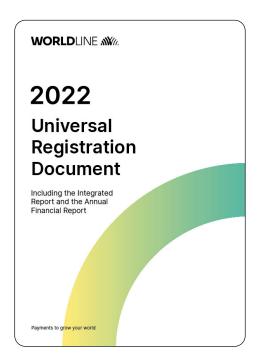


2022 Integrated Report

Payments to grow your world

This document is the Integrated Report, extracted from our Universal Reference Document 2022



Integrated Report

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Worldline: a snapshot

Worldline is a European leader in payments services. As an agile and fast-growing global Paytech leader, Worldline is at the forefront of the digital revolution that is shaping new ways of paying, living, doing business and building relationships.

Worldline solutions ensure secure payments and trusted transactional services along the entire payments value chain, enabling sustainable economic growth. The Group provides an extensive range of merchant acquiring, payment processing and business solutions to financial institutions, merchants, corporations and government agencies. The Group's portfolio of solutions is environmentally friendly and supports trust and social transformation. Worldline operates in +40 countries and employs over 18,000 talented and dedicated experts.

With a strong culture of innovation, Worldline helps clients anticipate the future, seize new opportunities and navigate their challenges with confidence.

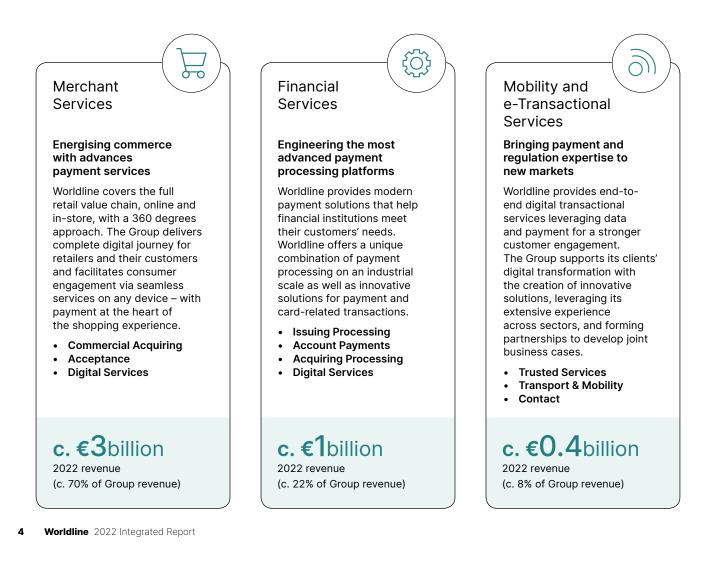
2022 key figures **€4***4*billion

total revenue (+10.7% organically) **18,000** experts

+40

Creating sustainable value for Worldline stakeholders

Worldline's vision is to enable sustainable economic growth and reinforce trust and security in societies. Worldline global business lines work together to drive transformation across the payments landscape to create sustainable value for the Group's customers, investors, employees and for all stakeholders.





Bernard Bourigeaud Chairman of Worldline

2022 has been a decisive year for Worldline, confirming the strength of the Group's business model.

In a complex whilst truly innovative payment industry, Worldline is a very competitive company. In 2022, marking the first year of its threeyear strategic plan, Worldline demonstrated that the chosen strategy was relevant and that the Group was able to remain resilient in a difficult macroeconomic context.

Not only did the Group successfully integrate Ingenico, a crucial pillar of the new Worldline since two years now, but it also succeeded in creating a high value-added ecosystem for all its stakeholders, through key partnerships, M&A operations and significant market share gains, thus confirming its position as a leading player in the European payment sector.

Worldline's strength also lies in its ability to innovate technologically. In an industry that is part of people's daily life, our pool of talented sharped-eye experts monitor our world's major developments, shaping the products we will pay with, in a post-covid era that accelerated our industry's underlying trends. Supported by a community of Worldliners that is committed to the company and to its value creation, the Group is well placed to make a difference in the current economic environment.

In 2022, the Group proved it could deliver not only strong growth but also the promised results. The year that just ended confirms the talent of Worldline's management team that is fully embracing the challenges posed by its environment, both competitive and macroeconomic ones - and that is widely supported by its Board of Directors.

The challenges for our customers, both merchants and banks, will continue to be numerous. In this context, Worldline owns a portfolio of reliable and innovative solutions that help contribute to their growth: thanks to the acquisition of Ingenico. Worldline offers the best solutions for all merchant profiles; banks can rely on Worldline's know-how and thus accelerate the digital transformation of their relationship with their own customers. At the same time, the Group's international expansion will remain key - whilst keeping a close eye on markets such as Africa or Asia - as will its ability to keep collaborating with the best-inclass fintechs.

2022 has been a challenging year that, though, allowed Worldline to demonstrate its resilience in a context where the biggest tech stocks were shaken up on financial markets. I have great confidence in the future of Worldline. Driven by the vision, talent and commitment of Gilles Grapinet and Worldline teams, 2023 opens a promising page for Worldline, which will more than ever rely on the Group's fundamentals and raison d'être: operate leading digital payment and transactional solutions that enable sustainable economic growth and reinforce trust and security in our societies.





Gilles Grapinet Worldline's CEO

Dear Madam, Dear Sir, Dear Shareholders,

It is an understatement to say that 2022 turned out to be very different to initial forecasts worldwide. After two years of the pandemic and its attendant economic restrictions and disruptions, 2022 was anticipated everywhere as a year of very strong growth and economic recovery, fueled by the long-awaited return to "normal life". Unfortunately, the war in Ukraine beyond being as well as a humanitarian disaster, reminded the world that geopolitical risk is anything but theoretical and triggered massive macro-economic consequences: from an energy crisis to supply chain disruptions, high inflation with massive increase in interest rates to combat it, with a growing risk of recession.

Despite this challenging and unexpected environment, our responsive teams and our robust business model enabled Worldline to make all very satisfactory progress as aimed for 2022, the first year of our new 3-year plan.

We delivered outstanding results, fully in line with our guidance, thanks to continuous progress in our transformation and synergy plans, allowing a strong acceleration of our organic growth and increases in profitability.

Our revenue performance in 2022 is in double digit territory (+10.7%), our best performance ever since our 2014 IPO. With the Covid-19 pandemic restrictions largely behind us, in 2022 our new company's growth engine worked at full throttle, revealing its massively improved competitiveness thanks to the numerous benefits of our merger with Ingenico. Our Merchant Services business, in particular, thrived as it gained market share in Europe, winning many substantial contracts with very large brands while onboarding c.90,000 new small and medium-sized points of sales.

From a strategic standpoint, we completed the strategic review of the payment terminals business committed as of 2021 and we took the decision to sold it to its new shareholder, the Apollo fund. On one hand, this will support the ambitious development of this newly independent activity and, on the other hand, allow Worldline to simplify its operational structure and strengthen its balance sheet at a time of rapidly increasing interest rates.

In terms of technology, following our integration with Ingenico we successfully converged most of our platforms towards our target architecture and significantly enriched and expanded our range of products.

In 2022, we also boosted our marketing of new solutions and thought leadership by launching a

new global website and opening the Worldline Innovation Experience Centre, where we held numerous events with our customers to explore how our innovative products can help accelerate their own growth journey. Our customers can also access our technology and payment business expertise through revamped channels such as the Worldline Discovery Hub which regularly publishes visionary white papers, videos and blogs on industry trends. Our newly created "Tech Squad" connects the Worldline tech family closely to the wider tech community, actively contributing to open-source developments, technology forums and expert sessions.

Our continued execution of our M&A strategy accelerated our roadmap as we acquired stakes in two high-tech companies, Online Payment Platforms (OPP) and SoftPos. Our investment in OPP improves our access to digital marketplaces and platforms, while our acquisition of SoftPos enhances Worldline's capabilities to facilitate secure smartphone-based payment solutions.

We also followed through on completed all acquisitions announced in 2021, going live in Italy, Australia and Greece while reinforcing our presence in Italy by signing up the takeover of Banco Desio's merchant acquiring activities.

As our payment business is structurally rooted in the long term through multi-annual contracts and partnerships, we embed sustainability into everything we do. At Worldline, Corporate Social Responsibility (CSR) is fully synonymous with sound, efficient and sustainable business management. CSR teams report directly to me as CEO. For Worldline, such as financial or operational performance, this is as important as to make continuous progress and to be independently evaluated for our CSR performance to achieve the highest possible ratings in leading international benchmarks.

In 2022, consistent with our conviction that CSR is a fundamental pillar of a holistic business management of the 21st century, we also finalised the alignment of executive management incentives with our CSR performance. Since 2014, our long-term incentive plans for senior management have been based on external CSR ratings. In 2022 we linked the short-term (annual) variable compensation of senior management to the level of yearly progression towards the KPIs of our Trust 2025 CSR programme.

I also want to highlight the quality and commitment of our people, which was once again decisive. We are committed to Worldline being one of the best companies to work for in a maximum number of our countries of presence. In 2022, our high employee satisfaction was acknowledged in the Great Place to Work surveys within 21 countries, 60% more than in 2021, and our ranking as a "Top Employer" in Europe and Asia-Pacific was published. In 2023 we are pleased to have finalised an agreement with our European workers' representatives from 22 countries to set up a new European Works Council that will ensure structured dialogue with our employees at the pan-European level. We are also making progress towards our 2025 ambition to increase by over 50% the number of training hours our people receive per year while also launching initiatives to promote talents and give our people priority access to opportunities within Worldline.

Launched just after the start of the Ingenico acquisition, our 'One Culture' programme contributes to a smooth integration in terms of values, individual and collective behaviours as well as evolving our key processes to be an agile, responsive organisation at all levels, based on its technological excellence and focused on customer satisfaction.

Mindful of continuing geopolitical tensions, macroeconomic disruptions and inflationary pressures, Worldline will pursue in 2023, its vision and corresponding plans while overseeing our cost base evolution carefully, even though we benefit from a strong commercial momentum after securing numerous new customers in 2022 which will contribute to our continued dynamic top line in 2023. As a recognised payment leader, we are committed to playing an increasingly visible role at the pan-European level as we support at different levels major developments, such as the European Payments Initiative or the Digital Euro. We are proud to have successfully contributed to the delivery of one of the first prototypes of the Digital Euro as part of a project driven by the ECB to establish a central bank digital currency in Europe over the next decade.

With a solid track record and recognised know-how, Worldline is positioned in 2023 to be an active consolidator than ever in the European payment scene. With our usual financial discipline, we will consider all value-creative M&A opportunities either with other business or technology companies or through strategic partnerships with European banks.

Worldline's purpose is to enable sustainable economic growth with our digital payment and transactional solutions and to reinforce trust and security in our digitising societies. Two years after our merger with Ingenico, this is made more concrete every day through the actions of our more than 18,000 employees and our growing recognition as a responsible global payments and technology company of the forefront, dedicated to creating sustainable value for all our stakeholders – in 2023 and beyond.



Corporate Social Responsibility

CSR vision

Trust 2025: Worldline's CSR ambition to create a more sustainable value

Corporate Social Responsibility is at the heart of Worldline's strategy for value creation. Supported by an integrated approach, Worldline can respond effectively to the Group's CSR challenges, improve its performance and create sustained long-term value for customers, investors, employees and its stakeholders.

After publishing its sense of purpose, redefining its corporate values and launching its new CSR transformation programme Trust 2025 in 2021, Worldline has demonstrated its commitment to embedding trust at the heart of its activities and relations within its ecosystem. Strongly supported by the Company's management, this integrated approach now enables the Company to respond effectively to all of its CSR challenges and to boost its CSR performance and capability in a very pragmatic way.

A new CSR roadmap to accelerate performance, progress and leadership

Designed closely with the active engagement of both the Executive Committee and the Board of Director's Social and Environmental Responsibility Committee, and validated by the Board of Directors in 2021, Trust 2025 introduces new best practices to maintain Worldline's CSR leadership of the payments

industry. The programme is structured around eight ambitions to address Worldline's major challenges in the following areas: business, people, ethics, value chain, the environment and includes a new focus on local communities. Across all these areas, the 16 measurable objectives set by Trust 2025 represent a significant advance on our previous CSR programme.

Worldline's commitments

- #1 Guarantee delivery excellence and utmost quality of services
- #2Enhance customer experience through positive impact solutions
- #3Foster people development, well-being and engagement
- #4Promote fairness, diversity and inclusion for more equality and performance
- #5Increase sustainable procurement practices within our value chain
- #6Endorse ethics and confidence in all our activities
- #7 Contribute to carbon neutrality
- #8 Help local communities through positive impact solutions and social initiatives



"Worldliners are fully involved in the implementation and achievement of Trust 2025. Supported by our CSR vision as a key driver of transformation, embedded at the heart or our corporate strategy, we will pursue our efforts to further improve our performance and enhance trust within our ecosystem."

Sébastien Mandron, Group head of CSR & Real Estate

Торіс	Indicator		2022	2022 Target 2025		
Platforms secured & available	Quality score – Contracts' & Platforms services availability & response	99.9890%	99.9876%	99.9900%		
	 Quality score – Platforms' services availability & response 	99.877%	99.9912%	99,9900%		
	 % of data subject' request answered in time and in compliance with Worldline privacy policy 					
		96.5%	99%	100%		
	% of ISO 27001 certified sites according to the security policy	51%	67%	100%		
Customer experience	Customer Net Promoter Score	46	48	52		
& innovation	 Sustainable offer revenue in €m 	2,109	2,468	2,307		
Talent attraction & retention/People diversity	 Average number of Training hours per employee per year 	17.09	20.78	32		
	 Employee satisfaction as measured by the Trust Index of the Great Place to Work[®] survey 	64%	64%	69-70%		
	• % of disabled workforce in the countries imposing legal requirements	6%	+16%(1)	+20%		
	• % of women within the management positions	23%	25%	35%		
Sustainable procurement/ Ethics & Compliance	 % of suppliers evaluated by EcoVadis with a score below 45 having an action plan to solve critical findings identified 	100%	100%	100%		
	 % of total expenses assessed by EcoVadis out of strategic suppliers expenses 	86%	86.7%	90%		
	• % of alerts investigated and related actions plan defined within 2 months	87%	96%	100%		
	CO2 emissions reduction (scope 1, 2)	-49%	-48%	-25%		
Climate change	• % of CO2 offseted emissions for scope 1,2, 3a	100%	100%	100%		
Local communities	 Volume of collected donations in €m 	310.8	410	500		

Trust 2025: 2022 targets exceeded, on track for 2023

⁽¹⁾This percentage corresponds to the absolute change in the number of employees compared to the 2020 baseline

Bringing eco-responsibility in the payments' world

While the growth of digital is increasing energy demand, Worldline is pursuing a low-carbon environmental strategy designed to create sustainable value for all its stakeholders.

Worldline's environmental challenges

The Intergovernmental Panel on Climate Change defines carbon neutrality, also known as net-zero, as a balance between CO² emissions and absorptions on a global scale. Maintaining global warming below 1.5 °C will require drastic action by 2050. The planet's limited availability of carbon sinks (for example in the form of forests, soils, and possibly technological solutions), means that deep cuts in greenhouse gas emissions will be necessary to achieve net zero carbon emissions by 2050. These extreme challenges are shaping Worldline's strategies in relation to our production and consumption patterns.

Worldline's climate ambitions

As part of its environmental strategy, Worldline has set itself ambitious climate change objectives to be achieved by 2025. These objectives are aligned with a +1.5 °C global warming limitation trajectory (for scope 1 & 2) and have been validated by the SBTi (Science Based Targets initiative) as following:

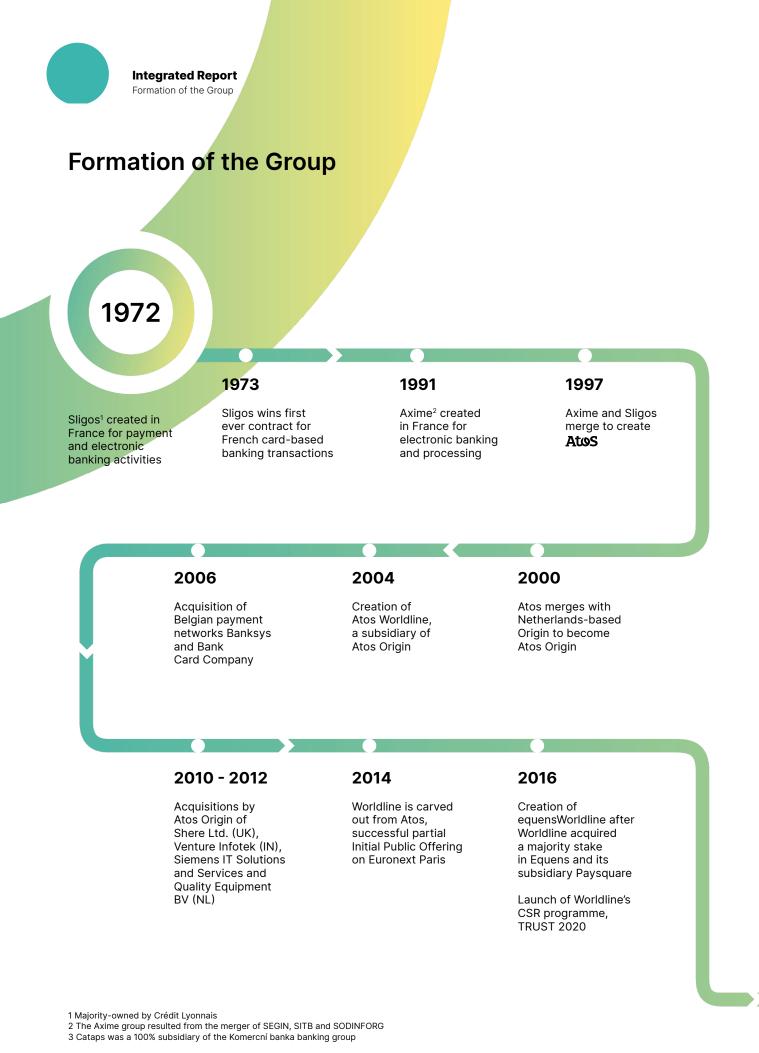
- Reducing its absolute scopes 1 and 2 GHG emissions by 25% by 2025 compared to the base year 2019;
- Reducing absolute scope 3 GHG emissions from purchased goods and services and the use of sold products by 7.4% within the same timeframe.

