

**UNIVERSAL  
REGISTRATION  
DOCUMENT  
2019**

**INCLUDING THE ANNUAL  
FINANCIAL REPORT**

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# 2019 UNIVERSAL REGISTRATION DOCUMENT

(New version of the Registration Document)



This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail.

The original 2019 Universal Registration Document has been filed on April 29, 2020 with the *Autorité des Marchés Financiers* (AMF) as competent authority under Regulation (EU) 2017/1129 (the "Regulation"), without prior approval pursuant to Article 9 of the Regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the AMF in accordance with the Regulation. This Universal Registration Document is available on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and of Worldline ([www.worldline.com](http://www.worldline.com)).

## **Disclaimer**

By accepting this document, you acknowledge, and agree to be bound by, the following statements. This document is a free translation of Worldline's Universal Registration Document dated April 29, 2020 (the "Registration Document"). The Registration Document, in its original French version, is publicly available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)). Copies of the Registration Document, in its original French version, may also be obtained free of charge at Worldline's registered office, 80 quai Voltaire, Immeuble River Ouest, 95870 Bezons as well as on the website of Worldline ([www.worldline.com](http://www.worldline.com)). This translation (the "Translation") is provided for your convenience only and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published in whole or in part for any purpose. This Translation has not been prepared for use in connection with any offering of securities. It does not contain all of the information that an offering document would contain. None of Worldline or any of its respective officers, directors, employees or affiliates, or any person controlling any of them assumes any liability which may be based on this Translation or any errors or omissions therefrom or misstatements therein, and any such liability is hereby expressly disclaimed. This Translation does not constitute or form part of any offer to sell or the solicitation of an offer to purchase securities, nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. Persons into whose possession this Translation may come are required by Worldline to inform themselves about and to observe any restrictions as to the distribution of this Translation.

## Note

In this Registration Document, the terms the “Company” or “Worldline” mean the Worldline SA parent company itself.

The terms the “Group” and “Worldline Group” mean Worldline SA and its consolidated subsidiaries, collectively.

Unless otherwise indicated, the terms “Atos” and the “Atos group” mean Atos SE and its consolidated subsidiaries other than those dedicated to electronic payment and transactional services and other Worldline activities.

## Forward-looking Statements

This Registration Document contains statements regarding the prospects and growth strategies of the Group. These statements are sometimes identified by the use of the future or conditional tense, or by the use of forward-looking terms such as “considers”, “envisages”, “believes”, “aims”, “expects”, “intends”, “should”, “anticipates”, “estimates”, “thinks”, “wishes” and “might”, or, if applicable, the negative form of such terms and similar expressions or similar terminology. Such information is not historical in nature and should not be interpreted as a guarantee of future performance. Such information is based on data, assumptions, and estimates that the Group considers reasonable. Such information is subject to change or modification based on uncertainties in the economic, financial, competitive or regulatory environments. This information is contained in several sections of this Registration Document and includes statements relating to the Group’s intentions, estimates and targets with respect to its markets, strategies, growth, results of operations, financial situation and liquidity. The Group’s forward looking statements speak only as of the date of this Registration Document. Absent any applicable legal or regulatory requirements, the Group expressly disclaims any obligation to release any updates to any forward looking statements contained in this Registration Document to reflect any change in its expectations or any change in events, conditions or circumstances, on which any forward looking statement contained in this Registration Document is based. The Group operates in a competitive and rapidly evolving environment; it is therefore unable to anticipate all risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which the occurrence of a risk or combination of risks could have significantly different results from those set out in any forward-looking statements, it being noted that such forward-looking statements do not constitute a guarantee of actual results.

## Information incorporated by reference

In accordance with the requirements of article 19 of EU Regulation 2017/1129 dated June 14, 2017 relating to documents issued by issuers listed on markets of states members of the European Union, the following elements are enclosed by reference:

- The consolidated accounts for the year ended December 31, 2018 under IFRS as adopted by the European Union;
- The related Statutory Auditors’ report; and
- The related Group management report;

presented within the 2018 Registration Document (“Document de référence”) n° D.19-0185 filed with the Autorité des Marchés Financiers (AMF) on March 21, 2019.

- The consolidated accounts for the year ended December 31, 2017 under IFRS as adopted by the European Union;
- The related Statutory Auditors’ report; and
- The related Group management report;

presented within the 2017 Registration Document (“Document de référence”) n°D.18-0163 filed with the *Autorité des Marchés Financiers* (AMF) on March 21, 2018.

## Information from third parties, expert certifications and interest declarations

Certain information found in this Registration Document comes from third-party sources. The Company certifies that this information has been, to the best of its knowledge, faithfully reproduced and that to the knowledge of the Company based on the data published or provided by these sources, no fact has been omitted that would render this information inaccurate or misleading.

## Information on the Market and Competitive Environment

This Registration Document contains, in particular in Chapter B, “The Payment Industry”, information relating to the Group’s markets and to its competitive position. Some of this information comes from research conducted by outside sources. This publicly available information, which the Company believes to be reliable, has not been verified by an independent expert, and the Company cannot guarantee that a third party using different methods to collect, analyze or compute market data would arrive at the same results. Unless otherwise indicated, the information contained in this Registration Document related to market shares and the size of relevant markets are the Group’s estimates and are provided for illustrative purposes only.

## Risk Factors

Investors should carefully consider the risk factors in Chapter F, “Risk analysis”. The occurrence of all or any of these risks could have an adverse effect on the Group’s business, reputation, results of operation, financial condition or prospects. Furthermore, additional risks that have not yet been identified or that are not considered material by the Group at the date of the visa on this Registration Document could produce adverse effects.

## Glossary

A glossary defining certain technical terms used in this Registration Document can be found in Chapter H.

## Global Reporting Initiative («GRI»)

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report. These references follow the structure of the GRI Content Index presented in the Worldline CSR report, and allow to identify GRI Standards and Specific disclosures in the Registration Document and CSR.





# GROUP OVERVIEW

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## A.1 Business profile [GRI 102-1] [GRI 102-2] [GRI 102-7]

Worldline, is one of the European leaders in the payments and transactional services industry. Worldline delivers new-generation services, enabling its customers to offer smooth and innovative solutions to the end consumer. A key player in the B2B2C market, the Group has over 45 years of payment systems expertise.

It operates in 32 countries, throughout Europe and in several emerging markets in Latin America and Asia (where Worldline also has a leading position in India as a payment processor and in Asia-Pacific in payment Software Licensing). Through its recent acquisition of SIX Payment Services, the Group extended and reinforced its geographic presence in Europe notably in Switzerland, Austria, Germany and Luxembourg.

The Group operates across the full extended payment services value chain, providing an extensive range of merchant acquiring, payment processing and business solutions services to financial institutions, merchants, corporations and government agencies. It offers a unique and flexible business model built around a global and growing portfolio.

The Group works closely with its clients to build and run outsourced services, typically under long-term contracts where it receives fees for the initial implementation of the solution as well as recurring revenue over the life of the agreement based on business transaction volumes or transaction values. The Group's strong culture of innovation allows it to help clients enhance their existing services and harness advances in technology to create new markets and services.

As at December 31, 2019 Worldline employed c.11,900 staff worldwide and generated total revenues of € 2,382 million, OMDA of € 602 million and net income group share of € 311 million.

Worldline has **three Global Business Lines**, each with its own portfolio of services, solutions and significant opportunities for growth, that together form the foundation for the Group's business strategy:

- The **Merchant Services** includes pan-European and domestic commercial acquiring for physical or online businesses;
- The **Financial Services** global business line targets banks and other financial institutions. Its mission is to secure payment transaction processing in a challenging and evolving regulatory environment, by leveraging the Group's industrial scale processing operations and continuously providing innovations that support alternative pricing models, while taking into account new payment methods and value added services;
- The **Mobility & e-Transactional Services** global business line goes beyond traditional payment transactions, helping public transport networks, government entities and business develop new paperless digital services and evolve their business models by leveraging digital advances in mobility and data analysis and solutions originally developed in the Group's payment business.

The activity of these three business line is described in detail in Section C.

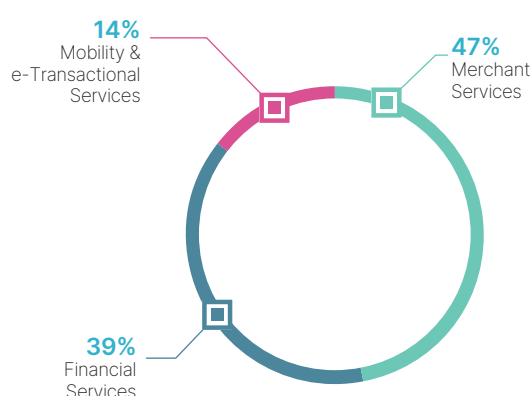
The Group operates its business through a unified worldwide strategy for carrying out contracts aimed at maximizing economies of scale by leveraging a combination of standard processes and tools, shared best practices and efficient use of global resources to deliver high quality services at competitive prices.

## A.2 Revenue profile [GRI 102-6] [GRI 201-1]

### A.2.1 By Line of services

Following the acquisition of SIX Payment Services end of 2018, Merchant Services is now the largest Global Business Line of the Group, representing 47% of the total revenue. 39% of the revenue base was generated by Financial Services contracts and 14% by Mobility & e-Transactional Services contracts.

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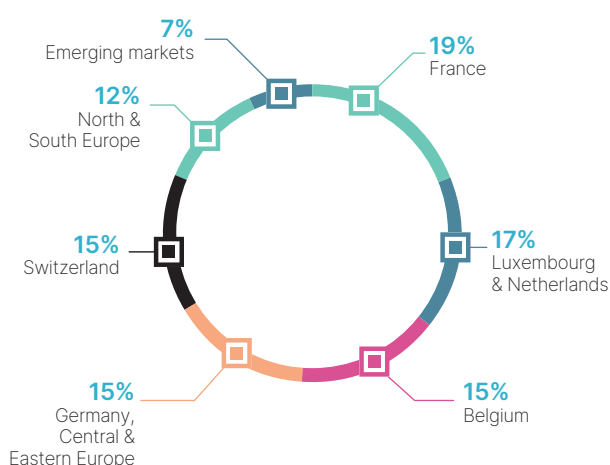


(In € million)

	Revenue 2019
Merchant Services	1,119.4
Financial Services	918.4
Mobility & e-Transactional Services	343.8
Worldline	2,381.6

### A.2.2 By Geographic areas [G102-4]

Europe is the Group's main operational base, generating circa 93% of total revenue in 2019.



(In € million)

	Revenue FY 2019
France	451.4
Luxembourg & Netherlands	400.8
Belgium	367.8
Germany, Central & Eastern Europe	365.8
Switzerland	354.3
North & South Europe	282.3
Emerging Markets	159.3
Worldline	2,381.6

## A.3 Message from Gilles Grapinet [GRI 102-1] [GRI 102-14]

Dear Madam, Dear Sir, Dear Shareholders,

For Worldline, 2019 was a highly productive year. We delivered organic growth and profitability, launched innovative new offerings and smoothly completed the integration of SIX Payment Services' sales and production activities, which substantially strengthened our European positions in merchant payment services. Over the past 12 months, we also continued to move forward on the social and environmental responsibility front, and we now rank right at the top end of most of the major independent rankings in this area.

2019 was also a year that brought major changes for our Group. We successfully bought out minority shareholders in our equensWorldline subsidiary and, even more crucially, became fully independent. Five years after our IPO, we exited the Atos Group's scope of consolidation, which effectively marked the end of our time as a controlled subsidiary.

This vital change in our ownership structure, which is also a testament to what we have already accomplished, opens a whole raft of new opportunities for Worldline to join in the consolidation underway in our sector across Europe. And we took full advantage of this in February 2020 with the announcement of a contemplated acquisition of genuinely strategic importance – a friendly takeover of the Ingenico Group. The two companies fit together remarkably well and would form a combined entity ranking immediately among the world leaders in the electronic payments sector.

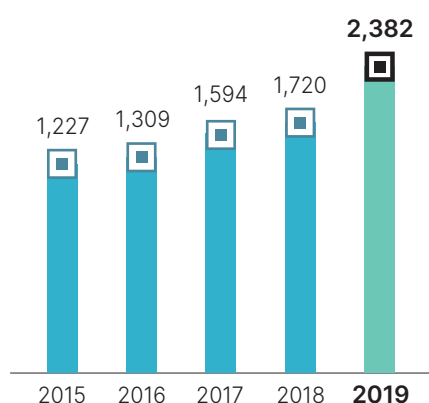
It would be remiss of me to end without saying how proud I am of the way in which Worldline has responded to the unprecedented Covid-19 situation, thanks to its careful planning and proactive measures. Our managers and teams immediately put into motion their plans to keep our employees safe and healthy. While fully complying with the recommendations and instructions issued by governments, they have also taken steps to safeguard the seamless operational continuity of our electronic payment platforms. These form the bedrock supporting the remaining business transactions in our economies, which have been so severely affected by this major crisis.

Gilles Grapinet, Chairman & Chief Executive Officer

## A.4 Worldline in 2019 [GRI 102-7]

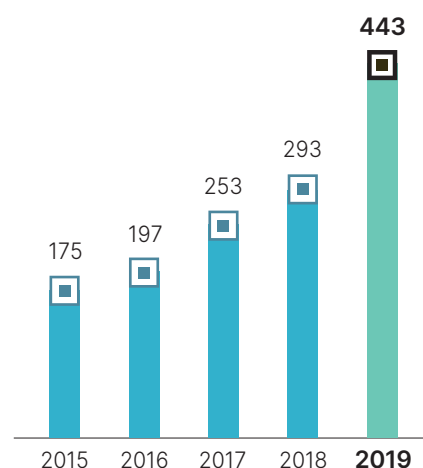
### A.4.1 Key graphs

5-YEARS REVENUE EVOLUTION (IN € MILLION)

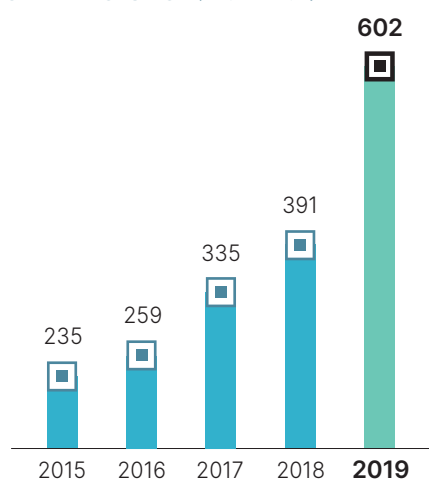


\* December 31, 2017 adjusted to reflect change in presentation disclosed Section E.4.7.2 "Basis of preparation and significant accounting policies"

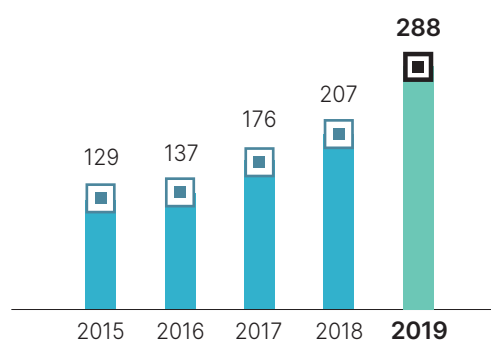
5-YEARS OPERATING MARGIN EVOLUTION (IN € MILLION)



5-YEARS OMDA EVOLUTION (IN € MILLION)

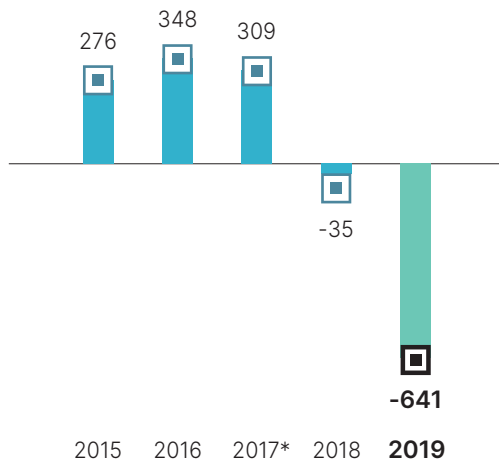


5-YEARS FREE CASH FLOW EVOLUTION (IN € MILLION)



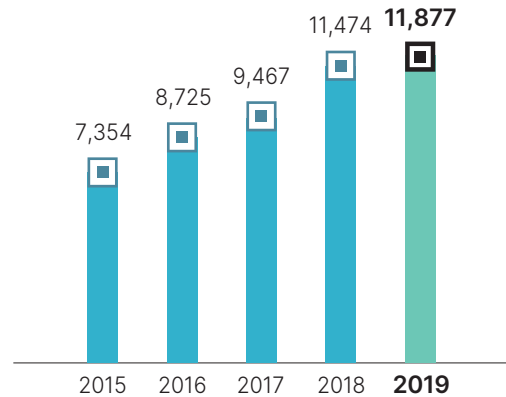
\* December 31, 2016 adjusted to reflect the change in presentation disclosed in Section E.4.7.2 "Basis of preparation and significant accounting policies" of the 2017 Registration Document.

## 5-YEARS NET CASH EVOLUTION (IN € MILLION)



\* December 31, 2016 adjusted to reflect the change in presentation disclosed in Section E.4.7.2 "Basis of preparation and significant accounting policies" of the 2017 Registration Document.

## 5-YEARS EMPLOYEE EVOLUTION



## A.4.2 2019: an exceptional year in Worldline's history

## January

**One Commerce Hub brings it all together** Launched in 2019, Worldline's One Commerce Hub solution enables merchants to provide an integrated and consistent payment experience for their customers, regardless of channel or location, and to consolidate all transaction data in one place. The global omncommerce platform ensures transactions can be handled online and instore, providing convenient and secure opportunities for merchants to further engage with their customers.

## February

**Our global commitment to inclusion** To demonstrate our commitment to inclusion and diversity, Worldline signed the United Nations' Standards of Conduct for Business<sup>1</sup> and the *L'autre Cercle* Charter in February, pledging its support to protect the rights of LGBT+ (Lesbian, Gay, Bisexual, Transgender, Intersex and others) people at work worldwide.

## March

**Secure electronic train tickets in Hamburg** to address a significant demand for electronic ticketing services, Hamburger Hochbahn AG, Germany's second largest public transport company, turned to Worldline for a sustainable and scalable security solution. Worldline's powerful, future-proof SAM server now secures approximately six million annual ticket purchases made by passengers online, including via mobile app.

## April

**Worldline is now an independant payment pure player :** Following the distribution in kind by Atos of 23.4% of Worldline share capital in April, Worldline has updated its governance structure to reflect its new independent pure player status as epayment and transactional service provider, with strong firepower and flexibility to pursue the consolidation of payments in Europe

<sup>1</sup> <https://www.unfe.org/standards>

## May

**Award-winning YUMI.** Worldline introduced its cutting-edge payment device YUMI to the market – a fully customisable all-in-one business-enabling platform that is set to transform the shopping experience. YUMI's ultra-modern design, which features a single customer-facing full-touch display that can rotate 360°, won the Red Dot 2019 award for industrial design in May for its “extremely individual and comfortable user experience”.

**Carbon neutral breakthrough.** Worldline became the first company in the payment industry to neutralise its operational CO<sub>2</sub> emissions, across our data centres, offices, business travel and the lifecycle of our payment terminals. By reducing energy use, switching to decarbonised energy and offsetting residual emissions, Worldline is able to provide carbon neutral solutions to its clients.

**Award-winning Artificial Intelligence in Worldline Contact solution.** Worldline was selected by Nuance, a specialist in conversational Artificial Intelligence (AI), for its Best Partner award following their close collaboration to provide innovative omnichannel contact solutions in SaaS mode for WL Contact, Worldline's state-of-the-art omnichannel contact solution. WL Contact was recognised for its sophisticated integration of AI to enable contact centres to automate certain tasks, customise callers' welcome message in real time and automatically direct callers to the agent most capable of meeting their request.

## June

**Cryptography for the post-quantum age.** The National Institute of Standards and Technology (NIST) in the US selected Worldline's four proposals as candidates for cryptographic algorithms strong enough to protect electronic information from attack by quantum computers.

**The Instant Payments leader.** With the launch of real-time payments in the Netherlands using the Clearing and Settlement Mechanism system of equensWorldline, Worldline became the largest processor of instant payments in the Eurozone, handling millions of instant payment transactions per week. We anticipate real-time payments will become the new normal – not only for domestic transactions in Europe but also for cross-border transactions.

**Everything you didn't dare ask about payments.** In June, Worldline published an industry briefing looking at how and why payment is changing so rapidly and what these developments mean for banks, merchants and consumers. The report looks at 10 key questions about the future of payments, examining how the digital revolution is leading to fundamental changes not only in payment technologies but in the very nature of payment itself.

## July

**Redefining the future of social networks.** As the only payment and transaction services provider selected as a partner of the EU-funded project HELIOS, Worldline will provide its expertise in system and privacy security, rewarding functionalities and blockchain technology. The three-year project will develop a decentralised and user-controlled social media platform that will allow developers to create easy-to-apply social network functionalities by reducing costs and development complexity.

**Open banking medallist.** Worldline was recognised by Ovum as Best Open Banking Solution Provider for the Worldline Digital Banking Platform at the PayTech Awards 2019. Worldline's clients in the financial sector are using the WL Digital Banking Platform<sup>1</sup> solution to generate additional revenue streams through new complementary digital and transactional services.

## September

**Worldline completes equensWorldline acquisition and receives an investment grade BBB/Stable outlook rating from S&P Global.** Worldline completed the acquisition of the 36.4% minority stake in equensWorldline in September. Worldline now has full ownership of the leading European payment transaction processor which will pave the way for continued consolidation and new strategic partnerships in the processing business. The call exercise price was €1,070 million for the remaining 36.4% stake and was financed by a €600 million convertible bond issued on July 25, 2019 and a €500 million bond issued on September 11, 2019. Thanks to the very attractive terms of these two bond emissions, the overall financing of the acquisition has a negative cost for Worldline (from a cash flow perspective).

**A pioneer in Strong Customer Authentication.** Worldline is the first payment provider to implement 3-D Secure 2.0 in its platforms and to process live transactions for European retailers using strong customer authentication (SCA), in accordance with the requirements of the European Union's revised payment services directive (PSD2).

<sup>1</sup> <https://equensworldline.com/en/home/solutions/digital-banking/m-digital-banking-platform.html>

## October

On October 24, 2019, the Board of Directors of Worldline acknowledged the resignation of Mr. Thierry BRETON as Chairman of the Board, following the announcement by the presidency of the French Republic of its proposal to submit the candidature of Mr. Thierry BRETON as Commissioner representing France in the European Commission. The Board of Directors of Worldline unanimously expressed its sincere gratitude to Mr. Thierry BRETON for his conduct of the works of the Board during the 5 years following Worldline Initial Public Offering as well as for his outstanding involvement and energy, and expressed its best wishes for success in the new very important mission he was about to undertake.

The Board of Directors, following the recommendation of the Nomination and Remuneration Committee, decided that the chairmanship of the Board of Directors would be held by Mr. Gilles Grapinet, thereby unifying the functions of Chairman of the Board of Directors and Chief Executive Officer of the Company.

## November

### **Co-creation to address tomorrow's payment challenges.**

Fintech start-ups competed at the 2019 Worldline e-Payments Challenge to develop solutions using Worldline assets to address our clients' challenges. In addition to the 15 category winners, Swiss start-up OneVisage, received the Grand Prix award for their smart solution which helps prevent digital identity theft.



## A.5 Group presentation [GRI 102-1] [GRI 102-3] [GRI 102-6]

### A.5.1 Formation of the Group [GRI 102-10] [GRI 102-45]

The Group is one of the leading European providers of electronic payment and transactional services and one of the largest such providers worldwide.

#### Origins of the Group

The origins of Worldline's business date back to 1973, when Sligos, a company formed in 1972 and majority-owned by Crédit Lyonnais, was awarded the first contract in history to process card-based banking transactions at the time the Carte Bleue credit card system was implemented in France. After its initial public offering in 1986, Sligos expanded internationally. In 1997, it merged with Axime, also a listed company.

The Axime group had been formed in 1991 and became a major player in the rapidly consolidating information technology services industry (sociétés de services en ingénierie informatique, or "SSI"). The Axime group resulted from the merger of (i) SEGIN (electronic banking, telematics); (ii) SITB (banking and financial market transaction management); (iii) SODINFORG (later renamed SEGIN) (electronic banking and personalization of payment support). Customer relations centers and payments services functions were then regrouped within the Axime Services division, while the Axime Multimédia division took over the telematics activities.

In 1997, Atos was created through Axime's merger with Sligos. The Worldline Group's activities initially arose out of these two entities. The Axime Multimédia division was contributed to Axime Télématique Multimédia, which then took the name Atos Multimédia. Axime's electronic banking and processing division and Sligos' payment and electronic banking activities division were contributed to the company Flow, which then took the name Atos Services. Atos Services was later renamed Atos Origin Services following the merger with Origin in 2000.

On December 31, 2003, Atos Origin Services became Atos Worldline, when the various Atos Origin businesses relating to payment and electronic transactional services were merged. Atos Origin Multimedia was merged into Atos Worldline. Worldline also includes the Atos Origin Processing Services division in Germany (renamed Atos Worldline Processing GmbH in April 2004) and Atos Worldline Produits Solutions Intégration in France, which resulted in the 2005 contribution of the payment solutions business, which had previously been held by Atos Euronext SBF (with which it merged in 2008). At that time, Atos Worldline operated primarily in France and in Germany, becoming a leader in high-tech transactional services, or "HTTS". In 2010, Atos Origin Processing GmbH became a wholly owned subsidiary of Atos Worldline.

In the United Kingdom, the Group's presence in transactional activities, in particular relating to private label cards for the hotel and petrol sectors, resulted from the 2000 merger with

Origin. Atos Origin's 2004 acquisition of the bulk of SchlumbergerSema's information services business further strengthened its transportation (primarily railroad) business.

In 2006, Atos Worldline extended its scope of activity in Belgium by acquiring Banksys and Bank Card company (BCC), companies specialized in payment solutions and systems, thereby becoming a major player in the Belgian payments market, in particular through its role as operator of the Bancontact payment scheme.

Since 2009, the Atos group's payment services strategy has consisted in deploying its HTTS business internationally, initially in Europe – in particular in Germany, Belgium, Spain, the Netherlands, and the United Kingdom – and later in Asia. The Atos group has leveraged its established presence in traditional information technology services to organically develop its HTTS business, while also growing through acquisitions, such as the 2010 acquisitions of Shere Ltd., a UK solutions provider, and Venture Infotek, an independent player in the Indian market and payment sector leader. The acquisition of Venture Infotek strengthened the Atos group's core payment services business and enabled it to penetrate one of the fastest-growing payment markets in the world. Atos also pursued expansion of its HTTS services in the Asia-Pacific region.

In July 2011, the Atos group acquired Siemens IT Solutions and Services (SIS), a significant European SSI belonging to the German group Siemens AG, which resulted in the contribution of several of the German conglomerate's information technology entities. Through this transaction, Worldline Group primarily acquired SIS's Mobility & e-Transactional Services business ("MeTS") in the United Kingdom, Chile and Argentina.

With the 2012 acquisition of the Dutch company Quality Equipment BV, which had been a commercial partner of the Group's for fifteen years, Worldline acquired a key player in the Dutch electronic payment market, in particular in the sales, restaurant and parking sectors.

#### Spin off from Atos and Initial Public offering (2014)

After announcing in February 2013 its intention to spin off all of its electronic payment and transactional services activities into a single subsidiary named Worldline, Atos announced in July 2013 that it had completed the project.

Worldline completed its initial public offering in June 2014 and the first listing of Worldline's shares on Euronext Paris occurred on June 27, 2014. Following the initial public offering, all entities of the Group removed the reference to Atos in their corporate names.

## Creation of equensWorldline and acquisition of Paysquare (2016 and 2019)

The Worldline Group has finalized on September 30, 2016 an agreement with the Equens group in order to reinforce Worldline's leadership in payment services in Europe. This transaction provides the enlarged Worldline Group with an extensive pan-European reach, strong positions and a strong commercial presence in key countries (France, Belgium, The Netherlands, Germany, Italy, Nordics). This transaction was structured in two steps:

- A share transaction for the Financial Processing activities, through a merger of the respective activities of the two groups in Europe to create "equensWorldline", which was 63.6% controlled by Worldline and 36.4% by the former shareholders of Equens;
- The acquisition of Paysquare, the Commercial Acquiring subsidiary of Equens.

Through these transactions, the Worldline Group benefited from a pan-European footprint and has increased its revenue size on a full year basis by c.+25%, out of which c.+40% in Commercial Acquiring and c.+65% in Financial Processing.

In September 2019, Worldline finalized the acquisition of Equens by the exercise of its call option on the 36.4% stake held by the minority shareholders of equensWorldline.

## Acquisition of Cataps / KB Smartpay, First Data Baltics, Digital River World Payments, MRL Postnet and Diamis (2017)

Worldline's strategy of becoming an active industrial consolidator within the European payment market and active on M&A activities globally was reinforced in 2017 with:

- The acquisition Cataps s.r.o. (operating under the brand KB SmartPay), the commercial acquiring subsidiary of Komerční Banka (KB), subsidiary of the Societ  Generale group and one of the leading banks in the Czech Republic;
- The acquisition of First Data's subsidiaries in Lithuania, Latvia, Estonia. The leading financial processor in the Baltics, providing to the main Baltic banking groups and also to some banks in the wider Nordic region;

- The acquisition of Digital River World Payments (DRWP), a leading online global payment service provider;
- The acquisition of MRL Posnet payment service provider notably Operating an innovative and state-of-the-art terminal management platform on behalf of 18 Indian banks;
- The acquisition of Diamis editor of the Cristal software that is used by many leading European banks in order to manage SEPA and domestic mass payments as well as the intra-day liquidity for interbank payments and securities trading.

## Acquisition of SIX Payment Services (2018)

On November 30, 2018 Worldline finalized the acquisition of SIX Payment Services from SIX Group AG. Through this strategic partnership, Worldline materially strengthened its European leadership position with:

- Circa +30% Group revenue increase,
- Circa +65% increase in Merchant Services business attaining over €1 billion annual revenue on a pro forma basis,
- New n 1 payment market position in Switzerland, Austria, Luxembourg and a major reinforcement in Germany.

As the transaction was mostly paid in shares, SIX Group AG became a 27% shareholder of Worldline.

## Deconsolidation from Atos (2019)

Since May 2019, following the distribution in kind by Atos SE shareholders of circa 23.5% of the shares making up Worldline's share capital, Worldline is no longer consolidated within the Atos group.

Following additional Atos' transactions on Worldline shares completed in October 2019 and February 2020, Atos now holds ca. 3.8% of the Worldline share capital, which is underlying exchangeable bonds. In case of exchange in full of the bonds, Atos would no longer hold any Worldline shares and voting rights.

## A.5.2 Creation of a new world-class leader in payment services: announced acquisition of Ingenico

Worldline and Ingenico Group SA have announced on February 3, 2020 that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares, consisting of a 81% share and 19% cash transaction, as well as outstanding OCEANES.

Upon closing, former Worldline shareholders would own c.65% of the combined entity and former Ingenico shareholders would own c.35%.

This transaction would combine two premier companies to create the world's number four player in payment services with circa 20,000 employees in approximately 50 countries with physical presence. Upon closing, the new combined group would offer best-in-class payment services to nearly 1 million merchants and 1,200 financial institutions.

