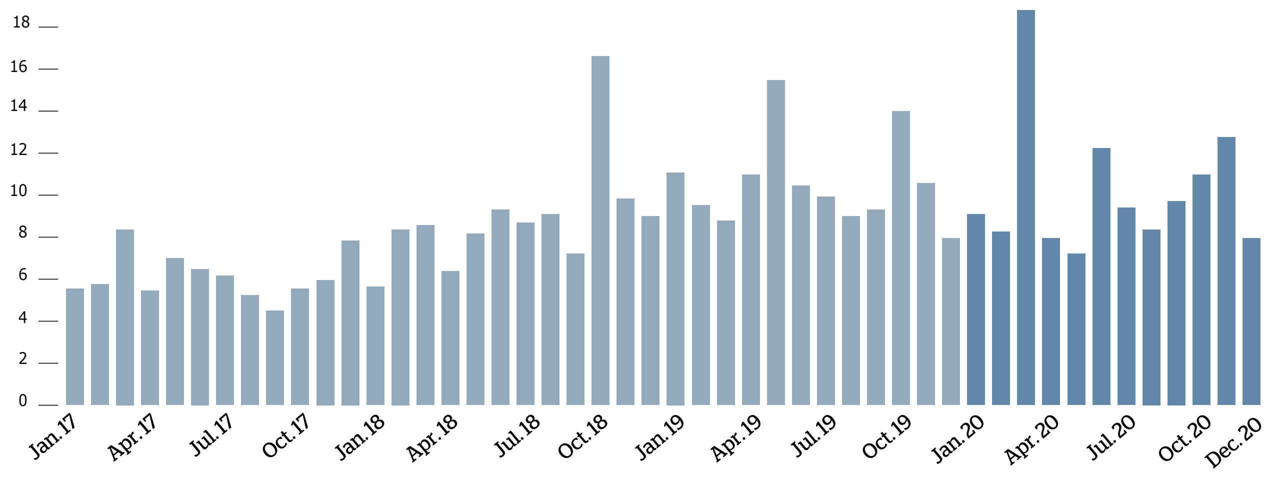
In 2020, the average daily number of shares traded reached 457 thousand on Euronext platforms, compared to 476 thousand in 2019. Regarding trading volumes on Atos SE shares, Euronext platform represented 32% of the total 2020 volumes, compared to 29% in 2019.

MONTHLY TRADING VOLUME (IN € MILLION)*



* *Volumes prior to May 3, 2019 (ex-date) adjusted of the distribution in kind of 2 Worldline shares for 5 Atos shares owned.*

MONTHLY TRADING VOLUME (IN MILLION OF SHARES)*



8.8.5 2020 and subsequent key trading dates

February

On **February 4,** Atos announced that it has completed the sale of ca. 23.9 million Worldline shares, for ca. € 1.5 billion, representing ca.13.1% of the Worldline share capital through a private placement by way of accelerated bookbuilt offering. In case of exchange in full of the outstanding € 500 million zero per cent. Atos bonds exchangeable into Worldline shares due 2024, Atos will no longer hold any Worldline shares.

On **February 4,** Atos announced the completion of its acquisition of Maven Wave, a US-based cloud and technology consulting firm specialized in delivering digital transformation solutions for large enterprises. With this acquisition, Atos reinforces its global leadership in cloud-solutions for applications, data analytics and machine learning in hybrid and multi-cloud platforms.

On **February 19,** Atos announced its Full Year 2019 results. **Revenue** was **€ 11,588 million, +1.4% organically** particularly led by the Cloud performance and Big Data & Cybersecurity. **Operating margin** was **€ 1,190 million,** representing **10.3% of revenue,** compared to 9.8% in 2018 at constant scope and exchange rates. The commercial dynamism of the Group was particularly high in 2019 with **order entry** reaching **€ 12.2 billion,** representing a **book to bill** ratio of **106%** compared to 111% in 2018 at constant rate. During the fourth quarter, the book to bill reached **121%. Net income from continuing operations** was **€ 414 million,** and **Normalized net income from continuing operations** reached **€ 834 million.** Therefore, **basic and diluted EPS** both reached **€ 3.84** and **Normalized basic and diluted EPS** both reached **€ 7.74. Free cash flow** reached **€ 605 million** in 2019 excluding the positive amount of 37 million of one-off items related to the Optional Exchangeable Bonds. **Net debt** was €-**1.7 billion** at the end of 2019 reflecting the free cash flow generated during the year, the sale of Worldline shares in November 2019, the acquisition of IDnomic during the year, the dividends paid in cash and the share buy-back to deliver performance shares.