A low-carbon leader

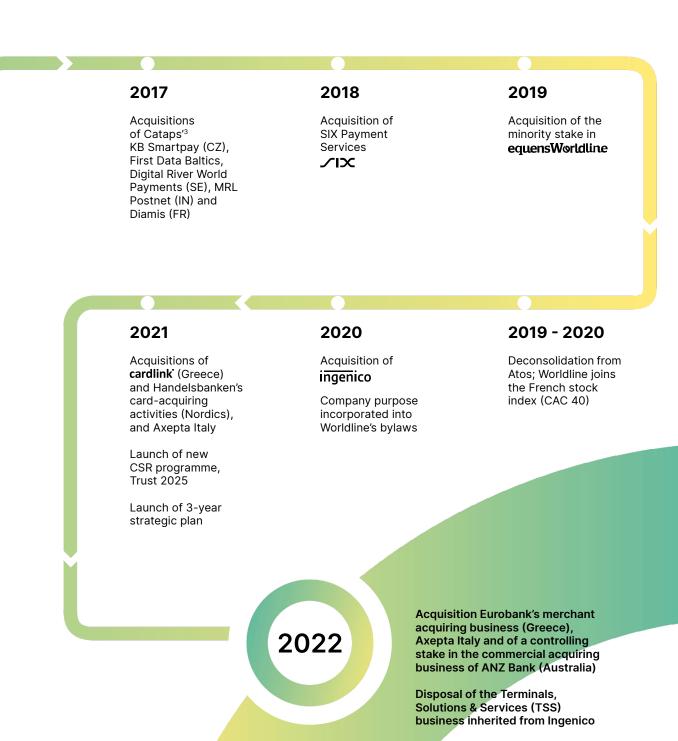
To achieve its carbon reduction commitments, Worldline has launched a wide-ranging improvement action plan to optimise the energy efficiency of its operations through ISO 14 001 certification of its sites and data centres. Worldline has also committed to offset all its residual emissions. As a result, Worldline has already reduced its global carbon footprint by 59% in intensity per euro revenue on its scopes 1, 2 and 3a in five years and in 2022 the Group has been included in the prestigious CDP Europe A List, confirming its leadership and active role in the fight against climate change.

Worldline's environmental priorities

To achieve its Trust 2025 ambitions, Worldline will reduce its energy consumption and carbon emissions while also offsetting all remaining emissions – mainly by supporting forest preservation. Worldline is also actively assessing opportunities for capturing CO². Worldline is in the process of implementing a far-reaching energy efficiency plan for our offices and business travel, decreasing the energy consumption of cooling equipment and increasing the use of virtualisation in its data centres. Worldlines is also researching innovative ways to optimise server use and minimise the energy needed to process transactions.



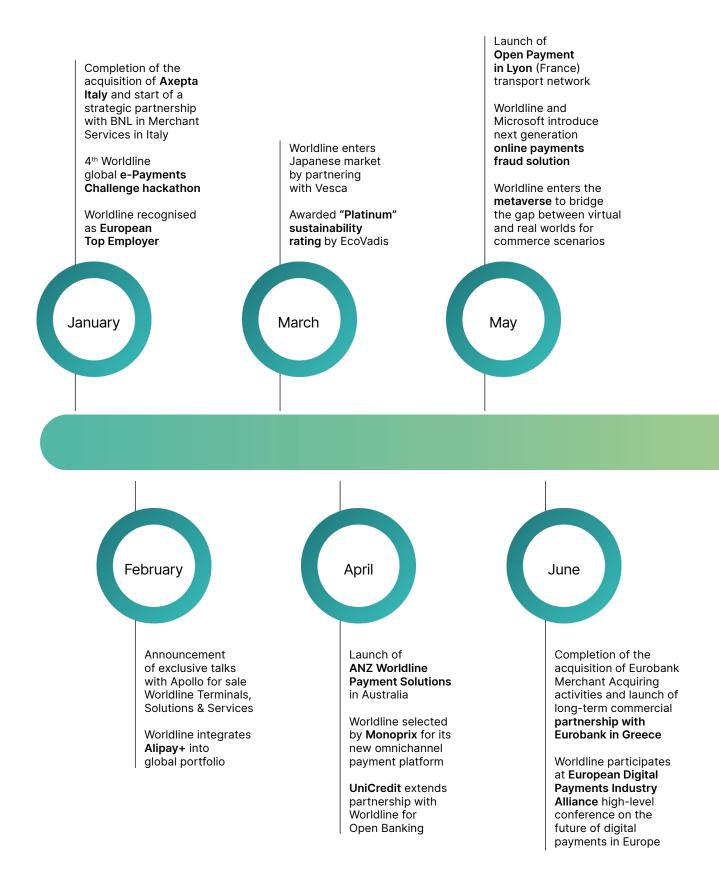
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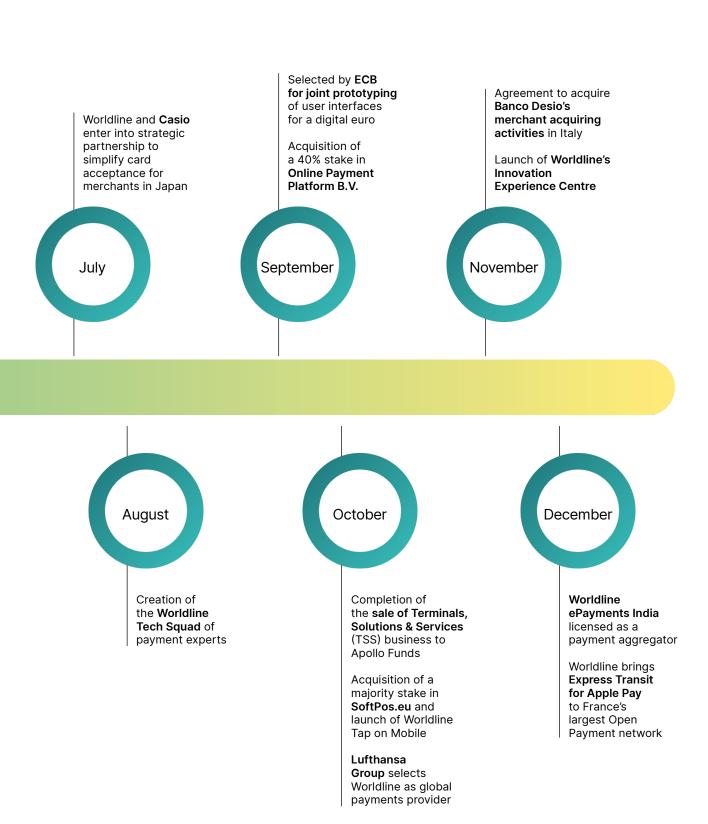


Agreement to acquire Banco Desio's merchant acquiring activities in Italy



2022 Key highlights







2022 Key figures



"In 2022, Worldline reached or exceeded all its financial objectives for the year despite a difficult international and economic context. The particularly strong organic growth of our revenue at 10.7% clearly demonstrates the full benefit of the merger with Ingenico.

Despite the inflationary environment, this was also reflected in the increase in our OMDA by circa 16% and the 110 basis points improvement in our profitability rate. Normalized Group net income was 545 million euro, up +23.8%, and diluted earnings per share increased by +22.9% to 1.88 euro.

Finally, free cash flow amounted to 520 million euro, up +25.5% compared to 2021, representing an OMDA conversion rate of 45.9%. Coupled with the cash-in of c. \in 1.1 billion net proceeds from the sale of TSS, this solid cash generation has significantly contributed to strengthening the Group's financial structure, with net debt of EUR 2.2 billion at the end of the year, representing a gearing ratio of 1.9 x OMDA.

In 2023, the Group is fully in motion to deliver an improvement in all these financial parameters, in line with our Ambition 2024."

Grégory Lambertie, **Group Chief Financial Officer**

2022 results

€44billion

total revenue (+10.7% organically)

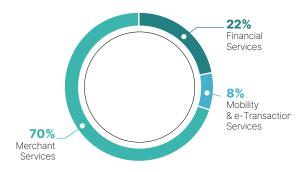
€1,133million €520million

OMDA (26% of revenue, +110 bps organically)

free cash flow (45.9% OMDA conversion)

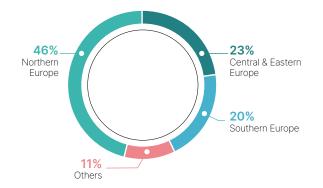
Revenue profile

Following the acquisitions of SIX Payment Services end of 2018 and Ingenico end of 2020, Merchant Services is the largest Global Business Line of the Group, representing 70% of the Group 2022 revenue. 22% of the annual revenue was generated through Financial Services contracts, and 8% by Mobility & e-Transactional Services solutions.



(In € million)	2022 revenue
Merchant Services	3,042
Financial Services	958
Mobility & e-Transactional Services	365
WORLDLINE	4,364

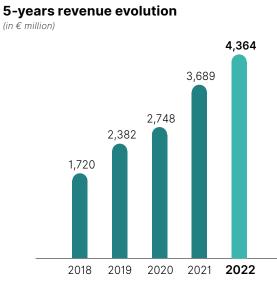
Europe is the Group's main operational base, generating circa 90% of total revenue in 2022.



(In € million)	2022 revenue
Northern Europe	2,012
Central & Eastern Europe	1,014
Southern Europe	878
Others	461
WORLDLINE	4,364

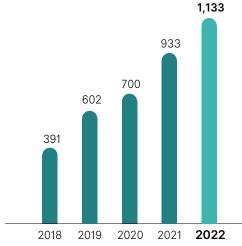


Key graphs



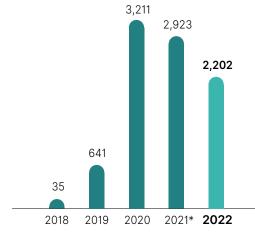
5-years OMDA evolution

(in € million)

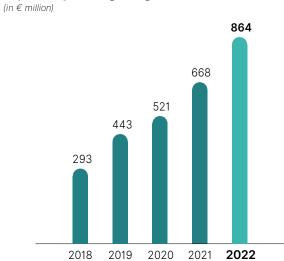


5-years net debt evolution

(in € million)

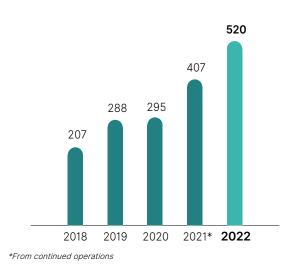




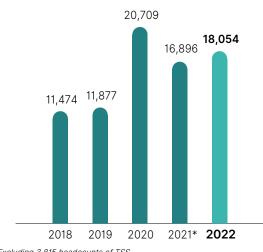


5-years operating margin evolution

5-years free cash flow evolution (in \in million)



5-years employee evolution



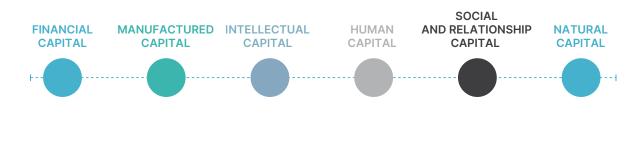
*Excluding 3,815 headcounts of TSS

Worldline business model

The presentation of the Company's business model according to the International Integrated Reporting Council (IIRC) recommended framework is an expectation of the French transposition of the European Directive 2014/95/EU on the declaration of extra-financial performance (Refer to section A). This is an opportunity for Worldline to lay and strengthen the foundation for its value creation for all its stakeholders, including customers, employees, partners, investors or local communities in which the Company operates.

The IIRC framework defines the business model as "the chosen system of inputs, business activities, outputs and outcomes that aims to create value over the short, medium and long

term", meaning the system that converts the resources of the Company, through its activities, into outputs (products and services, as well as waste for instance) and eventually outcomes (internal and external consequences for the capitals/resources, positive and negative) to fulfil its strategic objectives and create value. The IIRC guidelines and consideration of inputs, outputs and outcomes aims to help clarify the organisation's positive and negative impacts on the six capitals considered in this framework: financial, manufactured, human, intellectual, natural and social and relationship capital as described below.



Financial capital	Manufactured capital	Intellectual capital	Human capital	Social and relationship capital	Natural capital
Financial capital includes all the cash funds available to the organisation to be used in its own business.	Manufactured capital includes real estate or leased properties, administrative offices, IT and logistics platforms in which the Company carries out its business; it also includes the equipment necessary for carrying out its operations, as well as the stocks of the products marketed.	Intellectual capital includes the processes and internal procedures that are useful for corporate management, largely based on knowledge and activities aimed at ensuring the quality and safety of the products sold.	Human capital includes the wealth of competencies skills and knowledge of those who work within the Company, as well as governance bodies.	Social and relationship capital includes intangible resources attributable to Company relationships with key external individuals (customers, suppliers, and institutions) that are necessary to enhance the Company's image, reputation as well as customer satisfaction.	Natural capital includes the Company's activities that have a positive or negative impact on the natural environment, where the other five capitals operate.

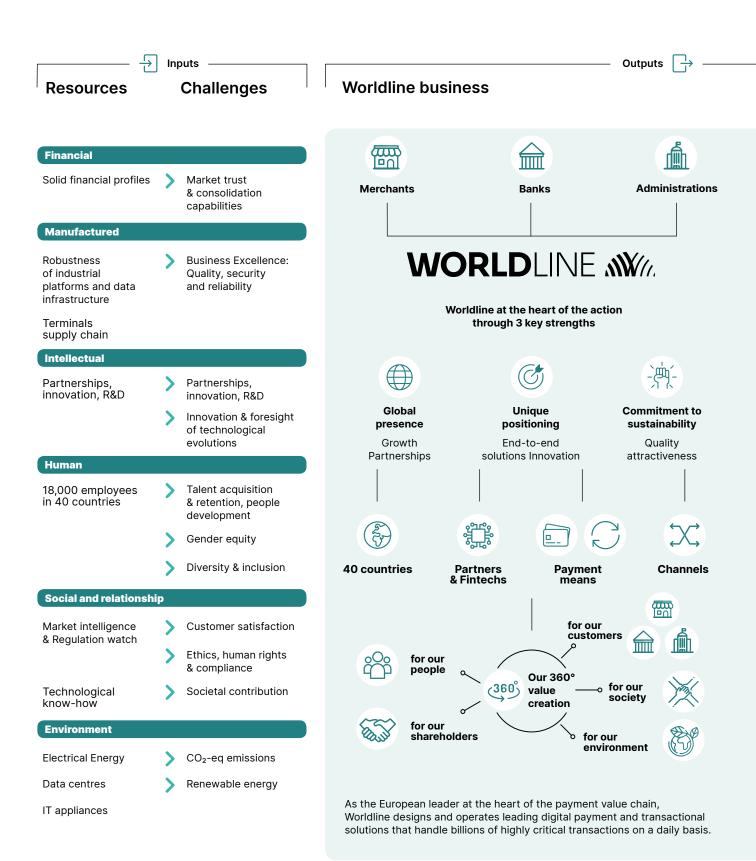
Thus, such guidelines aim to encourage companies to take a broader view of the concept of value creation, as well as integrating and aligning financial and extra-financial performance.

Based on the literature study and review of current reporting practices, Worldline published its business model according to

the IIRC guidelines, including: its relationship to the six capitals, its business activities and strategy, its products and services (through its Business Lines), as well as its relationships with its main stakeholders and its main contribution to the United Nations Sustainable Development Goals.



Worldline's business model



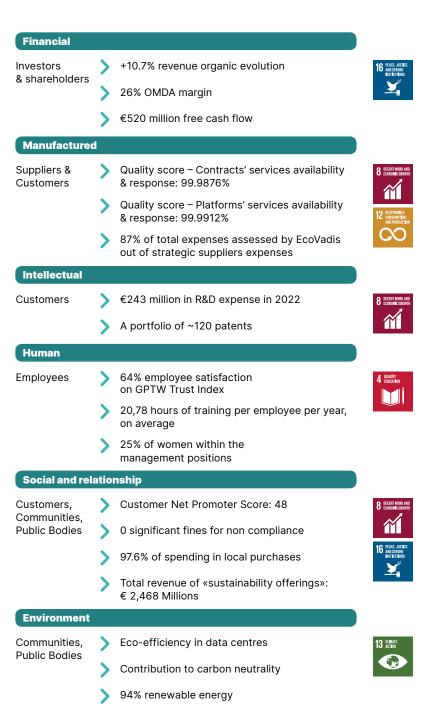
SDGs

Worldline business lines & results

Worldline's positioning across the extended payments ecosystem affords it an overview of the industry, permitting it to react quickly to regulatory or other changes and to capitalise on new opportunities generated by them. Our objective is to enable sustainable economic growth and reinforce trust and security by making solutions that are environmentally friendly, accessible to all and support societal transformations.



Value creation for stakeholders



2022 value



Worldline's governance

Operational Executive Committee

Held once a week, the Operational Executive Committee (OEC) leads and implements Worldline's overall strategy and business ambitions, for the benefit of clients, employees, shareholders and society as a whole. It focuses on the daily operational management of the Group and the tracking of the proper execution of all existing initiatives, i.e.: budget execution, operational efficiency, transformation programs, risk and crisis management.

The Operational Executive Committee is organized as follows:



Gilles Grapinet Chief Executive Officer



Marc-Henri Desportes Deputy Chief Executive Officer



Alessandro Baroni Head of Financial Services



Lisa Coleman Group Head of Operational Performance



Eglantine Delmas Group Head of Quality, Risks and Security



Christophe Duquenne

Group Chief Technology & Operations Officer



Caroline Jéséquel Head of Mobility & e-Transactional Services



Lambertie Group Chief Financial Officer

Grégory



Philippe Mareine

Chief People Officer and Head of Corporate Digital Acceleration



Pascal Mauzé Group Head of Communication, Marketing & Sales Performance



Niklaus Santschi Head of Merchant Services and PAYONE CEO



Charles-Henri de Taffin

General Secretary Group Head of Legal, Contract Management & Compliance

Strategic Executive Board

Held once a month, the Strategic Executive Board (SEB) discusses and decides specific strategic orientations and significant projects or initiatives for the Group in the fast-changing environment. As an illustration, the SEB covers all major medium-term topics like main technology orientations, strategic partnerships development, market and competitive analysis, Worldline positioning in the payment value chain, M&A orientations, CSR and people strategy.