The transaction will be subject to customary closing conditions, including regulatory, merger control clearances and information and/or consultation with employee representative bodies, as well as Worldline shareholders' approval.

It is expected that the tender offer will be filed with the AMF in June or July 2020, once regulatory and merger control clearances processes are in progress.

For more information, in particular related to the terms of the offer, please refer to the press release available at [worldline.com](http://worldline.com) in the Investors section.

A



## A.5.4 Subsidiaries and participation [GRI 102-4]

### A.5.4.1 Important Subsidiaries

The Company's principal direct and indirect subsidiaries are described below. None of the Company's subsidiaries is a listed company.

**equensWorldline** is a European public company incorporated under the laws of the Netherlands (Europese naamloze vennootschap), having its official seat (statutaire zetel) in Utrecht, the Netherlands, and its office at Eendrachtlaan 315, 3526 LB Utrecht, the Netherlands, registered with the Dutch Trade Register of the Chamber of Commerce under number 30220519, with a share capital of € 366,274,330. Following the completion of the acquisition of the 36.4% minority stake in equensWorldline, the Company holds directly and indirectly 100% of equensWorldline's share capital. equensWorldline's main business activities combine traditional mass payment systems (issuing, acquiring, intra- and interbank processing) and innovative e-commerce and mobile payment solutions.

**Worldline NV/SA** is a Belgian limited liability corporation (société anonyme) with share capital of € 136,012,000. Its registered office is located at chaussée de Haecht 1442, 1130 Brussels, Belgium, and it is registered with the Belgian Trade Registry under number BE 0418,547,872. The Company directly and indirectly holds 100% of Worldline NV/SA's share capital and voting rights (99.99% is held directly by the Company, with Worldline Participation 1 SA, a wholly-owned subsidiary of the Company, holding one share). Worldline NV/SA's main business activity is designing, producing and operating IT products relating in particular to payment systems and payment-system management, developing and marketing of e-Commerce solutions, monitoring physical access and logistics, electronic payments, and loyalty programs.

**Worldline IT Services UK Limited** is an English limited liability company with share capital of £ 43,000,100. Its registered office is located at Mid City Place, 71 High Holborn, WC1V 6EA

London, United Kingdom, and it is registered with the Registrar of Companies of England and Wales under number 08514184. The Company indirectly holds 100% of Worldline IT Services UK Limited's share capital and voting rights. Worldline IT Services UK Limited's main business activity is designing, implementing and operating transactional systems (principally for the transportation industry), as well as managing payment cards.

**Worldline Luxembourg SA** is a Luxembourg limited liability corporation (société anonyme) with share capital of € 33,819,450. Its registered office is located at 10 rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and it is registered with the Luxembourg Trade and Companies Register under number B79303. The Company directly holds 100% of Worldline Luxembourg SA's share capital and voting rights. The business activity of Worldline Luxembourg SA comprises buying, selling and marketing software and information systems and providing services and documentation relating to such products; providing services and consulting with respect to management of companies, information systems and information technology; holding and managing international equity investments; and holding and promoting the Worldline trademark.

**SIX Payment Services AG** is a corporation (Aktiengesellschaft) incorporated and existing under the laws of Switzerland with a share capital of CHF 8,659,000, having its registered office at Hardturmstrasse 201, CH-8005 Zurich, Switzerland, and registered with the commercial register of the Canton of Zurich under number CHE 105.855.222.

**SIX Payment Services (Europe) SA** is a société anonyme incorporated and existing under the laws of the Grand Duchy of Luxembourg with a share capital of €1,820,002, having its registered office at 10 rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés) under number B 144087.

### KEY FINANCIAL DATA OF THE PRINCIPAL OPERATING SUBSIDIARIES

The table below provides key financial data concerning the Group's principal operating subsidiaries for the fiscal years ended December 31, 2018 and 2017 (contribution to IFRS consolidated data).

	Revenue		Net Income		Total Assets	
	2019	2018	2019	2018	2019	2018
(In € million)						
Worldline NV/SA	258.6	251.5	28.1	18.9	1,202.8	1,144.8
Worldline IT Services UK Ltd	92.6	98.3	9.8	4.5	139.0	101.7
Worldline Luxembourg SA	0.0	0.0	36.6	20.1	378.5	350.7
EquensWorldline SE	698.6	669.1	71.2	68.8	1,254.2	1,074.1
Six Payment Services Ltd *	354.3	29.5	70.2	4.5	2,396.1	2,936.0
Six Payment Services (Europe) SA *	287.4	22.5	1.2	-1.4	1,732.8	584.8

\* Revenue and Net income relate only to one month activity (December 2018: Date of incorporation in consolidated financial statements).

#### A.5.4.2 Recent or contemplated acquisition of subsidiaries

On September 30, 2019, Worldline announced the completion of the acquisition of the 36.4% minority stake in equensWorldline. As a reminder, Worldline exercised on July 24, 2019 its call option on the 36.4% minority stake in equensWorldline, representing the final step of the Equens acquisition initiated in 2016 and allowing taking full ownership of equensWorldline, the leading European payment transaction processor. The call exercise price was €1,070 million for the remaining 36.4% stake and was financed by a €600 million convertible bond issued on July 25, 2019 and a €500 million bond issued on September 11, 2019. Thanks to the very attractive terms of these two bond emissions, the overall financing of the acquisition has a negative cost for Worldline (from a cash flow perspective).

On February 3, 2020, Worldline and Ingenico Group SA have announced that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares, consisting of a 81% share and 19% cash transaction, as well as outstanding OCEANEs.

On March 30, 2020 Worldline SA entered into a mandate letter providing the terms and conditions under which a pool of banks commit to enter into a bridge facility agreement upon Company's request for an amount of € 2.6 billion and for a one year maturity (with options for extension) in order to finance

the contemplated acquisition of Ingenico as announced on February 3, 2020. Please refer to Section A.5.2 for more details regarding this contemplated transaction.

#### A.5.4.3 Holdings

In 2018, Worldline took a 20% minority shareholding in the Swiss mobile wallet TWINT.

In 2017 Worldline took a minority shareholding in the capital of the African fintech InTouch. In June 2019, InTouch increased its share capital, as provided for by the 2017 initial agreements. Worldline and Total decided to subscribe to this increase, thus reinforcing their respective holdings. As of the date of publication of the present document, Worldline and Total respectively hold 31.6% of the share capital and voting rights of InTouch.

As part of its expansion strategy in Merchant Services & Commercial Acquiring, Worldline SA/NV acquired 99% of the shares of Cataps s.r.o. (giving rise to 60% of voting rights), Commercial Acquiring subsidiary of Komerční Banka for credit or debit cards, operating under the brand KB SmartPay. Cataps s.r.o has been renamed Worldline Czech Republic s.r.o in 2019.

These holdings are not significant for the Group and are classified as "non-current financial asset" in the consolidated Group's 2019 consolidated accounts.

### A.5.5 Management and organization [GRI 102-18] [GRI 102-22] [GRI 102-23]

The Company is a public limited company with a Board of Directors. A description of the main provisions of the bylaws of the Company regarding the Board of Directors, in particular concerning its operating mode and authority, as well as a

resume of the main provisions of the internal rules of the Board of Directors and the specialized Committees are available at Chapter G "Corporate Governance and Capital" of this Document.

#### A.5.5.1 The Executive Committee

The role of the Executive Committee is to develop and implement the Group's strategy, while delivering service quality and added value to the Group's projects for the benefit of its clients, shareholders and employees. It is also charged with improving interaction and cooperation among the Group's three Global Business Lines and among the different geographic markets where the Group does business.

The composition of the Group's Executive Committee is as follows:

- Gilles Grapinet (Chairman of the Board of Directors and Chief Executive Officer);
- Marc-Henri Desportes (Deputy Chief Executive Officer);
- Alessandro Baroni (Chief Business Divisions Officer and Deputy Head of Worldline Global Financial Services);
- Olivier Burger (Head of Human Resources);
- Lisa Coleman (Head of Operational Performance);
- Christophe Duquenne (Chief Technology & Operations Officer);
- Charles-Henri de Taffin (Group General Counsel, Head of Legal, Compliance & Contract Management);
- Claude France (Head of Mobility & e-transactional Services (MTS) Global Business Line);
- Eric Heurtaux (Chief Financial Officer);
- Wolf Kunisch (Head of Worldline Group Strategy, Public & Regulatory Affairs);
- Pascal Mauzé (Head of Sales and Marketing);
- Vincent Roland (Head of Global Business Line (GBL) Merchant Services);
- Marc Schluep (Managing Director of Switzerland);
- Michael Steinbach (Head of Global Business Line (GBL) Financial Services and CEO of equensWorldline)



### A.5.5.2 Personal information concerning the Executive Committee members



**Gilles Grapinet** is a graduate of the *Ecole Nationale d'Administration* and a French *Inspecteur Général des Finances* (General Finance Inspector). He was Director of Information Systems and Strategy at the French *Direction Générale des Impôts* (Tax department), and Director of the Copernic program, charged with creating an "e-Tax department" for electronic filing of tax returns and payment of taxes. He was an economic and financial adviser to the French Prime Minister in 2003 and 2004, and then chief of staff (*Directeur de cabinet*) to two ministers of the Economy and Finances from 2004 to 2007. In 2007, he became a member of the Executive Committee of *Crédit Agricole SA*, in charge of Strategy and later of the Group's Systems and Payment Services division. Mr. Grapinet joined Atos in December 2008. Until February 1<sup>st</sup>, 2019 he was the Senior Executive Vice President in charge of Global Functions of the Atos group, in which capacity he has headed Global Support Functions, ensured coordination and development of Global Sales and Marketing as well as of the Consulting and Technology Services division of the Atos group, and supervised development of the Group's activities. Mr. Grapinet has been Worldline's Chief Executive Officer since July 2013 and has been appointed Chairman of the Board of Directors of Worldline in November 2019. He received the French *Légion d'Honneur (Chevalier)* in 2011.



**Marc-Henri Desportes** is a graduate of the *Ecole Polytechnique* and of the *Ecole des Mines de Paris*. He was Deputy Program Director of the Copernic program at the French Ministry of Finances from 2000 to 2005, and then was in charge of audit coordination at BNP Paribas from 2005 to 2006. Mr. Desportes was then Chief Information Officer at BNL, BNP Paribas' Italian subsidiary. He joined the Atos group as a member of the Executive Committee in 2009 and as Director of the Global Innovation Business Development & Strategy Global Business Lines (GIBS), then, became Director of the High Technology Settlement Services and Specialized Activities Business Unit in July 2011. Mr. Desportes joined Worldline as General Manager in 2013 and was appointed Deputy Chief Executive Officer in 2018.



**Alessandro Baroni** is Chief Business Divisions Officer and Deputy Head of Worldline Global Financial Services since March 2020. He was previously Chief Market Officer for Worldline Global Financial Services. He is a member of the Board of Directors of *equensWorldline* since October 2016 upon the closing of the strategic partnership between *equens* and Worldline. He has been part of the *Equens* Board of Directors since 2011, first as responsible of the cards business, then as Group CIO and finally as CMO. He joined *Equens* in 2008 upon the

incorporation of *Equens Italia*, the Italian entity set up by ICBPI and *Equens SE* as a vehicle for their strategic partnership, for which Alessandro Baroni was in a leading role since its origination. Alessandro Baroni is a member of the Worldline Group Executive Committee. Prior to joining *Equens*, Alessandro Baroni worked for The Boston Consulting Group in Milan and Toronto as a consultant and principal, serving clients in the Financial Services and consumer goods & retail industries in the fields of strategy, corporate development, organization and operations. Mr. Baroni holds a Bachelor in Business Administration from Bocconi University, Milan.



**Olivier Burger** is a graduate of SUPMECA and the *Ecole Normale Supérieure*. He started his career in France at Renault in software development. After two years spent in Canada for the French Foreign affairs, he joined Alstom in the train division where he headed several operational positions in the field of fail-safe train control systems in France and in the United Kingdom. In 2004, he joined Orano to lead various Human Resources managerial positions in Global Business Units and then in charge of Talent & Reward for the Group. Olivier joined Atos in 2016 as Human Resources Senior Vice President of the Big Data & Security Division. He was also in charge of the *WellBeing@Work* and the Expert policy at Group level at Atos before joining Worldline in 2018 as Group Head of Human Resources. Olivier is a graduate of Supmecca and the *Ecole Normale Supérieure de Cachan*.



**Lisa Coleman** joined the Atos group in 1992, performing various managerial roles in the UK public sector that included personal delivery of major Government Programmes. She also took overall responsibility for business development and growth in the UK health sector. From joining Worldline in 2014 to March 2019, Lisa had responsibility for all Worldline activities within the UK and Ireland which included significant contracts to the transport and hospitality market. In addition, since 2017 her scope included the groups Mobility & Transactional Services business in Germany and Austria. Since March 2019, she has taken on the role of Head of Operational Performance responsible for improving operational performance and efficiency through the next generation of the TEAM<sup>2</sup> program SMART.



**Christophe Duquenne** is a graduate of the *Ecole Centrale* in Paris. He joined the Atos group in 1987 where he has held numerous managerial positions including the business activities in Worldline France for six years, and the Merchant Service Global Business Line for three years. Christophe Duquenne has been appointed as the Group's Chief Technology Officer in 2013 and Operations Officer in 2016.



**Charles-Henri de Taffin** received a Postgraduate Degree (DEA) in business law from the University of Paris X – Nanterre and a Postgraduate Degree (DESS) in litigation, arbitration and alternative dispute resolution from the University of Paris II – Panthéon Assas. He spent 9 years as business lawyer in the international law

firm, Cleary Gottlieb Steen & Hamilton, where he focused on mergers and acquisitions, restructuring, international contract law but also on arbitration and dispute resolution. In 2013, Charles-Henri joined the Legal department of the Atos group and particularly contributed, as Head of Legal Special & Strategic Projects, to the main acquisitions, financing and capital markets transactions, including Worldline's IPO. In 2016, he became Deputy General Counsel for Atos France. Since July 2017, Charles-Henri is General Counsel, Head of Legal and Contract Management of Worldline.



**Claude France** is a graduate from *Institut National Polytechnique de Grenoble*. She started her career in the telecom sector at Alcatel and joined the Atos group in 1988, where she held various operational and commercial positions. After having managed the French Financial Processing and Software Licensing business upon the

creation of Worldline in 2004, she then directed for 5 years the strategy, the marketing and the business development of the Worldline Group. From July 2011 to April 2020, she manages the business of the Worldline Group in France. In April 2020, she was appointed Head of Mobility & e-Transactional Services (MTS) Global Business Line.



**Eric Heurtaux** is a graduate from *Ecole des Mines de Paris* and holds a Master of business Administration from INSEAD. He began his carrier at the Boston Consulting Group. For more than 12 years within the Atos group, he held several positions among which driving the group TOP program, enhancing Atos operational

performance and conducting the integration of acquired companies in Atos, in particular Bull. Eric was previously Chief Financial Officer of Atos Big Data & Security (BDS) division, where he was responsible for strategic and financial planning, financial controlling and reporting, internal control, tax & corporate development. As Worldline Chief Financial Officer, he oversees the Company's finance and accounting organizations and is also in charge of the Purchasing department.



**Wolf Kunisch** is a graduate of the *Technische Universität Berlin* and of INSEAD's Executive MBA program. He began his career as a project manager at Roland Berger Strategy Consultants in Stuttgart, Germany and in Paris. He joined the Atos group in 2000, where he performed management functions in

innovative and international business development. In 2010 he was appointed as Managing Director of Atos Worldline in Germany and was made responsible for the group's Financial Processing & Software Licensing global business line as well as its German and Eastern Europe geographical zones in 2014. In 2016 he became CEO and deputy CEO of equensWorldline. In March 2020 he was appointed as Head of Worldline Group Strategy, Public & Regulatory Affairs.



**Pascal Mauzé** is a graduate from IMT Atlantique and from Université Paris-Dauphine. He has also studied international management at HEC, as well as professional coaching. He started his career in 1994 as a consultant, and since 1999, has held various Business Unit Management and Sales Management

positions in LogicaCMG (now CGI), Cisco and Ingenico, where he was Country Manager for France in 2005 and 2006. He then joined the Telecom division of Atos, and in 2012 he was asked to lead the Atos group's growth and industrialization program. In July 2015, he was recruited by Accenture to develop Energy & Utilities sales for France and Benelux. He was appointed Worldline's Head of Sales and Marketing in 2017, where he has since been leading Worldline's sales transformation and growth.



**Vincent Roland** is a graduate from *Ecole Polytechnique de l'Université de Louvain* and holds a MBA degree from the Solvay Business School. He started his career with the Alcatel group, where he became Vice-President of the Microelectronics division. He then joined Banksys as General Manager, before Banksys was acquired by

Atos Worldline. After having been Vice-Président of Atos Worldline for two years, he then joined First Data as Senior Vice-President for Europe, Middle-East and Africa. In 2010, he joins the Point group as Senior Vice-President. Following the acquisition of Point by VeriFone in 2011, he takes over the payment services business in the Verifone Executive Committee. In 2016 he re-joins Worldline as manager of the Merchant Services business line.



**Marc Schluep** is the Managing Director of Switzerland. Previously he was the CEO of SIX Payment Services after having been Head Corporate Development with responsibility for strategic development at SIX Group. He held the same position at SIX Group from 2004. Mr. Schluep's professional career began at Arthur D.

Little, an international management consulting firm, before he cofounded a strategic consultancy in which he acted as partner. Marc Schluep studied business administration at the University of St. Gallen and Stockholm School of Economics.





**Michael Steinbach** started his career in 1990 in the payments business, becoming director of DZ BANK AG (Deutsche Zentral-Genossenschaftsbank AG), where he headed the payments, cards and trade Finance department. In 2003 he was appointed as Chairman of the Board of Transaktionsinstitut fuer Zahlungsverkehrsdienstleistungen (TAI). With the creation of Equens in 2006,

out of the merger between TAI and Interpay B. V, Mr. Steinbach was appointed as CEO of Equens SE. Since the incorporation of equensWorldline SE in October 2016 he is acting as CEO of this company. Being in this business for over 30 years Michael Steinbach has gained extensive experience in the payments, cards and digital payments business. He is member of the Worldline Executive Committee and Head of Global Business Line Financial Services of Worldline.

The Group's Executive Committee is complemented by an expanded Executive Committee that includes the country heads and representatives of the main support functions (Management Committee).



GROUP OVERVIEW

# B

## THE PAYMENT INDUSTRY

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

The basic principles in any payment are the same: there are always payers, payees and the stakeholders which enable the exchanges of value to be done in a safe and secure manner. However, stakeholders are facing increasing challenges as they respond to trends, technological advances, regulations and an increasingly competitive environment. Whilst the customer facing side focuses on ever more seamless and

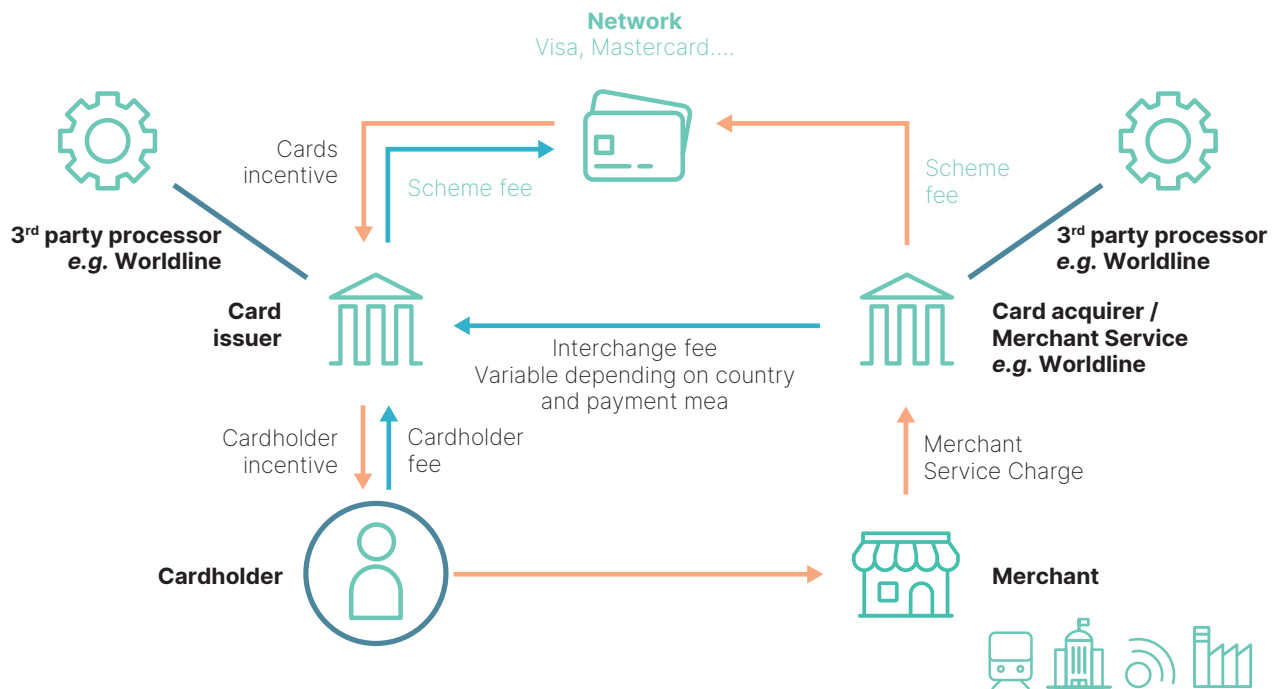
integrated experiences, the processes to support these electronic payment mechanisms (card and non-card based) are made up of complex infrastructures involving multiple parties, processes and technologies and within strong regulatory frameworks.

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

## B.1 Card Payments

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

### TODAY'S TYPICAL INDUSTRY PAYMENT FOUR-PARTY CARD CHAIN



Source: Worldline

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

- **The card issuer:** Generally, banks issue debit, credit or prepaid cards to individuals or corporations to be used as a payment method in face-to-face (card present) or remote (card not present) environments. The process of issuing and managing the cards and the process of authorizing, clearing and settling the payments is complex. As a result, many issuers outsource part or all of these activities to so-called third party issuer processors such as Worldline;
- **The merchant:** Merchants sell good and/or services in exchange for payment. Merchants need a mechanism that enables their acceptance of card payments (online or proximity);
- **The Merchant Services Provider:** Payment acceptance processing providers provide merchants with the means (POS Terminals, mobile POS (mPOS) Terminals, online payment gateways) to collect and transmit card data and receive payment authorizations in stores, online and via mobile devices. Some of these also provide merchant with additional functions, such as enhanced reporting, loyalty programs, advertising services, quality surveys using payment Terminals, dynamic currency conversion (DCC) services, etc.;
- **The Acquirer:** Acquirers are banks or payment institutions that provide merchants with access to the card scheme (e.g. Visa, MasterCard, CB, Bancontact, etc.) network and a merchant account. Commercial acquirers receive funds from issuing banks and deposit the proceeds, net of a "merchant service charge," into the merchant's account.

Like issuers, many acquirers outsource part or all of their activities to "third party acquirer processors". Such processors will typically route transaction data received from merchants' physical or online payment gateways with a view to obtaining payment authorizations via the credit and debit card scheme networks, known as "front-end" processing, and then ensuring that each transaction is appropriately cleared and settled into the merchant's bank account, known as "back-end" processing;

- **Card schemes:** Card schemes settle card transactions between all of its member banks, typically through a separate batch payment system, 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 a card issuing bank exchanges transaction information with a processing bank. The acquirer or merchant service provider will connect the merchant card acceptance system to card scheme. The clearing messages contain data on the validity of the payment, but no funds are transferred,
  - Settlement is the exchange of funds between a card issuer and an acquiring bank to complete a cleared transaction and the payment to a merchant for the amount of each card sale that has been submitted into the network.

## B.2 Non-card based payments

There are a variety of non-card based payments that are increasingly popular. Such methods will continue to grow and have transformative potential. Such methods include:

### B.2.1 Credit Transfers

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

### B.2.2 Direct Debit

A direct debit is based on a prior mandate which authorizes the payee's service provider to collect amounts from the payer's account at a specific frequency. It is most commonly used for regular bills such as utilities.

### B.2.3 Instant Payments

Instant or real-time payments are defined by the Euro Retail Payments Board (ERPB) as electronic retail payment solutions that are available 24/7/365. Account-to-account instant payments require the immediate or close-to-immediate interbank clearing and settlement of the transaction so that the payer is debited immediately and the payee is credited immediately.

Throughout the world, the number of real-time payment initiatives of one form or another has grown substantially over recent years and will continue to increase. In Europe, The EPC's (European Payment Council) SEPA Instant Credit Transfer scheme is now operational and although optional, it is expected that it will change payments as more and more new use cases appear.

As in the card example, such methods depend on mechanisms to issue, accept, clear and settle the payment instrument. Many Financial Services providers also choose to outsource the processing of these payments to third party processors such as Worldline.

Worldline was among the first CSMs (Clearing & Settlement Mechanism) to support this. Instant Payments have many advantages over cash and cheques and are thus ideally suited to replace these instruments. Also, driven by mobile applications, they have the potential to take market share from the debit card longer term. The key drivers will be ubiquity, interoperability, enhanced user experience and price.

### B.2.4 Other Alternative Payment Instruments

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

#### B.2.4.1 OBeP

Online Banking ePayments was initially designed to address eCommerce payments as an alternative to cards. During the online checkout process, the merchant redirects the consumer to their banking online banking site where they login and authorize a credit transfer with the given amount to the merchant. Once confirmed the consumer is redirected back to the merchant site.

The Payment Service Directive 2 (PSD2) has opened up this potential type of payment method by requiring banks to provide APIs to access accounts and thus enabling a new classification of Payment Initiation Service Providers. Please refer to Section C.4.1 for more details. The most successful example for ObEP is iDeal in the Netherlands.

#### B.2.4.2 Digital Wallet

A digital wallet has the ability to store payment information for a variety of different payments methods. One of the most globally well-known is PayPal.

#### B.2.4.3 Cryptocurrency

2019 has seen a great deal of discussion around cryptocurrencies, particularly since the announcement of the Facebook-driven global initiative Libra. The simplest description of a cryptocurrency is that it is a digital currency which uses cryptography to secure the online transactions. Cryptocurrencies, work using a technology called blockchain, a decentralized digital ledger spread across many computers that manages and records transactions.

## B.3 Other services in and around the payment value chain

In addition to the core payment processing services described above, the payment services ecosystem also includes a series of “extended” stand-alone or value-added services to traditional merchants and banks designed to help them grow

their businesses and generate additional payment transactions. Such services include but are not limited to the following:

### B.3.1 Services for Traditional Merchants

- **Omni-commerce Services.** Omni-commerce service providers assist retailers in designing, implementing and enhancing online and mobile services and integrating them to provide cross channel sales experiences that allow consumers to seamlessly transition between a retailer’s physical, online and mobile stores. These services may include solutions such as electronic engagement wallet services to 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 Program Services.** Loyalty programs help retailers build customer relationships and reward customers for their loyalty and provide retailers with valuable insights and sales promotion opportunities by leveraging data about customer behaviour gathered through the program. In most cases, these programs are based on loyalty cards tied to a specific brand. To help implement these programs and leverage loyalty program data, merchants often turn to outside service providers for assistance in enrolling customers, tracking purchases, analysing the resulting data and assisting with sales promotion;
- **Private Label Card Issuer Services.** 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 only accepted as a means of payment by the retailers that have issued them. Many payment service processors that offer issuer processing services also provide card issuing and processing services to retailers;
- **Merchant Wallet.** Merchant wallet gives the opportunity to a merchant to allow its customers to store their payment means (private label card, universal payment cards such as Visa/MasterCard or non-card based methods) in a secure container accessible from the merchant mobile application. Merchant wallet also encompasses orchestrator and business rules allowing a full mobile purchasing (payment+hardware management) kinematic for all kind of services in the point of sales (cash register indoor, fuel, car wash & charging outdoor). Merchant wallet is an accelerator for merchants’ mobile centric strategies and boosts the usage of their mobile application. It also generates a large range of customers’ data.

### B.3.2 Value-Added Services for Banks

- **Digital Wallet Services.** Banks often turn to outside service providers for assistance in designing, implementing and running their electronic wallet systems, which allow for online and mobile payments. Digital wallets, combined with tokenization services, are increasingly a must-have service offering for banks as they seek to respond to wallet-based solutions offered by bank and non-bank competitors, and to seize the customer engagement and targeted marketing opportunities electronic wallets offer;
- **Fraud Detection and Prevention Services.** The detection and prevention of fraud is an ongoing battle across all channels and all payment instruments. According to a study by Ovum, investment in fraud will increase by 6.5% annually in the period 2012-2020 (Ovum Payment Technology Spend Forecast);
- **Authentication Services.** Authentication service providers offer banks solutions to provide more secure methods of authenticating cardholders such as 3-D Secure or biometrics;

- **Data Analytics and Card-Linked Offers.** Data analytics and card-linked offer services provide banks with data mining solutions that can be used to analyse cardholder

payment data to propose targeted offers to cardholders like digital marketing or real time loyalty (as well as to merchants, when permitted by local regulators).

### B.3.3 New digital businesses

The third component of the extended payment services ecosystem in which the Worldline Group operates is services for emerging digital businesses with an embedded payment feature (*e-Ticketing* for Transport, *Trusted Digitization*, *Connected Living*). Leveraging the digital revolution to promote new businesses and new business models, these new players are driving new payment transactions and creating new opportunities. The Group brings its payment and regulation expertise to these new markets and focuses on three main categories of new digital businesses:

- **e-Ticketing and Journey management Solutions** for Transport Authorities, Transport Operators and cities. The transport market is at the verge of a new revolution with Open Payment which Infoholic forecast to grow to \$ 14.19 bn by 2023 with a 19.7% CAGR. By transforming bank cards into tickets, Open Payment is helping transport companies to reduce their cost, create new revenue opportunities and reinvent customer experience;
- **Trusted Digitization.** It addresses the growing market of digital contracts, legal archiving, electronic secured communications, and paperless transactions in general; mostly for large organizations, typically Central or local government or former public monopolies; organizations under strict regulations such as Telecom or Utilities. Digital services for governments provide tax collection services as well as secure paperless systems for public services. These systems are optimized through the digitization of

processes for citizens, including implementation of national digital identity schemes, the enabling of electronic payments (taxes, fines, etc.), and e-healthcare services, as well through a variety of trusted services, including track & trace solutions, e-contracts and electronic invoicing, legal archiving solutions for companies and e-safe services for individuals. According to Secure Identity Alliance, e-Government services will yield up to \$ 50 billion annual savings by 2020;

- **e-Consumer & Mobility Services.** This market includes Connected Living services such as Global Business Lines connected home and vehicles, industrial IOT, as well as consumer cloud and cloud contact services. The IOT market will continue to grow steeply, specific analyst predictions relevant for the Group's IOT focus areas:
  - Allied estimates that the Usage-Based Insurance Market will reach \$ 123 bn globally by 2022,
  - 91 million homes will be smart in North America and Europe by 2020 according to Berg Insights and,
  - IndustryArc estimates that the Industrial IoT market will grow at a CAGR of 21%, reaching \$ 123,8 billion in 2021,
  - GSMA quote Machina Research's forecast which estimate that the global market for connected vehicles should reach \$ 253 billion until 2025.