April

On **April 22,** Atos announced its acquisition of Miner & Kasch, an artificial intelligence (AI) and data science consulting firm headquartered in Elkridge, Maryland that specializes in building intelligent end-to-end, data-driven solutions. With this acquisition, Atos will enhance its big data and AI consulting practice of zData experts to accelerate its Data Science-as-a-Service offering and to deploy edge and next generation data science platforms for industry solutions at a global scale.

On **April 22,** Atos announced the revenue of its first quarter of 2020. Q1 2020 **revenue** was **€ 2,834 million,** down **-0.8% organically.** In the context of Covid-19 crisis and restrictions and lockdowns in March in most of the countries where the Group operates, revenue decreased only slightly thanks to the resilient profile of its businesses based on multi-year contracts combined with its solid business in Big Data & Cybersecurity. Moreover, and in spite of the crisis, the Group accelerated its commercial dynamism with **order entry** at **€ 2,908 million** leading to a **book to bill ratio** of **103%,** significantly up compared to last year at 86%.

** Volumes prior to May 3, 2019 (ex-date) adjusted of the distribution in kind of 2 Worldline shares for 5 Atos shares owned.*

June

On **June 24,** Atos announced that it has signed an agreement to acquire AliA Consulting in France to complement its Energy & Utilities business through its subsidiary Worldgrid. The combination of the two companies will create a leading provider for energy and utility companies delivering state-of-the-art expertise in billing and CRM implementations and solutions. It will strengthen Atos' global industry strategy for the energy and utilities market and position Atos as the #1 SAP and S/4 HANA transformation provider for Utilities in Europe.

On **June 24,** Atos announced an agreement to acquire Paladion, a US-based global provider of Managed Security Services, to strengthen its global cybersecurity services. This acquisition will bring Managed Detection & Response (MDR) capabilities to the Atos portfolio and create the next generation of Atos' Prescriptive Security Operations Center offering.

July

On **July 27,** Atos announced its financial results for the first half of 2020. **Revenue** was **€ 5,627 million,** down **-2.8%** organically. In the context of Covid-19 crisis, Group revenue decreased only slightly thanks to its solid positioning in most of the Industries. **Operating margin** reached **8.0%** of revenue representing **€ 450 million,** down -110 basis points compared to last year. The strong cost actions implemented end of Q1 have partly mitigated the revenue effect. **Order entry** reached **€ 6,280 million,** representing a **book to bill ratio of 112%,** of which 121% in the second quarter. The **full backlog** at the end of June 2020 amounted to **€ 22.5 billion,** compared to € 21.9 billion at the end of December 2019, representing **1.9 year of revenue.** The **full qualified pipeline** was **€ 8.6 billion,** compared to € 7.4 billion at the end of December 2019 and representing **8.8 months of revenue.** Group **free cash flow** during the first half of 2020 was **€-172 million,** compared to €+23 million in the first half of 2019. The variation results mainly from c. €-60 million less Operating Margin before Depreciation and Amortization (OMDA) and from several working capital effects which will be recovered for a large part in the second semester.

On **July 27,** Atos announced that it has entered into exclusive negotiations with shareholders from digital.security with a view to acquiring the Company. digital.security, a subsidiary of Econocom group, is a leading independent player in cybersecurity in France and BeLux. This strategic move will confirm Atos' leading position in cybersecurity services in France with 500 dedicated experts and will also strengthen its number 1 position in Europe.

On **July 27,** Atos announced an agreement to acquire EcoAct, an internationally recognized carbon reduction strategy consulting firm. This acquisition will support Atos' decarbonization ambition by enriching its portfolio of carbon reduction digital solutions, services and strategies to further support its clients at every stage of their journeys towards carbon neutrality.