The Strategic Executive Board gathers all Executive Committee's members as well as the following members:



Pierre-Emmanuel Degermann

Group Head of M&A and Development



Wolf Kunisch Head of Strategy, Public & Regulatory Affairs



Sébastien Mandron

Group head of CSR & Real Estate



Vincent Roland

Group Head of Strategic Developments and Partnerships



Board of Directors



Bernard Bourigeaud Independent director, Chairman of the Board



Gilles Grapinet Chief Executive Officer of Worldline



Gilles Arditti

Managing Director of GA Conseil & Coaching



Agnès Audier Independent director, Senior Advisor at the Boston Consulting Group



Aldo Cardoso Independent

Independent director, Chairman of the Audit Committee of Worldline, Director of companies



Giulia Fitzpatrick

Financial Services Expert, Directors for companies



Lorenz von Habsburg Lothringen

Chairman of the Nomination Committee of Worldline, Managing Partner E. Gutzwiller & Cie, Bankers, Basel



Mette Kamsvåg

Independent director, Advisor at M-K Consulting AS and Ferd Capital, Partner of Novela AS





Danielle Lagarde

Independent director, Chairwoman of the Social and Environmental Responsibility Committee of Worldline, Human Resources expert

Caroline Parot

Independent director, Interim CEO, Technicolor Creative Studio

Marie-Christine Lebert

Director representing the employees of Worldline, Project Leader in Worldline



Olivier Lorieau

Director representing the employees of Worldline, Business Development Manager at Santeos, a Worldline Group subsidiary



Georges Pauget Lead independent Director of Worldline, Managing Director of ALTIMAGE16.LDA



Luc Rémont

Independent director, Chairman of the Remuneration Committee of Worldline, Chairman and Chief Executive Officer at EDF



Daniel Schmucki

Chairman of the Strategy and Investment Committee of Worldline, Chief Financial Officer of SIX Group AG



Nazan Somer Özelgin Independent director, Board member for

corporations



Thierry Sommelet

Independent director, Director of the Capital Development department at Bpifrance Investissement, Head of Technology, Media and Telecom

Michael Stollarz

Chief Executive Officer of Deutscher Sparkassen Verlag GmbH (DSV Group)



Susan M. Tolson

Independent director, Board member for corporations and non-profit entities

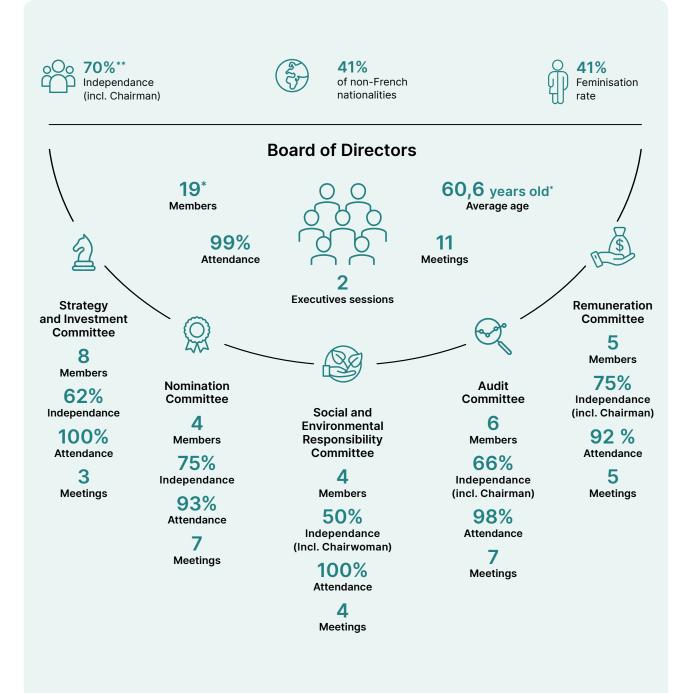


Jos Dijsselhof

Censor, Chief Executive Officer of SIX Group AG



Works and membership of the Board of Directors in 2022



* Including two directors representing employees and excluding the censor.
 ** The directors representing the employees are not taken into account for the calculation.

Worldline's competitive strengths

The payments ecosystem is undergoing considerable change: Fintechs and new entrants are attempting to disrupt existing models, big consolidations (Worldline/Ingenico, Nexi/SIA/ Nets) are now operational, and regulations continue to open up markets and remove certain barriers of entry (*e.g.* PSD2). Worldline competes with both incumbents with global scale and reach and newer entrants with disruptive business models (Fintechs). The Group has a unique combination to face this competition:

- Worldline is the leader for payment services and processing in Europe and has an expanding global footprint;
- Worldline has a comprehensive positioning across the extended payments value chain; and
- Worldline has a leading presence in next-generation payment services.

A major player in Europe with an expanding global footprint

Worldline is Europe's leading payment and electronic transactions service provider in terms of revenues and continues to reinforce this European leadership position. The Group holds leading market positions in Switzerland, Austria, Luxembourg, Belgium, the Netherlands, Germany, Latvia and Lithuania and is present in over 40 countries.

Worldline is also one of the main online payment services providers in Europe.

The Group's status as one of Europe's leading players is coupled with its strong and growing presence in emerging markets such as India, China and certain countries in Latin America where it benefits from local growth and knowledge.

Scale allows the Group to:

- drive innovation;
- be price competitive;
- offer payment acceptance and acquisition services on a Pan-European scale; and
- attract large multi-national clients looking to outsource mission critical payment's activities or other digital data processing services.

The Group maintains a particularly broad base of customers across Global Business Lines characterised by long-standing and diversified relationships. This positioning constitutes the basement from which to pursue both organic and inorganic growth opportunities which are expected to arise in the sector. Worldline's track record of successful inorganic growth underlines its abilities and consolidates its competitive position and scale.

In the past years, Worldline successfully acquired and integrated the following players: Banksys (Belgium), Equens (The Netherlands, Germany, Italy), Paysquare (Germany, the Netherland) Digital River World Payments (USA, Brazil, Sweden), First Data Baltics (Lithuania, Latvia, Estonia), Venture Infotek and MRL Posnet (India), Diamis (France) and entered in a strategic alliance with Komerční banka (Czech Republic). Lately, after the acquisitions of SIX Payment Services in Switzerland, Austria, Luxembourg and Ingenico (Europe and Global), which reinforced the Group's European leadership and contribute to making it the European World-Class leader in digital payments.

As part of its strategy to expand its presence across Europe through acquisition and partnerships with leading financial institutions, Worldline completed in 2022 the creation of a joint venture with BNL banking group and the acquisition of 80% of Axepta Italy, as well as the acquisition of Cardlink SA, the leading Network Services Provider in Greece, the acquisition of Handelsbanken's card-Acquiring activities in the Nordics, and the acquisition of Eurobank Merchant Acquiring activities coupled with a long-term commercial partnership with Eurobank aiming to leverage its strong banking network.

Still in 2022, the Group completed the acquisition of a controlling stake in the commercial acquiring business of ANZ and the creation of a 51%-49% joint-venture controlled by Worldline to operate and develop commercial Acquiring services in Australia with ANZ Bank, one of the largest banks in Asia-Pacific and Australia's 3rd largest acquirer with a c. 20% share of transaction volumes processed in Australia. Finally, in 2022, the Group has completed the sale of its Terminals, Solutions & Services (TSS) business line to Apollo Fund and announced the acquisition of a majority stake in SoftPos.eu, and agreements to acquire a 40% stake in Online Payment Platform and the project to acquirer the merchant activities of Banco Desio in Italy.

Comprehensive unique positioning across the extended payments value chain

The Group provides a wide range of solutions across the extended payments value chain. Worldline's business extends, from:

- The "core" electronic payment services traditionally offered to merchants and banks:
 - Commercial Acquiring;
 - Acquiring and Issuing Processing;
 - Payment Acceptance solutions;
 - SEPA transaction processing;
- to "extended" value-added services such as:
 - Digital Banking;
 - mobile authentication;
 - mobile payment & wallets;
 - card-linked offers;
 - private label cards;
 - loyalty programmes;
 - Open Banking connectivity;
 - omni-commerce services;
 - and innovative services provided to emerging new digital businesses (e-Ticketing, e-Government, e-Consumer, Connected Living services, and e-Invoicing and B2B payments).

The Group's breadth of services allows providing flexible and tailored solutions addressing client needs and reducing their risk and upfront costs (*e.g.*, offering structure totally or partially based on transactional rather than on project builds).

By offering solutions across the payment value chain, the Group extracts more value at each point of the transaction lifecycle while relying less on specific Business Lines, solutions or technologies. The Group's policy of promoting the sharing of best practices, developments and synergies across Global Business Lines permits improved operational and production efficiencies throughout the Group. This virtuous circle leads to further value and fosters innovation.

Furthermore, Worldline's positioning across the extended payments' ecosystem gives a complete perspective on the industry allowing to quickly react to change happening for regulatory or other reasons and to capitalise on new opportunities generated.

Leading presence in next-generation payment services

The payment services market is rapidly evolving and the Group is well-placed to capitalise on growth in next generations' payment services.

Worldline, also thanks to its in-house Acquiring solutions, has strong local online acceptance solutions in many European countries such as France, UK, Belgium, Spain, Germany, Netherlands, Italy, Greece, and Eastern Europe.

The Group is expanding its local payment products every day and develops end-to-end Open Banking services. This overall position is strengthened by multi-currencies online acceptance and collecting solutions that provide worldwide coverage. Specific focus is on Latin America and Asia-Pacific which are regions presenting particularly high growth in electronic payments.

In mobile payment solutions, the Group benefits from a neutral technology positioning, serving an array of banks and financial institutions, card payment schemes, merchants and telecommunications providers, and has the flexibility to offer both own-brand and white label solutions. Thanks to a clear strategy and strong R&D, Worldline has key assets for mobile payments, such as:

- PCI-DSS card container;
- strong software authentication (patented);
- host Card Emulation payment platform (patented); and
- EMVco compliant tokenisation platform.

The Group also offers mPOS devices and mobile payment solutions such as SoftPOS, which are targeting micro merchants, start-ups, and small businesses or specific sectors such as restaurants and movie theatres.

Whether through loyalty programmes and customer relationship management (CRM) services, solutions that capture data opportunities or other value-added services, the Group is continually expanding its portfolio of innovative payment-related solutions for its merchant clients, allowing them to engage and support their customers throughout the duration of the merchant-customer relationship – before, during and after sales.

Worldline is pursuing a dual approach in which local presence across many European markets as well as key presence globally is combined with specific merchant/industry vertical attention.

Taking a closer look at the various merchant demands regarding payment acceptance and check-out processing, it is increasingly becoming apparent that these are developments based on the specific requirements of the vertical into which a merchant can be categorised into.

In order to provide more value for merchants, Worldline has increased its focus on specific verticals to provide additional merchant value. Within the selected verticals are:

- Retail/Petrol/Travel & Hospitality
- Grocery Retail & Quick Service Restaurants;
- Petrol;
- Travel & hospitality;
- Channel Partners;
- Specialty retail;
- Self-Service Sales;
- Transportation;
- Vending;
- Parking & EV Charging.

- Digital commerce
 - E-Travel & airlines;
 - Marketplaces & B2B;
 - E-Retail;
 - Digital Goods & Services;
 - Gaming & Entertainment;
 - FX.

This approach has enabled the Group to work closely together with numerous global brands such as Lufthansa, Turkish Airlines, Monoprix, SPAR, Casio, MediaMarkt, Pearson, and many others.

The Group is well positioned to build long-standing relationships with these multi-national merchants, developing tailored valueadded services and solutions to accommodate their changing needs as technology and trends in consumer behavior evolve.

In addition, many of the services provided in the Mobility & e-Transactional Services line, are highly innovative and Worldline leverages its expertise in the areas of payments, business processes digitization, large transaction processing and data analysis to help companies and Public Administrations in facing the strategic challenges brought by the digital transformation.

The Group considers these a major competitive advantage regarding most of its competitors, who often need to form consortia with other industry players to provide a similar range of services leading to issues in terms of responsibilities, risk coordination and client contractual relationships.

Finally, the Group has proven strength with its own intellectual property and Research and Development capabilities which are key enablers of its capacity for innovation and improvement. From the digital euro prototype, to biometrics, blockchain and Internet of Things, Worldline is on the cutting edge of this new payments' era and partnerships in all these areas with technology companies, universities and start-ups will secure the Group at the front line of the next R&D frontiers.



The payments industry

The digital payments industry is complex and dynamic and Worldline expects it to continue to grow and evolve.

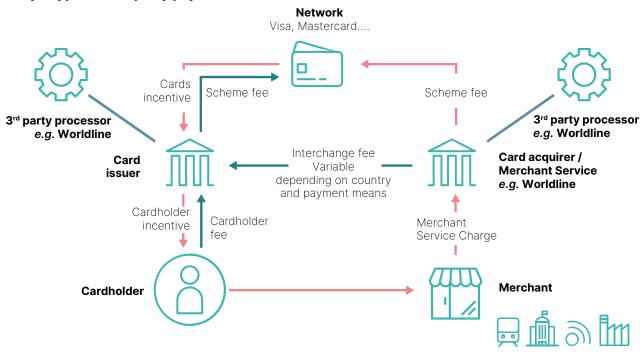
The basic principles in any payment are the same: there are always payers, payees and stakeholders who enable the exchanges of value to be done in a safe and secure manner. However, stakeholders continuously face challenges as they respond to trends, technological advances, regulations and an increasingly competitive environment where sustainability also is becoming more and more relevant. While the customer focuses on ever more seamless and integrated experiences, the processes to support electronic payments (both card and noncard based) are made up of complex infrastructures involving multiple parties, processes and technologies and within strong regulatory frameworks.

Worldline is a key enabler in this complex industry and supports multiple payment instruments along the whole value chain.

Card Payments

The most commonly known payment instrument is the card. Below is a typical four-party model, which clearly demonstrates the complexity of the ecosystem.

Today's typical four-party payments model



Source: Worldline.

The main parties involved in a typical card retail payment transaction include:

 the card issuer: Banks and other financial institutions issue debit, credit or prepaid cards to individuals or corporations to be used as a payment method in face-to-face environments (card present) or online (card not present). The process of issuing and managing the cards and the process of authorising, clearing and settling payments are complex. As a result, many issuers partially or fully outsource their activities to so-called third-party issuer processors such as Worldline;

 the merchant: Merchants sell good and/or services in exchange for payments. In order to do so they need acceptance solutions for card payments (both in-store and online);

- the Merchant Services provider: Merchant Services providers provide merchants with means (POS terminals, mobile POS (mPOS) Terminals, SoftPOS solutions or online payment gateways) to collect and send cards data and receive payment authorisations in stores, online and via mobile devices. Some of these means also come with additional functions, such as enhanced reporting, loyalty programmes, advertising services, quality surveys using payment Terminals, Dynamic Currency Conversion (DCC) services, etc;
- the Acquirer: Acquirers are banks, payment institutions or electronic money institutions providing merchants with access to card scheme networks (e.g., Visa, MasterCard, CB, Bancontact, etc.) and merchant accounts. Commercial acquirers receive funds from issuing banks and deposit the proceeds, net of the "merchant service charge", in the respective merchant account. Like issuers, many acquirers partially or fully outsource their activities to third party acquiring processors that, in order to obtain payment authorisations, will typically route transaction data received from merchants' physical or online payment

Non-card based payments

There is a variety of non-card based payments on the market. Such methods, increasingly becoming common and with transformative potential include:

Credit Transfers

A credit transfer is a form of Account-to-Account Payment order submitted by the payer to his financial institution. The amount of the order is then debited from the payer's account and credited to the payee's account.

Direct Debits

A direct debit is a form payment based on a prior mandate which authorises the payee's service provider to collect amounts from the payer's account at a specific frequency. It is widely used for regular bills such as telco and utilities.

Instant Payments

Instant or real-time payments are credit transfers immediately processed with a 24/7/365 availability. They require immediate or close-to-immediate interbank clearing and settlement so that payers are immediately debited while payees are immediately credited.

gateways to credit and debit card scheme networks (frontend processing) and then ensure that each transaction is appropriately cleared and settled into the merchant's bank account (back-end processing);

- the Card scheme: Card schemes settle card transactions between all of their member banks, typically through separate batch payment systems which set card scheme network rules and interchange fees and act as custodians and clearing houses for their respective card brands;
- clearing and settlement system:
 - clearing is a process through which the financial institutions involved in payment transactions exchange data about these payments to verify and reconcile the information and generate clearing files, including net outgoing amounts. No funds are transferred at this stage,
 - settlement is the exchange of funds between a card issuer and an acquiring bank to settle the payments to a merchant for the amount of each card sale that has been submitted to the card scheme.

Throughout the world, the number of real-time payment initiatives has grown substantially over recent years and will continue to increase. The EPC's (European Payments Council) SCT Inst (SEPA Instant Credit Transfer) scheme is now operational and although optional as of Q4 2022, SCT Inst volumes account for 13.91% of all Credit Transfers in the Euro area.

As in the card example, such methods depend on the mechanisms to issue, accept, clear and settle the payment instrument. Many Financial Services providers also decide to outsource the processing of these payments to third party processors such as Worldline which was among the earliest CSMs (Clearing & Settlement Mechanism) adopting this kind of payment.

Instant Payments, given their advantages, are ideally suited to replace cash and cheques. Also, most of them are driven by mobile applications, as in the case of Pix and UPI in Brazil and India, they have the potential to take market shares from debit cards: the key drivers will be ubiquity, interoperability, enhanced user experience and convenience.

Other Alternative Payment Instruments

There are "alternative payment methods" that are becoming, particularly in the remote commerce landscape, increasingly popular. Some methods are nothing more than overlay methods that rely on the existing rails, others, such as cryptocurrencies, challenge existing rails.



Open Banking

Open Banking payments refer to credit transfer in which thirdparty providers (TPPs) are able to initiate payments on behalf of customers through APIs (Application Programming Interfaces) provided by banks and other financial institutions. The Payment Service Directive 2 (PSD2) opened up this potential type of payment method requiring banks to provide APIs to access accounts and thus enabling a new classification of Payment Initiation Service Providers.

At the same time, Online Banking e-Payments (OBePs) follow the same concept and already existed before PSD2: iDEAL in the Netherlands is one of those examples and one of the most successful account-to-account alternative payment methods.

Designed to address e-Commerce payments as an alternative to cards, Open Banking and OBePs, are usually used in an online checkout process, where merchant redirects consumers to their online banking site where they log in and authorise a credit transfer with the given amount to the merchant. Once confirmed the consumer is redirected back to the merchant site.