## B.4 Key Market Trends and Drivers of Change

The trend towards non-cash payment instruments continues both in the retail and wholesale payment sector. As part of this non-cash trend, 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 behavior:** the way consumers live, enabled by certain key technologies, has driven demanding expectations in the way they interact with both financial institutions and merchants;
- **Technology:** new technologies have a fundamental role in enabling change in the payment environment and the wider consumer engagement environment;
- **Regulation:** Financial institutions and payment services providers face a range of regulatory changes that have the potential to create new outsourcing opportunities for payment service providers and to drive increased demand

for value added services to create new revenue opportunities;

- **New entrants:** New “Fintechs”, mobile operators and GAFAs (Google, Apple, Facebook, Amazon etc.) or BATX (Baidu, Alibaba, Tencent and Xiaomi) are now part of the payment ecosystem and threaten to displace the incumbents.

As a consequence, non-cash payment transactions have grown significantly in recent years, and this growth is expected to accelerate as electronic transactions continue to displace cash and cheques. According to the World Payments report 2019, globally the number of non-cash transactions is predicted to grow by 14% CAGR 2017-2022. In Europe, even though it is a mature market, growth is still forecast at 8.5% CAGR.

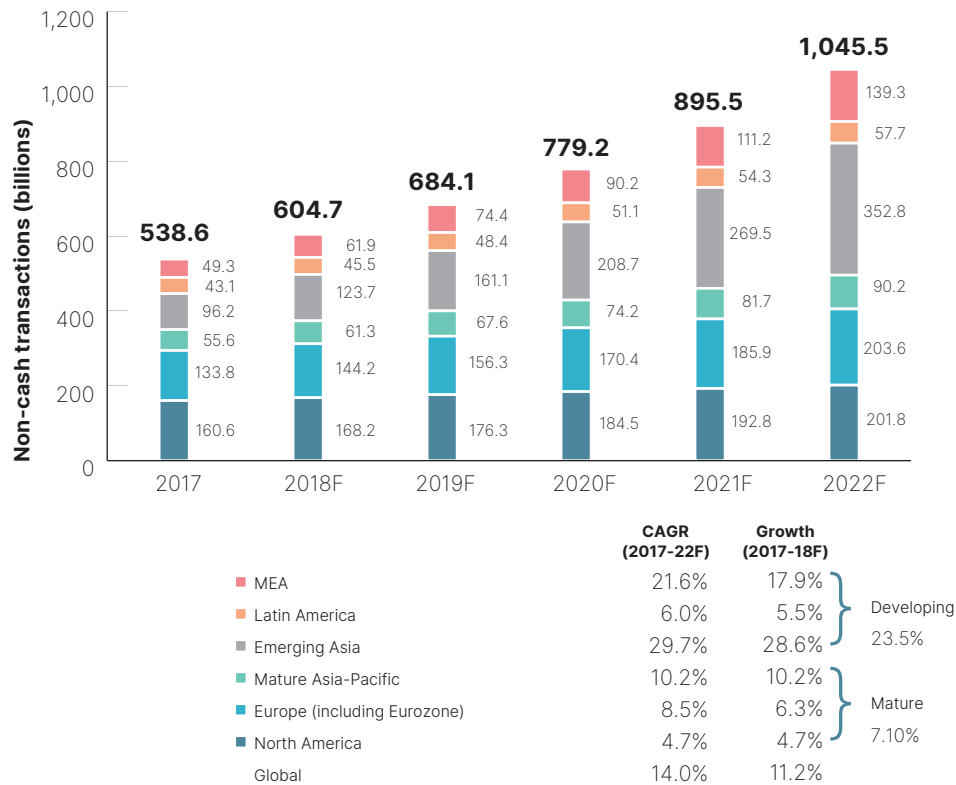
Data provided hereafter have been published in 2019 and therefore do not take into account the impact of the COVID-19 pandemic on the economy and on the payment market.

B

## THE PAYMENT INDUSTRY

Key Market Trends and Drivers of Change

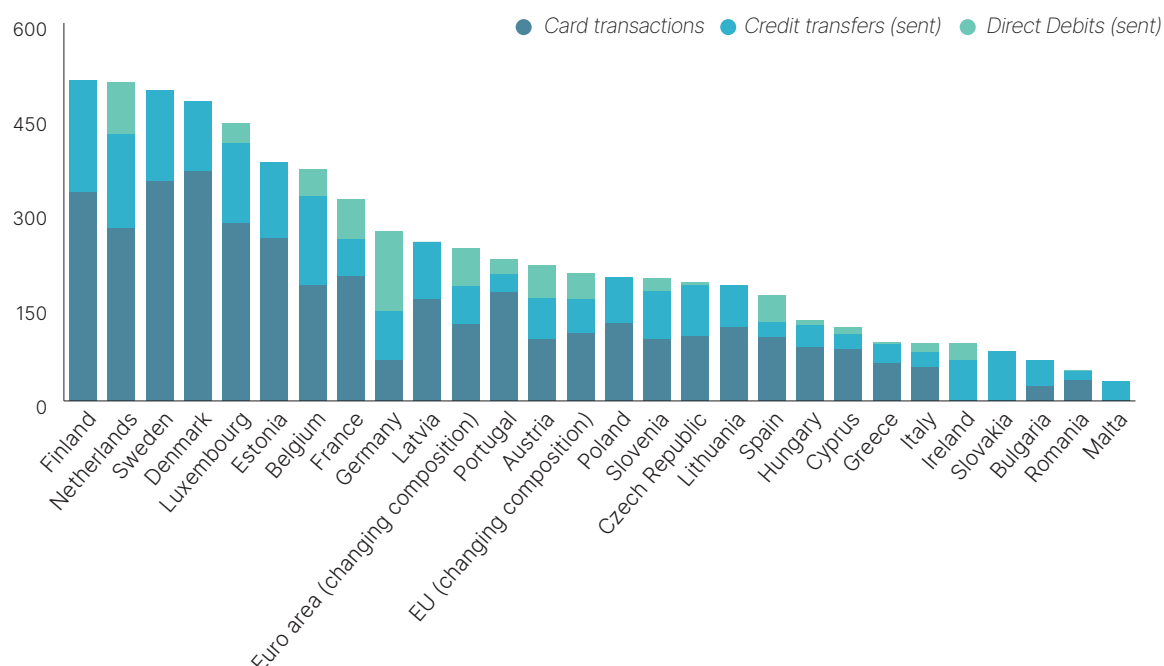
### NUMBER OF WORLDWIDE NON-CASH TRANSACTIONS (IN BILLIONS), BY REGION, 2017-2022F (SOURCE: 2019 WORLD PAYMENT REPORT, CAPGEMINI)



Note: MEA (Middle East, Africa) now includes Turkey, South Africa, Saudi Arabia, Africa and Middle East, Russia, Other CE countries and Other MEA Countries. Other CE Countries includes Bulgaria, and Croatia. Other MEA countries includes Algeria, Kenya, Nigeria, Egypt, Israel, UAE, Morocco; Latin America now includes Argentina, Colombia, Venezuela, Chile, Peru, Uruguay, Costa Rica, Bolivia, and Paraguay in Other Latin America countries; Emerging Asia Includes China, India, HongKong, and other Asian countries including Malaysia, Thailand, Indonesia, Philippines, Taiwan, Pakistan, Sri Lanka, and Bangladesh; Mature APAC (Asia-Pacific) includes Japan, Australia, South Korea and Singapore; NA (North America) includes the US and the Canada; Chart numbers and quoted percentages may not add up due to rounding; Some number may differ from data published in WPR 2018 due to previous years' data changed at the source, re-categorization of some geographies, and addition of new countries.

Source: Capgemini Financial Services Analysis, 2019; ECB Statistical Data Warehouse, 2017 figures released October 2018; Bank for International Settlements Red Book, 2017 figures released December 2018; Countries' Central Bank Annual Reports, 2018.

#### NUMBER OF NON-CASH PAYMENT TRANSACTION PER CAPITA AND PER YEAR IN EUROPE (2018)



Source: European Central Bank (ECB) statistical data warehouse.

### B.4.1 The digital revolution is driving new customer behavior generating significant growth in non-cash payments

Today, the average consumer in the developed world owns and uses several connected devices and is “super social” (i.e. Facebook). Consumers go online multiple times a day and do so from multiple locations, including on the go or in a store, and share their experience with their networks. The always-on, always-connected nature of mobile and other devices is creating new opportunities that allow traditional distributors, manufacturers and new digital businesses to connect with their customers and their network wherever they are, increase the frequency of their interactions and increase sales and payment activity.

As Forrester notes, “consumers are embracing mobile, social, tablets, and cross-touchpoint experiences like click-and-collect and no longer think in terms of channels, instead expecting seamless service on every touchpoint”. The challenge for retailers is to respond to these omni-channel consumer expectations. This increased interaction creates new sales opportunities for retailers, while also providing rich customer data that can help companies better understand and anticipate consumer needs. At the same time, these new

consumer preferences create significant IT challenges for retailers. Forrester notes that as customers continue to embrace multichannel services, retailers are finding that using manual workarounds for “siloed” systems can no longer support the growing volume of orders.

A similar process is underway in other sectors, creating new digital businesses with potential to create new markets and drive even further noncash payment transaction growth.

- Transport systems worldwide are pursuing “smart transport” solutions that make use of 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 government services and recordkeeping more efficient, to enhance healthcare information systems, and to improve traffic and parking enforcement as well as tax collection;

- In parallel, the increasing universe of connected devices is creating a new “Internet of things” that is expected to enable a range of new services using connected vehicles, connected appliances and other Connected Living

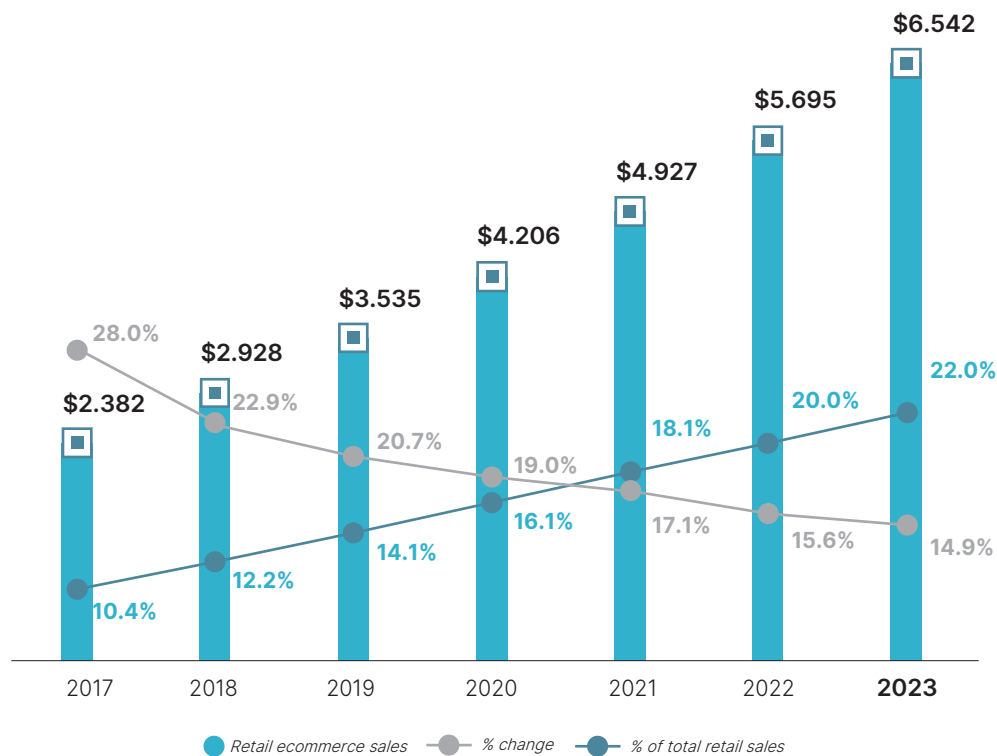
applications, to improve product performance (preventive maintenance, warranty cost, product launch reliability, etc.) or customer satisfaction (new and extended services, pay per use business model, advices on product use, etc.).

#### B.4.1.1 e-Commerce and m-Commerce continue to grow

The rapid growth in online commerce (from fixed and mobile devices), where nearly all payments are cashless payments, is expected to be a major driver of continued growth in non-cash payment transactions. Worldline expects growth in the e-commerce sector to continue to outpace bricks-and-mortar.

But, Worldline are now witnessing a shift from single end-to-end channel engagement to a cross-channel environment where the online and offline, mobile and fixed, are merging to form a seamless omni-channel presence.

##### GLOBAL E-COMMERCE SALES (IN US DOLLARS TRILLION)



Note: includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice good sales. (Source: eMarketer, May 2019 - [www.eMarketer.com](http://www.eMarketer.com))

Source: eMarketer, Statista <https://www.emarketer.com/content/global-ecommerce-2019>

### B.4.1.2 Mobile is becoming an increasingly important channel of interaction

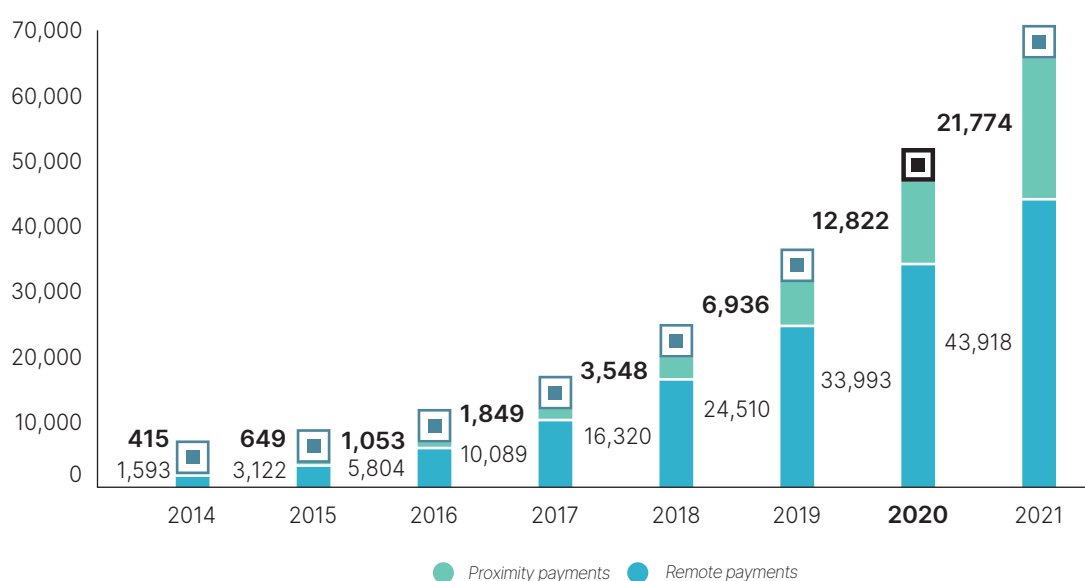
Mobile devices (particularly smartphones) are becoming increasingly important channels of interaction for consumers. According to Deloitte, almost every developed country it surveyed has at least 90% smart mobile phone penetration.

This, together with other factors, such as 4G (and now 5G) penetration is driving increased use, and these include mobile commerce and mobile payments (both proximity and remote). According to a study by Criteo, 65% of online purchases

worldwide are now made via mobile. And on all of these mobile purchases, applications are preferred (in 70% of cases) to mobile websites.

Therefore, it is no surprise that the value of mobile payment transactions is similarly expected to see strong growth. Forecasts vary depending on the exact scope and definition. Ovum forecast global mobile payments to exceed 65 billion transactions in 2021.

**GLOBAL GROWTH FORECAST FOR MOBILE PAYMENTS - TRANSACTIONS** (IN MILLIONS)



Source: Ovum Mobile Payments Forecast 2014-2021.

## B.4.2 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 scale that has not been seen in a generation. New technologies and new ways of engaging consumers are delivering unprecedented opportunities for growth of electronic payments. 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.

### B.4.2.1 Contactless Payments

The rise in contactless payments is a significant move towards electronic means replacing cash for low value transactions. For example, the total value of contactless transactions was £6.9 billion in the UK in August 2019, a 15.7% increase from £6.0 billion in the same month in 2018. This data includes transactions on both UK-issued cards and cards issued overseas. (Source: UK Finance).

### B.4.2.2 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 in the most frictionless way. It enables merchants to deliver purchase opportunities to consumers in a contextually and personally relevant way. Social media is a key driver and an example of contextual commerce is when Instagram launched the 'checkout on Instagram' feature in March 2019, enabling users to purchase items directly from their feed through an integrated tag.

### B.4.2.3 Conversational commerce

Conversational commerce is ecommerce done through various communication means such as chat bots and smart speakers (Google Assistant, Amazon Alexa and Siri from Apple). As chatbots and voicebots connect messaging apps to commerce, increasing numbers of consumers are already using these services to find and select products and services and then to pay for them.

Powered by fast-maturing technologies such as machine learning and Natural Language Processing, voicebots are enabling new ways to connect customers to their merchants. With the introduction of voice biometric recognition and authentication, the role of voice in online retail is set to soar.

### B.4.2.4 On the horizon

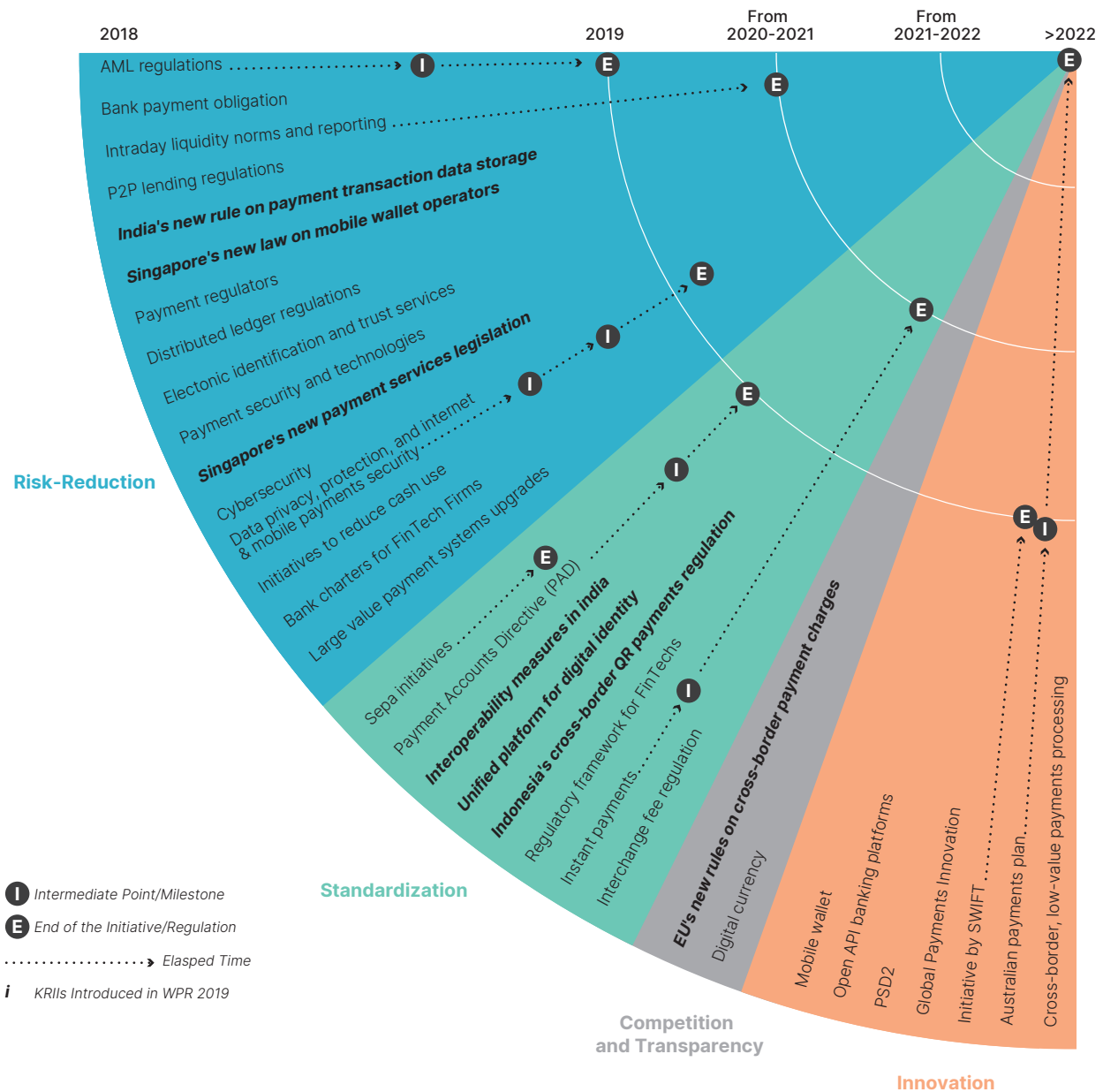
Technologies that were once the preserve of science fiction are set to transform how we pay in the future. The current revolution in payments is still mainly focused on human interaction but Machine to Machine technology can remove this and enable automated payments with little or no human interaction. In the medium term, Worldline expects to see an expansion of today's payments framework to allow 'things' to access consumers' bank accounts. 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 AI software.

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

### B.4.3 Regulatory changes in the payment sector are expected to create new opportunities

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

Please note below an illustration of Key Regulatory and Industry Initiatives KRIs (source WPR 2019).



**Note:** Timelines have been Provided for regulations where they are specified, no timelines are specified for industry-trend KRIs; SEPA - Single Euro Payment Area; Payments Security and Technology Includes Contactless, Near Field Communication (NFC), Tokenization, Biometric authentication, and Mobile Point of Sale (mPOS); In this year's report, KRIs on data privacy and protection, internet payments security, and mobile payments security have been merged into a single KRI.

**Source:** Capgemini Financial Services Analysis, 2019; World Payments Report, 2018, 2017, 2016, 2015, and 2014.

Financial Services in Europe are facing a range of regulatory changes that have the potential to create new outsourcing opportunities for payment service providers and to drive increased demand for value added services to create new revenue opportunities.

For example:

- The revised directive on Payment Services, or PSD2, which came into force in the EU in January 2018, is transforming almost every corner of the payment services market. It has opened up the EU payment market to companies offering payment services, based on the concept of open, consensual access to information about the payment account. Introducing strict security requirements, PSD2 enables new players and new payment models to emerge in the market, including Third Party Providers (TPPs) and Fintechs;
- **Instant Payments went live in November 2017.** As a result, in many European countries it is now possible to make euro credit transfers in less than ten seconds. Consumers are able to make online purchases at all times,

including at times when many traditional payments alternatives are not available. On their side, suppliers and retailers will enjoy the certainty of receiving payment as soon as they provide their products or services. Although it is still in its early stages, and take-up of the technology by consumers and businesses is only nascent, Instant Payments has the potential to be one of the biggest game-changers in the payments sector. According to some forecasts, there may be € 725bn in annual instant payment transactions for e-commerce and at the point-of-sale by the end of 2027. It seems clear that the innovation has the potential to reduce the cost of managing cash and cheques and could make major headway in various sectors. For example, according to the European Payments Council, Instant Payments have the potential to develop in the peer-to-peer (P2P) and person-to-business segments in situations where cash and cheques are currently widely used. Instant Payments are likely to go much further than P2P to address business-to-business (B2B) payments and even machine-to-machine (M2M) payments with the rise of connected devices in our lives.

#### B.4.4 New entrants and their impact on the industry business model also create new opportunities for payment services Providers

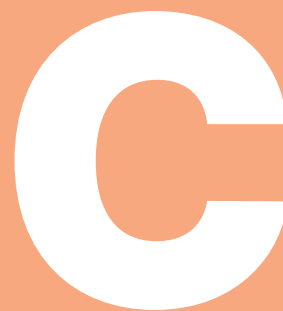
Tech giants such as the GAFA (Google, Apple, Facebook and Amazon) and BATX (Baidu, Alibaba, Tencent and Xiaomi) are leveraging their client access and financial power to revolutionize the payment sector through specific technologies and end-to-end services (including Google Wallet, Amazon Go, Alipay, WeChat Pay...).

New Fintechs, unencumbered by legacy technologies are also changing the way consumers interact with financial service providers as Worldline sees a new wave of digital only banks for example and other fintech leveraging PSD2 and open banking to offer payment initiation and financial management services. 91% of banks and 75% of fintechs say they expect to partner with each other in the future. In this new competitive environment, banks will have to adopt shorter development cycles and business models which incorporate revenue sharing and different pricing models.

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 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 mPOS solutions such as iZettle, SumUp, Square, Poynt and Payleven have also intensified their activity due to the increase in the use of smartphones all over Europe. In almost every single European country start-ups are building businesses around mobile transactions, challenging traditional players.





# WORLDLINE

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## C.1 Description of the Group's three Business Lines services

### C.1.1 Merchant Services

#### Vision

Worldline Merchant Services digitalizes 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 is evolving in a fast changing environment. The business of Merchant Services is strongly influenced by several elements, including:

- New regulations such as PSD2, Instant Payments, data & privacy security;
- Increasing as well as increasingly-connected digital and mobile consumer behavior;
- New technologies which enable innovative business- and operating models surpassing the initial channels of face-to-face, E-commerce and M-commerce. Worldline clear aim is to move towards the concept of 'commerce' in which a seamless experience is required irrespective of the channel used.

#### Competitive landscape

Worldline competitive landscape is undergoing change:

- New players, start-ups and fintechs are entering the market space and pushing market transformation;
- In parallel traditional players, such as banks, are opening doors to alliances to optimize their business offers and benefit from technological approaches offered to their clients through these alliances;
- A clear third movement recognized clearly is the push towards further optimization in which major acquirers are joining forces in a market where scale and geographical reach matter more than ever.

#### New merchant demands

Merchants are depending on new solutions and services to seize the opportunities brought by the new "phy-gital world" and avoid upcoming technical and operational challenges. They continue to look at all opportunities to enforce consumer engagement and increase the average basket value through personalized customer journeys joined with a seamless and secure payment experience. In particular, the new trend of omni-channel payment solutions (Click & Collect, In-store Return, Pay Later...) is now becoming the standard way of payment and has generated new technological requirements in terms of platform design and payment systems.

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

- The demand for standardized requirements versus customized and digital solutions;
- The business focus with single/national presence versus multinational or even global presence.

Merchant requirements are ranging from a seamless consumer experience to strong cost effectiveness. Depending on the specific market segment and operating channels in which a merchant is active, additional requirements are recognized as well.

Worldline recognizes the following merchant trends:

- Digitalization: making the POS and digital experience consistent, convenient and customized before and after the payment transaction;
- New consumer behavior: offering new services, new concepts at the various and diverse points of interaction;
- Globalization and omni-channel: standardizing, facilitating shopping across all channels and expanding the offering while optimizing transaction processing (increasing reach; local connectivity; 1 stop shop and modular needs);
- Increasing number of payment methods in terms of channels (mobile, wallet, instant, etc.) and schemes (local, international, premium and alternatives);
- Cash moving to cashless and seamless commerce;
- Verticalization: abandoning the standardized approach, moving towards market verticals specific solutions.

In addition, accurate reporting tools across all merchants' channels are clear merchant demands Worldline is focusing on offering easy-to-use solutions.

## Differentiating offer Worldline MS

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

Worldline adapts to the specific needs of its clients, offering an open and modular approach as well as a one-stop-shop. This means merchants of all segments and sizes will find the solution that serves their needs best, be it through standardized package for a small store, be it via a tailored solution across many countries and regions for large retailers.

Its European roots and global presence provide Worldline clients with the benefits of expert local knowledge as well as the ability to have the advantage of its services and support globally. Worldline is able to support the geographical growth ambitions of merchants by offering them global reach.

## Verticals

In order to fully understand its client's needs, Worldline has improved its client focus by adding to its locally available presence and expertise, a global verticals approach – specifically concentrating on the specific requirements of the market segments its clients are active in. Worldline verticals include hospitality, travel, petrol, retail, parking/vending, eCOM (digital and HBR) and Worldline is constantly on the look-out for additional verticals in order to further improve its client focus and portfolio quality.

## Banks & Partners

Worldline Merchant Services has broad experience in cooperating with banks and partners to offer Merchant Services and acquiring solutions. Worldline manages a wide range of partnership models from pure outsourcing to commercial alliances and joint ventures.

- BPO-outsourcing: operating processing and Merchant Services delivery (examples: BNP Paribas and UBS);
- Referral distribution: set up in which 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: reselling Worldline's terminal and acquiring solutions under the brand of a bank, enabling increased focus on joint sales force and innovation (examples: KB Smartpay, Belfius, KBC).

## Worldline position & results

Thanks to a strong product portfolio supported by high-availability platforms and local services centers, Worldline today is servicing over 400,000 merchants worldwide, from micro-merchants (mass market) to large international enterprises in various segments. Amongst others Tesco, Sainsbury's, BP, Indian Oil Corporation, Bharat Petroleum, Hero Cycle, Hindustan Unilever, PayPal, Airbnb, Spotify, Subway, Europcar, McDonald's are Worldline Merchant Services clients - in Europe, but also in India, Latin America (LATAM), APAC and the US.

In Europe, Worldline Merchant Services acquired over 3.97 billion card transactions in 2019, leveraging the scale and capabilities of the Group processing platforms.

Beyond Europe, Worldline Merchant Services has leading positions in the Indian market in which it is the largest acquiring processor and partner of many banks in the country, managing c. 0.9 million terminals and QR codes, processing more over 1.1 billion transactions. Merchant Services is also present in APAC, Latina America and USA (mainly via e-commerce and vertical solutions).

In the area of e-commerce, Worldline Merchant Services managed over 96.000 e-commerce websites, processed and/or collected over 1 billion transactions across a wide range of more than 250 on-line payment methods.

Merchant Services generated globally a total revenue of € 1.12 billion in 2019, with an OMDA margin of 23.7% (€ 265.3 million).

In 2019, Merchant Services continued to strengthen its leading position through various initiatives.

- Delivery of "Excellence in Services" while optimizing the cost structures to secure products competitiveness for its customers;
- Build long term relationships with key customers and accelerating international expansion to better serve global customers through investment in sales and account management teams;
- Investing in new products and solutions like:
  - Development of OneCommerce Hub, offering one single platform for pan-European in-store and global omni-channel payments for multi-country merchants,
  - Value added services, creating additional and new merchant benefits in e.g. Merchant Wallet, Dynamic Currency Conversion,
  - Developing new solutions arising out of PSD2, like Account to 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 Bitcoin,
- Developing new terminal solutions, like soft-POS and Pin-on-Glass which will open up new market segments for card acceptance enabled via smart phone;
- Bringing its solutions to (new) markets. Worldline especially focuses on the enhanced (beyond payment terminal) opportunities enabled by Yumi as well as the unattended segments opportunities brought by Valina;
- Simplifying and accelerating on-boarding processes for new clients and automating the client journey.

## Worldline and SIX

In 2018 Worldline acquired SIX Payment Services (SPS), the payment services division of SIX Group AG. SPS is one of the most successful non-bank acquirers in continental Europe, servicing approximately 210.000 local and global merchants for both off-line and on-line payment transactions with a staff of 1.600 colleagues.

Thanks to this large acquisition Merchant Services has improved its ability significantly to offer benefits to merchants.

## Organization

In 2019 Worldline streamlined its organization model in order to guarantee that the client base can optimally benefit from the strengthened offer Merchant Services offers to the markets.

- Activities of Merchant Services are organized into four global product divisions;
- Commercial acquiring;
- Terminal solutions;
- Omni-channel payment acceptance;
- Digital retail.