October

On **October 1,** Atos announced that it has completed the acquisition of EcoAct, an internationally recognized climate strategy consulting firm. EcoAct, with its team of 160 climate experts, and Atos will shape a global Decarbonization Excellence Center with comprehensive delivery capabilities that help organizations succeed in their climate ambitions.

On **October 12,** Atos announced that it has completed the acquisition of Paladion, a US-based global provider of Managed Security Services. As the number 1 in Europe and number 3 worldwide in cybersecurity services, Atos continues to build its cybersecurity potential, notably by welcoming more than 800 Paladion employees and cybersecurity experts.

On **October 13,** Atos announced that it has completed the acquisition of digital.security, a subsidiary of Econocom group and a leading independent player in cybersecurity in France and BeLux. With this acquisition, Atos strengthens its global cybersecurity services and consolidates its leading position in the market.

On **October 22,** Atos announced that it has entered into exclusive negotiations with the shareholders of Edifixio, a French cloud and Salesforce consulting and integration company, to acquire it. The acquisition would further strengthen Atos' position as a leader in Salesforce and Public Cloud services in the French market by bringing experienced consultants to the Atos team.

On **October 22,** Atos announced that it has reached an agreement to acquire SEC Consult Group, a leading international cybersecurity consulting provider. This acquisition will confirm Atos' leading position in cybersecurity services in the DACH (Germany, Austria, Switzerland) region with more than 600 experts and will also strengthen its number 1 position in Europe. For SEC Consult this opens the opportunity to expand into additional markets and to gain a new customer base on a global scale.

On **October 22,** Atos announced that it has reached an agreement to acquire Eagle Creek Software Services (Eagle Creek), a US based technology and management consulting company specialized in Salesforce enterprise implementations for its customers across North America.

On **October 22,** Atos announced its revenue for the third quarter of 2020. **Revenue** was **€ 2,644 million,** up **-3.5% organically.** The improvement compared to the previous quarter (Q2 at -4.8%) mainly came from the strong growth in **Public Sector & Defense** in most of the geographies **Financial Services & Insurance** was supported by a good performance in Southern Europe and Central Europe. **Resources & Services** was impacted by Retail and Transportation in North America. **Manufacturing** stay impacted in Automotive and Aerospace. The Group **order entry** reached **€ 3,277 million** (+20% Year on Year at constant currency), representing a **book to bill ratio** of **124%** (excl. Siemens renewal and expansion signed in September for € 3 billion over 5 years).

On **October 27,** a jury in the United States District Court for the Southern District of New York found Syntel, now part of Atos, liable for trade secret misappropriation and copyright infringement and specified an amount of damages due to Cognizant and its subsidiary TriZetto of approximately $855 million in damages. The case started in 2015 between Syntel and TriZetto and predated the 2018 acquisition of Syntel by Atos.

Atos has already filed a motion challenging the validity of TriZetto's claims and will immediately seek to file a further motion to overturn the verdict. These motions will be decided by the Judge presiding over the case. If these motions were denied, Atos would have the right to appeal. Atos considers that the jury's verdict is not supported by the evidence presented during the trial or the applicable law. In addition, Atos considers the amount of damages grossly out of proportion to the acts complained of.

As Atos argued at trial, the maximum amount of damages legally available to TriZetto in this case is approximately $8.5 million. Atos confirms this position.

November

On **November 16,** Atos launched Atos OneCloud, a unique initiative to pro-actively accelerate its clients' migration to the Cloud through a one-stop shop offering industry specific go-to-market and organization. Atos OneCloud will allow customers to unleash the business potential of Cloud through business processes optimization and application modernization, making them more agile, more mobile, more data driven and more customer centric. Supported by a dedicated c. € 2 billion investment over the next 5 years, Atos OneCloud will be delivered through highly secure and decarbonized, public, private or hybrid Cloud environments.

December

On **December 15,** Atos announced that it has completed the acquisition of Eagle Creek Software Services (Eagle Creek), a US based technology and management consulting company specialized in Salesforce enterprise implementations for its customers.