Digital Wallets

Digital wallets are instruments that store payment information for a variety of different payment methods (payment cards such as Visa/MasterCard, private label cards and/or non-card based payments) enabling users to select one of them while paying. Example of well-known digital wallet are Google Wallet and Apple Wallet.

Buy Now Pay Later (BNPL)

Buy now, pay later, or BNPL, is a type of instalment loan. It divides purchases into multiple equal payments, with the first due at checkout and the remaining billed at regular time intervals to consumers debit or credit cards until the purchase is paid in full. Differently to consumer credit, the consumer usually doesn't bear interests while the merchants is immediately credited of the sales amount less the costs charged from the BNPL provider.

Cryptocurrencies

Cryptocurrencies and crypto-assets have continued to be a mainstream topic in 2022 but a significant adoption of these instruments in day-to-day payments is not yet significant.

Other payment solutions

In addition to core payment processing, the payment services ecosystem includes a series of "extended" stand-alone and value-added services to merchants and banks aimed at helping them grow their businesses and generate additional revenues. Such services include the following:

Solutions for traditional merchants

- Omni-commerce Solutions: Omni-commerce service providers assist retailers in designing, implementing, and enhancing online and mobile services and integrating them with in-store solutions to provide cross channel sales experiences that allow consumers to seamlessly transition between a retailer's physical, online and mobile store. These services may include solutions such as electronic engagement wallet services that capture and leverage consumer data and digital signage and other solutions that bring aspects of the online commerce experience into the retailer's physical store environment;
- Loyalty Programme Solutions. Loyalty programmes help retailers build customer relationships, reward them for their loyalty and provide retailers with valuable insights and sales promotions by leveraging data about customer behaviour gathered through the programme. In most cases, these programmes are based on loyalty cards tied to a specific brand and, to better implement and maximise these programmes, merchants often fully or partially outsource the related activities to third parties;

- Private Label Card Issuer Solutions. Private label cards are payment cards used by retailers to extend credit or provide prepaid gift cards to their customers. The largest users of these services are fuel retailers, department stores and consumer electronics retailers. In general, these cards are accepted as a means of payment only from the retailers that have issued them. Many payment service processors providing Issuing Processing services also offer private label Card Issuing and processing services to retailers;
- Merchant and eMoney Wallets. These instruments are usually based on mobile applications and QR-codes and are substantially closed-loop solutions that consumers can use to make payments. While merchant wallets, accessible from merchants' mobile applications in secure containers, allow to make payments only at a specific retailer or merchant, other solutions can be used with any merchant or user which has opted for the same specific wallet. Also encompassing orchestrator and business rules, these wallets can enable full mobile purchases (payment + hardware management) for all kind of services at the point of sales (indoor cash registers, fuel stations' outdoor payment terminals, EV charging, etc.) and can be in the case of merchant wallets, accelerators for merchants' mobile centric strategies, boosting the usage of their mobile applications and generating a large range of customer data.

Value-added services for banks

- Digital Wallet Services. Banks often turn to third parties for assistance in designing, implementing, and running electronic wallet systems. Given their diffusion, digital wallets and tokenisation services are becoming a must-have offering that enables financial institutions to seize customer engagement and the targeted marketing opportunities enabled by the instrument.
- Fraud Detection and Prevention Services. The detection and prevention of fraud is an ongoing battle across all channels and payment instruments. As a result, continued investments in fraud-fighting technologies are required to stay one step ahead of continually evolving fraud patterns.
- Authentication Services. Authentication service providers offer banks solutions to provide highly secure methods of authentication for their users. Same examples are 3D Secure and biometrics authentication.
- Data Analytics and Card-Linked Offers. Data analytics and card-linked offer services provide banks with data mining solutions to analyse cardholders' payment data and propose them targeted offers such as digital marketing or real time loyalty (when permitted by local regulators these instruments can target merchants too).

New digital businesses

The third component of the extended payment services ecosystem in which Worldline operates is services for emerging digital businesses with an embedded transactional feature (e.g., *e-Ticketing for Transport, Trusted Digitisation for regulated sectors, Connected Living*). Leveraging the digital revolution these new players promote new Digital Services and new business models that have the potential to drive new transaction flows and create opportunities. The Group brings payment and regulation expertise to these new markets in three main categories:

- *e-Ticketing* and journey management Solutions for transport authorities, transport operators and municipalities. The new mobility landscape is contributing to the increased adoption of Open Payments across the world;
- **Trusted Digitisation** for large organisations, central or local governments and former public monopolies organisations under strict regulations such as Telecom or Utilities. These businesses leverage digital contracts, legal archiving, electronic invoicing, electronic secured communications, track & trace solutions and paperless transactions in general to enable the digitisation of processes. Healthcare services and national digital identity schemes implementation are, together with taxes, fines and invoices electronic payments, the processes that are currently leveraging the most on these technologies;
- *e-Consumer & Mobility Services*. This market, which includes Connected Living services such as connected homes and vehicles, industrial IoT, as well as consumer cloud and contact services, is undergoing strong growth and is generating several new transactional streams. The Group's expertise allows these players to realise ever more innovative solutions with the highest security and service standards.

Key market trends and drivers of change

The trend towards non-cash payment instruments continues both in the retail and wholesale payment sectors. As part of this transition, alternative payment instruments will also increase in significance and might threaten to disintermediate incumbent financial institutions and service providers.

This is driven by a complex interaction of many forces including:

- consumer expectations and behaviour: the way consumers live, enabled by certain key technologies, has raised expectations in the way they interact with both financial institutions and merchants;
- technology: new technologies have a fundamental role in enabling change in payments and in the wider consumer engagement environment;
- regulation: Financial institutions and payment services providers face a range of regulatory changes that can create new outsourcing opportunities for payment service providers and drive increased demand for value added services;
- new entrants: new "Fintechs", mobile operators, Big Techs (Google, Apple, Meta, Amazon, etc.) and other tech companies such as Baidu, Alibaba, Tencent and Xiaomi are now part of the payment ecosystem threatening to displace the incumbents;

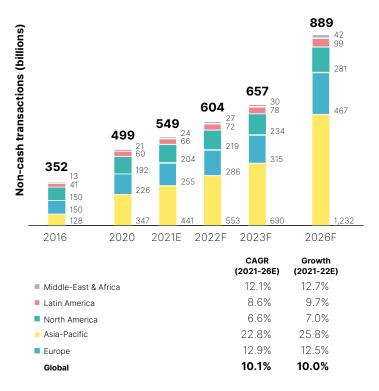


 sustainability: while all stakeholders are looking for digitalised processes, the sustainability of these processes is becoming more and more relevant to be competitive in the market.

As a consequence of these forces, non-cash payment transactions have grown significantly in recent years.

Covid-19 has been another relevant force accelerating the adoption of electronic payment means. Indeed, despite the wide range of restrictions applied all over the world at different times and the shutdowns of certain sectors such as travel and entertainment, non-cash transactions have still grown in 2021 and the Capgemini 2022 World Payments Report forecasts these volumes to grow at a CAGR of 16.5% from 2021 to 2026.

Number of worldwide non-cash transactions, by region



Note: *Non-cash transactions data for 2020 is sourced the from countries' central banks. In case of data unavailability, forecasted figures are used.

Source: 2021 World Payments Report, Capgemini; Capgemini Financial Services Analysis, 2021; ECB Statistical Data Warehouse; BIS Statistics Explorer; Countrie's central bank annual reports.

The digital revolution is driving new customer behaviour generating significant growth in non-cash payments

Today, the average consumer uses several connected devices, goes online multiple times a day from multiple locations, including on-the-go or in-store, and shares the experience with its network. The always-on, always-connected nature of mobile and other devices is creating new opportunities that allow traditional distributors, manufacturers and digital businesses to connect with customers and networks, increase the frequency of these interactions and, subsequently, conversions and payments.

With metaverse adding up at the horizon, the challenge for retailers is to respond to these ever more complex omni-channel consumer expectations which bring significant IT challenges. A similar process is underway in other sectors, creating new digital businesses that, opening new markets, further grows non-cash payment transaction volumes:

- transport systems worldwide are pursuing "smart transport" solutions that use technology to improve fare collection, facilitate multi-modal transportation, improve traffic flows and provide better information to passengers on their travel options;
- governments are increasingly relying on digital technology to make their services and record-keeping more efficient, enhance healthcare information systems, improve traffic and parking enforcement and, in general, ease tax payments;
- in parallel, the increasing universe of connected devices is creating a new "Internet of things" that enables a wide range of new services. Connected vehicles, appliances and other living applications can improve product performance (preventive maintenance, warranty cost, etc.) and/or customer satisfaction (new and extended services, pay per use business models, etc.).

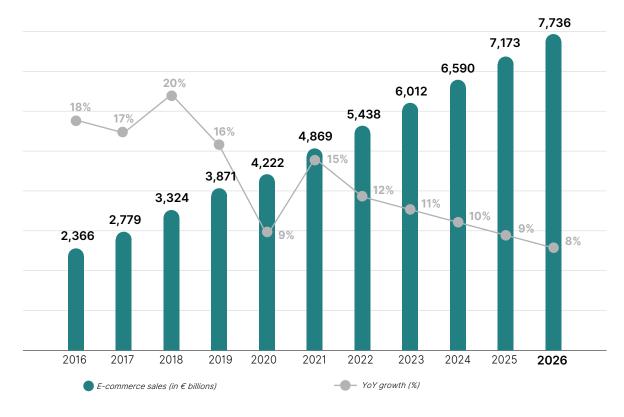
e-Commerce and m-Commerce continue to grow

After the record acceleration recorded from eCommerce during the Covid-19 pandemic, growth is now expected to come back

Global e-commerce sales

to prepandemic levels. Still, eCommerce will continue to be a major driver of growth in non-cash payment transactions.

The Group is also seeing an acceleration of the shift from single end-to-end channel engagement to a cross-channel environment where offline and online, both web and mobile based, are merging to form a seamless experience.



Source: GlobalData.

Mobile is an increasingly important channel of interaction

Mobile continues its trajectory as an increasingly important channel of interaction from banking to proximity, in-app and m-commerce payments.

Mobile devices (particularly smartphones) are more and more relevant channels of interaction for consumers. Banking apps have already overtaken online banking as preferred channel and this, together with other factors, such as social-networks and super apps, pushes the growth of the share of mobile commerce versus total e-commerce sales. According to GlobalData, by 2026 59% of eCommerce transaction value will be originated from mobile devices.

Key developments in technology will sustain the growth of electronic payments

Every player in today's payment market has to come to terms with change and innovation on a pace that has never been seen before. New technologies and new ways of engaging consumers are delivering unprecedented opportunities for the electronic payments' growth. At the same time as embracing new technologies, consumers, merchants and financial institutions also want the point of interaction and payment to become as frictionless as possible.



Contextual commerce

Contextual commerce is a potential game-changer in the way businesses engage with consumers. In its simplest form, contextual commerce is selling consumers what they want, when they want it and in the most frictionless way. It enables merchants to deliver purchase opportunities to consumers in a contextually and personally relevant way such as, for example, during a live streaming on a social-media or first-party platform.

Conversational commerce

Conversational commerce is e-commerce done through various communication means such as chatbots and smart speakers (Google's Assistant, Amazon's Alexa and Apple's Siri). As chatbots and voicebots connect messaging apps to commerce, increasing numbers of consumers are already using these services to find, select and pay products and services.

All this is supported, enabled and improved by fast-maturing technologies such as machine learning, Natural Language Processing, IoT and voicebots. With the introduction of voice biometric recognition and authentication, the role of voice in online retail is set to soar.

Artificial Intelligence

The payments industry is not exempted from the acceleration in business applications of Artificial Intelligence (AI). Al is rapidly emerging as a key technology development because of the ability of these systems to analyse large amounts of data in real-time. Not only this allows to improve fraud detection and prevention, but also allows companies to improve processes in customer service both to merchants and end consumers, in onboarding and along many other components of the payments value chain.

On the horizon

Technologies that were once the preserve of science fiction are set to transform how we pay in the future. The current revolution in payments is still mainly focused on human interaction, but Machine to Machine technology can remove this and enable automated payments with little or no human interaction. While multiple retailers successfully launched checkout-less stores in the last years, 2022 has seen the first experimentations in Metaverse shopping and more and more pilots are expected to take place in the coming years.

In the medium term then, the Group expects to see an expansion of today's payments framework with the access of "things" to data such as consumers' bank accounts and payments data. This will, of course, require permission from consumers, but, fundamentally, it can happen without human intervention, either triggered by a device or by a piece of Al software.

To ensure the same levels of trust and security Worldline has today, this new era will require watertight regulations and the further development of innovations for smart authentication and verification, such as, notably, biometrics and blockchain.

Regulatory changes in the payment sector are expected to create new opportunities

The regulatory landscape is complex and the number of new initiatives is increasing year by year, impacting the stakeholders in different ways.

Financial Services in Europe are facing a range of regulatory changes that have the potential to create new outsourcing opportunities for payment service providers, drive increased and new demand for value added services but also require some remedies. Not exhaustively:

- the second Payment Services Directive, or PSD2 has transformed the payment services market with the concept of Open Banking, meaning open and consensual access to information and initiation of payment transactions from Third Party Providers (TPPs) and the introduction of strict security requirements. A process of revision is in progress as introduced by a public consultation in July 2022. Besides the European authorities have launched a public consultation on Open Finance and data sharing in Financial Services. 2022 saw the publication from the European payments Council (EPC) of a rulebook for a new scheme on the SEPA Payment Account Access (SPAA);
- Instant Payments are live since November 2017 While the innovation potential of Instant Payments has been hindered from a heterogeneous adoption of the instrument, the European Commission has published on October 26 a regulatory package that will mandate credit institution to receive and offer Instant Payments. This proposal could finally allow to reduce the cost of managing cash and cheques and could make major headway in the full range of use cases: from peer-to-peer (P2P) and person-tobusiness, where cash and cheques are currently widely used to business-to-business (B2B) payments and even, with the rise of connected devices in our lives, to machineto-machine (M2M) payments;
- the investigations of Central Banks on the possible issue of Central Bank Digital Currencies (CBDCs) have continued in 2022. The European Central Bank has issued two reports updating the progresses made in the investigation phase of a digital euro that is expected to impact both old and new use-cases for which traditional electronic payment methods of today are not always suited;
- between March and April 2022 agreements over the Digital Markets Act (DMA) and the Digital Services Act (DSA) have been reached and the legislation have come into force during the month of November 2022. These Regulations, applicable in the whole EU, create a safer and more open digital space through liability rules, transparency obligations, prohibiting non-competitive practices and setting sanctions. The heterogeneity in digital payments adoption across different countries continues to be object of specific regulation by local Governments aimed at reducing cash usage. Mandatory acceptance of all or some digital payments instruments is now in force in at least three European countries;

- the Council and the European Parliament have agreed to improve consumer protection in light of the increased digitalisation of services by revising the Consumer Credit Directive, increasing protection for those interested in borrowing money both online and offline. This will impact the operations of BNPL operators;
- following requests from the European Retail Payments Board, the EPC has published for review a set of specification aimed at standardising QR-codes in the context of mobile SEPA Credit Transfers (MSCT).

New entrants and their impact on the industry business model also create new opportunities for payment services providers

Big tech giants such as Google, Apple, Meta and Amazon and other tech giants such as Baidu, Alibaba, Tencent and Xiaomi are leveraging their client access and financial power to revolutionise the payment sector through specific technologies and end-to-end services (e.g., Google Pay, Amazon Go, Alipay, WeChat Pay, etc.).

New Fintechs, unencumbered by legacy technologies are also changing the way consumers interact with financial service providers. Worldline sees a new wave of digital only banks for example and other fintechs leveraging PSD2 and Open Banking to offer payment initiation and financial management services. In this new competitive environment, banks will have to adopt shorter development cycles and business models which incorporate revenue sharing and different pricing models to remain sustainable and profitable on the long term.

Large banks in Europe clearly understand that the platform economy is the new normal for their business, and they have started to move accordingly (including BCEE and BIL in Luxembourg, ING in the Netherlands, Hello bank! in the Czech Republic). For their part, challenger banks and new specialist banks, which were born in this new world of Digital Services, are in prime position to take advantage of the changing landscape. Providers of innovative and device-free solutions (SoftPOS) have also intensified their activity due to the increase in the use of smartphones all over Europe. Although these solutions are still new, they intensify the competitive landscape but also offer new opportunities to target merchants that are not equipped with payment acceptance solutions.

Sustainability

While digitalised processes are by nature seen as more sustainable, consumers, merchants and financial institutions are now more and more interested in minimising the environmental impact of their digital processes too. This forces payment players to focus on the energy consumptions of their datacentres but also requires developments in their solutions such as, for example, developments to shift from a systematic printing of paper receipts at the point-of-sale to optional printing or tokenisation of cards to reduce cards printing and shipping. Digital receipts and carbon calculators providing the environmental impact of digital transactions are only some other developments emerging under the growing focus on sustainability.







Interview with **Marc-Henri Desportes**, Worldline Deputy CEO

A strong start to our 3-year plan.

What are the aims of Worldline's 3-year strategic plan?

Our 3-year plan, which began in 2022, is based on strong organic growth. The main driver of this growth ambition is the integration of Worldline and Ingenico as the convergence of our platforms provides both a compelling offer to the market and a more efficient delivery and cost structure.

The plan is underpinned by investment in cloud migration for increased efficiency in our technology stack, supporting our full product range, which, in my opinion, is comprehensive and cutting-edge in a way which is unique in our market. We will also continue to grow through strategic acquisitions.

What was the focus for the business in year 1?

In 2022 we leveraged significant synergies across Worldline from the integration of Ingenico. We continued to gain market share through our core engine, Merchant Services (MS), for which our online digital commerce goto-market was extremely successful thanks to significant order entries in verticals such as airlines where Worldline deploys its TravelHub offering, at Lufthansa for instance.

Our continued investment in developing products and solutions for banks, including in the new field of open payments, supported the contracts onboarding of our Financial Services (FS) business. Our open banking platform is now fully connected and available for all 3,500 European banks and, at the end of 2022, Worldline extended its partnership with ING Bank to handle debit and credit card issuing and processing for ING across many European countries for the next 10 years.