### C.1.1.1 Commercial acquiring

Acquiring is the business of contracting merchants for payment card acceptance. The key role of the acquirer is to transfer the funds received during a card transaction from the cardholder's 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 the license of "payment institution". Worldline is a licensed payment institution in the European Union, the European Economic Area and Switzerland.

Building on its strong historical positions in Benelux- and DACH-areas as well as being one of the most recognized cross border acquirer within Europe, Worldline is continuously and successfully expanding its commercial activities, both organically, via bank alliances & partnerships and acquisitions. In order to accept payment cards through international card schemes such as Visa, MasterCard and local debit card schemes such as Bancontact (Belgium) and Twint (Switzerland), a merchant must contract a payment institution (or a bank) which holds a license of the respective card scheme network.

## One stop shop

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 and account based payments. In addition, Worldline is a Network Service Provider (NSP) in Germany, offering Girocard to its clients.

Worldline offers the attractive combination of solutions and capabilities, both in client facing and back office environments, to deliver cutting edge, seamless multi-device payment related services. Worldline's integrated acquiring back office platform is built around several modules managing:

- All types of payments (EMV, contactless, telephone order, 3-D secure, recurring payments, unattended, etc.);
- Across multiple channels (point of sale, e-Commerce, mobile commerce);
- Multiple acceptance solutions; as well as
- Across all geographical regions.

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.

Beyond connecting merchants to the payment scheme network, Worldline supports merchants in every step of their relationship with their clients, allowing them to significantly increase their business. The end-to-end solutions Worldline offers to its clients cover all aspects of the electronic payment spectrum (commercial acquiring, payment terminals, payment processing, point-of-sale marketing campaigns, etc.).

## Value added services

Worldline offers a number of 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 programs. The clients benefit from solutions that help grow their business and/or control risks.

Worldline's clients are active in all business sectors, ranging from large-scale retail distributors, such as Delhaize, Migros, Coop and Rewe to an international oil and gas company, travel business such as Hilton and Carlson Wagonlit, as well as small businesses (the mass market segment) like restaurants, shops, etc. Especially in mass markets Worldline provides fully automated state of the art onboarding solutions including AML and KYC.

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 license and became Payment Initiator Service Provider as well as Account Information Service Provider in Belgium and the Group has started to passport these licenses to the other European countries, offering further benefits to its merchants.

### C.1.1.2 Terminals

Worldline offers a range of robust, versatile and easy-to-use & easy-to-integrate payment terminals adapted for different segments of the market. Worldline offer consists in terminals to rent or buy and includes installation and support services. Worldline markets its terminals in the Benelux and Nordics regions, Germany, Switzerland, France, Czech Republic, Slovakia, Austria, Hungary, Poland, Russia and Spain. Worldline shipped more than 182,000 payment terminals in 2019 and has 2.25 million terminals in operation worldwide.

#### Client base

Main clients of Worldline's payment terminals include large retailers such as Casino and Darty in France; Colruyt, Delhaize and Aldi in Belgium; Citti, Adler, OBI and Aldi Süd in Germany; Migros and COOP in Switzerland; REWE, Lidl and Hofer in Austria; Albert Heijn, Hema, Deichmann in 17 European countries and H&M in the Netherlands as well as multiple electricity, oil and gas distributors in Europe. In addition many merchants are serviced across the globe via partners with whom we cooperate intensively.

#### Product range

Worldline continually renews its ranges of terminal products, with an emphasis on product design, advanced functionalities, high security, and reliability.

Worldline terminal ranges include:

- The YOMANI range of countertop Terminals, designed to ensure fast transactions in large retail environments. Top of the range is the YOMANI TouchXR which incorporates a large full-color touch screen and contactless reader;

- The YOXIMO 4G/3G/WiFi enabled mobile POS terminal. The XENTEO ECO, XENOA ECO and YONEO Terminals for unattended environment, resistant to vandalism and bad weather;
- The VALINA, the first of Worldline's new Android-based all-in-one terminal, supporting Value Added Service Apps tailor made to merchant needs, has been specifically designed for unattended use in environments such as vending-machines, car-parking systems and ticketing kiosks; and is
- The YUMI, the newest Android-based terminal from Worldline for attended use in retail environments, although not limited to - and for much more than just payment. With its 7 inch large touch screen, YUMI offers a new user experience and supports new apps for cardholders and merchants. This device lifts merchant and card holder satisfaction to a new level.

#### Mobile POS

Worldline offers a mobile point of sale (mPOS) device combined with an application for mobile devices allowing smartphones and tablets to be used as mobile payment terminals. As this solution is less expensive to implement than renting or purchasing a POS terminal, it is ideally positioned as an entry-level solution for micro merchants, start-ups and small businesses with home-deliveries. Worldline also provides cloud-based solutions which deliver cash-register functions on a tablet and are connected to the mPOS or a traditional payment terminal.

#### Cash register interface

For large retailers Worldline offers cCredit as interface between the merchant's cash register system and the pin pad terminal. The interface handles all communication with parties involved in payment transaction processing: the network operator, the acquirer or the service center. The terminal is administered via the Service Center System (SCS). Depending on the customer needs, terminal application can be installed on the cash register system or a central server. Merchant do not have to do anything themselves as configuration parameters are managed centrally by Worldline on behalf of the merchants. Thanks to the cCredit management console the terminal inventory can easily be managed remotely.

#### Hardware Security Modules (HSM)

Worldline MS designs and develops hardware security modules for cryptographic purposes which are used in a range of applications requiring advanced encryption, including generation and encryption of PIN-codes and the production of credit cards. ADYTON uses advanced cryptographic accelerators for outstanding speed and security in PIN-generation, transaction processing, digital signature and data protection.

### C.1.1.3 Omni-channel payment acceptance

Worldline Acceptance services cover all merchant needs, allowing its clients to manage payments at their point of sales through a single platform, including online payments (e-Payment), mobile payments and proximity payments (POS terminal). Examples of clients Worldline provides these services to include Casino, Darty, PayPal, Spotify, Expedia, Airbnb, McDonald's, C-discount, HMRC and various British rail companies.

#### One Commerce Hub

Worldline is developing One Commerce Hub, a global omni-channel payment gateway offering one single platform for pan-European in-store and global omni-channel payments for multi-country merchants.

One Commerce Hub allows merchants to accept local and international payment methods used for purchases on their sites (online and in face to face contexts) supporting 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) WL One Commerce Hub enables merchants to accept well over 200 payment types, including credit and debit cards, bank transfers, electronic wallets and private label payment cards. WL One Commerce Hub also supports various local schemes in face to face (POS terminal) in various European countries and a global geographic coverage for "card not present" transactions. WL One Commerce Hub as a single platform for all payments allows merchants to expand their business in new markets with optimized transaction costs. It also enables them to deliver an omni-channel client experience, like 'try and pay later' services.

The WL One Commerce Hub has a modular design, which allows Worldline to provide end-to-end one-store shop services, combining payment devices, digital solutions, commercial acquiring, alternative payment methods acceptance and data management. But it also allows for 'à la carte' solutions, in which merchants can pick from Worldline's wide portfolio of solutions and products and features, including e.g.: In-store and online payment acceptance, Transaction lifecycle management, Unified reporting, Customer insight (Data analytics), Tokenization, One-click payment, Recurring payments, Fraud prevention, Account updater, Dynamic Currency Conversion (DCC), Money remittance.

#### User experience

Apart from the standardization of the solutions at the POS and the concentration of payments to a single global platform, One Commerce Hub enables new user experiences like Endless Aisle, Click and Collect, Click and Return with a consistent user experience across all the different purchasing channels. This

provides a dynamic choice of acquirer or payment scheme helping merchants in optimizing financial conditions.

#### White Label service for banks, acquirers and PSP's

The world of web merchants is getting more complex as the number of available payment methods is rapidly increasing. Worldline assists banks, acquirers and payment service providers to make the lives of their merchants easier. Some of our services are white labelled, which allows clients to respond rapidly to the needs of their customers, while maintaining their brand's position in the market.

Worldline White Label PSP solution provides an easy way to become a payment service provider. It relieves its partners from practical and financial burdens connected to starting from scratch and allows them to remain focused on their primary commercial activities, such as marketing and sales.

#### Merchant aggregator

In the domain of merchant aggregation (so called super merchant constructions and sub merchant constructions), Worldline offers Merchant Aggregator services leveraging on its bank relationships.

Worldline developed its offering based on two models, strongly differentiating from competition:

- Core aggregation (Worldline acts as a Payment Facilitator undertaking end-to-end aggregation from merchant sourcing, contracts, risk underwriting, processing of transactions with schemes along with settlement and payment);
- Hybrid aggregation (Worldline acts as a Technology Enabler for merchants - sourcing merchants, executing tripartite agreement with merchants and underwriting risk, processing transactions through schemes and partner banks settling merchant payments).

### C.1.1.4 Digital Retail

Through Digital Retail, Worldline aims to convert the neutral to negative perception generally associated with payments into a positive one by providing value-added services which enhance the overall customer experience. Worldline is present in every step of the value-chain and assists B2B and B2C merchants in placing their customers in the center of their attention

Worldline's Digital Retail division combines:

- Digital Retail 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 YUMi and Valina terminals.



## Supporting the digital retailer throughout the customer journey

Worldline supports merchant's digital agenda throughout the digital life cycle. Worldline's Digital Retail focuses not directly on the payments. Instead, the strategic attention is on the value-added services around the transaction which connects the merchants to Worldline. These services enrich the payment experience for the merchant and the customer.

## Added Value Services

### Packs

Payment is a crucial step in the buying journey and offers an opportunity to engage and delight customers as such. The modern customer wants to pay cashless wherever and merchants must be prepared for this demand. With Worldline's self-onboarding system called Pack, merchants can go online and order complete, cashless payment processing solutions that accept all conventional credit and debit cards at the point-of-sales from a single source. Merchants can choose a plug & play payment package which fits their business and their customers and can start accepting secure online and in-store payments almost immediately. Worldline is the reliable partner helping retailers seize the opportunity of comprehensive digital and cashless payment solutions to reach new customers and increase sales.

### The One Link solution

In a digital world, customers want action within just a few taps on their smartphone. The One Link program by Worldline is a one touch experience which combines all loyalty schemes a customer is enjoying into one or multiple payment cards. With this solution customers can register all their loyalty cards and programs in one app. By linking multiple merchant loyalty schemes through the One Link app, the customer can collect loyalty points at every purchase and allocate them to the linked payment card. In short - customers gather all their loyalty points within one interface and access them directly in the dashboard in the app. If the merchant offers loyalty points for a purchase, the amount of points, time and location will show-up automatically in the app.

One Link supports several identifier schemes, such as debit and credit cards, IDs, phone numbers or even car license plates, which can be connected to payment as well as loyalty schemes, creating an even broader range of possibilities for merchants. For example - listing a license plate registration into the One Link system offers a special user experience for customer and merchant in which user-authentication through the app and confirmation of the active payments card and behavior are smoothly combined. Value for the merchant and customer are developed by linking multiple sources of information into a single platform.

### Merchant Loans

Money can sometimes be a bit short for SME's at the end of the month. With just a single click, retail merchants can request a loan and will receive money on their account the following day.

Working Capital is a blockchain based solution supporting merchants' cash-flows as they look to grow their business. Worldline and its partner Jaris Working Capital quickly evaluate the retail merchant's payment history and offer the merchant three different loan options upon which the money is transferred. Transparency is a key element in this service. The merchant, the third-party financial partner and Worldline share information through a secure yet transparent system, which discloses relevant transactional and financial information about the involved parties. This clearly enhances confidence in the system. Worldline believes that combining transparency and one-click function is the best way to serve its clients.

### Merchant Wallet

The Merchant Wallet is the connecting element between merchants' consumer app and the new smart terminal generation like YUMi and Valina. It enables merchants to offer new, innovative use cases and leads to next level user experience. As an example a user self-scans products in store or even online and pushes the product basket via the Merchant Wallet infrastructure to the YUMi. At check-out the merchant presents offers and discounts, personalized to the client on the YUMI screen. It simplifies transactions with a frictionless one-touch payment without any compromise on security.

Worldline's Merchant Wallet is managed in a centralized platform available via several channels (internet, smartphones) with an enriched, personalized and seamless experience.

Worldline's Merchant Wallet includes three main differentiators:

- HCE (host card emulation) to manage uniquely remote payments and proximity payments in the same wallet container allowing online provisioning of cards into the wallet;
- A contextual and adaptive authentication to improve the shopping experience, calculated on risks based fraud detection and requiring a trusted authentication (several factors) for high risk identified transactions;
- Security improvements with white-box cryptography and software tamper resistance.

Worldline's Merchant Wallet is used for instance by Accor, Mc Donald's France and Total. Digital Retail is on the way to industrialize the service to a product.

### YUMi Apps

Android Apps are the source of new services for Worldline as well as in partnerships with 3<sup>rd</sup> parties. Key is to be able to remotely manage the installation, de-installation and sequence (flow) of the apps for a frictionless operation process.

First developed applications include its Merchant Assistant, POS Advertising (digital signage), Digital receipt, Tax Free, Loyalty, Web instore payment and integration of ECR.

### Loyalty Platform - Loyalty Programs, BI (Business Intelligence) & Big Data

Worldline offers merchants tailor-made solutions for loyalty program management, sales promotion tools and innovative self-service kiosks to enhance their relationships with their customers. These solutions are focused across the different stages of the customer journey: before, during and after the

sales process. Aim of these services is to support merchants in better targeting and adapting their offers to evolving customer expectations; in increasing the frequency of customer interaction creating new sales opportunities; and in improving returns on marketing and promotions through a better understanding of their customers' needs.

## C.1.2 Financial Services

The payments industry is changing rapidly, triggered by transformative technological innovation, new regulations, regionalism and increasing competition. Payment Services Users (e.g. businesses, governments and consumers) want to be able to initiate payments at any time, in every context and across any channel.

As one of the pan-European leaders in financial processing, Worldline Financial Services invests heavily in new and innovative solutions for account payment and card transactions, also developed by its expert brand equensWorldline. Financial Services helps clients adapt to the new reality of instant payments, open banking and digital transactions, enabling 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 with clients to help them prepare for a future full of opportunities.

The Financial Services Global Business Line is grouped in four business areas and operates under two brands, equensWorldline and Worldline:

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

Worldline Financial Services is consolidating payment processing in Europe. More than 320 financial institutions entrust their services to Worldline. The Group has approximately 125 million payment cards under management and processes circa 11 billion card transactions and circa 13 billion payment transactions per annum. Worldline Financial Services has leading 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, Société Générale, Deutsche Bank and ING.

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.

Financial Services generated revenue of € 918.4 million in 2019 with an OMDA margin of 33.4% (€ 307.2 million).

### C.1.2.1 Issuing Solutions

The Group offers a broad variety of solutions along the issuing value chain. The Group's issuing portfolio includes, amongst others, Digital Enablement Services, Identity, Trust & Authentication solutions and end-to-end *Issuing Processing*.

The Group's principal clients within the Issuing Business area include BNP Paribas Fortis, Belfius, ABN, Rabobank, Nexi, OP, Swisskey, PSA and Commerzbank.

#### End-to-end Issuing Processing

The Group offers issuers a complete end-to-end set of solutions for outsourcing some or all of the processes for the issuing and managing of debit, credit, prepaid and commercial cards and the processing of the related authorization requests and clearing transactions. These services are not only available for classic payment cards, but also for virtual-cards that can be stored in a digital wallet or tokenized. The Group offers issuing BINs, alleviating the burden for issuers to maintain their own licenses.

When a cardholder presents a card for payment or for ATM withdrawals, the acquirer transmits a request for an authorization across the card network to the issuing bank, which provides an authorization that guarantees payment of the transaction amount. These processing activities are carried out on the Group's servers, which are housed in its data centers and use the Group's software platforms on behalf of the issuing bank.

The Group's robust, industrial scale processing systems are designed to securely, reliably and efficiently handle large transaction volumes with minimal lag times and include interfaces that allow the issuing bank to monitor the status of authorizations and transactions. The Group also complements this offer with on-behalf authorization solutions, where the Group stands in whenever the issuer is unavailable. In addition to technical processing of transactions, the Group offers solutions to outsource every stage of the card life cycle, including application management, card issuance and personalization, statement production, chargebacks processing, settlement and call-center support.



## Digital Enablement Services

The Group understands the challenges financial institutions face in adjusting to constantly changing digital requirements and it can support them with a comprehensive and future-proof digital payment portfolio. Key digital enablement services are digital wallets, token-based digital payments and person-to-person payments.

- **Digital wallets.** The Group offers digital wallet platform services. A digital wallet is an application that simplifies the payment process, particularly on mobile devices, by storing payment instrument credentials like debit card, bank account and other data (loyalty, coupons, etc.) and by removing the need to insert a payment card at a merchant location or enter card information on the Internet or mobile. This also makes the payment process more secure for consumers and merchants.
- **Token-based digital payments.** The Group offers a unified approach for token-based payments in stores, in-apps and on the web, for domestic and international payment schemes. The Group facilitates integration of Token Service Providers with issuer platforms (I-TSP), provides a token requestor platform for digital wallet providers (TR-TSP) and offers a Token Service Provider platform for payment schemes.
- **Person-to-person payments (P2P).** The Group provides a modular white-label mobile P2P solution, which can be customized to reflect the look and feel of the issuing bank. Various funding methods can be implemented based on customer demand. Through the P2P APIs, the service can also be integrated into an existing mobile banking app. The app is available for the most recent Android and iOS devices and can be extended to further platforms on request. The standard service can easily be enhanced with value-added services like payment requests (invite) or bill-sharing.

## Identity, Trust & Authentication Solutions

The growing number of digital Financial Services provides users with immediate, universal access to services that meet their daily needs. However, this also entails risks; there has been an increase in fraud cases related to identity theft. Also, open banking creates new demands for strongly authenticating the customers. Faced with these threats and

regulatory requirements, the Group offers service providers and banks appropriate tools for securing their customer transactions and provides Strong Customer Authentication across all channels. Key solutions are Authentication Process Management, Trusted Authentication, Access Control Server, Mobile Intrusion Protection and Payment Modulator.

- **Authentication Process Management.** Providers of digital services face multiple security threats while having to maintain a positive user experience. This can result in various authentication methods and processes for different services. The Group's Authentication Process Management solution provides a consistent authentication policy, allowing the same customer experience for each service and channel, while reducing the cost of strong authentication.
- **Trusted Authentication.** The Group has developed trusted authentication to secure any kind of online access in an intuitive, effective and user-friendly way. It automatically adapts to the context and the required security level. It offers different authentication methods, such as pin-entry, fingerprint, voice and face recognition.
- **Access Control Server.** The Group provides a PCI-DSS compliant solution that enables the implementation of the EMV 3-D Secure protocol and strong authentication for e/m-commerce. The solution has a rich panel of authentication methods and fraud prevention tools. It provides cardholders with a user-friendly interface and trusted authentication method. Additionally, the Group offers enhanced back-office tools and fraud prevention services for bank administrators and customer services.
- **Mobile Intrusion Protection.** The award-winning Mobile Intrusion Protection service provides local and remote protection of the mobile app, helping to reduce fraud from smartphones. It protects the mobile app and its data, at rest and during processing.
- **Card Control.** This is a solution that allows the cardholders to control the use of their payment cards as well as get information and set alerting rules on the actual usage. Cardholders are able to set the rules via mobile phone or on a web portal. Alerts are sent to the customer's mobile phone via App notification. The cardholder can, for example, set the card limits, control use in a particular country, control use at certain merchant category.

- **Fraud.** The Group offers a complete issuing and acquiring fraud solution, including online detection, fraud prevention and case management analysis (using rule based as well as artificial intelligence solutions).

### C.1.2.2 Acquiring Solutions

The Group supports smart processing of POS, eCommerce, mobile and ATM transactions. Worldline's reliable, secure, 24/7 acquiring service portfolio will let acquirers conduct payments and complete transactions with major international card schemes, local European card schemes and multi-currencies across a wide range of payment devices and protocols. The Group's modular portfolio offers acquirers the opportunity to choose services 'à la carte' and includes, amongst others, Core Acquiring Processing, WL Pay Front-Office, Fraud risk management and ATM Management.

A few examples of clients in the acquiring business area are: ING, Rabobank, ABN AMRO, BNP Paribas, BPCE, BRED, PXP Financial, Postfinance, Nexi, PSA and Swisskey.

#### Core Acquiring Processing

The globalization of the acquirer market is leading to increased volumes and price pressure. The international expansion of merchants has created global platforms. In addition, the market is characterized by constant innovation, increased competition and new regulations. The Group provides acquirers with a full range of *Acquiring Processing* services to match and exceed merchant needs, both in the domestic market and internationally. Services include:

- Authorization Processing;
- Fraud Management;
- Transaction Processing;
- Clearing & Settlement;
- Dispute Management;
- Contract Management.

#### WL Pay Front-Office

WL Pay Front-Office is an advanced software licensing solution that combines functional flexibility through parameterization and self-customization capabilities with proven production stability. It includes:

- Acquiring & Switching;
- Terminal & Channel Management;
- Authorization;
- Transaction Security & Integrity.

### Fraud risk management

The digital economy has created new fraud risks and companies face a number of challenges in this respect. The first challenge is to find the best strategy to reduce fraud losses, with the right balance between internal solutions and outsourcing. Besides that, continuously changing fraud patterns require quick response actions in the rules & algorithms applied to prevent and detect fraud and in the decisions taken to contain it. Finally, changing regulatory requirements need to be known and adhered to.

In facing all these challenges, financial institutions can benefit from the Group's expertise. Worldline has a broad understanding of the market, is able to link powerful tools to highly skilled experts and offers Fraud risk management solutions including modules like WL Online Watcher and WL Fraud Case Management.

These services include real-time fraud detection and alert management, the creation and management of rules, the deployment of the rules for alert creation and the operational handling of alerts. For fraud detection, these services analyse the nature of a transaction, a customer's behavior profile and other data to help identifying suspicious transactions made with a payment device. The Group's Fraud risk management solutions are provided both to the issuing side and to the acquiring side of payments.

### ATM Management

Managing an ATM network today is getting increasingly complex in an ever more competitive environment. Clients expect extra services at ATMs, while business is complicated by increased regulation. Moreover, digitization forces financial institutions to rethink their branch strategy.

The Group has numerous years of proven experience and covers the whole ATM value chain from site search to installation and from logistics management to transaction and quality management. Financial institutions can either make a selection of the Group's modular services or choose global outsourcing. This way they can optimize and simplify their ATM management.

### C.1.2.3 Account Payments

The Group offers financial institutions a complete end-to-end set of solutions that cover the full range of needs in the domain of *Account Payments*, including Instant Payments, Open Banking, Payments Processing Back-Office, Trusted Transactions, Next Generation Financial Messaging (NGFM) & SWIFT and Clearing & Settlement.

A few examples of clients in the *Account Payments* business area are: Commerzbank, Citi, ING, Banque Raiffeisen, Rabobank, DZ Bank, LBBW, SEB, Central Bank of Aruba and De Volksbank.

## Instant Payments

The customer demand clearly shows an increased need for speed. This also applies to payments. Banks and financial institutions nowadays are expected to offer instant payments. The Group is a frontrunner in Instant Payments with a leading position in the Eurozone. The Group has the capability to cover the whole value chain for Instant Payments, from Payment Initiation and Channel solutions that directly benefit the end-customer to Back-Office Processing and Clearing & Settlement services.

- **Instant Payments – Channel solutions.** A white-label mobile banking and mobile P2P application and value-added services such as an alias conversion service and real-time fraud detection.
- **Instant Payments – Payments Processing Back-Office solution.** Allows financial institutions to offer Instant Payments to their customers without the need to invest heavily in an 'always available, low-latency' payment-processing engine. Financial institutions can benefit from economies of scale by using the Group's shared platform and have the security of remaining compliant at all times.
- **Instant Payments – Clearing & Settlement service.** Offers pan-European secure, low-latency clearing to all PSPs in Europe.

The Group's solutions are separate components that can be procured as an integrated offering or as individual components, depending on client needs.

## Payments Processing Back-Office

The Group has an extensive portfolio of secure, cost-efficient solutions that allows financial institutions to outsource their back-office processing for payments. This enables financial institutions to substantially reduce their total cost of ownership while relieving them of the burden to keep up with the increasing pace of change in the payments industry. The Group's comprehensive portfolio includes the following services: SEPA and Domestic Payments, Instant Payments, Multi-Currency Payments, High-Value Payments, Liquidity Management and Compliance Services.

## Open Banking TPP Solutions

PSD2/Open banking allows customers to access new products and services from regulated third party providers (TTPs). TTPs are Account Information Service Providers (AISPs) and Payment Initiation Service Providers (PISPs). The Group provides an Open Banking platform that connects TTPs with multiple Account Servicing Payment Service Providers (ASPSPs).

## Trusted Transactions

Businesses and public service providers are looking for efficient solutions in the digital world for identity, electronic payments and e-Mandates. They need solutions that can be

easily integrated into their own business processes. Financial institutions are trusted partners that can offer these services using their online banking systems. The Group supports financial institutions in operationalizing digital transactions through cost-effective and reliable routing services, in a way that is convenient and fully compliant. The Group's service portfolio consists of four main areas: e-Identity, e-Mandate, e-Payment solutions and Alias services. The different services are delivered using a multi-purpose, state-of-the-art platform.

## Clearing & Settlement

The Group operates a highly scalable Automated Clearing House (ACH) platform and provides SEPA Credit Transfers (SCT), SEPA Direct Debits (SDD) and Instant Payments (SCTinst) services as well as supporting domestic payment schemes in local currencies for financial institutions, communities of financial institutions and central banks. The Group ensures full market reach across Europe and beyond (ISO 20022). Worldline offers reach through an Inter-CSM network of ACHs based on the EACHA (European Automated Clearing House Association) interoperability framework, and by facilitating a link to the EBA network and TIPS (ECB). The Group has established reach to the USA through a partnership with the Federal Reserve Banks.

## Next Generation Financial Messaging (NGFM) and SWIFT

Access to SWIFT, a secure messaging network used by banks, financial institutions and corporates, is essential for sending and receiving urgent, high-value and international payments.

As a provider of SWIFT bureau services, the Group enables banks and corporate clients to gain access to the SWIFT network and services. The Group offers a new fully managed service to meet the needs of banks. Outsourcing of SWIFT and other financial messaging channels (Next Generation Financial Messaging) is a realistic and attractive option for banks that previously operated their SWIFT infrastructures in-house.

### C.1.2.4 Digital Services

In this digital age, the move towards a cashless society is gathering pace every day. More and more businesses shift to digitally focused operating models and they require a higher level of innovation and security from their payment services than ever before. Additionally, the smartphone's hegemony and the increased presence of cloud services have changed customer expectations. They are more connected, better informed and experienced in digital commerce. Customers want transparent banking services which need to be more accessible than ever. The Group helps financial institutions to strengthen their digital proposition for customers with advanced and innovative *Digital Banking* services including *Digital Banking Platform*, *Mobile Banking*, *Open Banking* and *Trading System & Financial Information*.

A few examples of clients in the *Digital Banking* area are: LCL, Société Générale, BNP Paribas, Credit Europe Bank, Neuflyze OBC and vdk bank.

### Digital Banking Platform

The Group's flexible and modular *Digital Banking* Platform provides the back-end that supports fast channel development as well as engaging front-end services such as chatbot based conversational banking. As a service-layer, composed of a collection of business enablers, the digital platform enables simple data coming from the bank information system or third-party to be processed, valued and properly displayed on the mobile or web applications. The platform allows customers to consult account balances, transfer funds, consult stock prices and purchase securities, interact with financial advisors, consult digital versions of account documents and many other banking services. The Group's *Digital Banking* platform service portfolio consists of Trusted Interactions, Card Control, Trusted Authentication, Digital Preservation (e-archiving/e-safe), Digitization (e-contract) and WL Contact.

### Mobile Banking

The Group offers an innovative and comprehensive catalog of services to build a unique customer experience, whether on a smartphone or tablet and for any operating system (e.g. iOS, Android or Responsive Web Design). Based on an agile *Digital Banking* platform, the Group's solution boosts innovation in terms of payments, security and bank account management. The Group's mobile banking solution includes comprehensive and "easy-to-integrate" mobile services (SDK, API) for security (WL Trusted Authentication, Fraud Detection), payments (Wallets, P2P, NFC Payment, QR code, Payment Modulator, Instant Payments) and channel solutions (Alias conversion, White-Label Mobile Banking App).

### Open Banking Access to Account Bank Services

The Group supports Account Servicing Payment Service Providers (ASPPs) to open up regulatory APIs to authorized Third Party Providers (TPPs) in order to meet regulatory requirements. Besides managing the Payment Service User (PSU) consent and ensuring the access to the desired service, the ASPP is also expected, in particular but not only, to manage the TPP community and follow up updates on regulatory requirements and API standards. To address the regulatory challenges and exploit the associated opportunities, the Group's *Digital Banking* Platform integrates a PSD2/Open Banking compliance module, namely Access 2 Account Bank Services, enabling financial institutions to effortlessly meet the regulatory requirements and develop their Open Banking strategy while managing the risks and mitigating uncertainty.

### Trading System & Financial Information

The success of online Financial Services is closely linked to the quality of market data and the associated processing tools. The Group's online trading platform allows brokers,

banks, and other financial institutions to manage multi-asset orders from collection of the order to delivery to market for execution. The Trading System solution offers a global and open brokerage platform for all types of orders: equities, derivatives, OTC products, and investment funds. In addition, the Group offers financial information that aggregates market data from all major global sources, including stock exchanges and news providers.

### C.1.2.5 Deployment Models

Financial institutions can choose a flexible deployment model fitting their strategy as the Group offers models based on:

- Business process outsourcing
- Payment Software Licensing;
- Hosting services; and
- Application management.

Clients can choose hybrid models ranging from full deployment at client site (client operates and hosts the Group's solutions), to partial deployment, through to full deployment in the Group's data centers (the Group operates and hosts a tailor-made application environment for the client).

#### Business Process Outsourcing

Financial institutions can also choose to outsource their payment business processes. From payment processing and booking information to investigation and risk management services, the Group is highly experienced in every step of the transaction process and can fully take over these activities. By outsourcing these payment business processes, financial institutions can leverage the platforms, scale and expertise of Worldline resulting in a lower total cost of ownership based on economies of scale and scope.

#### Payment Software Licensing

The client's staff operates and hosts the application environment based on software delivered by the Group. The Group's main software solutions include WL Pay Front-Office, WL Pay Online Watcher & Fraud Case Management, WL Pay Issuer Back-Office, WL Mobile Payments, WL Argasus, Payment & Liquidity Hub, WL Loyalty, Cardlink II and ASCCEND. In addition to the software itself, the Group can also provide all the required resources and support to customize the final product and integrate the software in the client's environment.

#### Hosting services

The Group provides hosting services for financial institutions. Software solutions are deployed at certified datacenter facilities and servers of the Group and system management is performed by highly qualified IT staff.

## Application management

The Group provides operational application management services and is managing the operation, maintenance, versioning and upgrading of the software solutions. By using

best practices, techniques and procedures the Group ensures for a deployed application optimal operation, performance and efficiency. No in-house expertise is required at the client site for operational application management.