On **December 16,** Atos announced that it has reached an agreement to acquire Motiv ICT Security, the largest independent Managed Security Services (MSS) provider in the Netherlands. This acquisition will reinforce Atos' position as the 3rd worldwide Managed Security Services provider and expand its capabilities in key areas such as threat detection and response. In addition, Motiv's sovereign Security Operations Center (SOC), independently certified at the highest levels of maturity, will further bolster Atos' extensive network of global SOCs, a pivotal component of the Atos Prescriptive Security approach.

January 2021

On **January 7,** following recent market rumors about a potential transaction involving Atos, the Company confirmed that it had approached DXC Technology concerning a potential friendly transaction between the two groups in order to create a Digital Services Leader benefitting from global scale, talent and innovation.

On **January 12,** Atos announced that it has signed an agreement to acquire In Fidem, a Canada-based specialized cybersecurity consulting firm. This acquisition will reinforce Atos' position as the #3 worldwide cybersecurity services leader and in particular enhance its North America cybersecurity services capabilities by bringing experienced consultants to the Atos team.

On **January 20,** Atos announced that it has completed the acquisition of In Fidem, a Canada-based specialized cybersecurity consulting firm, with expertise in cloud security, digital identity, risk management, security operations, digital forensics and cyber breach response. The operation will expand Atos' global client portfolio and expertise in cybersecurity services and will help to further invest in Canadian businesses and digital workforce, adding value for local customers and the local talent pool.

February 2021

On **February 2,** Further to the statement issued by the Company on January 7, 2021, the Board of Directors of Atos unanimously determined not to pursue a potential transaction with DXC Technology.

On **February 18,** Atos announced its Full Year 2020 results. **Revenue** was **€ 11,181 million,** limited to **-3.0% organically** thanks to the resilient profile of its business model. **Operating margin** was **€ 1,002 million,** representing **9.0% of revenue,** compared to 10.1% in 2019 at constant scope and exchange rates. The commercial dynamism of the Group was particularly high in 2020 with **order entry** reaching **€ 13.3 billion,** representing a **book to bill** ratio of **119%** compared to 106% in 2019 at constant rate. During the fourth quarter, the book to bill reached **130%. Net income** was **€ 550 million,** and **Normalized net income** reached **€ 725 million.** Therefore, **basic and diluted EPS** both reached **€ 5.05** and **Normalized basic and diluted EPS** both reached **€ 6.65. Free cash flow** reached **€ 513 million** compared to € 605 million achieved in 2019 (excluding €+37 million of one-off item related to the OEB). **Net debt** was **€ 467 million** compared to € 1,736 million at the end of 2019. Assuming the full conversion of the OEB, the Group was net debt free as of December 31, 2020.

8.8.5.1 Purchase or sale by the Group of its own shares

The Group purchased or sold its own shares in 2020 as described within the section ***8.7.6 Treasury stock and liquidity contract***. At December 31, 2020, the Group held 53,262 shares as treasury stock.

9 Other Information

9.1 Persons responsible

9.1.1 For the Universal Registration Document

Elie Girard

Chief Executive Officer

9.1.2 For the accuracy of the Universal Registration Document

I hereby declare that the information contained in this universal registration document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I 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.

Elie Girard

Chief Executive Officer

Bezons, April 7, 2021

9.1.3 For the audit

APPOINTMENT AND TERM OF OFFICES

Statutory auditors

Grant Thornton – Virginie Palethorpe
Appointed on: October 31, 1990, then renewed in October 24, 1995, on May 30, 2002, on June 12, 2008, on May 17, 2014, and on June 16, 2020
Term of office expires: at the end of the AGM voting on the 2025 financial statements
Deloitte & Associés – Jean-François Viat
Appointed on: December 16, 1993, renewed on February 24, 2000, on May 23, 2006, on May 30, 2012, and on May 24, 2018
Term of office expires: at the end of the AGM voting on the 2023 financial statements

9.2 Contacts

9.2.1 Global Headquarters

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Public Sector & Defense

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Resources & Services

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9.3 Locations

[GRI 102-3]

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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Europe