Worldline Mobility & e-Transactional Services remains a unique differentiating add-on to our core business, complementing payment transactions and driving further volumes. In 2022 we launched our Open Payment system across the public transport network in Lyon, which is now the biggest city in Continental Europe to deploy such a solution. Our Worldline Tap 2 Use solution enables passengers in Lyon to simply tap their physical or virtual bank card, iPhone or Apple Watch on transit readers and embark on their journeys.

What were the main drivers for Worldline's business growth in 2022?

Technology and innovation are fundamental to the performance of all our business lines. In 2022 our migration to the cloud progressed smoothly and nearly a quarter of the full Worldline stack is now available in the cloud. This means that our customers benefit from the improved flexibility and time-to-market that comes with the latest cloud technology.

Our integration with Ingenico drove the development of an expanded portfolio of innovative products and solutions for our customers as we combined the best of both worlds. We brought together the acceptance solutions of Ingenico with the best acquisition stack of Worldline to build the best full service solutions, adapted to some specific verticals. We are rapidly establishing our presence in the metaverse and our partnerships also deliver maximum value to our customers. Worldline is the first payments provider to fully integrate Dynamics 365 Fraud Protection from Microsoft and the first acquirer to enter into a full-scale multi-country integration with Alipay+.

Corporate Social Responsibility (CSR) is an integral part of our 3-year strategic plan. Our microdonations solution enables consumers to round up digital payments and make a charitable donation, while also helping merchants comply with their own CSR policies. In 2022 we helped raise over €9m in microdonations on POS terminal. We launched our sustainable banking solution in 2022 empowering banking customers to offer insights to consumers about the carbon footprints of their transactions.

In addition to acquisitions in Europe, in 2022 we began activities in the Japanese merchant services market and created new corridors with South Korea and India. Our strategic partnerships in these markets provide a solid basis for future international expansion.

2022 was also the first year of operating our joint ventures in Australia and Italy in partnership with ANZ and BNP Paribas respectively, as well as the year we onboarded a new merchant portfolio in Sweden.

What is the focus for 2023?

Our 3-year strategy positions Worldline to succeed in a complex geopolitical and economic environment in 2023. We will continue to converge our platforms and solutions for scale and efficiencies. Our organic growth will be complemented by the impact of our strategic acquisitions so we can serve our customers in more geographies.

In response to the steep increase in energy costs, we plan to further reduce energy consumption by 20% in our offices and data centres to limit carbon emissions and the impact of energy costs on our customers.

Our Merchant Services offering is at the heart of our strategy. In our role as a payment orchestrator, we enable merchants to adapt to new payments opportunities with a one-stop-shop providing them with tailored solutions for all their payment needs.

We will intensify our customer focus, putting their needs at the centre of our product development and solutions. Our customers expect flexibility, openness and the ability to engage the full payment stack from Worldline – that will continue to be our priority for 2023.

As this requires even more engagement with customers concerning our innovative solutions and ideas, we will leverage further the Innovation Experience Center (IEC) we inaugurated in 2022. With solid bookings for meetings already organised for 2023 at this IEC, we intend to develop remote innovation centres in other Worldline locations so we can explore with our customers how our solutions can enrich their customers' experience.



Strategy

Worldline presented its 2024 vision and its financial ambition for the 2022-2024 period at the occasion of an Investor Day held on October 27, 2021. Taking the full advantage of its European identity and associated competitive differentiators, the Group is committed to establish itself as a premium global Paytech.

This three years vision reflects the Group unrivalled position, value proposition, scale and reach across the full payment value chain which has been achieved thanks to the successful transformation journey since IPO in 2014 with the creation of a real pan-European leader achieved with a solid growth creating sustainable value to all our stakeholders.

Leveraging the unique position created over the years at the heart of the European payment ecosystem, Worldline will rely in particular on the unique market positioning of its two main Global Business Lines while accelerating its investment in the Group technology stack to take advantage of the very favourable post-covid digital payment market.

The Group's single entry-point positioning for both merchants and banks, supported by its open-innovation expertise, will contribute alongside the multiple growth engines of Worldline to the acceleration of the organic growth of the Group towards the double-digit territory. Coupled with a strong operating leverage and the execution of all integration and synergy plans, it will boost Worldline's profitability to trend towards 30%. Being the leading European consolidator, Worldline will also keep a strong focus on M&A and growth-enhancing acquisition opportunities and leverage its recognised track-record and repeatable integration playbook.

A Group deeply transformed

Since 2014, the Group has made real its ambition set at the IPO by successfully executing its strategy and achieving a significant growth and a deep transformation of its business profile to create a real pan-European leader with an unrivalled scale and reach.

Worldline evolved from a regional challenger to a pan-European leader. This transformation has been particularly important for Merchant Services activities now weighing for two-thirds of the Group annual revenue with more than \notin 2 billion revenue compared to one-third at IPO time.

Worldline has multiplied by more than 15 times since 2014 its merchants' portfolio, making it the largest in Europe. The Group strongly expanded its online expertise which is now mandatory for its merchant customers, as online is today a key differentiating factor that Worldline couples seamlessly with its leading instore capabilities, providing a true omnichannel offering at scale. It positions Worldline as an unrivalled entrypoint to c. 15% of the European retail and the best partner for any payment brands willing to address the European retail at scale. In Financial Services, the Group has more than doubled its size, positioning Worldline as a key partner for banks willing to optimise the competitiveness and quality of their payment processing activities with a clear value-added provider. This positioning is fully reflected in the industrial volumes of cards under management (126 million) and acquiring transactions (11 billion per year) that the Group processes every year, making Worldline one of the largest acquirers and transaction processor in Europe.

Through this transformation journey, Worldline has tripled its revenue, thanks to an organic growth accelerating from low to high single-digit and by delivering successful accretive M&A operations, enlarging the Group footprint and value proposition.

The profitability was also strongly enhanced over the same period with an improvement of the OMDA margin by +730 basis points. This was achieved thanks to an improved operating leverage derived from an enhanced scale coupled with continuous efficiency gains and the strong execution in synergies delivery of acquired perimeters, based on an unmatched integration know-how.

This strong financial performance enabled the Group to create distinct and sustainable value for all Worldline's stakeholders, clients, partners, employees and shareholders, as notably reflected in a more than four-fold share price increase since IPO and a nine-fold increase in market capitalisation. It demonstrates the strong support of Worldline's shareholders which allowed the Group to pursue its consolidation path of the European payment industry by financing in shares most of its transformative operations.

Ideally positioned in a dynamic market

Worldline main playground, the European payment market, is still cash driven, allowing Worldline to leverage the cash-to-card shift in several countries. In addition, this market is large, but contrary to the US, fragmented in terms of number of players as well as payment means. The European market is also still mainly owned by banks with local specificities, offering to the Group strong growth opportunities.

In parallel, the current ecosystem faces very different trends and new behaviours that have been accelerated by the Covid pandemic. The market faces today a multiplicity of payment means that need to be connected and simplified for the merchants while improving the user experience on the consumer side. In this evolving context, all parts of the chain need to be connected and influenced each other.

These payment trends highlight the relevance of Worldline positioning, able to offer one innovative interface serving merchants and banks at scale.

2024 vision

To deliver Worldline's 2024 vision of building a premium global Paytech company at the heart of the European payment ecosystem, the Group will leverage its unrivalled and unique positioning built over the past ten years. Worldline will accelerate the development of its open-innovation model, the orchestration of the payment ecosystem, and the monetisation of its unique positioning. In parallel, Worldline will leverage the privileged market positioning of its two main Global Business Lines, relying on its unique target modular platform architecture while pursuing to ensure Worldline as a leading CSR company creating sustainable value for all stakeholders.

Innovate, orchestrate & monetise

The 18,181 payment experts and talents of the Group and the strong leadership team will ensure the delivery of the best and most comprehensive payment offerings thanks to Worldline open-innovation expertise, embracing current and coming payment trends.

This open-innovation model is based on the combination of the Group internal capabilities on core payments from Worldline Labs with the integration as a single entry-point of external innovation coming from the payment ecosystem dynamics. As such, the Group remains focused on its core platform and R&D features, while onboarding on its platform with the integration of APIs the most innovative providers in payment such as APMs, Cryptos, BNPL solutions, Open Banking solutions or ISV products.

This global approach is very strong, enriching Worldline's offering portfolio offerings with the best solutions to bring value to merchants and banks.

Merchant Services – The payment ecosystem orchestrator

Merchant Services' global footprint and unrivalled access to more than 1 million merchants position Worldline as the European payment ecosystem orchestrator, offering a single entry-point to the European retail.

By connecting and simplifying the access to 15% of European merchants in a very complex environment in terms of payment methods and VAS, Worldline makes available a strong and efficient platform providing scale benefits to its clients and partners, while leveraging one modular platform with a clear and unmatchable value proposition. The Group's unique and unrivalled multi and omni channel offerings support the merchants in the physical world and in the digital space with seamless and bundled solutions improving user experience.

This support is not only local, but also international and crossborder with full end-to-end solutions, focusing on dedicated sales channels providing SMBs, specialised vertical and digital native players with the best solutions.

Based on a real and proven sparring partner positioning for banks, Worldline positions as the best alternative for banks to extract value from their merchant books while offering the most advanced and competitive solutions to their end-clients.

Financial Services – The pan-European digital payment factory

In Financial Services, Worldline has built an unmatched pan-European digital payment factory based on one Worldline modular platform to deliver at scale and with a global reach all the payment methods available. Worldline brings efficiencies and reduces the overall operating and capital expenses burden of banks through optimisation of operations. It also removes the complexity of banks' compliance issues, managing these on their behalf.

This unique value proposition for banks guarantees them the most up-to-date innovation for their customers, by simplifying the integration of the most updated Fintechs solutions and VAS, onboarded in real time on Worldline's scalable platform with an unmatched level of security.

It positions Worldline as a compulsory partner for banks willing to optimise at scale their processing activities with unmatched and efficient value propositions.

A unique target modular platform architecture

The value proposition in Merchant and Financial Services is strongly supported by a unique target modular platform architecture, aggregating the full payment ecosystem in one single entry-point. Worldline one platform benefits from an availability of all components, leveraging the best-of-breed modules in portfolio, inherited from the past acquisitions.

Worldline's unique platform architecture relies on the development of a strong technology convergence including the cloudification and the integration of APIs, allowing a highquality open-innovation to the ecosystem. This integrated, simple and modular infrastructure is operated by Worldline to maximise all the benefits to its clients and partners, while delivering efficiency and growth opportunities.

Delivering a leading CSR performance

Since its IPO in 2014, Worldline has been committed to a voluntary CSR approach reflecting compliance, transparency and a high level of engagement towards its stakeholders. This approach has been strongly supported by the success of the Trust 2020 CSR transformation programme which has revealed as a key enabler for mobilising the whole organisation to respond effectively to all core CSR challenges of the payment industry and to boost the Group CSR performance.

Based on the success of Trust 2020, reflected through a high level of achievement, Worldline has launched Trust 2025, a new 5-year CSR roadmap aimed at maintaining Worldline's CSR leadership through an integrated model. This new chapter in Worldline's CSR journey aims to confirm and accelerate the progress made in terms of CSR on all the most critical and strategic challenges in the areas of business, people, ethics & value chain and environment, improving further the Group' competitive advantage.

Furthermore, Trust 2025 is the concrete expression of Worldline's Sense of Purpose, adopted in 2019.

To ensure creating sustainable value for all stakeholders, Worldline will continue to regularly report on its achievements towards its nine commitments for 2025 through 16 KPIs defined with specific and measurable targets to be reached by 2025.



2022-2024 organic ambition

The Group ambitions to deliver:

- revenue growth: 9% to 11% CAGR¹
- OMDA margin: above 400 basis points improvement over the 2022-2024 period, trending towards 30% of revenue by 2024
- free cash flow: c. 50% OMDA conversion rate by 2024

Market consolidation – a growth and profitability accelerator

Over the past ten years, Worldline has been the most proactive and successful player in the European market consolidation. By doing so, the Group developed unmatched integration capabilities, applying its scalable and repeatable playbook with a strong and knowledgeable integration team, maintaining the expertise and enhancing the methodology deal after deal.

Technology, R&D, patents and licences

Worldline operates its business as one global factory that serves each of the Group's Global Business Lines. Under this approach, Worldline continually seeks ways to leverage its industrial scale, processes based on standardised tools, shared best practices and efficient use of global resources to deliver services at competitive prices. Worldline's competence centres, IT platforms, data centres, and hardware are central assets in this effort.

IT platforms

Worldline engaged a strategy delivering global performance by consolidating onto its best-of-breed IT platforms leveraging the cloud technology transformation. In that frame, the Group "Move to Cloud" programme allows all its business divisions to benefit from the most appropriate infrastructure solution taken from "Worldline on-prem Cloud", "Client Private Cloud" or "Public Clouds" models. The business platforms consolidation enables the full delivery on the European continent of the scale benefits linked to the combined volumes of the former platforms, while freeing up capacities to invest in new technological innovations reducing at the same time, the ecological impact of data processing. It also highlights the Group's ability to deliver the consolidation and integration processes allowing a precise implementation and tracking of synergies, enabling it to overachieve initial integration targets.

The payment market still offers a lot of opportunities, and Worldline is ideally positioned to capture them. The Group's focus is three-folded:

- first, enrich and expand Worldline's geographical footprint targeting specific regions, while leveraging a bank partnership approach;
- second, improve and preempt new trends through technologies and products acquisitions to reinforce Worldline's innovation portfolio or exploring new adjacencies;
- and third, be ready to capture medium to large size opportunities coming from large banks or pure payment players.

This inorganic development ambition is largely executable on a financial standpoint, thanks to the Group's strong cash generation and steady deleveraging profile.

Data centres and hardware

The Group engaged a global strategy for data centres around the world to deliver the services in the best efficient and reliable way. In that frame, Worldline strengthen its operations in Europe in nine consolidated, interconnected, highly secure and fully redundant data centres distributed in three independent availability zones called "Cloud Areas". Worldline's European data centre hub covers an area of more than 9,500 sqm and runs approximately 22,000 servers physical devices and approximately 50,000 virtual machines with a storage capacity of approximately 40 PB of data. In total, Worldline's European hub data centres process approximately 85% of the Group's total transaction volumes. All of Worldline's European hub data centres are compliant with the Payment Card Industry Data Security Standard (PCI-DSS, 3DS and PIN) required for payment service providers to accept, transmit or store cardholder data. In a more general frame, the data centres operate by the Group are also certified under ISO 9001 (quality management), ISO 14001 (environmental management), as well as ISO 27001 (security). This without forgetting more specific certifications like SecNumCloud (France) or DK (Deutsche Kreditwirtschaft). All of these data centres meet at least Tier 3 classification of Uptime Institute. Worldline's European hub data centre facilities are also compliant with IT Infrastructure Library (ITIL V3), IT service management "best practice" standards and

¹ Compound Annual Growth Rate.

applicable banking standards. Worldline ensures that strict security measures are taken at all of the data centres it uses, including video surveillance, access control, a limited staff policy, infrastructure monitoring, annual risk management reviews, regular business continuity procedures and internal and customer audits. All over the world, where it suits its client needs, Worldline also operates onto additional highly secure and standard certified data centres provided by third party suppliers. In total, those additional data centres process approximately 15% of the Group's total transaction volumes. To benefit from maximum network connectivity, the Group uses several European telecommunications centres rented from external parties that are interconnected with its data centres through high-capacity optical fibre networks. Worldline's data centres, networks, servers, and telecommunications centres are operated and maintained by a global infrastructure and operations team of approximately 2,000 information technology experts.

Research and Development

The Worldline Group actively seeks to promote a culture of innovation designed to spur its employees to greater creativity and encourage the design and implementation of value creating projects.

The Worldline Labs, Group's dedicated Research and Development teams, are a key enabler of its capacity for innovation and improvement of its products and solutions, a critical strength in an industry that is constantly evolving. The Worldline Labs are managed centrally from the Group's headquarters and comprise Research and Development engineers spread throughout the countries in which the Group operates. Many of the Group's Research and Development engineers are closely integrated within the Group's operational teams and focus primarily on incremental innovation, while other Research and Development engineers are focused on longer-term Research and Development projects dedicated to radical or disruptive innovation. The Worldline Labs support a broader team of more than 4,500 engineers in the field working with clients to implement the Group's services. The Group's Research and Development expense amounted to € 243 million in 2022.

The Group's Research and Development activities are detailed in section A.2.2 "Spur sustainable innovation" of this Universal Registration Document.

Intellectual property, patents, licences, usage rights, and other intangible assets

The Group owns most of the intellectual property that it uses in connection with its activity. As a result, the Group is usually able to develop its own technological solutions and to provide its products and services to clients without depending on competitors or other third parties.

The Group's intellectual property rights comprise a combination of complementary rights, including rights relating to technology, such as:

- know-how and trade secrets whose confidentiality is ensured by the Group's internal policy as well as by contractual provisions that are binding on the persons or entities with access to such information;
- software and information systems (which are protected by copyright) and databases. In accordance with the Group's intellectual property policy, software registration is used to ensure copyright protection;
- a portfolio of 120 patents, filed in the geographic markets where the Group is most active, including Europe, the United States, Canada and India;
- rights to distinctive marks such as trademarks or domain names, in particular those including the name "Worldline", registered in all of the countries where the Group does business.

Going forward, the Group will continue for filing trademarks and patents relating to the Group's activity in accordance with the Group's intellectual property policy applied by the Group with respect to its own Research and Development projects, the primary objectives of which are the following: (i) to identify the intellectual property developed by the Group's entities; (ii) to evaluate their potential and optimise their usage; (iii) to determine the form of protection best suited to the Group's activity (for example, filing a patent or protecting the confidentiality of a trade secret); (iv) where necessary, to bring legal action against infringers and defend actions brought against the Group; and (v) to ensure that the Group remains independent with regard to intellectual property and that the majority of the intellectual property used by the Group belongs to it.

In addition, from time to time, some Group entities use opensource software, which may be used free of charge under licences that sometimes include an obligation to disclose the source code developed using the open-source software. The Group's internal intellectual property policy provides that management must closely monitor such use from both a technical and a legal perspective in order to avoid the risks of unmonitored use of open-source software and disclosure of source codes relating to the Group's proprietary software.

The Group is a respondent in very intellectual property labour claims and in the Group's opinion most of these claims have little or no merit and are provisioned appropriately (see section C.4 Legal Proceedings).