## C.1.3 Mobility & e-Transactional Services

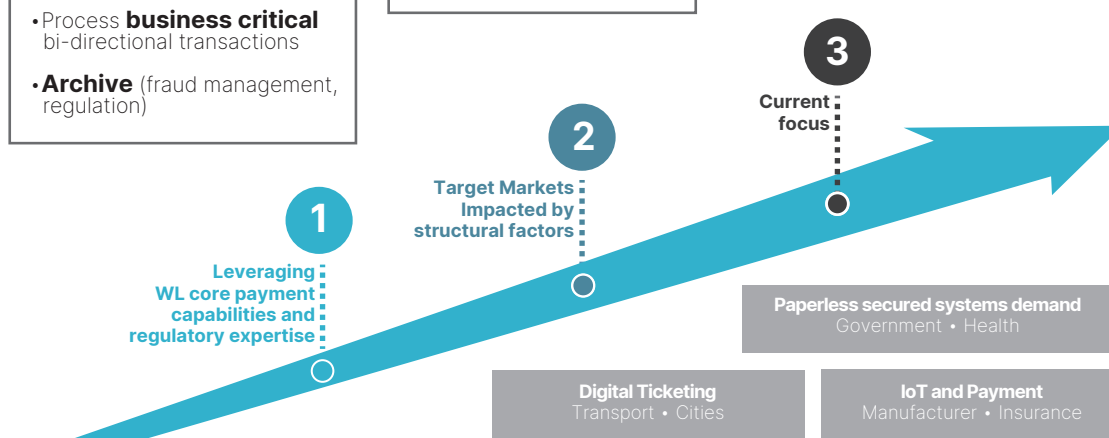
The Group's Mobility & e-Transactional Services is leveraging Worldline core payment capabilities and regulatory expertise to capture in real-time high volume transactions, authenticate and secure, process business critical bi-directional transactions and archive (fraud management, regulation).

Hence Mobility & e-Transactional Services is targeting those markets that are impacted by the same structural changes than the payment market is facing: the move from paper to digital, the revolution in customer engagement created by Digital, the need for secured business critical transactions, the drive towards social mobility supporting climate repair and to comply with regulation.

### BRINGING PAYMENT AND REGULATION EXPERTISE TO NEW MARKETS

- Capture in **real-time high volume** transactions
- Authenticate and **secure**
- Process **business critical** bi-directional transactions
- **Archive** (fraud management, regulation)

- From **Paper to Digital**
- Customer **Engagement** digital revolution
- **Secure** business critical transactions
- **Comply** with regulations



Mobility & e-Transactional Services offers clients a breadth of solutions designed to accelerate and enhance new digital services and new business models that take advantage of the increasing digitization of the physical world. The emergence of new digital businesses has been fuelled by an explosion of new types of consumer needs. More and more devices are becoming connected—from smartphones and tablets to cars, trucks, and buildings. New digital services are generating huge volumes of consumer data, which can be used to further enrich customers' experiences. Moreover, consumers benefiting from these new digital services are becoming more mature, more active and are ever increasing in number.

Meanwhile, companies and government entities are being forced to evolve in order to adapt to new technologies, new usages, new customer expectations, and new payment means, while having to optimize processes that are becoming more and more costly. Together, these businesses help differentiate the Group from numerous players in the market and demonstrate an ability to help the Group's partners with all aspects of their transactional related businesses.

Mobility & e-Transactional Services generated revenue of € 343.8 million and an OMDA margin of 15.5% in 2019 (€ 53.4 million).

The Group 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:
  - Including Digital Ticketing open payment solutions leveraging the Group's payment capability,
  - Revenue settlement services, service planning, resource allocation and real time proactive decision support;
- *Trusted Digitization* provides paperless secured systems to public and private organizations for better services through the digitization of processes for citizens, including implementation of national digital identity schemes, the enabling of electronic payments (taxes, fines, etc.), and

e-healthcare services, as well through a variety of trusted services, including track & trace solutions, e-contracts and electronic invoicing, legal archiving solutions for companies and e-safe services for individuals;

- *e-Consumer & Mobility* provides cloud contact and consumer cloud services that improve the customer engagement and generate new business models, as well as Connected Living solutions that offer context-driven mobility solutions for consumers, patients and citizens. Also, the Group's Industrial IoT solution provides highly secured connection of globally spread machines in the after sales area.

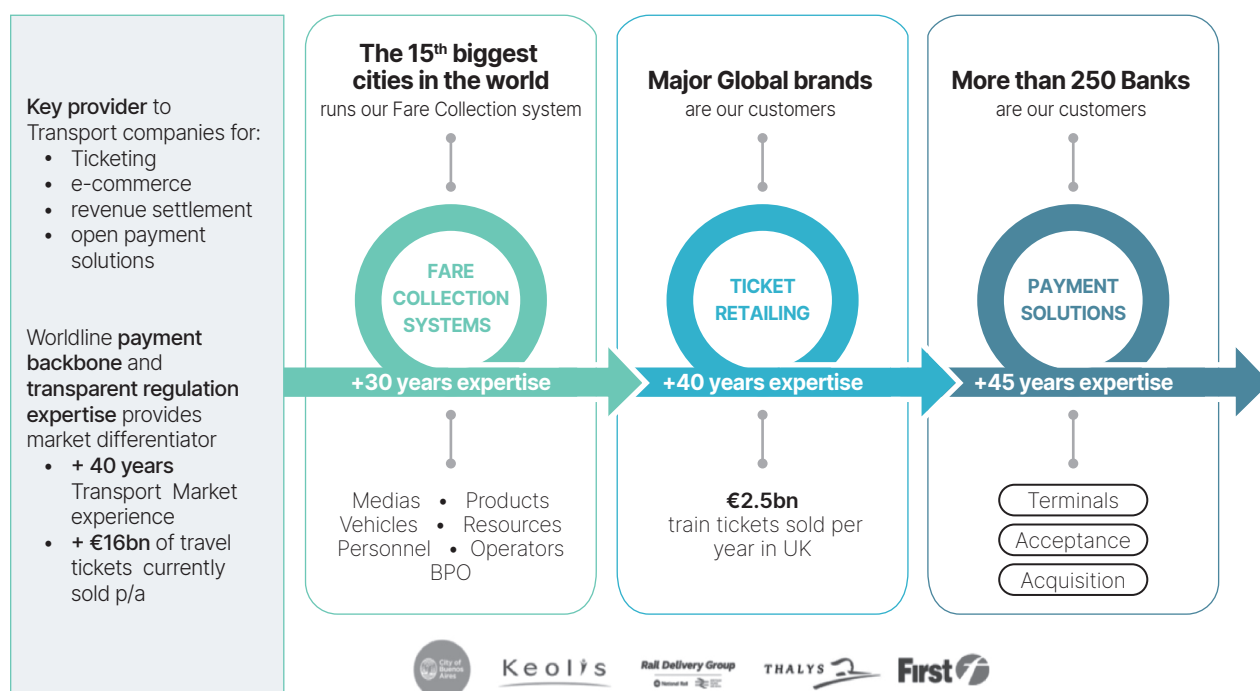
In addition to those identified below, principal clients of the Group for this global business line include the European Commission, French Ministry of Justice, ASIP Santé, O<sub>2</sub>, France Télévisions, M6, First Group, Keolis and Rail Delivery Group.

### C.1.3.1 e-Ticketing

Public transportation enables the cities of the world to prosper and grow, access to the transportation systems is moving to a Digital strategy where open payment and account based ticketing allow passengers to enter and exit transportation systems with ease. In addition improved route management

and enhanced customer information systems for both the operator and the passenger bring efficiencies into transportation systems. The Group provides into the transportation market a range of solutions designed to help deliver new digital services to their customers.

#### E-TICKETING



From sale to financial settlement, the Group provides payment services for transport companies with over €3bn per annum flowing through the Groups services. The Group is focused on social mobility payment and access solutions across the business process areas that deliver a better journey experience; a set of specialized back-office and retail-channel software platforms, desktop, internet and mobile devices to

manage the process of issuing and validating printed and electronic tickets. The Group is focused on Digital Payment for transport where through the development and delivery of open payment and account based ticketing solutions the Group will utilize the strength of the payment capability to provide market changing solutions to its customers, as the Group did in 2018 with Keolis for the city of Dijon in France.



End of 2018, Worldline in a consortium with Conduent was chosen by Île-de-France Mobilités to build the central system of the new Greater Paris transport pass "Smart Navigo". Smart Navigo is now live in Paris. Smart Navigo will develop new Navigo products to gradually replace transport tickets with contactless methods. Tickets' online purchasing and use of smartphones either as a way to recharge the Navigo card (in lieu of vending machines), or directly as a validation method will also be implemented. Navigo will also be able to support new mobility services such as access to car parks.

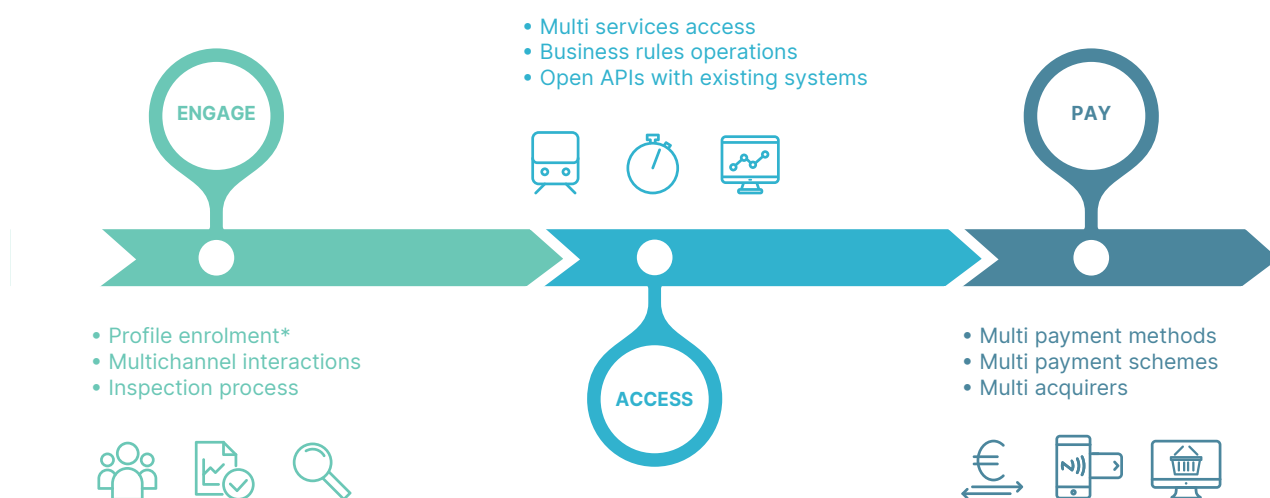
In addition to Paris the Group is focused on many opportunities in Europe and South America to drive social mobility change for cities and countries.

In parallel, the Group provides fare, tariff and revenue capture and apportionment solutions for railways and public transport systems. The Group typically acts as the primary systems integrator and general contractor for a project, presenting its clients with a full end-to-end solution that the Group implements directly and through partners and subcontractors. The main markets for the Group's *e-Ticketing* business are Europe (principally in the UK, France and Germany) and Latin America (mainly in Argentina and Chile).

The Group's line of *e-Ticketing* solutions includes applications that allow customers to check schedules and order and pay for tickets online for delivery directly to their mobile device or a desktop printer. For real time transaction sales and journey validation the Group provides to railway personnel mobile technology that integrates industry leading digital devices with ticketing and payment. This solution is called WL Mobile Ticket Issuing Service. Tickets can also be delivered at the station using self-service kiosks provided by the Group's kiosk business or third-party providers. 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 WL Mobile Ticket Issuing Service solution is also being rolled out to other station retailing channels giving Operators greater channel flexibility and comes complete with a comprehensive back office analysis and reporting tool.

The Group is now moving forward into Mobility as a Service (MaaS) propositions utilising the ongoing investments of the Group and the benefit of the E-Payments challenge where its Fintech partners bring capability and speed to the Group's core propositions. Worldline's vision is to power social mobility through driving engagement, access and payment for transport services.

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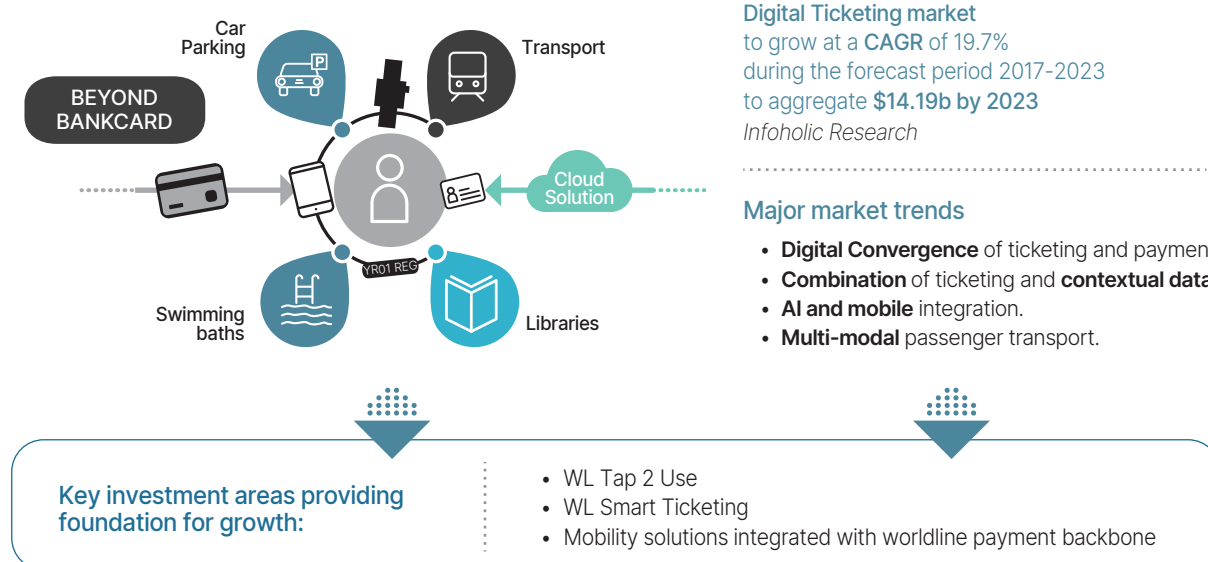
\* No need for any enrolment in Open Payment use case

## Digital ticketing

The Group also offers contactless “smart card” ticketing schemes for multi-modal transit platforms that, among other things, allow passengers to use travel cards, payment cards and mobile wallets to “touch in” and “touch out” at the start and finish of their journeys and automatically calculate and process fare prices. There are now several contactless smartcard schemes being delivered by the Group in Latin America including Transantiago in Chile, Lima in Peru and Cordoba, Mendoza, Salta, Tucuman, La Rioja and the SUBE system the Group operates for the public transit system in Buenos Aires, in Argentina.

As passenger and Transport Operator demand increases for dematerialized ticketing the Group continues to evolve its account and identity based travel with the WL Tap 2 Use

solution which is live in the city of Dijon in France. This enables passengers to move seamlessly between travel modes and multiple Transport Operators. Bank cards and smart devices that confirm identification can be used to pay or post pay for journeys, users and Operators can monitor all travel activity via a comprehensive account management system. Beyond Dijon, the Group is currently rolling out new projects like the one in the French “Grand Est” region, to implement and operate a cross-border ticketing solution with Germany or the one with the metropolis of Amiens where the Group will implement a multi-service platform allowing citizens to access with a single identifier (mobile, contactless card) to a wide variety of mobility, cultural and sports services.



## Itinerary management and Internet travel booking

Worldline's multi-modal itinerary management and booking software platforms allow the Group to help travel planning and booking sites that enable users to compare and plan travel options across multiple modes of transport and to book and pay for their journey. The Group provides these services across multiple platforms, including online and via mobile devices. The Group's services are designed to provide users with comprehensive, easy-to-use travel information across transportation types (bus, coach, tram, rail, taxi, car and airplane) in order to enable passengers to plan their journeys effectively and efficiently. The Group's e-commerce booking applications allow railways to sell rail tickets, including season tickets, online alongside additional products and services such as hotels and car hire.

## Route management and Resource Allocation

Worldline offers railway service Operators and railway infrastructure network providers a series of “smart” route management services that allow them to optimize railway schedules, to allocate resources (rolling stock and crew) in real time and to immediately adjust and re-plan those resources when planned and unplanned disruption happens. Worldline's offering includes the route management platform ROMAN, a system for the process of timetable creation and management, as well as its Cargo Information Systems (offered under the names CIS and CPI), a highly automated integrated software system that helps to support the business processes of sales, billing and invoicing for rail freight transportation. The Group has also developed a control room solution called “Integrale” to help UK railway companies manage disruption of traffic and improve operational efficiency. “Integrale” is in live operation with the Arriva Cross Country and First Great Western rail franchises. Worldline is the leading supplier of rail operations systems to the train operating companies in the UK.



## Other main clients

In addition to those mentioned above, the Group's principal clients within this business line include Network Rail in the United Kingdom and ÖBB as well as global transport operators including First group, Stagecoach, Abellio, Go Ahead and Keolis.

### C.1.3.2 Trusted Digitization

The Group helps public and private organizations harness the power of digital services to increase efficiency and transform the way they interact with their customers, allowing them to improve collection of payments, provide better services to end-users and optimize costs in an era of shrinking public budgets. The Group's key areas of expertise include, among others, taxation, tax and fine payment solutions such as for parking enforcement, online and digital archiving services for governments and public services providers and digital healthcare information services. The Group also provides digital identity solutions for governments willing to deploy national electronic identity schemes. The Group is delivering several projects in which Blockchain is a key enabling technology, for example partnering with Bureau Veritas for their food-traceability label called "Origin".

## Secured law enforcement solutions

The Group provides local, national and international law enforcement authorities with efficient end-to-end solutions in different domains such as offense processing, mobile parking, probation electronic bracelets, Track and Trace.

The Group's solutions cover the entire automated enforcement process, including automated detection of offenses, mailing of fine notifications, records management, fine payment processing and appeals services. The Group also provides its clients with traffic data and radar performance statistics. The Group currently offers these services primarily in France, Luxembourg and Spain. The Group's clients include, among others, ANTAI (National French Agency) for various services including fine payment on 6 channels (web, IVR – Interactive Voice Response, mobile app...), the DGT (Dirección General de Tráfico) in Spain, the Ministry of Sustainable Development and Infrastructure of the Grand Duchy and Luxembourg.

The Group is providing a mobile parking payment and enforcement system, including front and back offices as well as an end-user mobile application that is deployed in several cities in Austria and Slovakia.

The Group also provides the French Ministry of Justice with an information system to manage the provisioning, supervision and maintenance of the electronic bracelets (electronic tags for inmates on probation).

The Group has captured a leading position in the frame of the European Tobacco Product Directive (TPD) with its Track & Trace solutions to help the European Union fight counterfeiting and illicit trade of tobacco products. The Group is now looking beyond TPD with its worldwide equivalent, FCTC (Framework Convention for Tobacco Control), as well as non-tobacco products.

## e-Government online and data services

The Group offers national, local and regional government authorities and other public sector organizations a wide range of digital services to collect and manage data and develop Online Services and services to allow users to find government information, carry out administrative procedures and make payments to governments online. The Group develops and manages Online Services for a large variety of government and public sector related entities. Examples of the Group's services include payment processing and other services for the Pari Mutuel Urbain (PMU) state-run betting service and management of online tax collection sites for several provinces in Argentina. The Group also provides government certified archiving services for government entities, and collects and stores biometric fingerprint data for services such as biometric identification cards in Austria. The Group also counts DILA (*Direction de l'Information Légale et Administrative*) among its public sector clients in France.

The Group has acquired a former entity of the Atos group delivering on-line services to local government, and has leveraged this new entity to develop new offerings to help local government managed local subsidies.

## Digital Signature, Digital Preservation & Digital Identity

The Group offers businesses a wide range of solutions to securely sign and archive digital documents. Among other solutions, the Group helps B-to-C companies to design and implement digital contract platforms to allow digital validation and signature plus probative value preservation. These solutions are widely used by numerous customers such as Bouygues Telecom, SANEF, AG2R, Protys. The Group also manages secure digital archives for legal documents such as the Doccle platform that the Group operates in Belgium, which allows users to securely archive documents such as account statements from participating banks and other entities and the Cyberdoc program in Austria, which stores electronic copies of notarized deeds. The Group has become a Qualified Trust Service Provider according to Europe's eIDAS regulation. The Group has developed a solution to provide Digital Identity schemes to governments by combining assets from different business lines to manage the Digital Identity lifecycle and secure citizens' authentication.

### Shared digital healthcare information services

The Group provides a range of services to governments and public sector entities involved in healthcare. In Argentina, the Group manages and processes transactions for the FarmaLink health insurance institution, which connects patients to the health service system and links pharmacies, healthcare providers, pharmaceutical companies and health insurance schemes to manage the process of healthcare reimbursement. In France, the Group's subsidiary Santeos leverages its 17 years of experience in hosting and sharing healthcare information systems. Santeos holds an ASIP Health certification from the French Ministry of Health, and believes that it is the leading hosting solutions provider of patient healthcare data in France, and, in this regard, hosts sensitive medical data through the Personal Medical File (Dossier Médical Personnel). Santeos partnered with Agfa Healthcare to create a new offer that adapts to the regional challenges of shared medical imaging and is being delivered for several Regions in France. Santeos delivers the new information system for the Emergency Care call centers (SI SAMU) in France. The Group also provides a health information system to the French Ministry of Army, for the management of health data of the Armed Forces.

#### C.1.3.3 e-Consumer & Mobility

Consumer demand for multimedia and storage solutions for their mobile devices makes cloud storage a powerful tool for generating customer loyalty. The Group provides telecommunications companies with cloud storage solutions to offer their customers private cloud data vaults as well as convergent messaging services or multichannel interaction management services.

The Group is also working with manufacturers, insurers and utilities to develop innovative IoT services for connected vehicles, connected appliances and connected machines that leverage Group's white label IoT platforms as a Service providing end-to-end, scalable, secure and open solutions.

### Consumer Cloud Services

The Group provides telecommunications companies with convergent messaging services as well as a range of consumer cloud storage and applications solutions to provide cloud-based services to their customers for e-mail and other digital media. The Group develops customized consumer cloud offerings tailored to the telecommunication company business model. Solutions the Group offers include services for structured rich media storage, retrieval and advanced cloud storage for personal content such as pictures, video, music, email and text messages, and multimedia services such as

content streaming and address book management, as well as convergent messaging services that allow cross-platform delivery of messages (e.g., by delivering copies of voicemail to a user's e-mail box). The Group currently provides these solutions to a number of companies, including Orange, SFR and La Poste in France and TDC Group in Denmark.

Since 2014, the Group is very active in the area of digital education. The Group provides SGOOL, with a partner, a fully integrated digital education solution and a cloud service which allows for the storage of educational content and students' personal data on secure hosting platform.

### Cloud Contact Services

The Group provides a range of omni-channel customer contact solutions to help companies optimize their interaction with their customers. The Group's customer relationship management solutions include services such as interactive voice response systems that allow certain queries to be answered by automated systems and automatic smart call distribution services to improve the routing of calls to the right persons based on the nature of the customer's query. The Group provides multichannel interaction management offered on a SaaS basis. This service, recognized by industry analysts, manages interactions through a range of contact channels (email, chat, SMS, social networks, mobile devices and web self-service) to deliver a unified omni-channel contact center solution. Through the integration of Artificial Intelligence technology, the Group facilitates automation of tasks and improves 24/7 access to customer service, with chatbots and voicebots for example. The Group currently provides this for several clients such as C-Discount and large banking and insurance institutions. Such services enable large multinational in their "follow-the-sun" strategies to have a global support for their worldwide operations. As an extension to the payment business, the Group provides a voice-payment system that allows customers to securely pay for telephone orders. The Group also provides other systems to send automated SMS and e-mail services to clients. Key clients for these services in France include SFR-Numericable, Bouygues, PMU, and BNP Paribas, while the Group offers services also in Germany, United Kingdom and Belgium.

### Connected Living Solutions

Connected devices are now a reality for individuals and in the industrial world: energy meters, production machines, connected vehicles, vending machines, washing machines, etc. The volume of data produced by connected machines is increasing exponentially. The first stage of Internet of things (IoT), which used to focus on the implementation and collection of data, is now shifting to business innovation.

The Group assists its customers in implementing their digital transformation strategies and evolving towards new customer centric and service oriented business models (e.g. pay-per-use, pay-how-you-drive). Through a unique combination of services (IoT/M2M, mobile applications, data analytics and payment), the Group's Connected Living solutions allow its customers to go from Product sellers to Digital Services providers. The Group has a proven experience, replicated in several markets (automobile, household appliances, industry, insurance, retail, health, etc.) and offers a unique and flexible business model that is built around a portfolio of adaptable global service offerings that enable end-to-end solutions. The Group's goal is to federate value-added services from a large ecosystem of best in class providers that share the same secured access to a connected object. The Group's Connected Living platform, delivered via a Software as a Service (SaaS) model, guarantees secure access to users' data.

Security, and in particular third-party remote access security is one of the biggest challenges coming with Industry 4.0 and industrial automation, where machines communicate with other machines and systems in the most sophisticated way. The Group's Industrial IoT solutions enable secure connection to security-sensitive machines in an industrial environment, as well as remote monitoring & servicing of connected industrial devices. These solutions are aimed at industrial machine manufacturers and industrial machine operators. Other Connected Living solutions offered by the Group are innovative solutions and business models adapted to:

- The connected vehicle, aimed at automotive insurance and lease, cars and truck fleets, etc.;
- The connected home (objects from daily life, household appliances, energy management and building infrastructures), aimed at multi-services operators like insurances, utilities, home appliance manufacturers, telcos and retailers;
- The connected patient (various social services and medical frameworks and associated quantified remote medicine services).

Connected Living solutions include applications to handle:

- Data management, including solutions to collect, secure, store and analyse data;
- User management, including authorization and access, identity verification, privacy safeguards, subscription and billing;
- Application management, including management of the application framework, data sharing and integration with third party systems and enterprise information systems;
- Connectivity and devices, including solutions to secure, provision, monitor and manage communication and processing flows among various network components.

The Group's Connected Living solutions are recognized by market and industry analysts and are provided to and used by among others the following clients:

- Siemens is deploying in all its business units Industry, Energy and Siemens Healthineers the core Communication Platform (cRSP) giving them a secure access to the machines that are spread all over the world in production sites as well as hospitals and trains. Having access to the machines and the data gives them new possibilities on solutions they can offer to their customers. The time to repair can be reduced and the first time fix rate can be increased. On top of that Siemens is offering specific vertical applications and data analytics solution for the different market segments;
- Renault, for whom the Group is implementing the R-Link cloud services platform, an on-Board connected multimedia system that is already included in many Renault vehicles. Through the R-Link tablet that is available in several Renault models, the Group offers the possibility to make secure purchases from the vehicle. The ergonomics and functionality of the system were designed to make Renault R-Link the most secure solution on the market for the driver and for the automobile. At the Renault Supplier Awards, the Group received the Renault-Nissan Purchasing Organization Innovation Award for this innovation;
- A large European OEM relies on the Group's connected vehicles solution to offer advanced fleet management services to its customers (fleet owners), which include a secure extranet portal where its customers can control their fleet activity (online dashboards, comprehensive fuel reports, critical alerts). A telematics unit installed in the vehicle that registers data such as mileage, fuel consumption, global positioning, speed, driving time, etc. is connected with the Group's telematics platform which applies the retrieved data to provide insights into fleet use, geolocation, driving time & performance, fuel consumption, vehicle health & maintenance planning. This enables the OEM to optimize maintenance plans and introduce pay-per-use business models and supports fleet owners to increase vehicle availability, optimize logistical efficiency and reduce operational costs;

- Using the Group's expertise, BSH offers Home Connect to its customers allowing them to use a standard home Wi-Fi connection via the Home Connect cloud servers to operate their appliances remotely. It offers secured connectivity via smartphones and tablets and will be based on an open standard, meaning that a range of home appliance manufacturers will be able to use it. It was launched on iOS and Android, now rolled-out in several worldwide geographies. Using its expertise in processing transactions the Group has developed the solution and runs the Cloud platform where the Household devices are connected to;
- As part of a strategic transformation from a product-centric to a service-centric business model, Home appliance manufacturer Gorenje is introducing a range of connected appliances based on the Group's connected home platform. Hosted on a secure cloud platform, the Group's solution allows consumers to securely interact with their home appliances remotely through an intuitively designed mobile application;
- Based on the Group's connected vehicles solution, AXA Corporate Solutions combined the benefits of Fleet Management Services and Pay How You Drive insurance

schemes for corporate fleets. This enables the insurance company to decrease the cost of claims and increase customer stickiness by providing value added services which help their customers reduce fleet Total Cost of Operations.

### Competence Center Mobility.

The Competence Center Mobility offers clients its innovation skills for the development of applications based on the Group's Connected Living services. This mobile competence center has delivered a range of mobile applications covering mobile services for retail, shopping and travel, with services focused on messaging, e-Commerce and mobile payment. The Group also operates The Studio in France, which analyses, designs and evaluates interfaces across all channels: web, mobile phones, tablets, televisions, and Terminals.

### Other main clients

In addition to those mentioned above, the Group's principal clients within this business line include Dräger, ERDF and e-Plus.

## C.2 Competitive Strengths

The payment ecosystem is undergoing considerable change. New entrants, such as Facebook's Libra, are attempting to disrupt existing models. At the same time 2019 has seen major global consolidation activity (First Data/Fiserv, FIS/Worldpay, Global Payments/TSys). Regulation is opening up markets and removing certain barriers of entry (PSD2). This means that Worldline competes both against those incumbents with global scale and reach and newer entrants with disruptive business models (Fintech).

Worldline believes it has the unique combination to face this competition:

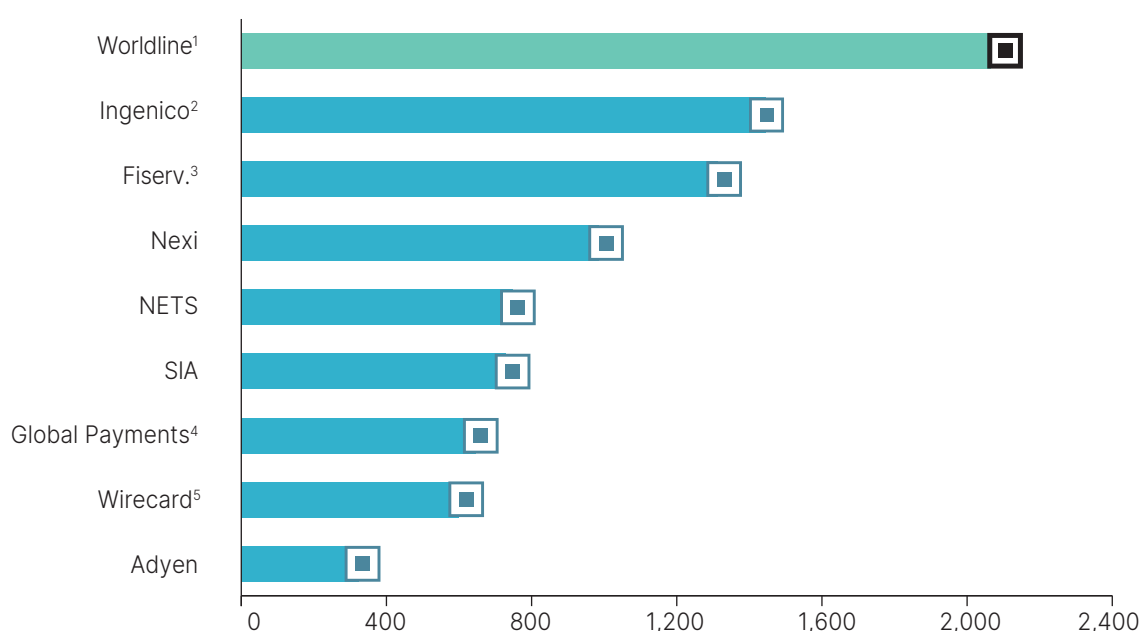
- Worldline is a major player in Europe with an expanding global footprint, especially in emerging markets;
- Worldline has a comprehensive positioning across the extended payments value chain;
- And a leading presence in next-generation payment services.