Andorra
Austria
Belarus
Belgium
Bosnia
Bulgaria
Croatia
Czech Republic
Denmark
Estonia
Finland
France
Germany
Greece
Hungary
Italy
Ireland
Lithuania
Luxembourg
Poland
Portugal
Romania
Russia
Serbia
Slovakia
Slovenia
Spain
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Switzerland
The Netherlands
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Americas

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Brazil
Canada
Chile
Colombia
Guatemala
Mexico
Peru
Uruguay
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Asia Pacific

Australia
China
Hong Kong
Japan
Malaysia
New-Zealand
Philippines
Singapore
Taiwan
Thailand

India, Middle-East & Africa

Algeria
Benin
Burkina Faso
Egypt
Gabon
India
Israel
Ivory-coast
Kenya
Madagascar
Mali
Mauritius
Morocco
Qatar
Saudi Arabia
Senegal
South Africa
Tunisia
Turkey
United Arab Emirates

9.4 Glossary

Financial terms and Key Performance Indicators	Business Key Performance Indicators
Operational Capital Employed	External Revenue
Current and non-current assets or liabilities	TCV (Total Contract Value)
DSO	Order entry/bookings
Organic growth	Book-to-bill
CAGR	Backlog/Order cover
Operating margin	Pipeline
Other operating income and expenses	Legal staff
Gross margin and indirect costs	FTE (Full-time equivalent staff)
EBITDA	Subcontractors
OMDA	Interims
Gearing	Direct staff
Interest cover ratio	Indirect staff
Leverage ratio	Permanent staff
Operating income	Temporary staff
Cash flow from operations	Staff turnover and attrition rate (for legal staff)
Net debt	Utilization rate and non-utilization rate
Change in net debt (cash)	
Free cash flow	
Earnings per share (EPS)	
Normalized net income	
Normalized earnings per share (normalized EPS)	

Business terms	Market terms
BPO	Consensus
CRM	Dilutive instruments
ERP	Dividends
WAN	Enterprise Value (EV)
	Free float
	Market capitalization
	PER (Price Earnings Ratio)
	Volatility

9.4.1 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 consolidated statement of financial position. 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 contract assets) expressed in days' revenue (on a last-in, first-out basis). The number of days is calculated in accordance with the Gregorian calendar.

Organic growth: Organic growth represents the percent growth of a unit based on a constant scope and exchange rates basis.

CAGR: The Compound Annual Growth Rate reflects the mean annual growth rate over a specified period of time longer than one year. It is calculating by dividing the value at the end of the period in question by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result. As an example:

2019-2021 revenue CAGR = (Revenue 2021e/Revenue 2018) (1/3) -1.

Operating margin: Operating margin equals to External Revenues less personnel and operating expenses. It is calculated before Other Operating Income and Expenses as defined below.

Other operating income and expenses: Other operating income and expenses include:

- the amortization and impairment of intangible assets recognized as part of business combinations such as customer relationships, technologies and Goodwill.
- when accounting for business combinations, the Group may record provisions in the opening statement of financial position 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";
- the cost of acquiring and integrating newly controlled and consolidated entities, including earn out expenses;
- the net gain or losses on disposals of consolidated companies or businesses;
- the fair value of shares granted to employees including social contributions;
- the restructuring and rationalization expenses relating to business combinations or qualified as unusual, infrequent and abnormal. When a restructuring plan qualifies for Other Operating Income and Expenses, the related real estate rationalization & associated costs regarding premises are presented on the same line;
- the curtailment effects on restructuring costs and the effects of plan amendments on Defined Benefit Obligation resulting from triggering events that are not under control of Atos management;
- the net gain or loss on tangible and intangible assets that are not part of Atos core-business such as Real Estate;
- other unusual, abnormal and infrequent income or expenses such as major disputes or litigation.

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.

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 – depreciation of right of use (as disclosed in the "Financial report");
- less – Operating 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").

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.

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.

Net debt: The 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, less cash and cash equivalents. Lease liabilities and derivative liabilities are excluded from the net debt.

Change in net debt (cash): Change in net debt or net cash.

Free Cash Flow (FCF): The Free Cash Flow represents the change in net cash or net debt, excluding equity changes, share buyback, dividends paid to shareholders and non-controlling interests, net acquisition or disposal of companies or businesses.