Merchant Services



Interview with **Niklaus Santschi**, Head of Merchant Services and PAYONE CEO

2022 was yet another year of change. What do you consider Merchant Services' greatest asset in this market?

Indeed, Covid-19, the Ukraine situation and the rising inflation that followed the energy crisis made 2022 a demanding year. For Worldline, our customers and our employees, our combination of stability as an organisation and adaptability as individuals have been instrumental in navigating these times. We were able to leverage our footprint, grow even stronger through bank partnerships (Italy, Greece, Nordics), through product partnerships (SoftPOS and Online Payment Platforms (OPP)), and also through our own expansion (Turkey, South Korea, Japan, India and more). Above all, we were able to stay close to our customers, stand by them in difficult times, and support consumer satisfaction through our service excellence.

You became CEO of Merchant Services in 2022. What is your mantra?

Focus, focus, focus. Worldline is a huge organisation and our customers are as diverse as can be. It is our task to consult them on all things about payments. We want them to have the most valuable and user-friendly solutions and deliver new products that meet consumer needs. Together we grow our customers and our business and we create seamless consumer experiences. That's what I call partnership.

Merchant Services

Vision

Worldline's Merchant Services digitalises and helps merchants to grow their business by offering their clients a unique payment experience enriched with Digital Services. Worldline aims to present its clients with the exact right buying experience: for the end consumer (user experience, quality, speed, value adding services) and for merchants themselves (one stop shop, flexible solutions, local presence – global abilities and outstanding reporting capabilities).

Its ability to sustain and extend these client offers is guaranteed through its ongoing focus on outperforming competition in terms of product offering, services excellence and IT robustness.

Fast changing environment

Worldline's Merchant Services business is strongly influenced by several elements, including:

- effects of the new regulations such as PSD2, Instant Payments, data & privacy security;
- unprecedent acceleration of digital consumer behaviour and related demands across all aspects of life;
- new and easily accessible technologies that support the seamless transition between previously disparate operating models (*e.g.*, in-store, e-commerce, m-commerce), now allowing for innovative business models emphasising the customer journey;
- difficult to predict macro-economic impact.

Competitive landscape

The payments industry is undergoing change:

- new players, start-ups and fintechs are entering the market space with specific niche offerings, and pushing market transformation;
- traditional parties (such as banks) are keen to build alliances to optimise their business operations and benefit from technological approaches offered to their clients through their alliance partner;
- ongoing consolidation amongst big players globally, as scale and geographical reach matter more than ever.

Payments in a post Covid-19 world

Over the past two years, Covid-19 has driven consumer habits towards cashless, preferably contactless payments in-store and, thus, accounts for a major portion of the increase in e-commerce. In 2022, this trend has proven to be sustainable at large, thanks to simple, user-friendly and integrated payment solutions (*e.g.*, click to pay, pay by link, buy now pay later), and convenient e-commerce solutions.

Merchant landscape

The landscape of merchants can generically be illustrated using two axes:

- scalable, standardised and efficient requirements versus customised or segment-specific seamless digital solutions;
- businesses with single/national presence versus multinational or even global players.

Across both dimensions, Worldline aims at supporting the following merchant trends:

- digitalisation: making the POS and digital experience consistent, convenient and customised before and after the payment transaction;
- new consumer behaviour: offering new services, new concepts at the various and diverse points of interaction;
- globalisation and omni-channel: standardising, facilitating shopping across all channels and expanding the offering while optimising transaction processing (increasing reach; local connectivity; one-stop-shop and modular needs);
- embedding the whole array of payment methods in terms of channels (mobile, wallet, instant, etc.) and schemes (local, international, premium and alternatives);
- verticalization: abandoning the standardised approach, moving towards market verticals specific solutions.

Differentiating offer Worldline Merchant Services

Worldline has positioned itself as a provider for Merchant Services for any segment of merchants in multiple business models and channels. Worldline offers services that go beyond the merchants' payments handling towards full Digital Services.

Merchants of all segments and sizes will find the solution that serves their needs best, be it a standardised package for a small store or a modular, tailored solution for a set of countries and regions is often the case with retailers.

Its European roots and global presence provide Worldline's clients with the combined benefits of local expertise and the global availability of its services and support. Thus, Worldline is able to support the growth ambitions of merchants both from a geographical and a vertical point of view. Worldline is committed to offering the most efficient solutions to all merchant segments, thus supporting their ambitions in terms of growth and customer proximity.

Worldline's position in the merchant space

Thanks to a strong product portfolio supported by highavailability platforms and local services centres, Worldline today is servicing over one million merchants worldwide, from micromerchants (mass market) to large international enterprises in various segments. Amongst others Tesco, Sainsbury's, BP, Indian Oil Corporation, Bharat Petroleum, Hero Cycle, Hindustan L'Oréal, PayPal, Google, Airbnb, Spotify, Subway, Europcar, McDonald's, Lufthansa group are Worldline Merchant Services clients across the world.



In 2022, Merchant Services continued to strengthen its leading position through various initiatives:

- further strengthening its client solutions, global presence, market knowledge and ability to scale by completing the integration and rebranding Ingenico;
- delivering "Excellence in Services" while optimising the cost structures to secure products competitiveness for its customers;
- building long term relationships with key customers and accelerating international expansion to better serve global customers through investment in sales and account management teams;
- developing of OneCommerce, offering one single platform for pan-European in-store and global omni-channel payments for multi-country merchants;
- global coverage and access to high growth markets including India, South Korea and Japan;
- developing new solutions arising out of PSD2, like Accountto-Account Payments (Instant Payments) as well as specific services based on AISP (Account Information Services) and PISP (Payment Initiation Services) related roles and responsibilities;
- offering acceptance of alternative payment methods to its merchants, like WeChatPay, Alipay and Cryptocurrencies;
- launching our offering with pilot customers in the Metaverse, thus bridging virtual and real commerce;
- developing and launching new terminal solutions, like Worldline Tap on Mobile (a SoftPOS solution), which will open up new market segments for card acceptance enabled via smart phone;
- reinforcing our capabilities in global C2C marketplaces through our acquisition of OPP;
- simplifying and accelerating on-boarding processes for new clients and automating the client journey;
- go-live of our Joint ventures with ANZ Bank in Australia, Eurobank in Greece and Axepta in Italy;
- announcing our Joint venture with Banco Desio in Italy.

Organisational Structure

The organisation of Merchant Services is characterised by the product divisions (Commercial Acquiring; Acceptance and Digital Retail) and four go-to-market divisions (Regional Businesses, Global Sales & Verticals, Digital Commerce, and Financial Institutions). PAYONE, is a separate market-leading organisation, in Germany and Austria, servicing local merchants in close cooperation with the German Savings Banks.

Product organisation

Commercial Acquiring is the business of contracting merchants for payment acceptance. The key role of the acquirer is to transfer the funds received during a payment transaction from the customers (mostly cardholders') issuing bank to the merchant's bank account. A commercial acquirer also underwrites the credit quality and integrity of the merchant, because the acquirer is required to refund the amounts paid to the issuing bank, if a merchant does not deliver the goods to the end-customer.

To be an acquirer, a company must hold a Payment Institution licence. Worldline is a licenced payment institution in the European Union, the European Economic Area and Switzerland. In order to accept payments through international card schemes such as VISA, Mastercard and local schemes such as Bancontact in Belgium and TWINT in Switzerland, a merchant must contract a payment institution (or a bank) which holds a licence of the respective card scheme network.

Worldline is continuously and successfully expanding its commercial activities, both organically, via bank alliances and partnerships as well as acquisitions. Through the acquisition of Ingenico in 2020, Worldline has grown to be the #1 merchant acquirer in Europe with a merchant network of more than 1.25 million merchants and the processing of circa 27.7 billion transactions per year.

Through its ability to offer end-to-end solutions, Worldline provides merchants with a one-stop-shop for Commercial Acquiring services. Worldline manages and ensures the quality, reliability and availability of payment services, allowing merchants to focus on and grow their business. In all mentioned countries, Worldline provides its merchants with a contractual relationship covering all major international payment schemes (Visa, MasterCard, Diners, UnionPay, JCB), national scheme like Bancontact, TWINT as well as alternative payment means like Alipay, WeChatPay, cryptocurrency payments and account-based payments. In addition, Worldline is a Network Service Provider (NSP) in Germany (Girocard), Switzerland (Postfinance) and Greece (Cardlink).

Worldline offers an attractive combination of solutions and capabilities, both in client facing and back-office environments, to deliver cutting edge, seamless multidevice payment related services. Worldline's solution includes the delivery of consolidated enhanced reporting to merchants and supports a wide range of currencies for card transactions. Worldline's solutions also incorporate robust fraud prevention services to help merchants and cardholders reduce fraudulent transactions. Worldline offers several payment-related value-added services, like the in-house Dynamic Currency Conversion, fraud detection, customer feedback surveys, loyalty services as well as end-to-end solutions for implementing company-specific gift and loyalty card programmes.

Worldline invests strongly in setting up services defined in the Payment Service Directive 2 which allows Third Party Processors to access bank accounts of payment users to initiate payments (Credit Transfers or Instant Payments) or to gather bank account information (balance, history). Worldline extended its PSP licence and became Payment Initiator Service Provider (PISP) as well as Account Information Service Provider (AISP) in Belgium and the Group has started to passport these licences to the other European countries, offering further benefits to its merchants.

Worldline's **Acceptance** services cover all merchant needs, allowing its clients to accept payments at their point of sales, online (worldwide and local e-Payment), via mobile and in proximity to a terminal. Examples of larger clients Worldline provides these services include Carrefour, Darty, PayPal, Spotify, Expedia, Booking.com, Accor hotels, Airbnb, McDonald's, C-discount, HMRC, Asos and various rail companies. However, Worldline also services many small clients all over the world, for example in Canada, Sweden, Australia, Argentina and India. Worldline is offering a global omni-channel payment gateway offering one single platform for pan-European in-store and global omni-channel payments for multi-country merchants.

The solution allows merchants to accept local and international payment (online and in face-to-face contexts) and supports coherently and transparently the entire transaction lifecycle across all the different channels, countries and across new omni-channel use cases.

As an omni-channel payment gateway (fully complying with GDPR-Regulation and PCI Data Security Standards) Worldline's omni-channel solution enables merchants to accept well over 200 payment types, including credit and debit cards, bank transfers, electronic wallets and private label payment cards, as well as various local schemes across several European countries. On top of standardising solutions for the POS and concentrating of payments on a single global platform, Worldline's omni-channel solution enables services like Endless Aisle, Click and Collect, Click and Return with a consistent and new user experience across all different purchasing channels. This provides a dynamic choice of acquirer or payment scheme helping merchants in optimising financial conditions.

Worldline offers connections to (local) Acquiring solutions in some of the world's most important emerging economies, such as India, Brazil and China via its wide range of payment service provider solutions. This means that all payment transactions can be accepted for the lowest possible costs and paid-out in the desired currency to our clients. This reduces complexity, while supporting the merchant's business growth.

Through **Digital Services**, Worldline aims to enhance the payments experience through value-added services along the entire value-chain, by assisting B2B and B2C merchants in placing their customers in the centre of their attention. Worldline's vision is already beyond the well-known payment terminals: Worldline has introduced WL Tap on Mobile (Payment on smart device like smartphone) with PIN in 2022 and has acquired bespoke capabilities in payments for the growing segment of online marketplaces through a 40% stake in the specialised provider OPP. On top of that Worldline's Digital Services combine:

- Digital Service offerings, covering the full digital commerce lifecycle for merchants starting with the self-onboarding and following their lifecycle with self-service on the MyPortal platform;
- Value added services, such as Private Label Cards, Loyalty Services, Merchant Loan and Merchant Apps on terminals.

Go-to-market approach

Worldline's go-to-market organisation is aims at leveraging the capabilities in the various segments in order to match client needs and support the Group's growth ambitions.

Regional Businesses (Small & Medium Businesses-SMB)

The Worldline value proposition targets merchants through an easy-to-use an all-in-one solution, including a choice of local payment methods. We support regional businesses of all sizes ranging from single stores and online start-ups to regional online, instore and omnichannel champions. Currently we manage a portfolio of over 1 million merchants across 17 European countries.

Global Sales & Verticals

Worldline fulfils the need of industry-specific high scale/cross border solutions through its verticalized set of highly scalable full-service cross-border solutions. In an era of consolidation, globalisation and race for scale, merchants and partners benefit from the most secure industry solutions, best in class services, global coverage, time-to-market and optimised total cost of ownership.

Digital Commerce

The e-commerce market continues to grow exponentially and requires cross-border multi-currency, multi payment methods solutions. The combination of acceptance and Acquiring solutions that Worldline offers to global e-Com clients – is focused on those requirements. We help accelerate e-Com business into challenging, high growth markets, and break down barriers to global expansion.

Joint Ventures and International Partnerships

Worldline sees growing appetite within Financial Institutions to capture payment asset value via tailored partnerships, while maintaining payment leadership. For this particular interest Worldline offers global leading payment capabilities to develop market winning banking alliances and Joint Ventures. A wide range of partnership models from pure outsourcing to commercial alliances and joint ventures is in place across the world.

- BPO-outsourcing: operating processing and Merchant Services delivery (examples: BNP Paribas and UBS);
- referral distribution: the bank refers its clients to Worldline for terminals and Acquiring services (example: Commerzbank);
- White label: reselling Worldline's terminals and Acquiring solutions under the brand of a bank, enabling increased focus on pricing and simplifying offer (example: leading bank in Western Europe);
- commercial alliance/JV: offering Worldline's terminals, Acquiring and other payment solutions under the brand of a bank or a joint brand, enabling increased focus on joint sales force and innovation (examples: KB Smartpay, and ANZ Worldline Payment Solutions).



Financial Services



Interview with **Alessandro Baroni**, Head of Financial Services

What were the key developments in the financial services industry in 2022?

In a challenging environment, the instant economy is becoming more and more apparent. Businesses, governments and consumers want to be able to initiate payments at any time, in every context and across any channel. Even though Instant Payments has proven its potentially far-reaching benefits since its launch in Europe in 2017, the full-scale benefits have yet to be realised. As a front-runner in Instant Payments and afounding member of the European Digital Payments Industry Alliance (EDPIA) and the Open Finance Association (OFA), Worldline welcomes the European Commission's legislative proposal on Instant Payments to reduce barriers to safe, convenient and fast cross-border payments, promoting digital payments for the benefit of society as a whole.

What were the key business milestones for Financial Services in 2022?

Despite a complex market context, we have been able to steadily develop and grow our business. The past year was marked by several new customers and partnerships, as well as the extension or renewal of contracts with existing clients. Our contribution to the implementation of Instant Payments in the Caribbean, and several multiyear agreements with tier-1 banks such as ING for issuing processing and UniCredit for Open Banking are standout examples. In addition, the ECB chose us as 1 of the 5 companies for joint prototyping of user interfaces for the digital euro – a clear recognition of our capabilities in the digital currencies space.

What are your business focus and ambitions for 2023?

We expect more and more leading financial institutions to explore the benefits of sourcing their payments operations from a specialised pan-European payment processor like Worldline. Digital services are on the rise thanks to technological advancements, which can drastically improve customer experiences. And the possibilities of digital currencies will definitely be explored further and taken to the next level. At Worldline, we are both a provider of sustainable solutions and a sparring partner bringing innovation and price competitiveness and ensuring regulatory compliance. We are seeking to reshape and build the payment landscape, in Europe as well as globally, by collaborating with leading bank partners and fintechs. The world of payments is moving fast and our dedicated experts are here to help our customers to grow their business.

Financial Services

Key facts

As the pan-European leader in payment services, Worldline's Global Business Line Financial Services is consolidating payment processing in Europe – and beyond. By investing heavily in new and innovative solutions for account-based payments, card and digital payments transactions (*e.g.*, cloud, APIs). Financial Services helps customers adapt to the new reality of Instant Payments, Open Banking and digital transactions. This enables them to transform their business and operating models, manage risks and fraud and anticipate regulatory changes anywhere in the world. Leveraging the Group's scale and complete service portfolio, Financial Services works closely together with partners and customers to help them prepare for a future full of opportunities.

With approximately 126 million payment cards under management and processes over 11 billion issuing transactions, around 12 billion acquiring transactions and more than 21 billion account payment transactions per annum, Worldline is the leading payment services provider in Europe with prominent market positions in key European geographic markets including France, Germany, Benelux, Switzerland, Austria, Italy and the Baltics. Its client base includes numerous tier-1 financial institutions such as BNP Paribas, Commerzbank, ING, Société Générale, ABN AMRO and UniCredit.

Worldline Financial Services is also present outside of Europe. The Group offers Software Licensing solutions to financial institutions throughout Latam, Africa and Asia-Pacific region and provides Instant Payments CSM services in the Caribbean.

Key developments in 2022

Just like in 2021, Worldline Financial Services continued to further solidify and strengthen its position in 2022. Since the start of the year, Financial Services continued to extend its business.

In January 2022, the basic infrastructure for Instant Payments (IP) was implemented in close collaboration with the Centrale bank van Curaçao en Sint Maarten, following the introduction of Instant Payments by the Central Bank of Aruba in 2020. The IP CSM, developed by Worldline, fully complies with international standards and ISO 20022.

In the same month, a milestone was reached in the ATM market when the commercial banks of Lithuania and their representative, the Lithuanian Banks' Association (LBA), signed a contract with Worldline to implement the MoU with the Bank of Lithuania on increasing the availability of cash by installing a large number of ATMs in different parts of the country,

Towards the end of March, Worldline entered a partnership with Mainsys Financial Software, a Belgian IT company that offers comprehensive banking solutions. The joint solution has been rolled-out for the first time to manage co-badged Visa Debit-Bancontact cards. Another important milestone was the extension of the Open Banking partnership with UniCredit, one of the major pan-European banks, to allow the bank's customers to connect their accounts in other banks throughout Europe via one single application programming interface (API). This enables UniCredit to effectively offer Account Information Services (AIS) and Payment Initiation Services (PIS) and opens up a range of business opportunities for both UniCredit and its customers. UniCredit has been using Worldline's Open Banking TPP service since 2020.

During the year, several additional Financial Services contracts were signed or renewed by Worldline. Among these are DFM, a financing partner for enterprises within the mobility sector, who chose Worldline to be their Instant Payments and Clearing & Settlement mechanism partner.