### C.2.1 A major player in Europe with an expanding global footprint, especially in emerging markets

The Group is Europe's leading payment service and electronic transaction providers in terms of revenue across its three Global Business Lines and continues to reinforce this European leadership position.

The following chart summarizes the Company's estimates with respect to the competitive positions of certain participants in the payment transaction processing industry in Europe only.

**PAYMENT SERVICE PROVIDER (PSP) RANKING IN EUROPEAN UNION (BASED ON 2019 EUROPEAN REVENUE OR LATEST AVAILABLE INFORMATION) (IN € MILLION)**



Source: company estimates, based on latest publicly available information.

<sup>1</sup> Worldline: 2019 revenue in Europe excluding payment terminals

<sup>2</sup> Ingenico: Retail Division

<sup>3</sup> Fiserv: estimated net "International" revenue

<sup>4</sup> Global Payment: estimated net European revenue

<sup>5</sup> Wirecard: 2018 ratio of European revenue applied to 2019 revenue

No data available for FIS

In addition to its strong home market position in France, the Group holds leading market positions in Switzerland, in Austria, in Luxembourg, in Belgium, in the Netherlands, in Germany, in Latvia and in Lithuania.

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.

This scale helps the Group to:

- Drive innovation;
- Be price competitive (thanks to economies of scale);
- To offer payment acceptance and acquisition services on a Pan-European scale; and
- Attract large multi-national clients looking to outsource mission critical payment activities or other digital data processing services.

The Group maintains a particularly broad base of customers across Global Business Lines characterized by long-standing

and diversified relationships. This positioning provides the Group with a strong platform from which to pursue both organic and inorganic growth opportunities which are expected to arise in the sector. The Group's track record of successful inorganic growth further underlines its ability to seize such inorganic growth opportunities and consolidate 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 Netherlands) 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). Most recently with the acquisition of SIX Payment Services in Switzerland, Austria, Luxembourg, Worldline reinforced its European leadership to become one of the largest payment providers in Europe. These different acquisitions are described in Section A.5.1.

Also, Worldline and Ingenico Group SA have announced on February 3, 2020 that their respective Boards of Directors have unanimously approved a business combination agreement. Please refer to Section A.5.2 for further details.

## C.2.2 Comprehensive unique comprehensive 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 for merchants and bank:
  - Digital Banking,
  - Mobile authentication,
  - Mobile payment & wallets,
  - Card-linked offers,
  - Private label cards,
  - Loyalty programs,
  - Omni-commerce services;

- To innovative services provided to emerging new digital businesses (*e-Ticketing*, *e-Government*, *e-Consumer* and *Connected Living* services).

The Group's breadth of services allows it to provide flexible and tailored solutions to address client needs, while also reducing their risk and upfront costs (e.g. offering fee structures based on transactional revenue in all or part rather than on project builds).

By offering solutions across the payment value chain, the Group can extract more value at each point of the transaction lifecycle, while relying less on any particular business line, solution or technology. 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 creates a virtuous circle that leads to the creation of further value.

Furthermore, the Group's positioning across the extended payments ecosystem affords it a complete perspective on the electronic payments industry, permitting it to react quickly to regulatory or other changes and to capitalize on new opportunities generated by them.

## C.2.3 Leading presence in next-generation payment services

The payment services market is rapidly evolving and the Group is well placed to capitalize on growth in next generation payment services.

Already positioned as an online payments market player in France (thanks to WL Sips, Secured Internet Payment Services), in the Netherlands (iDEAL) and in Switzerland (through SIX Payment Services acquisition), this position is strengthened by Digital River World Payments multi-currencies acceptance and collecting solutions (WL Online Payment Acceptance). This will be enhanced with the addition of Worldline's One Commerce Hub solution, enabling merchants to offer consumers a truly unified omni-channel experience.

In mobile payment solutions, the Group benefits from a technology neutral 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, the Group possesses key assets for mobile payment, such as:

- PCI-DSS card container;
- Strong software authentication (patented);
- Host Card Emulation payment platform (patented); and
- EMVco compliant tokenization platform.

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

Whether through loyalty programs and customer relationship management (CRM) services, solutions that capture “big 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 with and support their customers throughout

the duration of the merchant-customer relationship – before, during and after the sale.

Because of this track record of innovation, the Group has started to accompany a large number of B2C brands, such as, most recently, McDonald's and Accor (in France), Carrefour (in France and Belgium), Adidas, and Sephora (Sephora Flash), in the digital transformation of their sales and marketing processes and customer relationship outreach and management. The Group is well positioned to build long-standing relationships with these global merchants, developing tailored value added 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 government entities to face the strategic challenges brought by the “digital revolution”.

The Group considers this a major competitive advantage regarding most of its competitors, who often need to form consortia with other industry players in order to provide a similarly wide range of services, which can lead to issues in terms of allocation of responsibilities and coordination risks and complicate 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 biometrics to blockchain to the Internet of Things, Worldline is on the cutting edge of this new era in payment. In all these areas, Worldline is on the frontline of R&D, partnering with technology companies, universities and start-ups to ensure the security of financial data in tomorrow's connected world.

C

## C.3 Worldline's Business Model

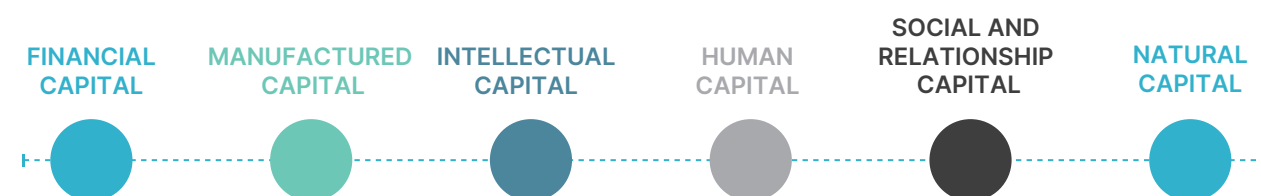
The presentation of the Company's business model according to the International Integrated Reporting Council (IIRC) recommended framework is an expectation of the French transposition of the European Directive 2014/95/EU on the declaration of extra-financial performance (refer the Sections D.1.3.3.3 and D.1.2.3). This new expectation was 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"<sup>1</sup>, 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 organization'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.

<sup>1</sup> [http://integratedreporting.org/wp-content/uploads/2013/03/Business\\_Model.pdf](http://integratedreporting.org/wp-content/uploads/2013/03/Business_Model.pdf)





Financial capital	Manufactured capital	Intellectual capital	Human capital	Social and relationship capital	Natural capital
Financial capital includes all the cash funds available to the organization 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 5 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.

# OUR BUSINESS MODEL



## FINANCIAL

- Solid financial profiles
- Market trust & consolidation capabilities

## MANUFACTURED

- Robustness of industrial platforms & data centres infrastructure
- Business excellence: quality, security & reliability

## INTELLECTUAL

- Partnerships, innovation, R&D
- Innovation & foresight of technological evolutions

## HUMAN

- 12,000+ employees in 30+ countries
- Talent acquisition & retention, people development

## SOCIAL AND RELATIONSHIP

- Market intelligence & Regulation watch
- Customer satisfaction
- Ethics & compliance
- Technological know-how
- Societal contribution

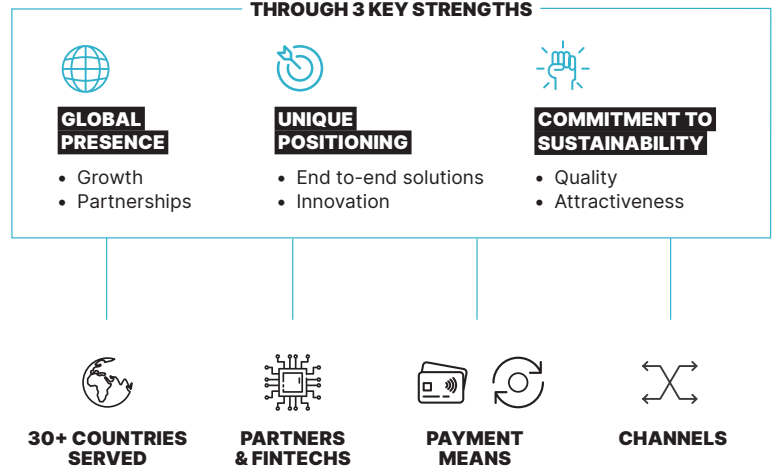
## NATURAL

- Electrical Energy
- CO<sub>2</sub> emissions
- Use of minerals for hardware
- Renewable energy transition
- Scarcity of resources



## Worldline

### WORLDLINE AT THE HEART OF THE ACTION THROUGH 3 KEY STRENGTHS



As the European leader at the heart of the payment value chain, Worldline designs and operates leading digital payment and transactional solutions that handle billions of highly critical transactions on a daily basis.

Worldline's Business Model is formulated in line with the recognised International Integrated Reporting Council (IIRC) guidelines which enable a broader view of the concept of value creation. The infographic below illustrates how Worldline's activities impact the different forms of capital (financial, manufactured, human, intellectual, natural, social and relationship capital), converts resources (inputs based on capital) into outputs (products and services, waste) and eventually outcomes (positive and negative consequences for the capital). It also consistently matches the Company's contribution to the UN SDGs.

## WORLDLINE BUSINESS LINES & RESULTS

## VALUE CREATION FOR STAKEHOLDERS

## SDGs

The Group'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. The Group's 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.

c. **€2.4 BN** 2019

PRO FORMA ANNUAL REVENUE

€2.22 BN REVENUES IN EUROPE

€0.16 BN REVENUES IN EMERGING MARKETS



### MERCHANT SERVICES

**47%** OF PRO FORMA REVENUE (2019)

Energising commerce with advanced payment services



### FINANCIAL SERVICES

**39%** OF PRO FORMA REVENUE (2019)

Consolidating payment processing



### MOBILITY & E-TRANSACTIONAL SERVICES

**14%** OF PRO FORMA REVENUE (2019)

Bringing payment and regulation expertise to new markets

### FINANCIAL

- Investors & shareholders
  - 6.9% organic growth
  - 25.3% OMDA Profitability after IFRS 16

### MANUFACTURED

- Suppliers & Customers
  - 9,871/9,875 Quality Score – Contracts' Service Availability & Response Time
  - 45.2% of strategic suppliers evaluated by EcoVadis

### INTELLECTUAL

- Customers
  - €97.6 M in R&D investment
  - A portfolio of ~150 patents

### HUMAN

- Employees
  - 63% GPTW satisfaction
  - 89.50% Training satisfaction

### SOCIAL AND RELATIONSHIP

- Customers, Communities, Public Bodies
  - 8.2/10 Customer satisfaction
  - 0 significant fines for non-compliance
  - 79% of spending in local purchase
  - €1.51m social contribution

### NATURAL

- Communities, Public Bodies
  - Eco-efficiency in data centres
  - 100% CO<sub>2</sub>-neutral offers
  - 90% renewable electricity
  - Circular economy



## C.4 Worldline: a regulated Group

As payment is a global business the Worldline Group has to consider the global regulatory landscape which is a quite complex task as the number of new initiatives is increasing year by year, impacting the stakeholders in different ways,

some are addressing dedicated regions only and some various, and what it makes it even more complex is the overlapping in the scopes.

### C.4.1 European Regulation

#### C.4.1.1 Regulation of payment services in Europe

The provision of payment services is a regulated activity that requires a license 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<sup>1</sup>, are considered to be payment services:

- 3. 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.
- 4. Execution of payment transactions where the funds are covered by a credit line for a payment service user:
  - 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.
- 5. Issuing of payment instruments and/or acquiring of payment transactions.
- 6. Money remittance.
- 7. Payment initiation services.
- 8. Account information services.

As an example, the Group's Commercial Acquiring activities, which, in the context of payments made by card on POS or online, consist in receiving and transmitting the payment order to the cardholder's bank and to pay the merchant constitute the provision of an acquiring services. Similarly, the Group's processing and execution of debit or credit card payment orders constitutes the provision of services for the execution of payment transactions through payment cards.

Conducting regulated payment services in a European Union member state requires prior approval from the relevant national regulatory authority as either a licensed credit institution authorized to provide payment services, a licensed payment institution or as an issuer of electronic money. Licensed institutions are allowed to operate in their Home member state in which they are licensed as well as in any other Host member state in which they are authorized 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 a Third Party agent.

In order to be able to carry out its regulated activities, Worldline NV/SA, a subsidiary of the Group located in Belgium, possesses a payment institution license in Belgium, which allows it to carry out the services described above. In accordance with the European Regulations described above, payment institutions that are licensed in one European Union member state are allowed to establish themselves or provide payment services in any other European Union member state without having to obtain a license from that state, either pursuant to the European principal "European passport". Worldline NV/SA's license in Belgium has been "passported" to Austria, the Czech Republic, Germany, Spain, France, the United Kingdom, Italy, Luxembourg, the Netherlands, Norway, Poland, Slovakia, Bulgaria, Croatia, Denmark, Estonia, Finland, Iceland, Lithuania, Malta, Romania, Slovenia, Greece, Ireland, Latvia, Portugal, Sweden, Cyprus and Hungary. Worldline NV/SA has also a subsidiary in the Czech Republic and a branch in Slovakia.

<sup>1</sup> Worldline NV/SA a obtenu la licence pour les Services d'Information sur les Comptes (SIC) et les Services d'Initiation de Paiement (SIP) mais la Société n'a pas encore commencé à déployer ces services à ce stade.

Worldline NV/SA has a subsidiary in Sweden (Worldline Sweden AB) which has a payments institution license which includes money remittance services and is under the supervision of the local regulation authority (SFSA/Finansinspektionen). Such license is passported in other European Economic Area countries.

Also, the payment institution license held by Paysquare SE, a Worldline BV subsidiary in the Netherlands, was passported in Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Luxembourg, Poland, Portugal, Spain and in the United-Kingdom.

SIX Payment Services (Europe) S.A., a subsidiary of the Group located in Luxembourg, has a payment institution license from the CSSF, the local regulator in Luxembourg. SIX Payment Services (Europe) S.A. has established a network of branches in nine member states of the EU, i.e. Poland, Germany, Hungary, Italy, Czech Republic, Belgium, the United Kingdom, Austria and Slovenia. In addition, SPS EU has passported its license on the basis of the freedom of services to all countries of the European Economic Area.

Payment institutions are subject to specific regulations resulting from the Payment Services Directive 2015/2366 (PSD2), in particular in regard to own funds and internal controls procedures that they must put in place to comply with the various applicable regulations, such as anti-money laundering measures, corporate governance rules and prudential reporting obligations.

The Group also has vigilance and reporting requirements regarding the identity of its clients and beneficiaries of payment transactions.

The European Union member states' national regulatory authorities may impose stricter prudential regulations in light of the specific activity of the regulated payment institution. For example, the Group's Belgian entity Worldline NV/SA has a "hybrid" license as a result of its payment terminal manufacturing business that, according to the Belgian regulatory authority, represents a potential risk to its payment services.

Accordingly, this entity is subject to more extensive prudential constraints, especially as pertains to own funds requirements. For example, Worldline Group regulated entities were required to have around € 42.6 million in own funds during the fourth quarter of 2019 (of which Worldline NV/SA was €27 million).

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. For a description of the services that credit institutions outsource to the Group (for which the Group does not require a license), see Section C.5.2 of this Universal Registration Document.

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 STET in France and in the Netherlands, the automated Clearing House is processed by equensWorldline which is supervised by the National Bank of the Netherlands.

The Group has implemented an internal monitoring system to follow legislative and regulatory developments applicable to its activities

#### C.4.1.2 Regulations applicable to outsourced credit and payment institution activities

Credit institutions can also be authorized 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 France, such outsourcing activities are regulated by CRBF regulation 97-02 of February 21, 1997 relating to internal controls within credit institutions and investment firms. Under the provisions of this regulation, a credit institution's external service provider must comply with the credit institution's established controls procedures in respect of services provided and must communicate any information that could have an impact on its ability to undertake the functions that have been outsourced to it. For example, the Group issues payment cards and bank statements on behalf of its credit institution clients.

Similarly, a licensed payment institution may outsource some of its activities provided it complies with its internal controls procedures and provided it obtains the prior authorization from the competent regulator should this outsourcing be critical.

### C.4.1.3 Strong authentication under PSD2

The European Banking Authority (EBA) published on October 16, 2019 an Opinion on the deadline for the migration to Strong Customer Authentication under PSD2 for e-commerce (2-legs) card-based payment transactions.

The Opinion sets the deadline to December 31, 2020 and prescribes the expected actions to be taken during the migration period.

National Competent Authorities (NCAs) may decide to work with the various stakeholders of the payment ecosystem (for

example, PSPs, issuers, acquirers,...) including consumers and merchants, to agree on an action plan. The EBA's Opinion recommends to NCAs to take a consistent approach toward the SCA migration period by abiding by the deadline specified and requiring their respective PSPs to carry out the actions set out in this opinion.

The Group has structured a dedicated program to manage this regulation impacting its processes and to support its customers (merchants and banks) impacted by the new rules. Besides the Group participates in working groups monitored by local regulators over Europe to finish on time the migration to the Strong Customer Authentication.

## C.4.2 Regulation applicable outside of the European Economic Area

The Group is not subject to any particular regulation concerning its activities outside of the European Economic Area, with the exception of:

- India where the Group conducts Commercial Acquiring and *Issuing Processing* activities for limited amounts, which are subject to local regulations;
- Vatican, where SIX Payment Services AG, a subsidiary of the Group located in Switzerland, is authorized by the Financial Information Authority of the Vatican City State to

provide acquiring and terminal services within the Vatican City State as an auxiliary entity pursuant to Regulation No. I on "Prudential supervision of entities carrying out financial activities on a professional basis".

Regarding the future situation in the United Kingdom, the Group has obtained the Temporary Permission Regime to ensure access to the British market post Brexit until local license can be obtained.

### C.4.3 Compliance with technical standards

The Worldline Group implements the processes defined by the international standard-setting bodies such as ISO 9001 which relates to requirements for quality, 27001 which relates to requirements for security and 14001 which relates to environmental requirements of technological infrastructures.

The Worldline Group develops and implements infrastructure sector solutions or services in secure cloud mode which are specific for certain activities and certified by the corresponding national authorities (health data for example).

The Group also implements controls corresponding to international security requirements such as EMV for payment cards security. As such, it participates actively in the EMV User Group (Europay MasterCard Visa User Group).

As a provider of payment solutions, and in particular terminals, the Group supports all standards established by the Payment Card Industry – Security Standard Council ("PCI-SSC"). These security standards seek to improve payment card data security by adopting a broad range of specific standards that apply to the various components of payment card transactions.

Among these is the Payment Card Industry – PIN Entry Device standard ("PCI-PTS," formerly PCI-PED) which is one of the most important. The aim of this standard is to guarantee that cardholders' confidential PINs are always processed by

payment acceptance devices in a manner that is fully-secured and to ensure the highest level of payment transaction security.

PCI-SSC and PCI-DSS (Payment Card Industry – Data Security Standard) aim to secure the confidentiality of payment transaction data, whereas PCI-UPT precisely addresses the security specific to unattended payment modules.

The development of these standards, which requires continual modifications to existing requirements, is managed by the PCI-SSC's founding members: Visa, MasterCard, JCB, American Express and Discover in consultation with other electronic payment industry players (payment terminal manufacturers, regulatory bodies, retailers, banking associations, banks, processors, etc.). As such, the Worldline Group participates in the European working group on protocol standardization.

By way of example, the Group has obtained the PCI-DSS (Payment Card Industry – Data Security Standard) certification for its secure online payment platform and its Pay-lib service (cloud-based electronic wallet). This standard aims to ensure that the cardholder's confidential data as well as any sensitive transaction data are always securely processed at the systems and databases level.

The 3-D Secure authentication protocol was initially designed to secure online payments, ensuring the identity of the cardholder used to limit the risk of fraud.

After several years of widespread use, payment operators have highlighted the sticking points of the current protocol, in particular: transactions that wrongly fail, the lack of ergonomics of some authentication paths - particularly on mobile phones and the low adoption rate by merchants. In 2016, the shareholders of EMVCo, who guarantee the 3D Secure specifications, began the upgrade to EMV 3DS 2.0 or 3DS2.

The improvements made to the protocol by EMVCo aim to:

- Strengthen payment security by offering updated authentication methods;
- Avoid the abandonment of payment during authentication;

- Make the protocol compatible with apps for a more fluid mobile journey;
- Enrich transactional data shared between issuers and acquirers.

"EMV 3DS 2.0" or "3DS2" is the official name of the latest version of the 3-D Secure protocol. It meets the Strong Customer Authentication (SCA) requirements defined by the Regulatory Technical Standards (RTS) published by the European Banking Authority (EBA) and approved in March 2018. It should be noted that the specifications published by EMVCo in October 2017 concern version 2.1.0 of the protocol, version 2.2.0 having been made public in December 2018. Only the version 2.2 answers fully to the requirements introduced by the PSD2.

## C.4.4 Protection of personal data

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

### C.4.4.1 Personal data processing within the European Economic Area

Since May 25, 2018, the processing of personal data is regulated by the General Data Protection Regulation (GDPR, 2016/679) within the EU member-states and members of the European Economic Area. National legislations can give further regulation regarding opening clauses in GDPR in order to embed this European law into national contexts.

GDPR applies to the processing of personal data, either by automated means or not. "Personal data" is broadly defined as "any information relating to an identified or identifiable natural person" and is applicable either to processing activities aimed at citizens of the EU or EEA or when the processing activities are performed in the EU. GDPR regulates the processing of personal data throughout the entire data processing life cycle: it starts with collection, goes on to the actual usage and ends when the data is no longer needed and deleted. GDPR defines the person or entity that, alone or jointly with others, determines the purposes and means of the processing of personal data to be a "data controller". Any person or entity processing personal data on behalf of a data controller, based on the instructions of the data controller and for the purpose defined by the data controller, is considered to be a "data processor".

With respect to each of its processing activities that involve personal data, each Worldline Group entity in Europe conducts a compliance assessment of data processing (CADP) in order to assess the features of the processing in relation to the applicable data protection regulation. This is done by each legal entity in the Worldline group even though the entities need to be regarded independently for data protection.

Where a Worldline Group entity acts as data controller (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 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 unauthorized 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 recognize, exercise or defend a right before courts);



- To put in place technical and organizational measures to protect personal data against accidental and unlawful destruction, accidental loss or unauthorized modification, dissemination or access, taking into account measures like pseudonymization and encryption of personal data, ensuring availability thereof and implementing a process for regularly testing, assessing and evaluating the effectiveness of these technical and organizational measures;
- To inform persons concerned 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 (l) 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 organizational measures;
- To maintain a register 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;
- To carry out the formalities required by the relevant national authorities that regulate personal data protection (such as the Commission Nationale de l'informatique et des libertés in France) prior to effecting data processing operations; these formalities vary according to national laws.

The violation by a data controller or by a data processor may result in administrative, civil or criminal sanctions, including fines up to € 20 million or, in the case of an undertaking, up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher.

In respect of activities performed under instruction of a controller, the Group entities act as "data processor" within the meaning of GDPR. In such cases, the Group entity processes personal data with which its clients entrust it and in respect of which such clients are the data controllers. In such instances, the above-described obligations applicable to data controllers apply only to such clients. However, the Group nevertheless provides guarantees to its clients that it will (i) put in place technical and organizational measures to protect the personal data they have provided, especially against accidental loss, unauthorized 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 organizational measures to protect personal data against accidental and unlawful destruction, accidental loss or unauthorized modification, dissemination or access, taking into account measures like pseudonymization and encryption of personal data, ensuring availability thereof and implementing a process for regularly testing, assessing and evaluating the effectiveness of these technical and organizational measures. These technical and organizational measures are part of the instruction of the controller;
- To not engage any other sub-processor without prior specific or general written authorization 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 register 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.



Although by introducing GDPR the law applicable to personal data has to a large extent been harmonized throughout the EEA, the opening clauses within the Regulation still allow a narrow range of national variations within data protection legislation and regulatory instances. In order to ensure a coordinated and harmonized approach respecting the applicable national laws, the Group has adopted a policy related to personal data protection that is applicable to all of its entities and their employees, including those of the Worldline Group. This policy is founded on three key pillars:

- (i) A set of principles based on those set forth in 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.

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, comprising Data Protection Officers and designated paralegals in each Worldline Group entity, resulting in Local Offices dedicated to personal data protection that are coordinated by the Global Data Protection Officer and the Group Chief Data Protection Officer, the latter being in charge of the Global Office.

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

#### C.4.4.2 Data processing carried out outside the European Economic Area

The Worldline Group carries out personal data processing operations in numerous countries outside of the EEA. Such processing is in some instances conducted on behalf of customers themselves located outside the EEA, while in others 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 regulation that harmonizes all of the principles applicable to personal data protection, the regulatory framework applicable within the EEA is seen as the authority on such matters due to its strict and pioneering nature and the influence it has had on legislation that has emerged in numerous countries that have used it as a model, such as in North Africa, Latin America and Asia.

This is why the Group implemented, for 2019, the Binding Corporate Rules (or "BCR") aimed to ensure that all entities worldwide whatever the country they are located in, give a high level of protection to the personal data they process, either as a data controller or as a data processor.

The BCR constitutes stringent commitments for all Group entities, whatever the country they are located in (Europe, Latin America, Africa, Asia, etc.), whereby they commit to respect numerous principles related to the personal data they process. These principles are based on requirements defined by GDPR. These commitments were recognized by a large number of European personal data protection authorities as enabling a high level of data protection, when such data is processed on behalf of the Group's clients (the Group acting as a data processor) or for itself as a data controller. They allow Worldline entities to transfer such data out of the European Union to other Group entities in a simplified, easy and secured fashion.

## C.5 Strategy

The strategy of the Group is driven by European payment market structural evolutions, and notably:

- Transaction Volume Growth;
- Regulatory changes;
- Technology changes;
- Emergence of new electronic payment methods;
- Emergence of new digital businesses;

As described in Section B.4 “Key market trends and drivers of change”.

### C.5.1 Scale and reach: fully leverage Worldline Pan-European competitive advantage

Acceleration in Worldline's organic growth over the past year combined with a series of successful acquisitions has given Worldline the scale, the know-how and the geographical reach allowing strong differentiation in a highly competitive landscape.

Worldline is now established as one of the most important and sizeable financial processor in Europe and one of the largest acquirers of Continental Europe. The Group intends to leverage its scale and leading existing market position to further increase its competitive position within the payment market.

As an illustration, following the acquisition of SIX Payment Services in November 2018, Worldline is now one of the largest non-bank acquirers in Continental Europe with a market share of circa 10% and a number 3 position for online payment acceptance in Europe. Based on its numerous strong market positions, particularly in Switzerland, Austria and in the Benelux but also in India, the Group's Merchant Services division intends to fully grab the benefits of this enhanced scale and positioning for both physical and online payment services.

Financial Services intends to fully leverage its European leadership position, which was further enhanced by the acquisition of the processing activities of SIX Payment

Services as well as its unique portfolio of offerings, covering all types of payment processing as well as *Digital Banking* and solutions for secured online transactions.

Worldline intends to bring scale benefits to all parties, and extend its reach by entering new geographies, either through acquisitions or alliances. It will continue making innovation one of its strongest differentiators and will leverage all the benefits of its enlarged scale in the Group R&D activities.

The Group aims to offer the full range of its services portfolio in each of the countries in which it currently operates. The Group also intends to expand in key regions in Europe in which it currently has a smaller footprint but sees significant growth potential, including the Nordics, United Kingdom, Iberia and Central & Eastern Europe. All the while, the Group seeks to maintain its distinct competitive advantage relative to its global competitors, particularly in Europe. This competitive advantage stems from the Group's ability to access and leverage secure and compliant technology infrastructure locally, its local on-the-ground knowledge of the countries in which it operates, and the breadth of products and services that it offers across the payment value chain, which provides for extensive cross-selling and expertise sharing opportunities across Business Lines and geographic regions.

### C.5.2 Large deals expertise: maintain commercial focus on large outsourcing deals and new bank alliances

Worldline intends to maintain a strong commercial focus on new large payment outsourcing contracts with banks, which is proving to be a sustained trend in the market. As regulatory changes alter the mechanics of the payment services industry in Europe, financial institutions, forced to reassess their cost structures, are expected to increasingly opt to outsource key

functions to third party payment service providers. In 2018, Commerzbank, following this trend, decided to outsource to Worldline the processing of all SEPA (Single Euro Payments Area), instant, multi-currency, and domestic payments for a period of ten years.

Given its expertise in large deals elaboration, its scale, its leadership position within the European payments market and full range of services offered across the extended payment value chain, the Group is ideally positioned to capture additional business from banks willing to outsource their payment infrastructure but also looking for a partner to jointly

provide merchants with advanced acquiring and payment processing services.

Furthermore, the Group expects to be well-placed to capture additional business from banks looking to enhance revenue streams through the provision of additional value added services to their customers.

### **C.5.3 Focus on online: grow above market Worldline online and omni-channel payments, leveraging One Commerce Hub and Digital Banking**

Worldline believes that the future will be dominated by omni-channel, contextual commerce that engages customers, drives traffic to the store, enhances the customer experience and improves brand loyalty. Worldline, thanks to its omni-channel payment solution – One Commerce Hub – will help merchants ensuring a multi-channel convergence of payment services and integrating payment seamlessly into the customer journey. It allows merchants reducing their

transaction costs and transforming the experience of their customers.

In parallel Worldline *Digital Banking* platform, innovative, flexible and scalable will accompany the rapid transformation of the banking industry, driven by regulatory initiatives (such as PSD2) or the evolution of customer's behavior.

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### **C.5.4 Innovation and investment: ensure successful market breakthrough with latest differentiating offers**

Worldline is more and more recognized as an innovative leader due to a comprehensive and innovative portfolio of proprietary solutions for banks, merchants and for any other sector where transactions are at the heart of business. The Group will grab

all the innovation and regulatory initiatives helping to revamp its offers and continuously look to best serve its customers providing them the most advanced solutions.

### **C.5.5 Integration know-how: enable fastest possible delivery of SIX Payment Services and equensWorldline synergy plans**

Over the years, the Group has developed a strong expertise and know-how in newly acquired companies' integration. Worldline has proven its ability to integrate them consistently in terms of management, processes, efficiency methods,

technology. Over the 2 coming years, Worldline will focus and tightly monitor the efficiency and quick delivery of the synergy plans of SIX Payment Services and equensWorldline.

### **C.5.6 M&A track record: more than ever, maintain an absolute priority and focus on the next wave of European payment consolidation opportunities**

The Group is expecting a massive transformation in the structuring of the payment industry in the next years and believes in the emergence of world class players born in Europe. A first wave of consolidation in which Worldline played a central role started in 2011-2012 and mostly affected medium sized countries. Very large countries such as France, Spain, Portugal, Italy or parts of Germany have not, or only slightly, participated in this wave. Worldline believes a second wave of consolidation will begin for those countries representing the largest volumes of payments. As a payments market leader with a strong track record of value creation

through disciplined acquisitions, as illustrated in particular by its acquisitions of Banksys, Equens and SIX Payment Services, the Group is ready to capitalize on such pan-European consolidation opportunities. Benefitting from its European intimacy and its particularly solid financial profile, the Group intends to keep participating with an absolute priority focus on the consolidation of the European payment market. In this respect, please refer to Section A.5.2 "Creation of a new world-class leader in payment services: announced acquisition of Ingenico" for information regarding this planned acquisition of Ingenico.