Earnings per share (EPS): 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 net income: The normalized net income is the net income (Group Share – excluding net result attributable to Non-Controlling Interests) before Other Operating Income and Expenses, changes in derivative liabilities, net of taxes.

Normalized earnings per share (normalized EPS): Normalized earnings per share are calculated by dividing the normalized net income (Group share) by the weighted-average number of common shares outstanding during the period, excluding treasury shares.

9.4.2 Business KPI's (Key Performance Indicators)

9.4.2.1 Revenue

External Revenue: External Revenue related to Atos' sales to third parties (excluding VAT and pass-through sales with low margin).

TCV (Total Contract Value): The Total Value of a Contract at signature (prevision or estimation) over its duration 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.

Book-to-Bill: The Book-to-Bill is the ratio expressed in percentage of the order entry in a period divided by revenue of the same period.

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.

9.4.2.2 Human Resources

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.

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.

9.4.3 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.

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.

WAN (Wide Area Network): A long–distance network that generally comprises several local networks and covers a large geographical area.

9.4.4 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 options, performance 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 L. 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 articles L. 233-10 and L. 233-11 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 L. 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.

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.

Volatility: The variability of movements in a share price, measured by the standard deviation of the ratio of two successive prices.

9.5 AMF cross-reference table

9.5.1 Universal Registration Document cross reference table

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 7, 2021, in accordance with article 212-13 of the AMF General Regulations. After filing, this document, as a Universal Registration Document, could be used to support a financial operation if accompanied by a securities note duly approved by the AMF.

The cross-reference table below identifies the information required by appendices 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 in accordance with the structure of the Universal Registration Document.

N°	Appendices 1 and 2 of the commission delegated regulation (EU) 2019/980 of March 14, 2019	Sections in the 2020 Universal Registration Document
1.	**Persons responsible, third party information, experts' reports and competent authority approval**	
1.1.	**Indication of persons responsible**	**9.1.1**
1.2.	**Declaration by persons responsible**	**9.1.2**
1.3.	**Name, address, qualification and material interest in the issuer of experts**	**N/A**
1.4.	**Confirmation of the accuracy of the source from a third party**	**N/A**
1.5.	**Statement from the designated authority with no prior approval**	**N/A**
2.	**Statutory auditors**	
2.1.	**Names and addresses of the auditors**	**9.1.3**
2.2.	**Indication of the removal or resignation of auditors** **Information regarding changes of statutory auditors during the period**	**N/A**
3.	**Risk Factors**	**7.2**
4.	**Information about the issuer**	
4.1.	**The legal and commercial name of the issuer**	**4.1.2**
4.2.	**The place and the number of registration**	**4.1.2**
4.3.	**The date of incorporation and the length of life of the issuer**	**4.1.2**
4.4.	**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**	**4.1.1; 4.1.2; 9.2**
5.	**Business overview**	
5.1.	**Principal Activities**	
5.1.1.	Nature of the issuer's operations and its principal activities	1. "Atos profile"; 3.1; 2
5.1.2.	New products or services developed	2
5.2.	**Principal market**	**1. "Atos profile"; 1. "Market sizing and competitive landscape"**
5.3.	**Importants business events**	**1. "2020 key achievements";1. "Atos story"; 8.8.5**
5.4.	**Strategy and objectives**	**1 Vision, ambition & strategy; 3.2**
5.5.	**Dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes**	**7.2.4.2;**
5.6.	**Basis for statements made by the issuer regarding its competitive position**	**1. "Market sizing and competitive landscape**
5.7.	**Investments**	
5.7.1.	Main investments	1. "Business model"; 6.1.7.5 – Note 1
5.7.2.	Material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments and the method of financing	N/A
5.7.3.	Main joint ventures and undertakings in which the issuer holds a proportion of the capital	N/A
5.7.4.	Environmental issues	5.2