Worldline also signed a multi-year deal with ING to extend their partnership. Following this agreement, Worldline will handle debit and credit card issuing and processing for ING across multiple countries, starting with the Netherlands, Belgium and Germany. Under the extended agreement, ING is outsourcing Issuing Processing operations to Worldline.

In addition, a contract was signed with Aegon Bank N.V. for back-office processing for handling Instant Payments, SEPA batch payments and multicurrency payments.

Worldline also renewed its contract with Credit Agricole Payment Services for the management of the ACS service (Access Control Server), enabling issuing banks to manage 3DSecure processes and to authenticate cardholders during online payments, for a period of five years.

Knab, a Dutch online bank, has extended its existing partnership with Worldline for seven years. In addition to the existing Instant Payments back-office service, Worldline will now also facilitate back-office processing for handling SEPA Batch payments and multi-currency payments.

Furthermore, it was announced that the Finnish retail bank S-Bank chose Worldline as solution for real-time fraud detection and prevention. Worldline has integrated its Fraud Management Suite into the issuing platform of S-Bank, allowing the Finnish bank to deploy extensive real-time fraud detection for debit and credit cards whilst increasing the efficiency of its card fraud and risk management.

In the digital currencies space, Worldline was one of the five companies to be selected by the ECB for joint prototyping of user interfaces for the digital euro. Worldline has been selected for the specific use case "peer-to-peer offline payments" of a digital euro, which focuses on the payment between individuals. The prototyping exercise is an important element in the ongoing two-year investigation phase of the digital euro project.

Finally, Worldline partnered with several fintechs in the Financial Services space, starting with a fintech named 'manager.one' to offer to corporate cardholders a seamless experience for managing their business expenses.

Worldline also partnered with fintech Algoan to offer a nextlevel credit assessment solution for lenders & service providers. This service is based on best-in-class APIs & machine learning, making use of Open Banking transaction data. At the heart of



this new credit assessment tool is Worldline's Open Banking API, which provides access to more than 3,500 banks in 19 countries across Europe. Worldline is one of the largest Open Banking providers in Europe.

Last but not least, Worldline and Nordic Open Banking leader Neonomics signed a commercial partnership to strengthen joint Open Banking offerings across Europe. As a result, Worldline will expand its Account-to-Account Payments and data aggregation coverage to the Nordics, including Norway, Sweden, Denmark and Finland.

Business portfolio: services and solutions

We work with hundreds of financial institutions across Europe and beyond to provide innovative payment solutions that help businesses accelerate their digital transformation, improve customer experiences, strengthen customer relationships and lower their costs. Our solutions also protect them and their customers against the increasing risk of fraud and cybercrime. Worldline's Financial Services are grouped in four business areas:

- Issuing Solutions;
- Acquiring Solutions;
- Account Payments;
- Digital Services.

Issuing Processing Solutions

Worldline offers a broad variety of modular solutions along the entire issuing value chain. Our issuing portfolio includes, amongst attractive others, Worldline Card Issuing and Worldline Fraud Management. Some principal customers within the Issuing Business area include (among others) ABN AMRO, BNP Paribas Fortis and ING.

Worldline Card Issuing: By offering a complete end-to-end set of modular services across the entire issuing value chain, Worldline enables financial institutions and fintech companies in their journey for card-based payments. The offering empowers cardholders by supporting many functionalities for their payment card. A complete set of APIs is available to the issuer for quick integration in the banking applications or to offer selfservices functionalities to card holders. Ad-hoc features like Business Intelligence reporting and dashboard, as well as the issuer self-configurator, complete the offering. In addition to technical processing, Worldline offers a modular solution to outsource every segment of the card life cycle by providing also operational customer care services such as chargebacks, settlement and customers' support.

Worldline Fraud Management: We offer a complete issuing, acquiring and Account-to-Account fraud suite, including online detection, fraud prevention and case management analysis – using rule based as well as artificial intelligence solutions. Fraud detection is easily integrated into the payment flows to block fraudsters. Fraud expert services complete the solution.

Acquiring Processing solutions

Worldline offers a complete portfolio of ATM Acquiring, POS Acquiring, eCommerce Acquiring services and ATM management. All major card schemes and currencies across a wide range of payment devices and protocols are supported. A few examples of clients in the Acquiring business area are ABN AMRO, ANZ Bank Australia, BNP Paribas Belgium, ING Netherlands, Luminor Baltics, PSA Payment Services Austria and Rabobank.

Core Acquiring Processing: Our Acquiring Processing services support the full value chain needed by an acquirer. In addition to processing, customer services are available. Worldline is processing on behalf of acquirers, small and medium-sized merchants, large international food retailers, airlines, and hotel chains. The modular portfolio allows flexibility in the selection of end-to-end or "À la carte" services.

ATM Management: Worldline's offer provides end-to-end ATM fleet management for a bank or a group of banks. The core IT part of the product includes processing financial and technical transactions from ATMs compliant with complex security requirements. In addition to monitoring, software distribution to the ATMs, orchestration of level 1 and 2 maintenance, cash planning and fraud prevention are provided. Worldline's ATM management offer can also be packaged as ATM as a Service.

Account Payments

Worldline offers financial institutions a complete and modular end-to-end set of solutions that cover the full range of needs in the domain of Account Payments, including Back-Office Payments Processing, Clearing & Settlement Services, Messaging & Connectivity services as well as Liquidity management solutions.

Our client base consists of individual banks, such as BNP Paribas, Commerzbank, Crédit Agricole, Société Générale and UniCredit, and services targeted towards complete banking communities in the Netherlands, Austria, and Aruba. In addition, we operate a solution facilitating multi-currency payments in partnership with the US Federal Reserve Bank.

Back-Office Payment Processing: Worldline has an extensive portfolio of secure, cost-efficient solutions that allows financial institutions to outsource their back-office processing for all payments types as well as make use of an extensive portfolio of value added services – enabling financial institutions to substantially reduce their total cost of ownership and move fixed costs into variable costs, while relieving them of the burden to keep up with the increasing pace of change in the payments industry, including regulatory and scheme compliance. Clearing & Settlement: The expectation of Instant Payments becoming mandatory in the EU will further push for the need of efficient back-office processing services as well as affect volumes in the clearing and settlement domain, where Worldline operates a highly scalable automated clearing house (ACH) platforms, handling credit transfers, direct debits and Instant Payments based on domestic or regional schemes e.g., SEPA with connectivity to e.g., TIPS to ensure full reach.

Messaging & Connectivity and Liquidity management: To facilitate messaging, Worldline offers a full range of SWIFT services to support both corporate and financial institutions as well as BASEL 3 compliant liquidity management solutions, used by banks to monitor and distribute their liquidity across the various market compartments, to secure their timely settlement obligations and to proactively manage intraday liquidity risks. Key benefits include reduction of liquidity buffers and collateral requirements as well as reduction of the related fund transfer pricing.

Digital Services

Worldline enables clients to have quicker and cost-efficient services that would help them overcome common challenges in the field of digital banking, identity & authentication, Open Banking leveraging PSD2 and beyond, sustainable banking, digital currencies and trading & financial information management.

Our solutions cover use cases such as daily banking management, digital interactions, Strong Customer Authentication, e-commerce transactions, digital identity, AIS & PIS, credit checking, sustainable banking, business financial management, Digital Currency, CBDC, e-brokerage, asset management and many others.

We have a wide range of customers, including some of the most notable companies such as ABN AMRO, BIL, BNP Paribas, Boursorama, DaVinci, NS&I, Payment Services Austria, Sodexo and many others.

Multiple Delivery models

We know every customer is unique. That's why we offer a dynamic deployment strategy, allowing our customers to choose a delivery model that suits their needs best. This ranges from software licensing, Software-as-a-Service (SaaS) to full business process outsourcing (BPO), where customers can fully outsource their payment business processes. Our customers can also select the infrastructure that's right for them, from traditional data centre to cloud. To make our services even more flexible and responsive, we're working hard to modernise our software assets and make them completely cloud-based.



Mobility & e-Transactional Services



"Wherever we operate, our priority is always to create value for our customers, our people, our stakeholders, and to seize new opportunities to increase trust and security."

Caroline Jéséquel, Head of Mobility & e-Transactional Services

Mobility & e-Transactional Services

Mobility & e-Transactional Services offers customers a breadth of solutions designed to accelerate and enhanced consumer, citizen and patient experiences through new Digital Services and business models that take advantage of the increasing digitisation of the physical world at the same time as encouraging sustainable mobility, reducing energy consumption and securing data through paytech integrations.

Ready for market momentum

The exit out of the pandemic had a positive impact on our business in 2022. In e-Ticketing, ticket volumes were higher than in 2021 and we saw a significant increase in processing volumes in the Trusted Digitisation domain, where we are supplying healthcare companies and insurers with a new range of secure digital applications. In France, we are the leading provider of hosting solutions for patient data and in Germany we manage electronic healthcare cards for a range of insurers.

Macro-Economic diversity

Over 100 banks in Europe are now using WL Contact, our cloud-based call centre solution, to strengthen their customer relationships which enabled deep communication to help consumers deal with the impact of inflation. In the Trusted Digitisation area, whether digitalising customer identification for health insurers, tracking tobacco products across Europe and beyond, or helping the French government get young people into work, we are making digital transactions more secure, trusted and transparent.

We have numerous opportunities in the public transport sectors in France and the UK, where we provide payment services for transport companies. The impact of hyper-scale energy price increase focused consumers to manage personal budgets and utilise transport modes that were financially beneficial including Public Transport where Worldline is focused on driving social mobility through payment and access solutions.

Meanwhile, Worldline is well positioned to provide our tried and tested state-of-the-art solutions in response to the EU's plans for regulation of electronic identification and trust services.

A focus on growth

As we move into 2023 and into the future in general, we will accelerate our growth and expand our margins by placing added focus on our Trusted Services, Transport & Mobility and Contact as a Service offerings. We will continue our technological evolution and revolution providing services to our customers that truly focus on their consumers, citizens and patients. We are also intensifying our cooperation with Worldline's other Business Lines where we can bring our Digital Factory capability to their customers, accelerating the benefit for the Group Finally we will focus on our people who are the drivers of our growth and the flywheel of our innovation delivering for our customers day in day out.

Business portfolio: services and solutions

The Mobility & e-Transactional Services Business Line is focusing its efforts on several areas where it believes new Digital Services have significant potential.

e-Ticketing covers a full set of solutions and services to Public Transport Authorities, Passenger Transport Operators, Government Agencies and Infrastructure Providers.

With this in mind, we want to be a major European enabler allowing a maximum number of users to buy, pay and consume mobility services as simply as possible in order to support the development of sustainable, low-carbon and inclusive mobility options. To reach this objective, we have delivered a product suite that caters for all aspects of payments in Public Transport including:

- Revenue settlement services, service planning, resource allocation and real time proactive decision support
- Digital Ticketing based on Open Payment solutions leveraging the Group's payment capability
- Mobility-as-a-Service solutions that allow the general public to consume multi-modal mobility services in an easy and fluid way

The Group is the leading supplier of rail operations systems to the train operating companies in the UK. The Group's e-Ticketing, validation and payment systems are used by a large number of franchised railway routes in the United Kingdom and the THALYS high speed rail network in Europe.

The Group is regularly rolling out new projects like the French "Grand Est" region where it has been implemented as a crossborder ticketing solution with Germany.

Trusted Digitisation provides digital secure systems to public and private organisations for better services through the digitisation of processes for citizens

In a world where many processes are being digitised at an accelerated rate, trust is key to encourage citizens, patients or customers, to adopt massively the services offered by Public Services including Health, Mobility or Distribution thereby

generating billions of electronic interactions containing highly sensitive data.

To ensure the highest level of availability, integrity, confidentiality and interoperability, Worldline has ultra-secure B2B2C exchange platforms that operate these Trusted Services regardless of the business of its clients. These include Payment Services Austria (Digital identity), French National Agency for Secure Documents (Biometric passports and electronic national identity cards), French Health Insurance (Trusted cloud and Shared medical record), Philip Morris International (Tax control suite), French Local authorities (Support for people who have lost employment or find it difficult to integrate), French Ministry of Defence (Armed forces health service), German Health cards for policyholders, French Services and Payment Agency (Energy check), Premier Inn UK (Private label cards), Indigo France (B2B payments)...

e-Consumer & Mobility provides cloud contact centre and consumer services that improve the customer engagement and generate new business models.

Worldline delivers a cloud hosted Contact Centre as a Service (CCaaS) offering that helps brands optimise their interaction with their customers. Whether it's through the main channels which are the phone and emails or through SMS, live chat, social media messaging, video, chatbots and callbots through Worldline's in-house Al solutions.

Key clients for Worldline Contact include BNP Paribas, La Banque Postale, EDF, and CNAF while also supporting customer communications of over a hundred European banks, mainly located in Belgium, The Netherlands, Germany and Luxembourg.



Human resources

Listening to its people

Worldline is committed to being a responsible employer and creating value for all Worldliners.

In this respect, Worldline pays particular attention to listening to all its employees. In 2022, Worldline launched again an allemployee survey in cooperation with the Great Place to Work Institute. The participation worldwide reached 68%, close to the 70% best-in-class mark and 5,000+ comments were collected. The Great Place to Work survey feedbacks are discussed at Executive Committee level, and action plans are designed in each business unit accordingly.

As part of these actions, the executive management of the Company regularly organises meetings with employees, such as talent breakfasts, virtual coffees or on the occasion of sites visits. In addition, Worldline concluded in 2022 a European Works Council agreement¹, which will enhance the dialogue with the employee representatives across Europe, where Europe represents 3/4 of Worldline's employee footprint.

Finally, new initiatives have been taken in 2022 to improve the employee experience, for instance throughout the onboarding process.

Attracting new talents

To support its fast growth, Worldline needs to attract 3,000+ talents per year in a highly competitive market.

In this context, the Worldline talent acquisition strategy focuses on young graduates hiring, internal talent promotion and new sourcing opportunities in India and Eastern Europe. As part of the new Human Resources operating model, a global campus management organisation has been set up to develop partnerships with universities, and new attractive programmes such as "Pioneer Pay Tech". A new onboarding digital experience was also designed. In 2023, Worldline will inaugurate in partnership with the French High School HEC a MBA addressing the future of payments. In parallel, the Worldline internal job market is being developed, to enhance internal mobility and talent promotion.

In 2022, Worldline hired 4,030 talents, and received half a million visits on our career site, and more than 23 applications for each job offer.

Developing and growing talents

All Worldline talents are offered a full set of technology and management training to support their personal development. In 2022, the new edition of the Learning Days illustrated the enhanced focus of the Group on skills and competences development. It notably materialised on the setting of individual development plans for 45% of employees as well as in average 20.78 hours training per employee in 2022.

Furthermore, Worldline performance management and business people reviews allowed to identify circa 350 talents with outstanding performance and potential. 75 of them were given the opportunity to attend the Worldline Academy to prepare future leadership or high expertise roles. Early 2023, 50 of these talents were for the first time invited to the Group Leadership Event where they had the opportunity to interact with the Group's top management. Overall, the retention of these selected community exceeded 90% in 2022.





Engaging Worldliners

In the Group's employer value proposition, Worldline places particular emphasis on diversity and inclusion. Several Group initiatives have been taken to strengthen gender diversity (mentoring, coaching, women's networks, remuneration adjustments, elimination of gender bias in job offers...) which result in a continuous increase in the gender mix of hires (38%), gender balanced talent programmes (31%), and a continuous increase in the proportion of women in the Executive Committee and Business Management committees (23%). In addition, Worldline's international expansion strengthens the multicultural diversity within the organisation. In 2022, Worldline consolidated the high level results of its employee satisfaction survey (in partnership with the Great Place to Work Institute) with a participation of 68%, a high overall satisfaction score of 64% and a record of 21 countries certified as a "best place to work". Worldline also proudly won the prestigious "Best Employer Award", the only company awarded in the Paytech industry.

Procurement and suppliers

The Procurement Function actively contributes to the operational and economic performance of the Group by adopting a systematic total cost of ownership method, ensuring the continuity of supplies for best operating conditions as well as the quality of products and services purchased.

To meet the performance objectives set by the Group, the Procurement Function defines strategies per procurement category and implements optimisation levers, aiming at reducing the external spend, this being done in collaboration with the Requestors.

The Procurement Function integrates two levels: a Group and a Regional level.

The main principle is that procurement activities are centralised and operated at the Group level when it creates value for the Group (especially for purchases with global suppliers, similar needs, massification potentials, synergies...). Therefore, the Procurement Function manages at the Group level the category strategies, overall procurement performance, the suppliers "risks and performance" and sustainable procurement.

The Group level organisation includes:

- a Chief Procurement Officer ("CPO");
- a Procurement Excellence Office;
- three Category management teams (IT, Workforce, Indirect).

Procurement activities are decentralised at the regional level when proximity is prevailing (local market, supply, local specificities), but remains still coordinated by the Group level.

The Procurement Function analyses markets, selects and manages the Group's relationships with the suppliers of the externally sourced goods and services needed for its business and internal requirements. However, the formalisation of the request needs and the monitoring of the supplier satisfaction and of the delivery is the responsibility of the Requester/ operational business owner, not of the buyer.

The primary categories of products and services sourced externally, which account for the majority of the procurement costs, comprise the types of items that are typically sourced in the IT services sector, particularly IT hardware and software, subcontracted services such as software development and maintenance and telecommunications services. The Group uses these products and services in connection with its data centres and project development needs. The Group's main suppliers of IT hardware and software are IBM, Dell, Oracle, HPE and SAP.

The Group's business involves extensive data processing which requires bandwidth intensive telecommunications services, its main providers of which are Orange, Proximus, Colt and Verizon. Other important categories of products and services include POS terminals and their component parts, and, to a much lesser extent, hardware used for the manufacture of the Group's connected vehicles products and other M2M and "connected" solutions. The Group no longer designs payment terminals as of 1 October 2023 following the sale of its entity. The Group sources its terminals from companies such as Ingenico, Castle, Verifone and Pax. The Group is also a substantial consumer of printing and postal services, particularly in its e-Government business sector (mainly its automated traffic and parking enforcement solutions) and bank processing activities in Belgium. It has subcontracting relationships or contracted partnerships with La Poste, Bpost, PostNL and Speos in relation to the Groups' service delivery.