As part of its acquisition strategy, the Group evaluates technologies and businesses that have the potential to enhance, complement or expand its product offerings, strengthen its value proposition to customers and increase its overall scale. To drive value, the Group intends to target businesses that can be efficiently integrated into its existing global sales network, technology infrastructure, and operational delivery model, while remaining financially disciplined.

As demonstrated over the last 4 years, Worldline has a unique capability to shape tailor-made transactions, which are fitting the particular situations or expectations of the European banks and banking communities when they contemplate their strategic options for the future of their payment assets and activities. This know-how is reinforced by the strategic flexibility of Worldline and its proven track record of value creation for the banks both as customers and shareholders, while taking into consideration their specific regulatory environment or governance constraints.

### C.5.7 Make Worldline the n°1 payment industry employer brand through talent & expert attraction and developments policies and Tier 1 CSR achievements

Worldline is determined to carry on reinforcing within its employee community the feeling of belonging to a people-focused organization. New generation of employees and new behavioural trends are constantly pushing Worldline to progress as an employer, through a culture of transparent and equitable integration, focused on innovation, diversity, personal development, and which concretely recognizes work and performance. Worldline ambitions to progress in the long term and to become the most fulfilling and motivating environment and stand as the most favored employment brand in the payment industry.

In parallel, through its Trust 2020 program, the Group demonstrates its permanent focus on building a very solid business, performing in the short term but also equally able to stand the test of sustainability over the coming decades and to meet the expectations of all the stakeholders of the Company. The targets of this program are engrained into all aspects of Worldline's business and its achievements place Worldline among the leaders of its industry in the CSR field (for additional information, refer to Section D). The Group customers can trust Worldline will be in this business for a long time and does everything to ensure its business is robust and sustainable.

### C.5.8 Other Strategic plans

**TEAM<sup>2</sup> Project:** Through its three-year TEAM<sup>2</sup> program evolution of the TEAM project initiated in early 2014, the Group aims, among other things:

- To achieve significant operating efficiencies from platform and infrastructure rationalization;
- Enhance resource allocation across its network;
- Improve sales effectiveness and contract profitability; and
- Industrialize development methods, and generally leverage the Group's resources, size, and global reach to capitalize on the strong growth in the markets and industries in which it operates.

This program, which has been now extended to recently acquired companies, in particular to SIX Payment Services, is expected to contribute substantially to improving the Group's OMDA margin over the period, and to offset, in particular, the negative effect of competitive pressure on prices as well as the expected increase in salaries over the period.

**Technical platforms evolution:** the platform technical convergence plan is happening in connection with the Equens and SIX Payment Services integrations. These integrations are based on the technological investment made through the WIPE program and on the best assets from the Equens and SIX Payment Services investment plans.

- The Equens integration plan has already started to deliver its main results in 2018 and includes platforms mergers that will bring additional benefits until 2021;
- The SIX Payment Services Integration plan will deliver its results as soon as 2019 and until 2022.

**Dividend Policy:** The Group aims to distribute dividends representing approximately 25% of its consolidated net income, to the extent that it is compatible with the implementation of the Group's external growth policy.

**Financial leverage:** Excluding transformative acquisitions, the Group's objective is to maintain a leverage ratio (net debt to OMDA) of between 1.5 and 2.5 in the medium term.

## C.6 2019-2021 Ambition

Based on the key elements of its strategy disclosed in Section C.5, Worldline has announced on January 30, 2019 its ambitions for 2019-2021, reflecting the increase of its business after the recent acquisition of SIX Payment Services.

It is reminded that this 3 year ambition has been set before the COVID-19 pandemic, which has started during the first quarter of 2020, and its consequences on the global economy.

Consequently, numbers for 2021 could be adjusted to take into account the financial impact of this epidemic and in particular of the related restrictive measures that have been taken. Also, the elements of this 2019-2021 3-year plan will need to be reviewed and updated after the closing of the planned offer of Worldline on Ingenico (described in Section A.5.2).

### 2021 Ambition

The Group ambitions to deliver:

- **Organic revenue growth:** +7% and +8% CAGR vs. 2018;
- **Profitability:** OMDA percentage improvement between +400bp and +500bp in 2021, compared with 2018 pro forma of c.21%;
- **Free cash flow:** € 370 million to € 410 million in 2021, representing between +75% and +95% increase compared with 2018.

To reach its 2021 Ambition the Group will focus on the following main levers:

- Leverage Worldline's size, unique European reach and product excellence in Merchant Services;
- In financial Services, fully deliver the scale benefits of the established European processing market leader;
- In Mobility & e-Transactional Services, bringing payment, high scale processing and regulation expertise to new adjacent markets.

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## C.7 Technology

Worldline operates its business as one global factory that serves each of the Group's three Global Business Lines. Under this approach, Worldline continually seeks ways to leverage its industrial scale, processes based on standardized tools,

shared best practices and efficient use of global resources to deliver services at competitive prices. Worldline's competence centers, IT platforms, data centers, and hardware are central assets in this effort.

### C.7.1 IT Platforms

Worldline currently provides its payment acceptance, card and non-card payment data processing, support to payment mean issuance, fraud detection and dispute handling services, and Mobility and Transactional Services, using a set of separately developed specialized IT platforms coming from continuous investments carried over multi-years programs. The integration plan is under execution and delivers the progressive convergence of these platforms towards a unified

infrastructure, until its completion in 2021, with some significant benefits crystallized in 2018 (Payments 2.0, migrations of front-end servers on Worldline Pay Front Office, go-live on Worldline Pay Issuing Back-Office among others). This will enable 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.

### C.7.2 Data Centers and Hardware

In Europe, Worldline operates a network of eight interconnected, highly secure and fully redundant data centers located in France, in Germany, Belgium, the Netherlands and Italy. Worldline's European data center hub covers an area of more than 6,000m<sup>2</sup>, and runs approximately 20,000 servers with a storage capacity of approximately 18PB of data. In total, Worldline's European hub data centers process approximately 85% of the Group's total transaction volumes. All of Worldline's European hub data centers, which are tailored to fit the needs of its specific businesses, are compliant with the Payment Card Industry Data Security Standard (PCI-DSS and 3DS) required for payment service providers to accept, transmit or store cardholder data, and are also certified under ISO 9001 (quality management) and ISO 14001 (environmental management), DK (Deutsche Kreditwirtschaft), as well as ISO 27001 (security). All of these data centers meet at least Tier 3 "Telecommunications Infrastructure Standards". Worldline's European hub data center facilities are all connected for back-up and are compliant with IT Infrastructure Library (ITIL V3) IT service management "best practice" standards and applicable banking standards. Worldline ensures that strict security measures are taken at all of the data

centers 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. Worldline also operates a small data center in India. In addition, Worldline contracts to use a number of additional highly secure and standard certified data centers operated either by Atos or by other third party data center providers. In total, these data centers process approximately 15% of the Group's total transaction volumes. These data centers are distributed globally, and are located in the United Kingdom, Spain, Germany, Argentina, the USA, Russia, China, Hong Kong, Malaysia, Lithuania, Latvia, and also in Luxembourg and Switzerland after the acquisition of Six Payment Services. To benefit from maximum network connectivity, the Group uses four European telecommunications centers (located in France, Belgium and Germany) rented from external parties that are interconnected with its data centers through high capacity optical fiber networks. Worldline's data centers, networks, servers, and telecommunications centers are operated and maintained by a global infrastructure and operations team of approximately 1,300 information technology experts.

## C.8 Sales and marketing

Worldline commercializes its products and services through multiple approaches and dimensions. Sales activities take place mainly on two dimensions:

- Global business line: the global and local management of each global business line establish the overall strategy to develop their portfolio of offerings in coordination with the various geographic entities. The global business line managers are also involved in overseeing sales initiatives and approving major bids in connection with the “Rainbow” procedures; and
- Geographic market: the regional sales teams – each of them led by a regional coordinator – cover one or more countries depending on the size of the markets in scope (France, Benelux, Germany, Austria, Switzerland, United Kingdom, Spain, Italy, Latin America, India, Asia-Pacific, Central Europe, Baltics, Nordics).

When it comes to clients, the Group’s sales efforts differ according to the types:

- Large clients are managed by dedicated managers in charge of developing and strengthening the business strategy and relationships. To address client requests, the sales and technical teams work in close collaboration. More specifically, they leverage solutions from the Group’s existing commercial portfolio and, where relevant, build tailored ones using the available case modules or components.

Its existing business is developed through a systematic “client account planning” process. For each large account, the Group sets development goals, identifies up- and cross-selling opportunities and establishes an annual plan, while ensuring the quality and satisfaction on existing contracts. These annual plans include ad-hoc commercial actions and focused or customized innovation workshops, supported by targeted communication and marketing actions. This approach represents the main sales channel for the Group’s products and services.

- A second constantly evolving approach focuses on acquiring new clients. Client acquisition initiatives include bidding for client-led competitive tenders, conducting proactive market-specific prospection through industry groups (in such sectors as Financial Services, retail, telecommunications, and transportation), networking and lobbying.

However, the public sector bidding process is different due to the obligation to comply with Public Procurement Codes. It is required, in most countries, that public entities launch competitive bids both for the initial contract and for each renewal.

- Finally, there is the “mass market” (acquiring business) clientele in Belgium, Switzerland, Austria, Czech Republic and India. Very specifically, the marketing efforts consist of direct sales and indirect sales. The former includes telephone and face-to-face sales. The latter are handled by independent parties and corporate partners, as well as banking partners. These efforts are supported by a marketing campaign management team and a standard-defining team. The marketing campaign management team sets the pricing policies, develops multiple promotions and identifies target markets. The other team formulates the Group’s standard sales offers which usually combine different products in one offer.

In India, direct sales rely on a team of sales representatives and a call center. Indirect sales are related to the distribution of white label electronic payment services. In Belgium, direct sales mainly capitalize on a call center to sell payment acceptance services (including terminals) and payment acquisition by bank cards. Indirect sales are managed through resellers, who distribute the Group’s branded payment services.

Except for Benelux, Switzerland, Austria, Czech Republic and India whose client bases encompass a large number of small merchants (the “mass market”), the Group’s clients are primarily large accounts.

In 2019, as part of Worldline sales transformation program, global sales campaigns and partnerships are the two major growth levers to generate new business internationally:

- The sales campaigns are aimed at boosting the sales go-to-markets of Worldline on the 12 most promising solutions in terms of high growth potential and multi-country reach;
- The development of partnerships is a key lever to consolidate Worldline ecosystem, in payments and beyond, while selling with and through partners. More specifically to address the fintechs, Worldline organizes the e-Payments Challenge to co-create solutions together with clients and start-ups, and to get prepared for the future challenges related to payments.

As of December 31, 2019, the Group had approximately 700 employees to handle sales and sales-related activities (sales representatives, business development, pre-sales, bid management and marketing).

## C.9 Procurement and suppliers

The Group's procurement division analyses markets, then selects and manages the Group's relationships with the suppliers of the externally-sourced goods and services that it needs for its business and internal requirements. The Group conducts its procurement enabling it to benefit from scale effects (i.e., volume purchasing) through framework agreements negotiated at Group level, while remaining focused on the specific requirements of the Group and its client projects. The Group's procurement teams jointly conduct periodic analyses and reassessments of procurement costs by category and implement programs aimed at reducing supply costs through negotiations with suppliers, standardization of contracts, specifications and demand volume management.

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

The Group's business involves extensive data processing which itself requires bandwidth intensive telecommunications services, its main providers of which are Orange, Proximus, Colt and Verizon. Other important categories of products and services that the Group sources from third parties include POS Terminals and their component parts, printing and postal operator services and, currently 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 designs most of its payment Terminals and related products in-house and outsources their manufacture and assembly to multiple contract manufacturing companies, including Toshiba Tec, Flex, and Connectronics, located principally in Asia and Eastern Europe. The Group procures the few Terminals that it does not design itself from Ingenico, VeriFone and Pax. The Group is also a substantial consumer of

printing and postal services, particularly in its e-Government business sector (more specifically 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.

The Group's procurement strategy is to rationalize and consolidate the volumes necessary for its operations. It strives to mitigate business risk, optimize purchase prices and optimize the total cost of ownership where agreements (contracts) are made. Agreements are often implemented to reduce the risks of supply shortages, to reduce the 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 approach to sourcing products and services from third parties depends in large part on the nature and use of the products and services it requires.

Notwithstanding its multi-source policy, there is one important component used by the Group in its business that has a single supplier: the innovative Samoa II application-specific integrated circuit (ASIC). The Chip is used in the majority of current models of the Group's payment Terminals range. This chip is sourced from Faraday/UMC, which manufactures it to the Group's specifications in the context of a long-standing relationship and pursuant to a long-term pricing agreement. To safeguard the continued production and supply of this critical chip, the Group ensures that Faraday/UMC, at all times, maintains a stock of Chips that is sufficient enough to cover several months' supply needs. Additionally, if necessary, Faraday/UMC has the ability to manufacture the Chip at multiple factories, initiate production and deliver the chips within three months.

For the next generation terminals the Group choose to use standard CPU and security IC's. A new platform is in development and market introduction is expected late 2020. These standard components will be purchased from established well known IC manufactures: TI (Texas Instruments), NXP and Broadcom.



## C.10 Investments

### C.10.1 Investments of 2019

In 2019, the Group's total capital expenditures (purchases of tangible and intangible assets recorded on the balance sheet) were € 127.0 million. These capital expenditures comprised principally:

**Capitalized production costs.** Capitalized production costs, which relate to the applications developed specifically for clients or technology solutions provided to a group of clients, totalled € 42.1 million in 2019. This amount was invested primarily in internal software development in four main areas: (i) rendering the Group's processing platform compliant with SEPA Regulations and the development of new functionalities in lines with the DSP2, (ii) adapting the Sips Internet platform, (iii) developing Connected Living offers and (iv) developing new line of payment terminals,

**Investments in shared infrastructure.** The Group invested a total of € 63.2 million in 2019 in shared infrastructure – infrastructure that is not dedicated to a single client – which consists principally of software, servers, network and storage equipment;

**Investments in infrastructure dedicated to specific clients.** The Group invested a total of € 16.1 million in 2019 in dedicated equipment for specific clients (principally dedicated servers and terminals leased to clients).

The following table shows capital expenditures (purchases of tangible and intangible assets) by type of expenditure for the periods indicated.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Capitalized production		
Development of new software platforms	42.1	43.1
Development of software for specific customers	0	0
IT Platform		
<b>Total capitalized production</b>	<b>42.1</b>	<b>43.1</b>
Other purchases of tangible and intangible assets		
Shared infrastructure	63.2	43.9
Dedicated infrastructure	18.1	11.6
Other	5.6	4.7
<b>Total other purchases of tangible and intangible assets</b>	<b>84.9</b>	<b>60.2</b>
<b>Total capital expenditures (purchases of tangible and intangible assets)</b>	<b>127.0</b>	<b>103.3</b>

### Gross Financial Investments

In 2019, the Group's net financial investments (amounts paid for financial assets) amounted to € 1,094.8 million represented mainly the acquisition of the 36.4% minority interests of equensWorldline (€-1,070.9 million) and the net cash effects linked to the acquisitions of SIX Payment Services.

### C.10.2 Principal Investments Currently Underway and Planned

Including the investment derived from the SIX Payment Services integration plan, the Group expects its average annual level of capital expenditure for maintaining and upgrading its IT equipment and its software platforms to be between 5% and 6% of revenue in the short and medium term.

As presented in Section A.5.2, Worldline has announced on February 3, 2020 its contemplated acquisition of Ingenico. This transaction would result in a total potential cash out of c. € 2.0 billion, assuming a 100% tender rate of Ingenico shares and 100% tender rate on Ingenico OCEANEs, with OCEANEs holders choosing the cash option. This cash component is financed through a dedicated banking bridge facility. On March 30, 2020 Worldline SA entered into a mandate letter providing

the terms and conditions under which a pool of banks commit to enter into a bridge facility agreement upon Company's request for an amount of € 2.6 billion and for a one year maturity (with options for extension) in order to finance the contemplated acquisition of Ingenico as announced on February 2, 2020 (for additional information, refer to Section E.2.2.1.

Worldline expects a post-IFRS 16 Net Debt/OMDA ratio at circa 2.5x at year end 2020, that would be reduced to around 1.5x, 12 months after closing, assuming a 100% tender. Worldline confirms its financial policy to remain between 1.5x and 2.5x Net Debt/OMDA as well as its dividend policy.

## C.11 Property Plant and Equipment

### C.11.1 Significant existing or planned property, plant and equipment

As of December 31, 2019, the Group held property, plant and equipment with a total net value of approximately € 143.9 million, consisting mainly of the equipment (particularly information technology equipment) used in its production centers, more specifically its data centers. The Group leases almost all of its property & plant while IT equipment is generally purchased.

Property, plant and equipment held or leased by the Group consists primarily of the following:

- Administrative buildings and offices for the Group's administrative and commercial needs, in all of the countries in which the Group operates. The principal sites leased are located in France (in particular the Seclin site where its biggest operational unit is based as well as the Bezons site, where the Company has its registered office), in Belgium with over 1000 employees, in Switzerland, in the Netherlands, in Italy, in Germany, in Luxembourg, in Poland, in Austria, and in the United Kingdom;
- The Group's principal data centers are located in France (at its Seclin site) as well as at its Vendôme only owned building site, in Belgium (at its Brussels site), in the Netherlands (at its Amsterdam site), in Italy (at its Pero and Settimo sites), in Luxembourg and in Germany (at its Frankfurt site). In Spain and the United Kingdom the Group is buying some infrastructures services from Atos.

In Switzerland the Group is buying infrastructures services from SIX Group. Certain sites in Belgium are sub-leased by Worldline PropCo SA to Worldline NV/SA (Belgium) in connection with a long-term lease between Worldline PropCo SA and Immo Haecht 1442, which owns the Group's principal real property located in Belgium. The Group also rents, from third parties connected with its own data centers, four European telecommunications centers (located in France, Belgium and Germany). Lastly, the Group leases buildings and data centers in the emerging countries in which it operates, including India (with an important local business operation center based in Mumbai) and Argentina, as well as in other European countries including the Baltics;

- Technical data center infrastructure, furniture, equipment (primarily information technology equipment) and data center servers, which the Group owns through its local subsidiaries;
- Assembly plant in the United Kingdom for the manufacture of kiosks and large terminal preparation site in Brussels and Luxembourg.

The Group believes that the usage rate of its various tangible fixed assets is consistent with its activity and projected growth, as well as with its current and planned investments.

## C.12 Research and development, Patents and Licenses

### C.12.1 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 Group's Research and Development department is 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 Group's research and development teams, which are managed centrally from its headquarters, comprise a dedicated team of 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 disruptive innovation. The Group's dedicated research and development team supports 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 € 97.6 million in 2019 and € 49.1 million in 2018.

The Group's research and development activities are detailed in Section D.2.2 "Spur sustainable innovation" of the Group's Extra-financial performance statement, presented in Section D.

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### C.12.2 Intellectual Property, Patents, License, 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, most of such software has been registered for copyright protection purposes,
  - A portfolio of approximately 150 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.

These intellectual property rights are held either (i) by Worldline Luxembourg SA; or (ii) by the Group entity that developed the technology in question (which is the Company, for certain patents) or that uses the distinctive marks locally.

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 optimize 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 general, the Group grants licenses to use its intellectual property only on a very limited basis and only where the services provided to its clients require so. Similarly, the Group has entered into only a few material license agreements relating to technology belonging to third parties, including: (i) certain simple or cross-licenses entered into between Group entities, on the one hand, and certain Atos group entities, on the other hand; and (ii) a patent cross-license agreement entered into between Worldline SA and IBM Corp., pursuant to which all the patents of IBM Corp. and its subsidiaries are licensed to the Worldline Group's entities, and the Worldline Group's patents, are, in return, licensed to IBM Corp. and its subsidiaries.

In addition, from time to time, some Group entities use open-source software, which may be used free of charge under licenses 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 labor claims and in the Group's opinion most of these claims have little or no merit and are provisioned appropriately (see Section F.4. "Legal Proceedings").



# EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

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## D.1 Integrating sustainability in Worldline's business

### D.1.1 Worldline's integrated strategy

#### D.1.1.1 Our integrated vision of CSR for a relevant and resilient business [GRI 103-1 Economic Performance] [GRI 103-1 Procurement Practices]

The digital revolution is rapidly disrupting information management and payment ecosystems, giving rise to emerging technologies, new business models and approaches such as GAFAs, as well as new players and non-traditional competitors such as neo-banks and Fintech start-ups. In addition the digital revolution is fueling new challenges, particularly in the areas of confidentiality, fraud, data usage, money laundering and energy transition, leading to new regulatory pressures: the regulation on electronic identification and trust services (eDAIS), the regulation on consumer protection with regard to the processing of personal data (PDR), the Payment Services Directive (PSD2), the anti-corruption Sapin II law and the Duty of Care law. These different challenges are driving the entire payment ecosystem towards new models whose stability is not yet assured. This complexity is reinforced by constant evolving demands from customers for customised services.

The diversity of Worldline's activities and operating locations, as well as the complexity of its business environment, especially in the processing of sensitive data, together with the increasing pressure on resources, expose the Group to a variety of risks. However, these threats also create real opportunities in the digital industry, which are of particular interest for Worldline's activities. In order to meet the expectations of its different stakeholders, including its customers and to address these threats and opportunities, Worldline has integrated Corporate Social Responsibility (CSR) strategy at the heart of its business. The pillars of Worldline's CSR strategy are grounded both in the most critical issues for stakeholders and for Worldline's activities, namely:

- Building customer trust with reliable, secured, innovative and sustainable solutions;
- Being a responsible employer;
- Ensuring business ethics within our value chain;
- Reducing our environmental footprint through eco-efficient operations.

This approach allows Worldline to closely integrate the management of financial and extra-financial risks and opportunities. For more information, refer to Section F.

#### a. Building customer trust with reliable, secured, innovative and sustainable solutions

The payments and digital solutions industry is undergoing many changes that are driving its complexity: the sophisticated nature of cybercrime, the increasing challenges of data protection, and the rising expectations for sustainable innovation. In the light of these trends, Worldline's challenge is to build customer trust with fully available and secure platforms and to increase value creation for its customers with sustainable and innovative solutions.

#### b. Being a responsible employer

In the fast-moving sector in which Worldline operates, it is essential to have a wide-ranging set of skills and intellectual capital and to continuously nurture the expertise of its employees while ensuring their development and well-being. For this reason, Worldline strives to be a responsible employer that reveals the potential of its employees.

#### c. Ensuring business ethics within our value chain

In a context of changing regulations, payment and digital companies are confronted with ethical, compliance and corruption challenges throughout their supply chain. These challenges imply a strong ability to collaborate with suppliers and subcontractors so that these latter align and respect similar CSR values to promote business ethics and preserve trust within the entire value chain.

#### d. Reducing our environmental footprint through eco-efficient operations

Facing the global warming challenge, data processing and IT equipment production activities are contributing to energy pressure, CO<sub>2</sub> emission and the scarcity of the raw materials. Worldline is deeply engaged in reducing its environmental footprint, on one hand by taking the opportunity to benefit from the eco-efficiency of its data centers and offices, but also by paying particular attention to its payment terminals, from their design to their end-of-life.

### D.1.1.2 Our CSR strategy [GRI 102-18] [GRI 102-19] [GRI 102-20] [GRI 102-21] [GRI 102-26] [GRI 102-27] [GRI 102-29] [GRI 102-30] [GRI 102-31] [GRI 102-32] [GRI 103-2 Economic performance] [GRI 103-2 Market presence] [GRI 103-2 Indirect economic impacts] [GRI 103-2 Procurement practices] [GRI 103-2 Anti-Corruption] [GRI 103-2 Energy] [GRI 103-2 Emissions] [GRI 103-2 Employment] [GRI 103-2 Training and education] [GRI 103-2 Diversity and equal opportunity] [GRI 103-2 Customer privacy] [GRI 103-2 Socio-economic compliance][GRI 103-2 Energy]

#### D.1.1.2.1 Our three differentiating axes for a sustainable business

Since 2014 and its IPO, Worldline has developed an inclusive vision of its Corporate Social Responsibility (CSR), which reflects in its strategy, commitments, and more concretely in its operations and solutions. Having reached a level of maturity and recognition in CSR, Worldline's ambition is to influence its sector as the European leader in the payments and transactional services industry.

Worldline embraces the principle of shared value, which involves creating economic value in a way that also creates value for society at large by addressing its needs and challenges. In other terms, Worldline is connecting its success (financial profitability) with social progress (value creation for all its stakeholders, including improving its social and environmental footprint).

To achieve its goal of being the CSR leader in the payment sector, Worldline has articulated its CSR strategy around three axes:

#### 1. An integrated vision that embeds CSR at the core of Worldline's business and processes.

Worldline's ambition is to further embed CSR in its activities, culture, business lines and countries. In this regard, Worldline has identified in its materiality matrix CSR business challenges such as cybersecurity, data protection, sustainable offers and customer satisfaction, in addition to ethics, social and environmental challenges. This enables Worldline to truly integrate CSR at the core of its Company strategy and long-term ambition, while meeting expectations of all of its stakeholders.

#### 2. A long-term ambition with the TRUST 2020 program that concretizes measurable commitments tracked with Key Performance Indicators.

Based on the most critical challenges identified through its materiality analysis, Worldline reinforced its leadership by launching its TRUST 2020 CSR program in 2016. The program, in which the management team is strongly involved, presents a CSR roadmap and measurable commitments to sustainable development. The objective is to establish "trust at the heart of everything we do" within the Worldline ecosystem with all its stakeholders, developing trusting relationships with its customers and partners as well as its employees, investors and suppliers. To achieve this ambition, the Company has set specific and measurable CSR objectives for 2020, tracked via Key Performance Indicators (KPIs).

#### 3. A recognized CSR player through extra-financial ratings and promotion of sustainability.

Since 2014, Worldline has consolidated and improved its leading position in CSR through recognized extra-financial ratings such as EcoVadis, DJSI Index, Gaia Index, Oekom, Vigéo, MSCI, Sustainalytics, ISS, etc. This dynamic allows Worldline to introduce innovative practices into its CSR program every year and to be recognized among the market leaders in the field of CSR.

#### D.1.1.2.2 Our Corporate Social Responsibility governance

##### A Social and Environmental Responsibility Committee at Board level

In 2019, Worldline has decided to create its own Social and Environmental Responsibility Committee at Board level. Chaired by an independent member, this Committee is composed of 5 members, including 2 independent members, and the Director representing the employees. This Committee is in charge of preparing and facilitating the work of the Board for the review of:

- The Group's social and environmental responsibility strategy, its impacts and the rollout of the related initiatives;
- The Group's practices in respect of responsible purchasing;
- The Group's social and environmental responsibility commitments in light of the challenges specific to the Group's business and objectives;
- The evaluation of the risks and opportunities with regard to social and environmental performance;
- Social and environmental policies taking into account their impact in terms of economic performance;
- The annual statement on extra-financial performance; and
- The summary of ratings awarded to the Group by rating agencies and in extra-financial analysis.

In addition, this Committee enables the CSR Officer to engage a permanent and interactive dialog with the Board of Directors.

##### The Corporate Social Responsibility Officer

The Corporate Social Responsibility Officer, reporting directly to Worldline's CEO and member of the Management Committee, is responsible for the Company's CSR strategy, monitoring the sustainability initiatives and promoting CSR values with internal and external stakeholders. The CSR Officer is responsible for a department composed of an international team of 70 people, present in 27 countries. The department has the responsibility of rolling out Worldline action plans at the Group level, as well as to communicate them internally and externally. Weekly follow-up calls and monthly work and

discussion sessions are held to monitor the progress of action plans and coordinate the work of all the CSR local contributors.

To ensure the integration of sustainability in all Worldline's processes and strategic bodies:

- The CSR Officer is the privileged interlocutor of the Social and Environmental Responsibility Committee of the Board of Directors;
- The CSR Officer meets the CEO to present CSR actions and achievements on a quarterly basis so that the business and CSR strategies are completely aligned;
- The CSR Officer presents the results from CSR initiatives, roadmap progress and action plans to the Worldline Management Committee;

- The CSR Officer also presents these results to the Works councils on a quarterly basis, so that these key internal stakeholders takes part in the implementation and sponsorship of the CSR strategy and action plans;
- The CSR Officer steers internal and external CSR communication actions, thus contributing to employee commitment. Each business and corporate function has the responsibility to implement the CSR strategy and to provide support for the CSR objectives (TRUST2020 targets);
- The CSR performance conditions are integrated in the unlocking of stock-options plan (refer to this document, Section G) through these 3 criteria that must be met : the GRI Standards "Comprehensive" option for Worldline reports, the EcoVadis Gold label and the GAIA Index general rating equal or above 70%.

### D.1.1.3 A stakeholders and materiality approach [GRI 103-1 Economic Performance] [103-2 Economic Performance] [GRI 103-2 Indirect Economic Impacts] [GRI 103-1 Worldline Specific Disclosures]

#### D.1.1.3.1 Approach CSR through our stakeholders [GRI 102-40] [GRI 102-42] [GRI 102-43] [GRI 102-21] [GRI 102-27] [GRI 102-44] [GRI 103-1] [GRI 102-12] [GRI 103-1 Sector Specific Disclosure] [GRI 103-3 Market Presence] [GRI 103-3 Indirect Economic Impacts]

Worldline's integrated approach is based on an ongoing dialog with its stakeholders, including its customers, employees, suppliers, local government, public authorities, communities, NGOs, shareholders and financial analysts. In order to select the most important stakeholders to be engaged, Worldline has set up an approach based on the analysis of two criteria:

- How stakeholders are influencing Worldline's activities;
- How Worldline can impact them (refer to the following graph).

Through its CSR approach, Worldline ensures that all its stakeholders' expectations are taken into account in its action. Thus, the CSR program guides the Company in being more relevant and transparent to create value for all its stakeholders, notably through its TRUST 2020 program.

This approach is consistent with international recognized standards such as the AA1000 AP norm and the GRI Standards (Comprehensive option). These standards enable the

Company to structure its dialog with stakeholders with the aim to map their key expectations with Worldline's business activities, thus prioritizing Worldline challenges through its materiality matrix, as well as to steer the reporting process. For more information, refer to this document, Section D.6.1.