N°	Appendices 1 and 2 of the commission delegated regulation (EU) 2019/980 of March 14, 2019	Sections in the 2020 Universal Registration Document
6.	**Organizational Structure**	
6.1.	**Brief description of the Group**	**1. "Atos profile; 1. "Atos story";**
6.2.	**List of significant subsidiaries**	**6.1.7.5 – Note 18**
7.	**Operating and financial review**	
7.1.	**Financial condition**	
7.1.1.	Balanced and comprehensive analysis of development and performance or position including both financial and, where appropriate, non-financial Key Performance Indicators	3.1; 3.3; 6.1
7.1.2.	Likely future development in the field of research and development	2.4
7.2.	**Operating Results**	**3.1; 3.3; 6.1**
7.2.1.	Unusual or unfrequent events or new developments materially affecting the issuer's income	1 "2020 key achievements".; 2; 3.1; 8.8.5
7.2.2.	Narrative discussion about material changes in net sales or revenues	1. "Market sizing and competitive landscape; 2; 3.1
8.	**Capital resources**	
8.1.	**Issuer's capital resources**	**6.1; 8**
8.2.	**Sources and amounts of the issuer's cash flows**	**3.3.2**
8.3.	**Information on the borrowing requirements and funding structure**	**3.3.3.1**
8.4.	**Restrictions on the use of capital resources**	**N/A**
8.5.	**Anticipated sources of funds to fulfill commitments**	**N/A**
9	**Regulatory environment**	
9.1.	**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**	**5**
10.	**Trend information**	
10.1.	**The most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year**	**1" Market trends"; 2; 3.1**
10.2.	**Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects**	**1" Market trends"; 2; 3.1**
11.	**Profit forecasts or estimates**	
11.1.	**Profit forecasts or estimates publication**	**3.2; 3.3**
11.2.	**Statement setting out the principal assumptions upon which the issuer has based his forecast or estimate**	**3.2; 3.3**
11.3.	**Statement pointing out the comparison with historical financial information consistent with the issuer's accounting policies**	**6.1.7.2**
12.	**Administrative, management and supervisory body and senior management**	
12.1	**Information regarding the members**	
	Name, business addresses and functions	1. "Board of Directors"; 1. "Group Management Committee"; 4.2.3.1
	Detail of the nature of any family relationship	4.2.3.7
	Relevant management expertise and management experience	4.2.3.1
	Details of any convictions	4.2.3.6
12.2	**Conflicts of interest**	**4.2.3.7**
13.	**Remuneration and Benefits**	
13.1.	**Remuneration and benefits in kind**	**4.3**
13.2.	**Pension, retirement or similar benefits**	**4.3**
14.	**Board Practices**	
14.1.	**Current term office**	**4.2.3.1**
14.2.	**Contracts providing benefits upon termination of employment**	**4.2.3.7**
14.3.	**Information about audit and Remuneration Committee**	**4.2.4.3; 4.2.4.6**
14.4.	**Statement related to corporate governance**	**4.2.1**
14.5.	**Potential material impacts on the corporate governance**	**4.2.2**
15.	**Employees**	
15.1.	**Number of employees**	**5.3; 3.1.6**