One of the duties of the Group's Procurement is to mitigate business risk. Further than only striving to ensure the permanence of cost negotiations, agreements are also implemented to reduce risks of supply shortages, to reduce ambiguity of services supplied and to carefully manage any over-dependency on its supplier. The Group aims to identify critical points in the supply chain and develop aims to guarantee multiple components and service suppliers. The Group's strategy in regard to the management of the procurement risk also includes compliance of suppliers and procurement practices, a key pillar of Worldline's CSR policy. To ensure better due diligence in its supply chain, Worldline has implemented a new supplier onboarding process: the integration of a new vendor into the systems follows the same evaluation process regardless of the supplier and in all Worldline entities. This step is a necessary prerequisite before being able to contract with the vendor. It includes a phase of collecting and checking information from the vendor, also sharing with them Worldline's expectations in terms of CSR (charter, regulations, United Nations principles), a phase of checking the vendor against international databases (financial stability, lists of sanctions, politically exposed persons, etc.), and a phase of assessing the risks inherent to the country and the category of purchase. This risk assessment related to the vendor's entity makes it possible to determine whether it is acceptable to work with this vendor while at the same time monitoring it more closely to reduce the risks identified, in compliance with all applicable legislation such as, for example, anti-corruption legislation and the French law on due diligence. For more information, please refer to section A.4.4 regarding anti-corruption; section A.4.3 regarding Worldline's due diligence plan as well as the section dedicated to responsible purchasing (4.4.6). Another risk assessment phase takes place at the engagement level (to better manage risks relating to the product or service provided by the supplier). This step is managed by the Global Third-Party Risk team in coordination with Procurement Risk and Compliance team.



A regulated Company

Worldline is a world-class leader in the payments and transactional services industry, with a global reach. The Group ability to provide its clients with a geographically differentiated offer is a major strength, as we are able to position ourselves in each geographical region with the solutions that are best suited to local markets. As a global payment services provider, Worldline faces various local regulations on payment services. It is of importance that Worldline keep its knowledge up to date for business and regulatory purposes.

European regulation

Regulation of payment services in Europe

Licenced institutions in Europe are allowed to operate in their home member State in which they are licenced as well as in any other Host member State in which they are authorised to operate either pursuant to the European principal of free services provisioning, or through freedom of establishment via a branch located in the host member State or through an agent. Most of the licenced entities within Worldline have passported their licence in other European Member States.

Licenced entity in Europe within Worldline Group	Licence	Regulator
Worldline NV/SA	Payment institution licence	NBB
Worldline Financial Solutions NV/SA	E-Money Institution Licence	
Worldline Payment Services (Europe) SA	Payment institution licence Professionel des services financiers (PFS) licence	CSSF
Cetrel SA	Professionel des services financiers (PFS) licence	CSSF
Worldline Sweden AB	Payment institution licence	SFSA/ FinansInspektionen
Bambora AB	Payment institution licence	
Global Collect Services BV	Payment institution licence	DNB
equensWorldline SE	Settlement institution licence	
GoPay s.r.o. Joint Venture	E-Money Institution Licence	CNB
PAYONE GmbH Joint Venture	E-Money Institution Licence	BAFin
Worldline Merchant Acquiring Greece SA	Payment Institution	BOG
Worldline Merchant Services Italia S.p.A.	Payment Institution	BOI
	within Worldline Group' Worldline NV/SA Worldline Financial Solutions NV/SA Worldline Payment Services (Europe) SA Cetrel SA Worldline Sweden AB Bambora AB Global Collect Services BV equensWorldline SE GoPay s.r.o. Joint Venture PAYONE GmbH Joint Venture Worldline Merchant Acquiring Greece SA	within Worldline Group'LicenceWorldline NV/SAPayment institution licenceWorldline Financial Solutions NV/SAE-Money Institution LicenceWorldline Payment Services (Europe) SAPayment institution licence Professionel des services financiers (PFS) licenceCetrel SAProfessionel des services financiers (PFS) licenceWorldline Sweden ABPayment institution licenceBambora ABPayment institution licenceGlobal Collect Services BVPayment institution licenceequensWorldline SESettlement institution licenceGoPay s.r.o. Joint VentureE-Money Institution LicencePAYONE GmbH Joint VentureE-Money Institution LicenceWorldline Merchant Acquiring Greece SAPayment Institution

During 2022, Worldline also acquired a 40% stake in Online Payment Platform B.V., an online payment service provider regulated as a Payment Institution by the DNB.

The provision of payment services is a regulated activity that requires a licence when carried out in European Union member states that have implemented the revised Payment Services Directive (PSD2) entered into force early 2018, which regulates payment services in domestic markets.

Under this regulation, the following activities, in which the Group participates, are considered to be payment services:

 execution of payment transactions, including transfers of funds on a payment account with the user's payment service provider or with another payment service provider:

- a) execution of direct debits, including one-off direct debits,
- **b)** execution of payment transactions through a payment card or a similar device,
- c) execution of credit transfers, including standing orders;
- execution of payment transactions where the funds are covered by a credit line for a payment service user:
 - execution of direct debits, including one-off direct debits,
 - b) execution of payment transactions through a payment card or a similar device,
 - c) execution of credit transfers, including standing orders;
- issuing of payment instruments and/or acquiring of payment transactions;

- money remittance;
- Payment Initiation Services;
- Account Information Services.

As a provider of these services, the Group is required to comply with certain administrative obligations and provide ancillary services, such as issuing confirmation receipts for transactions (in paper or electronic format), providing installation services, monitoring and maintaining hardware and software or developing client-oriented applications for terminals. The Group is subject to these requirements either as a result of its carrying out the activities of a payment institution, or in its role as subcontractor carrying out the activities of credit institutions. As a subcontractor, the Group acts as a processor on behalf of credit institutions and must therefore provide its services in compliance with the regulations applicable to credit institutions.

Finally, the Group has indirect access to the interbank payment systems, in order to carry out payment transactions and clearing operations processed in the context of the Group's Commercial Acquiring activities. The Group is thus subject to certain specific operational regulations developed by the companies that manage these interbank systems, such as the automated Clearing House processed by equensWorldline in the Netherlands which is supervised by the Dutch Central Bank ("DNB"). The Group has implemented an internal monitoring system to follow legislative and regulatory developments applicable to its activities.

Regulations applicable to outsourced credit and payment institution activities

Credit institutions can also be authorised to provide payment services. Like all activities exercised by credit institutions, these services can be outsourced, meaning that the institution entrusts to an external service provider, the running of its operational activities.

In accordance with application regulations, a credit institution's external service provider must comply with the control procedures established by the credit institution with respect to the services provided and must disclose any information that could impact its ability to perform the functions entrusted to it. For example, the Group issues payment cards and bank statements on behalf of its credit institution credit institution clients.

Similarly, a licenced payment institution may outsource some of its activities provided it complies with its internal controls procedures and provided it obtains the prior authorisation from the competent regulator should this outsourcing be critical, in line with the EBA guidelines on outsourcing and their local implementation by national regulators.

Regulation applicable to Re-insurance activities

Country	Licenced entity in Europe within Worldline Group	Licence	Regulator
France	Worldline Ré	Re-insurance licence	ACPR

A Reinsurance company, Worldline Ré, was set up in France and obtained the licence to operate by the French Prudential Supervision and Resolution Authority (ACPR) as of January 1, 2020. By this internal reinsurance company of the Group (called "captive reinsurance"), the Company intends to reinsure the Group's risks related to general, commercial and professional civil liability.

Regulation applicable outside of the European Economic Area

Due to new acquisitions and a more regulated payment landscape globally, Worldline is monitoring local payment legislation and regulatory requirements outside Europe closely.

 Australia and New Zealand Banking Group ("ANZ") and Worldline have entered in 2020 into a long-term strategic alliance under which ANZ will exclusively refer new merchants to the joint venture, and the joint venture will exclusively refer merchants to ANZ for banking products. The joint venture arrangement involves ANZ and Worldline which formed a newly created Merchant Acquiring group, with ANZ and Worldline holding a 49% and 51% interest respectively. Although no licence is required for performing Merchant Acquiring activities, the regulatory requirements will be closely monitored;

- Worldline Japan Ltd. received a registration with the Japan Ministry of Economy, Trade and Industry (METI)) in September 2021. This registration is a registration about Credit card number handling service provider under the "Instalment Sales Act" article 35-17-4 (1).
- the Reserve Bank of India (RBI) issued regulation for Payment Aggregators in March 2020 and Worldline ePayments India Private Limited applied for a licence under this new regulation and In December 2022 it received an in-principle authorisation to operate as an online Payment Aggregator (subject to provision of a system audit report within six months);
- Global Collect Services Asia Pacific Pte. Ltd. and Ingenico International (Singapore) Pte Ltd have applied for a licence with the MAS under the Payment Services Act ("PSA");
- in the UK, the Temporary Permission Regime ("TPR") allows EEA-based firms that were passporting into the UK at the end of the transition period (31 December 2020) to continue



operating in the UK within the scope of their previous passport permission for a limited period after the end of the transition period. This is subject to having notified the FCA that they wanted to join the TPR before the end of the transition period. Worldline N.V./S.A., Ingenico Financial Solutions N.V., PAYONE GmbH, Bambora AB, Global Collect Services N.V. and Six Payment Services (Europe) SA ("TPR Firms") are currently within the TPR regime and need to obtain full authorisation by the FCA in the UK to continue to access the UK market. In June 2022 Worldline Merchant Services UK Ltd. submitted an authorisation request to the FCA for a Payment Institution licence on behalf of the Worldline TPR entities.

Protection of personal data

In connection with its business and internal activities, Worldline Group collects and processes personal data subject to personal data protection laws and regulations in Europe as well as in other regions in which Worldline Group operates. Such personal data processing is carried out on behalf of both Worldline Group companies themselves or their customers.

Personal data processing within the European Economic Area ("EEA")

Since May 25, 2018, the processing of personal data is regulated by the General Data Protection Regulation ("GDPR", 2016/679) within the European Union.

According to the GDPR, a company can only process personal data under certain conditions. As such, the processing should be fair and transparent, for a specified and legitimate purpose and limited to the data necessary to fulfil this purpose.

In this respect and in order to meet the GDPR requirements, each Worldline Group entity in the EEA conducts a compliance assessment of data processing ("CADP") in order to assess its processing activities involving personal data in accordance with the applicable data protection regulations.

Where a Worldline Group entity acts as data controller (such as for internal processing activities), it is subject to the following obligations:

 only to process personal data when the criteria set forth in GDPR and local laws and regulations for making data processing lawful have been met (GDPR, article 6). This is done when one of the following applies: that the person concerned has given his or her prior consent or the processing of personal data is necessary for the purposes of pursuing a legitimate interest or for the performance of a contract to which the person concerned is a party or to comply to a legal obligation or for a processing on behalf of the public interest;

- to ensure that the personal data is (i) processed fairly, lawfully and in a transparent manner, (ii) collected for specific, explicit and legitimate purposes, (iii) adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed, (iv) accurate and, where necessary, kept up-to-date, (v) kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data is processed, and (vi) processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage;
- to be able to demonstrate compliance with the principles relating to processing of personal data;
- to take particular precautions before processing special categories of personal data (GDPR article 9, *e.g.*, health or biometric data) by assessing the potential risks stemming from such processing and by checking that the explicit consent of the person concerned was received or that the processing is based on one of the exceptions that permit such processing as provided for in applicable law implementing GDPR (for instance when processing is necessary to defend the vital interests of the person concerned or of another person, or when the processing relates to data that was manifestly made public by the person concerned or is necessary to recognise, exercise or defend a right before courts);
- to put in place technical and organisational measures to protect personal data against accidental and unlawful destruction, accidental loss or unauthorised modification, dissemination or access, taking into account measures like pseudonymisation and encryption of personal data, ensuring availability thereof and implementing a process for regularly testing, assessing and evaluating the effectiveness of these technical and organisational measures;
- to inform data subjects about the fact that their personal data is being processed and (a) the identity and contact details of the data controller, (b) the contact details of the data protection officer, (c) the purpose of the processing as well as the legal basis, (d) if applicable the legitimate interest, (e) the recipients or categories of recipients of the personal data, (f) where applicable, the fact that Worldline intends to transfer personal data to a third country, (g) the period for which the personal data will be stored, (h) the existence of the right to request from the controller access to and rectification or erasure of personal data or restriction of processing concerning the data subject or to object to processing as well as the right to data portability, (i) the existence of the right to withdraw consent at any time, (j) the right to lodge a complaint with a supervisory authority, (k) whether the provision of personal data is a statutory or contractual requirement, or a requirement necessary to enter into a contract, as well as whether the data subject is obliged to provide the personal data and of the possible consequences of failure to provide such data, and (I) if applicable the existence of automated decision-making, including profiling;

- to refrain from transferring personal data outside of the EEA unless the European Commission considers that the recipient country ensures an adequate level of protection or the transfer is governed by contractual clauses of the type established by the European Commission;
- to only use data processors providing sufficient guarantees to implement appropriate technical and organisational measures;
- to maintain a record of processing activities as data controller;
- to follow the principles of data protection by design and data protection by default when designing solutions and preparing processing activities.

Where a Worldline Group entity acts as data processor on behalf and upon instructions of her clients, the Group provides guarantees that it will (i) put in place technical and organisational measures to protect personal data they have entrusted and provided, especially against accidental loss, unauthorised modification or dissemination, or malicious or unlawful access and (ii) process such data in accordance with the client's exclusive instructions and for no other purpose than those established by such client.

The Group especially fulfils the following obligations:

- to process such data in accordance with the client's exclusive documented instructions and for no other purpose than those established by such client;
- to put in place technical and organisational measures to protect personal data against accidental and unlawful destruction, accidental loss or unauthorised modification, dissemination or access, taking into account measures like pseudonymisation and encryption of personal data, ensuring availability thereof and implementing a process for regularly testing, assessing and evaluating the effectiveness of these technical and organisational measures. These technical and organisational measures are part of the instructions of the controller;
- to not engage any other sub-processor without prior specific or general written authorisation of the data controller;
- to assist the data controller in ensuring compliance with the relevant obligations of GDPR;
- at the choice of the data controller, to delete or to return all the personal data to the data controller after the end of the provision of services relating to processing, and to delete existing copies;
- to make available to the data controller all information necessary to demonstrate compliance with the relevant obligations of GDPR;
- to maintain a record of processing activities as data processor;
- to follow the principles of data protection by design and data protection by default when designing solutions and preparing processing activities.

In order to ensure a coordinated and harmonised approach respecting the applicable national laws, the Group has adopted

a set of policies related to personal data protection that are applicable to all of its entities and their employees. The privacy various policies are founded on three key pillars:

- (i) a set of principles based on those set forth in the GDPR;
- (ii) a set of procedures that ensure that such principles are implemented; and
- (iii) a training program for all Group employees, tailored to their positions and responsibilities.

To comply with requirements regarding notification of Data Protections Authorities as well as data subjects in the case of personal data breach, the Group has implemented a process for personal data breach notification built on the Group's policy related to personal data protection.

To handle data subject request and exercise of their rights, Worldline has implemented processes, tool, and controls to ensure response and proper handing in due time as per the GDPR requirements. The Group's compliance with the various national laws and effective implementation of the above-described policy is ensured and managed by a personal data protection network, relying on a twofold legal and technical expertise, composed of Data Protection Officers appointed in Worldline Group entities which are coordinated at a first level by a Head of Data Protection for each Global Business Line and at the higher level the Global Data Protection Officer, in charge of the Global Privacy Office and reporting to the Global Head of Compliance.

The measures described above have been put in place to comply with GDPR. Continuous improvements and regular synchronisation with the Group Data Protection Community ensures consistent compliance.

Data processing carried out outside the European Economic Area

The Worldline Group carries out personal data processing operations in countries outside of the EEA. Such processing activities are in some instances conducted on behalf of customers themselves located outside the EEA, while in other cases it is conducted on behalf of customers located within the EEA to whom the Worldline Group provides "offshore" services as an integral part of the services it offers.

Although there is no international regulations that harmonise all of the principles applicable to personal data protection, the regulatory framework applicable within the EEA is seen as the high water mark due to its strict and pioneering nature and given the influence it has had and is having on legislations that have emerged in numerous countries that have used the GDPR as a standard, such as in Latin America (Brazil with the LGPD), in Switzerland (Federal Act on Data Protection (FADP). and in Asia (new laws in Japan, in South Korea and the PIPL in China).

The protection offered by the GDPR travels with the data, meaning that the rules protecting personal data continue to apply regardless of where the data lands The GDPR provides different tools to frame data transfers outside of the EEA and through the provision of appropriate safeguards and on



condition that enforceable rights and effective legal remedies are available for individuals. Such appropriate safeguards include contractual arrangements with the personal data importer, using notably the new standard contractual clauses approved by the European Commission in June 2021 (Standard Contractual Clauses or "SCC"). These contractual clauses allow Worldline entities to transfer such data out of the European Union to other Group entities in a secured fashion and with appropriate safeguards.

Worldline executed a roadmap accordingly notably with implementing data transfer impact assessments and taken actions to ensure compliance with the required level of protection of personal data in accordance with the GDPR, the European Data Protection Board ("EDPB") guidelines and the supplementary measures following the European Court of Justice 2020 ruling ("Schrems II").



"Worldline's purpose is to enable economic growth with our digital payment and transactional solutions and to reinforce trust and security in our digitizing societies. After two years of merger with Ingenico, combining our enhanced innovative capabilities and scale with the strengths of our partners, we feel better equipped than ever to fulfil our purpose as a responsible and global payments and technology company, dedicated to creating sustainable value for all our stakeholders in 2023 and beyond."

Gilles Grapinet, Worldline's CEO

About Worldline

Worldline [Euronext: WLN] is a global leader in payment services and the technology partner of choice for merchants, banks and acquirers. Powered by 18,000 employees in 40 countries, Worldline provides its clients with sustainable, trusted and innovative solutions fostering their growth. Services offered by Worldline include instore and online commercial acquiring, highly secure payment transaction processing and numerous digital services. In 2022 Worldline generated a revenue of 4.4 billion euros. www. worldline.com

Worldline's corporate purpose ("raison d'être") is to design and operate leading digital payment and transactional solutions that enable sustainable economic growth and reinforce trust and security in our societies. Worldline makes them environmentally friendly, widely accessible, and supports social transformation.

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