N°	Appendices 1 and 2 of the commission delegated regulation (EU) 2019/980 of March 14, 2019	Sections in the 2020 Universal Registration Document
15.2.	**Shareholdings and stock options**	**4.3.3**
15.3.	**Arrangements involving the employees in the capital of the issuer**	**5.3.7; 8.7.5**
16.	**Major shareholders**	
16.1.	**Identification of the main shareholders holding more than 5%**	**6.1.7.5 – Note 6; 8.2**
16.2.	**Types of voting rights**	**4.1.3.2; 8.7.4**
16.3.	**Ownership and control**	**8.1.1.2; 8.2; 8.7**
16.4.	**Arrangements which may result in a change in control of the issuer**	**4.1**
17.	**Related party transactions**	**6.1.7.5-Note 17; 6.1.7.5-Note 19**
18.	**Financial Information concerning the issuer's assets and liabilities, financial position and profits and losses**	
18.1.	**Historical Financial Information**	
18.1.1.	Audited historical financial information covering the latest three years	6.2; 9.6.2
18.1.2.	Change of accounting reference date	N/A
18.1.3.	Accounting standards	6.1.7.2
18.1.4.	Change of accounting framework	6.1.7.2
18.1.5.	Financial information according to French accounting standards	6.1
18.1.6.	Consolidated financial statements	6.1
18.1.7.	Age of latest financial information	6.1
18.2.	**Interim and other financial information**	
18.2.1.	Quarterly or half-yearly financial information	N/A
18.3.	**Auditing of historical annual financial information**	
18.3.1.	Independent audit of historical annual financial information	6.1.1
18.3.2.	Indication of other information in the registration document that has been audited by auditors	N/A
18.3.3.	Source of information and reason for information not to be audited	N/A
18.4.	**Pro forma financial information**	**3.1**
18.5.	**Dividend policy**	
18.5.1.	Description of the issuer's policy on dividends	8.3
18.5.2.	Amount of dividend per share	8.3
18.6.	**Legal and arbitration proceedings**	**7.3.3**
18.7.	**Significant changes in the issuer's financial position**	**6.1.7.5–Note 19**
19.	**Additional information**	
19.1.	**Share Capital**	
19.1.1.	Amount of issued capital	8.1.1.2; 8.2; 8.7; 8.7.7
19.1.2.	Shares not representing capital	N/A
19.1.3.	Shares held by or on behalf of the issuer itself	8.7.6
19.1.4.	Convertible securities, exchangeable securities or securities with warrants	8.7.7
19.1.5.	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital	8.7.7
19.1.6.	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	N/A
19.1.7.	History of share capital	8.7.2
19.2.	**Memorandum and Articles of Association**	
19.2.1.	Register and entry number of the issuer and brief description of the issuer's object and purposes	4.1.2
19.2.2.	Rights, preferences and restrictions attached to each share category	4.1.3.2
19.2.3.	Article of Association, statutes, charter or bylaws delaying, deferring or preventing a change of control of the issuer	4.1.3.2
20.	**Material Contracts**	**6.2**
21.	**Documents on Display**	**4.1; 8.4**

9.5.2 Cross-reference table for the annual financial report

In order to facilitate the reading of this document, the cross-reference table hereafter, identifies within this Universal Registration Document the information which constitutes the annual financial report requested to be published by listed companies in accordance with article L. 451-1-2 of the French Monetary and Financial Code and article 222–3 of the AMF General Regulations.

Information	Sections
Company financial statements	6.2
Consolidated financial statements	6.1
Management report	1. "Business Model"; 1. "Market sizing and competitive landscape"; 2.4; 5; 3.1; 3.3; 6.1.7.5- Note 19; 6.1.7.5- Note 2; 6.2.5; 6.2.6; 7; 4.
Declaration of the person responsible for the Universal Registration Document containing the annual financial report	9.1.2
Statutory auditors' report on the Company financial statements	6.2.1
Statutory auditors' report on the consolidated financial statements	6.1.1
Statutory auditors fees	6.1.7.5 – Note 20
Board of Directors' report on Corporate Governance	4.2.6
Statutory auditors' report, pursuant to the provisions of article L. 225-35 of the French Commercial Code, on the Board of Directors' report on Corporate Governance	6.2.1

In accordance with the requirements of article 19 of regulation (EU) 2017/1129 (Prospective Regulation) the following elements are incorporated by reference:

- the consolidated accounts for the year ended December 31, 2019 under IFRS, the related statutory auditors' reports and the Group management report presented within the Universal Registration document n° D.20-0096 filed with the AMF on March 3, 2020, available on the Company's website on the following link: *https://atos.net/content/investors-documents/2019/atos-2019-universalregistration-document-Including-2019-annual-financial-report.pdf*
- the consolidated accounts for the year ended December 31, 2018 under IFRS, the related statutory auditors' reports and the Group management report presented within the Registration Document n° D.19-0072 filed with the AMF on February 22, 2019, available on the Company's website on the following link: *https://atos.net/wp-content/uploads/2019/04/atos-2018-registrationdocument.pdf*

Other information included in these two Registration Documents has been replaced and/or updated, as applicable, by the information contained in the Universal Registration Document.

9.6 Full index

6 Financial statements

7 Risk Analysis

2020 Universal Registration Document

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

The French version of this universal registration document was filed on april 7, 2021 with the Autorité des Marchés Financiers (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document is available on the websites of the AMF (www.amf-france.org) and the issuer (www.atos.net).

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