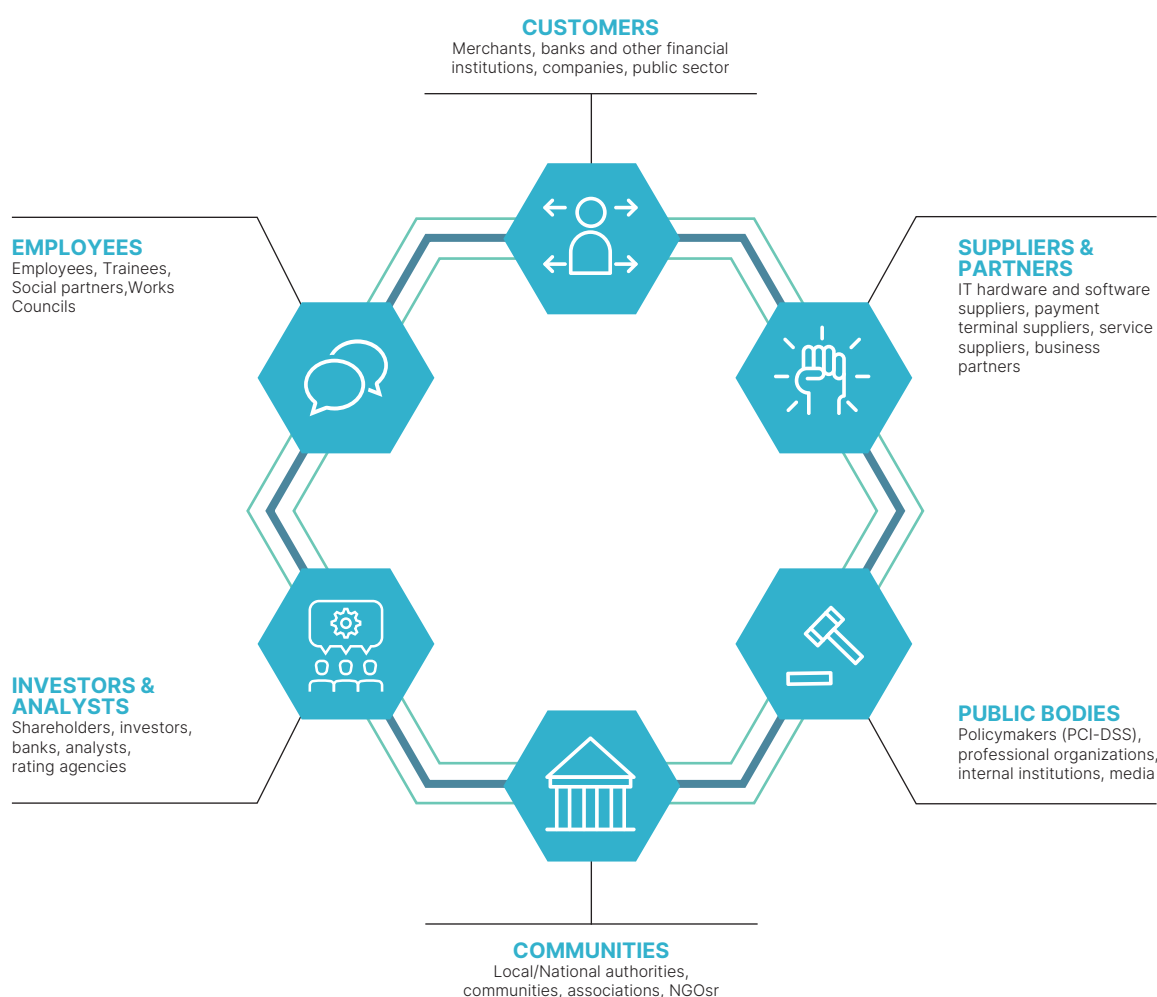
Worldline's dialog with its key stakeholders takes place at every level of the organization under the direction of the CSR Officer, at global level with the CSR team and at country level with the local teams that strive to foster close ties with local stakeholders, especially national authorities. It was reinforced by Worldline's commitment and alignment with the United Nations Sustainable Development Goals (SDGs). This universal reading grid for sustainable development eases the dialog with all stakeholders, providing greater transparency and a relevant compass for market trends and critical global challenges in a long-term perspective.

In 2019, Worldline continued to deepen the dialog with its suppliers (refer to this documents, Section D.4.4.1) thus reinforcing the sustainability of the procurement processes, as well as with its internal stakeholders, its employees to enhance CSR awareness throughout the organization (refer to this documents, Section D.1.1.3.2). Besides, Worldline has added a CSR question on the satisfaction surveys for its clients to better assess and address their CSR challenges in the supply chain.



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Integrating sustainability in Worldline's business



D

### D.1.1.3.2 Involving internal stakeholders through CSR awareness

Worldline has launched a large awareness program aiming to promote CSR across all geographies, increase employee awareness and involvement and thus truly embed CSR in all its value chain. As part of this program, Worldline has organized in 2019 a set of different actions:

- **CSR on-site roadshows** are regularly organized on Worldline sites and took place in 2019 in France, Switzerland, Finland, Luxembourg, Austria, Germany and Italy. These two-hour interactive sessions enable the CSR Officer to physically meet employees and present Worldline CSR commitments, actions and results to them. In 2019, it was a welcome opportunity for employees of former Six Payment Services entity to know more about the CSR strategy of Worldline and to directly share their viewpoints and ideas;
- **Meetings with Work Councils took place.** The CSR officer has met all the Work Councils in the main geographical regions to present Worldline CSR policy and the progress of the TRUST2020 program to them on an annual basis. The objective of these meetings is also to enable a dialog with all the employee representatives, encouraging them to

join the CSR approach. The CSR Officer is at the disposal of the Work Councils and is available whenever they wish to answer specific questions;

- **Deep-dive sessions with management** have been set up (during the management seminar and the Strategy seminar) in order to share results and new ambitions of Worldline CSR policy. Those sessions are an opportunity to highlight how extra-financial performance is closely linked to business and financial performance and illustrate the key CSR messages that managers can reuse during their weekly team meetings and promote the Worldline CSR approach;
- **Dedicated roadshows also target sales and purchasing populations** to increase their level of CSR awareness and thus contribute to Worldline performance by embedding CSR requirements and vision into their day-to-day business. For instance, by leveraging Worldline CSR actions, sales people can positively influence customers in the choice of solutions and valorize Worldline CSR actions in the Request for Proposals. In 2019, a CSR session was also organized in the Global Sales event, to address the entire sales ecosystem on the CSR topics and Worldline's competitive advantages;

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Integrating sustainability in Worldline's business

- **The 2019 European Sustainable Development Week event:** from June 3 to 7, 2019, this event involved many employees and was marked by various local initiatives around sustainability. The purpose of these initiatives is to onboard Worldline employees and makes them aware of the Company challenges in terms of environmental and societal challenges worldwide. At global level, a webinar was organized with Worldline CEO who gave his vision about CSR for Worldline. The Company also published a sustainability booklet for its employees entitled *How to be*

*a Worldliner with a sustainable lifestyle*, a step-by-step guide to measure one's footprint and to consume less, save more and live better;

- **A global CSR survey:** in 2019, Worldline has launched its first internal online survey related to its CSR strategy. The aim was to measure the level of awareness of employees regarding CSR in general, to evaluate their perception of Worldline CSR strategy, and to better involve them in CSR initiatives and actions.

#### D.1.1.3.3 Prioritize our most material topics through our materiality matrix [GRI 102-15] [GRI 102-46] [GRI 102-47] [GRI 102-49] [GRI 103-1 Economic Performance] [GRI 103-1 Market presence] [GRI 103-1 Indirect economic impacts] [GRI 103-1 Procurement practices] [GRI 103-1 Anti-Corruption] [GRI 103-1 Energy] [GRI 103-1 Emissions] [GRI 103-1 Employment] [GRI 103-1 Training and education] [GRI 103-1 Diversity and equal opportunity] [GRI 103-1 Customer privacy] [GRI 103-1 Socio-economic compliance] [WL3]

##### 1. Identification of Worldline main challenges [GRI 103-2][GRI 102-15]

Worldline's CSR approach is based on a materiality analysis that has enabled the Company to prioritize its CSR actions around the most critical topics for its business activities while taking into account its stakeholders' expectations. The analysis, conducted in 2014 and updated in 2018, and

involving external and internal stakeholders -including Worldline's top management, has identified four main dimensions of challenges described as follow: business, human resources, ethics & value chain, and the environment.



#### BUILDING CUSTOMER TRUST WITH RELIABLE, SECURED, INNOVATIVE AND SUSTAINABLE SOLUTIONS

In the rapidly evolving environment of the payment and digital service industry, Worldline needs to adapt and continue to ensure a high quality and secure level of service and to design inspired, innovative and sustainable solutions in order to create value for its customers. These essential challenges correspond to the following GRI Standards elements: Product and service labeling, Product responsibility and Customer Privacy. For more information on GRI standards topics, see Section D.2.



#### BEING A RESPONSIBLE EMPLOYER BY REVEALING OUR EMPLOYEES' POTENTIAL

In Worldline's industry, having a qualified workforce, combined with integrating cultural diversity, is a key driver for the Company's success. Worldline must attract, recruit, develop and retain employees who can provide the expertise necessary to meet its customers' needs. These essential challenges correspond to the following GRI Standards elements: Employment, Training and education, Diversity and Equal Opportunity, Equal pay for men and women. For more information on GRI standards, see Section D.3.



#### ENSURING BUSINESS ETHICS WITHIN OUR VALUE CHAIN

To maintain its credibility and the confidence of its stakeholders while processing finances and sensitive data, Worldline integrates business ethics as an absolute requirement and has zero tolerance for unethical behavior, be it within its organization or in its supply chain. Worldline also strives to contribute positively in the development of its local communities. These essential challenges correspond to the following GRI Standards elements: Economic Performance, Market Presence, Indirect Economic Impacts, Procurement Practices, Anti-corruption and Compliance. For more information on GRI standards, see Section D.4.



#### LEVERAGING THE ECO-EFFICIENCY OF OUR DATA CENTERS AND OFFICES

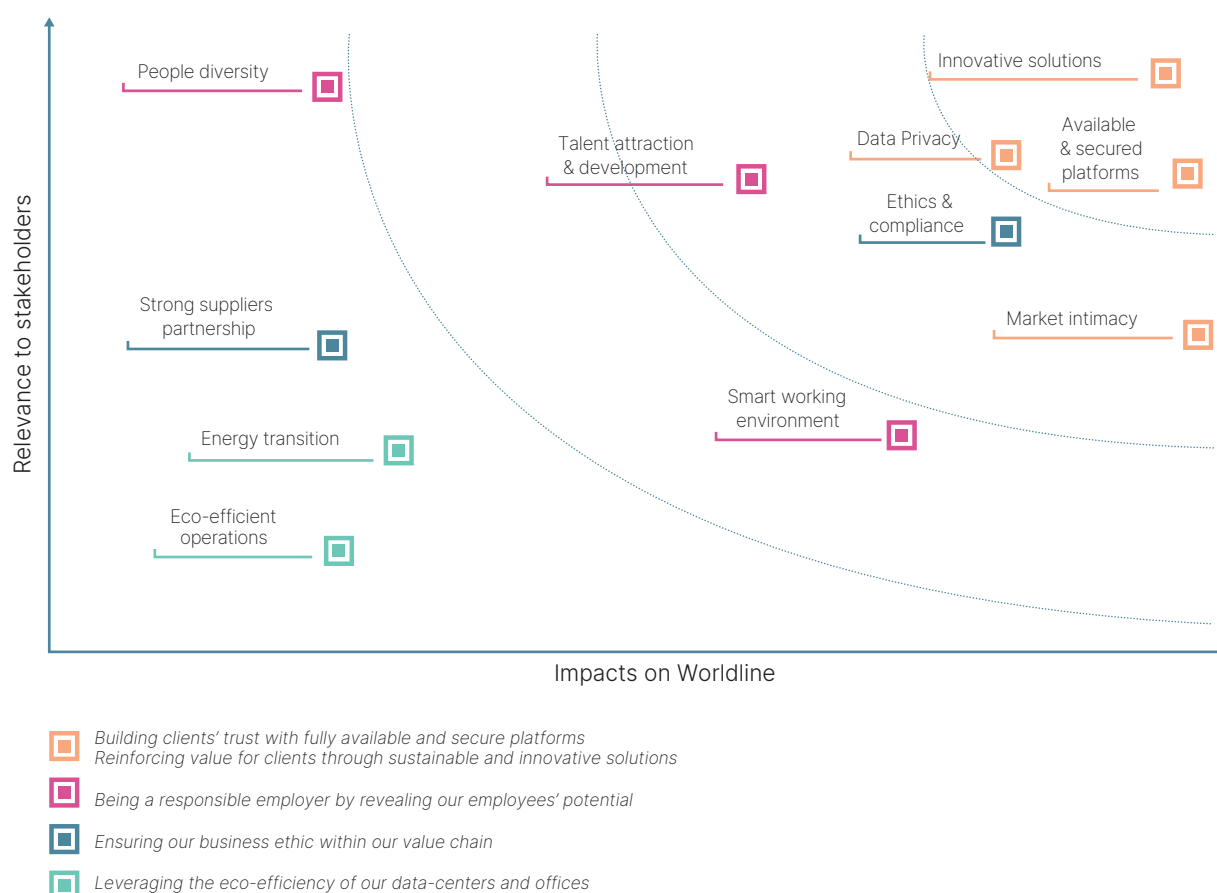
Because its business involves data processing, which consumes large amounts of energy, Worldline strives to develop eco-efficient solutions to reduce its energy consumption – especially carbonized energy – thus contributing to the fight against climate change as well as proposing sustainable solutions to customers. These essential challenges correspond to the following GRI elements: Energy, Emissions and Product Responsibility. For more information on GRI standards, see Section D.5.



## 2. Prioritization of most relevant topics in our materiality matrix

Worldline evaluated the relevancy and financial impacts according to its stakeholders' feedback for each identified issue within the four main challenges. This analysis also took into account the specific business challenges of Worldline in the ICT and e-payment sectors (for instance with integrating the innovation topic), as well as the Company's business strategy and, to a lesser extent, international standards and regulations and sustainability best practices in the Company's sectors. The materiality review was conducted through several internal and external interviews and through benchmark studies.

The results of the 2018 analysis were formalized in the following Worldline Materiality Matrix, which was validated by senior management, and where the "relevance to stakeholders" explains the stakeholders' interest for the issue and the "impacts on Worldline" displays the impact of the issue on the Company.



All of these challenges are covered by dedicated indicators, which are detailed in the Trust 2020 program and are regularly monitored.

#### D.1.1.4 Our contribution to the United Nations Sustainable Development Goals (SDGs) [GRI 102-31] [GRI 201-1]

In 2015, the 193 United Nations members launched the 17 SDGs, a universal, global and inclusive action plan and roadmap to end poverty, protect the planet and ensure prosperity and peace for all by 2030. The SDGs entered into force in January 2016 and replaced the Millennium

Development Goals adopted in 2000. The amended goals aim to address economic, environmental and social challenges and require collective action from the governments, the NGOs and the private sector.




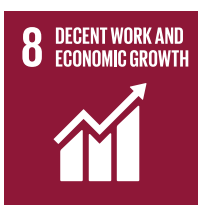


#### How Worldline contributes to the United Nations SDGs

Worldline is convinced that it is mandatory to demonstrate its contribution toward the achievement of the SDGs. This is why the Company has decided since 2017 to formalized its contribution to the United Nations SDGs and integrate them into its CSR strategy. To this end, Worldline undertook a

detailed assessment in order to identify and measure its contribution to all SDGs through a two-step mapping analysis:

- From an external perspective, the sustainability of its offering;
- From an internal perspective, its internal operations and along its value chain.

Examples of Worldline external contributions to SDGs through sustainable offers:

 <p><b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b></p>	 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>	 <p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p>	 <p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p>	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>
Worldline's Fraud Risk Management, E-banking or Acquiring Processing solutions enable the decrease of fraud and corruption risks and de prevention of cyber threats.	By making payment easier with flexible digital business models, Worldline's Payment Acceptance, Kiosk and Digital Retail solutions enable the creation of economic value and growth for clients, via shorter time-to-market and costs reduction.	By making financial services accessible for small industrials and merchants, Commercial Acquiring and Acquiring Processing solutions favor the development of merchants network and their integration inot value chain and markets.	By ensuring access to adequate, safe and affordable basic payments services, Worldline's offers contribute to its stakeholders satisfaction. Also, the e-ticketing offer provides acces ti safe and sustainable transports.	Through Its Cloud, Online and Digitization services that deliver environmental benefits including paper use reduction, travel minimization to access services or energy consumption optimization.

Examples of Worldline internal contributions to SDGs:

 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p>	 <p><b>4 QUALITY EDUCATION</b></p>	 <p><b>5 GENDER EQUALITY</b></p>	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>	 <p><b>13 CLIMATE ACTION</b></p>	 <p><b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b></p>
<ul style="list-style-type: none"> <li>• Social initiatives</li> <li>• Health and safety</li> <li>• Flexibility at work</li> <li>• Health care benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Social initiatives</li> <li>• Training plans for employees</li> <li>• Learning@worldline</li> </ul>	<ul style="list-style-type: none"> <li>• Gender Equity program</li> <li>• Diversity strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable supply chain</li> <li>• Suppliers' evaluation</li> <li>• Eco responsible transport</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Climate change strategy</li> <li>• Monitoring carbon footprint</li> <li>• Environmental targets and policy</li> </ul>	<ul style="list-style-type: none"> <li>• Code of ethics</li> <li>• Data protection policies</li> <li>• BCR + PCIDSS</li> <li>• Ethics in the supply chain</li> </ul>

However, based on its business activities, Worldline has decided to concentrate its efforts on the five most relevant SDGs for which the Company has the most significant impact and can maximize its contribution:

 <p><b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b></p>	 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>	 <p><b>13 CLIMATE ACTION</b></p>	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>	 <p><b>4 QUALITY EDUCATION</b></p>
 				

In addition, Worldline also has a special impact on two complementary SDGs: SDG 3 "Good health and well-being" and SDG 5 "Gender Equality" covering areas in which the Company is highly involved through its *Wellbeing@worldline* and Gender Equity programs.

## D.1.2 Our CSR ambition [GRI 102-18] [GRI 102-19] [GRI 102-20] [GRI 102-21] [GRI 102-26] [GRI 102-27] [GRI 102-29] [GRI 102-30] [GRI 102-31] [GRI 102-32] [GRI 103-2 Economic performance] [GRI 103-2 Market presence] [GRI 103-2 Indirect economic impacts] [GRI 103-2 Procurement practices] [GRI 103-2 Anti-Corruption] [GRI 103-2 Energy] [GRI 103-2 Emissions] [GRI 103-2 Employment] [GRI 103-2 Training and education] [GRI 103-2 Diversity and equal opportunity] [GRI 103-2 Customer privacy] [GRI 103-2 Socio-economic compliance]

### D.1.2.1 Create value for all stakeholders

#### D.1.2.1.1 Address our stakeholders' expectation

The following graph presents the Company's main stakeholders, their key expectations and how Worldline ensures it creates value for them.

	Expectations	Worldline value creation	Main SDGs
 <b>Customers</b> Worldline is part of a fast-evolving environment with a significant % of its revenue generated from a limited number of customers.	Innovation, platforms availability, security, data privacy	Satisfaction surveys, innovation workshops and solutions, respect of highest ethical standards (GDPR...)	  
 <b>Employees</b> Worldline relies on the talent of its people to ensure continuously innovative solutions.	Compensation and benefits, working conditions and organization, social dialogue, Talent & Expert management, diversity	Well-being, learning and growing, gender equity, and Talent & Expert programs, local employment	  
 <b>Suppliers &amp; Partners</b> Worldline uses the know-how of a number of partners who provide IT hardware, software & services (suppliers) and work on projects (start-ups).	Sustainable relations, costs, responsible procurement	Fair business practices through a charter for partners, promotion of CSR through EcoVadis rating	 
 <b>Public Bodies</b> Worldline complies with international and local laws, rules and regulations.	Compliance, reputation, data privacy, promotion of the e-payment sector	Market trust and growth, respect of Human Rights and of the environment, consolidation of ethics standards	 
 <b>Communities</b> Worldline engages local stakeholders in order to operate and develop its business.	Positive economic and social impacts, environment protection, Human Rights, anti-corruption	Contribution to highest ethics and environmental standards, local associations, local employment	  
 <b>Investors &amp; Analysts</b> Worldline ensures investors' trust to continue to develop.	Profitability, transparency, risk management, governance	Comprehensive reporting, Investor roadshows, Analyst Day	

### D.1.2.1.2 Worldline's business model [GRI 102-15] [GRI 102-2] [GRI 102-6] [GRI 102-9] [GRI 102-40] [GRI 102-42] [GRI 102-43] [GRI 102-44] [GRI 201-1]

The presentation of the Company's business model according to the *International Integrated Reporting Council* (IIRC) recommended framework is an expectation of the European Directive 2014/95/EU on the declaration of extra-financial performance transposed into French law (refer to this document, Section D.1.3.4.2). The IIRC guideline aims 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.

In 2018, 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 SDGs. For more information, refer to this document, Section C.3.

### D.1.2.2 Be resilient and sustainable through risks management [GRI 102-15] [GRI 102-29] [GRI 102-11]

The diversity of Worldline's activities and operating locations, as well as the complexity of its business environment, especially in the processing of sensitive data (payment, health, etc.) together with the increasing pressure on resources (human capital and energy) expose the Group to a variety of risks that could have a significant impact on its results, image, and share price.

Through the *Enterprise Risk Management* (ERM) framework, Worldline has determined a global and systematic risk management approach, integrated with strategy, business decisions, and operations. This ensures the identification,

management and mitigation of all potentially significant risks and ultimately enables the Company's long-term performance. The ERM is also described in this document, Sections D.4.1 and F.

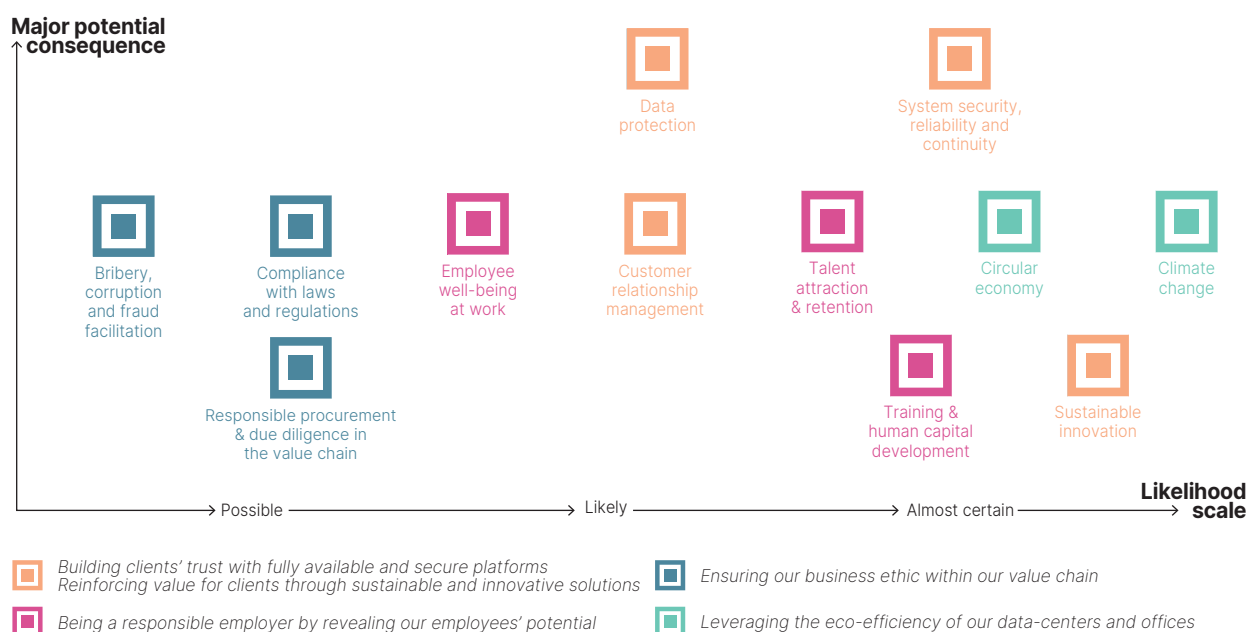
In 2018, consistently with its ERM, Worldline conducted a review of its inherent general extra-financial risks that can affect its ability to create value over the short, medium and long term. This extra-financial analysis completes the existing review of business and financial risks (refer to this document, Section F). It confirms and further structures Worldline's CSR strategy and materiality matrix.

### D.1.2.2.1 Risk analysis methodology and risk matrix

- 1. Identification of inherent gross risks** that Worldline might face in view of its activities, markets, international scope, and countries of operation. This selection of non-financial risks relied both on the internal Worldline's ERM which provides a complete overview of the different types of risks identified through management interviews, materiality analysis, etc., and on external sources (GRI disclosures, extra-financial agency questionnaires, etc.). The analysis identified 31 inherent gross risks, which have been connected to Worldline's four main challenges (Business, People, Ethics & Value Chain, Environment). The risks are inherent or gross: Worldline's ability to deal through the risk has not been considered in the analysis.
- 2. Prioritization of significant risks** that have been assessed according to their probability of occurrence, and their potential legal, operational, financial and reputational consequences for Worldline. A likelihood scale (rare, unlikely, possible, likely or almost certain), a magnitude scale (insignificant, minor, moderate, major, critical) and weights have been used to carry out this exercise. A risk is considered as significant if it is at least considered as

"possible" in terms of probability, and its potential consequences at least "major". external expertise has contributed to building the tool, while inputs from internal resources, notably top management, have been requested to assess the risk occurrence and the potential legal, operational, financial and reputational consequences for each inherent risk, in order to realize this prioritization of the main risks.

- 3. Validation of 12 significant inherent gross risks.** Based on this analysis, Worldline considers that no other non-financial risks than the ones presented hereafter are significant to the Group. Worldline's policies and systems to prevent and mitigate these significant risks are presented or cross-referenced in the present analysis.
- 4. Leverage these risks as opportunities.** Worldline's fast-changing environment is creating new digital threats but also valuable opportunities, notably by contributing to the UN SDGs. For instance, Worldline uses its ERM framework to better tackle fraud, corruption, and cyber threats through its innovative and sustainable solutions and by applying the highest ethical standards. thus, it enhances economic transparency and trust for its stakeholders and society at large.





### D.1.2.2.2 The main risks affecting Worldline Group

The 12 significant risks identified have been prioritized through the following risk matrix (according to major potential consequence and likelihood scale), and clustered by main challenges.



More details on the 12 risks and their matching opportunities and SDGs for each challenge are available in the sub chapters of Section D of this document, as indicated in the following table.

For more information on the business challenge and its risks and opportunities, refer to this document, Section D.2.1 "Meet customer expectations".

For more information on the People challenge and its risks and opportunities, refer to this document, Section D.3.1 "Meet employee expectations".

For more information on the Ethics & Value Chain challenge and its risks and opportunities, refer to this document, Section D.4.1 "Meet the highest level of ethics for all stakeholders".

For more information on the Environment challenge and its risks and opportunities, refer to this document, Section D.5.1 "Meet society expectations for a sustainable environment".

## D.1.3 Our CSR performance

### D.1.3.1 Concretize our progress through the TRUST 2020 program [GRI 102-15]

In 2016, Worldline has defined its TRUST 2020 CSR ambition for each of its material challenges in order to reinforce its leadership and define its roadmap for the coming years. This long-term commitment, strongly bolstered by Worldline general management, aims at positioning “trust at the heart of everything we do” within the Worldline ecosystem and making CSR a transformation vehicle to mobilize the entire Company. It allows Worldline to meet its sustainability challenges in the areas of services availability, sustainable innovation, customer satisfaction, security, data protection, talent attractiveness, responsible procurement and environment. The Company has set 14 specific and measurable CSR objectives that it intends to achieve by 2020, and announces its progress on a yearly basis.

The specific objectives are measured each year and the action plans are carried out at the Group level. They are based on external and internal inputs thanks to meetings with stakeholders and investors as well as questionnaires received from rating agencies and from our customers. Worldline review each year the indicators and takes into account the results obtained, the progress still expected, the emergence of new topics and new priorities.

#### 2019 Achievements

In 2019, Worldline had already achieved close to 57% of its TRUST 2020 objectives. Worldline achieved its long-term goals, related to customer satisfaction, by reaching an overall score of 8.2/10 and, related to the revenue generated through its sustainable offers, by surpassing its € 725 million objective since 2017. Regarding the environment, Worldline also continue achieving in 2019 its TRUST 2020 climate change goal by offsetting 100% of the CO<sub>2</sub> emissions from its payment terminals' lifecycle and from its offices, data centers and business travels.

These great results have encouraged Worldline to step up efforts and implement all the necessary action plans and innovative CSR initiatives in line with the new market trends to accelerate this momentum and progress further toward its 2020 targets in all areas:

- Worldline reached its objective of turnover achieved through solutions contributing to social and environmental progress with an amount of 1,016 € millions in 2019;
- In 2019, Worldline reached its customer satisfaction objective with 8.2/10;
- In 2019, 99% of Compliance Assessment of Data Processing (CADP) have been performed for all processing activities;
- In 2019, the Great Place to Work® index continues to increase (+4 points) while covering a larger perimeter of employees from Worldline's new entities. Overall satisfaction rate reached 63% compared to the target of 60%;
- 89.50% of employees have declared themselves satisfied with the training provided;
- The “Happy Trainees” label was renewed, reinforcing Worldline employer brand;
- Worldline now offsets 100% of its CO<sub>2</sub> emissions, adding to its perimeter the compensation of its CO<sub>2</sub> emission relating to offices in addition to its data centers and business travels. Also, 100% of emissions from the payment terminals lifecycle have been offset once again in 2019. Consequently, Worldline is one of the first companies to contribute to the carbon neutrality in its industry.

The table above shows Worldline's sustainable development performance in 2019, in alignment with the United Nations Sustainable Development Goals (Section D.1.1.4).

## KEY PERFORMANCE INDICATORS FROM THE TRUST2020 PROGRAM

CSR Challenges	Indicators	2015 Baseline	2016 Achievements	2017 Achievements	2018 Achievements	2019 Achievements	2020 Targets
<b>Building client's trust with fully available and secured platforms and reinforcing value for clients through sustainable &amp; innovative solutions</b>	Quality Score – Contracts' Service Availability & Response Time	-	-	-	9,608	9,871	9,875
	% of alignment with the Service Level Agreements (SLA) on service availability	-	95.54%	95.49%	95.82%	-	100%
	% of alignment with the Service Level Agreements (SLA) on response time	-	98.52%	98.58%	97.95%	-	100%
	% of incident responses compliant with Worldline security policy	-	97%	98.67%	98.74%	99.64%	100%
	% of Compliance Assessment of Data Processing (CADP) performed for all processing activities	-	-	-	97%	99%	100%
	Revenue generated through sustainable solutions that contribute to societal and environmental progress (in €)	575	586	770	816	1,016	725
	Overall customer Satisfaction from Tactical surveys	7.26	7.67	8.1	8.1	8.2	8
<b>Being a responsible employer by revealing our employees potential</b>	Number of employer brand study citations	0	1	3	3	5	5
	% of employees satisfied with the trainings provided by Worldline	-	86%	88.4%	87.8%	89.50%	90%
	% employee satisfaction as measured by the Trust Index of the Great Placeto Work® survey	50%	57%	58%	59%	63%	60%
	Gap between the % of females in management positions and the % of females in the overall workforce		7.5 points	7.5 points	7.3 points	6.9 points	0 point
<b>Endorsing our business ethics within our value chain</b>	Level obtained in the EcoVadis assessment	Silver	Gold	Gold	Gold	Gold	Gold
	% of suppliers evaluated by EcoVadis with a score below 40 that are encouraged by Worldline to have an action plan to solve critical findings identified		100%	100%	89%	100%	100%
<b>Leveraging the eco-efficiency of our data centers and offices</b>	% of CO <sub>2</sub> emissions offset from data centers, buildings and business travels	32%	31%	83%	100%	100%	100%
	% of CO <sub>2</sub> emissions offset from payment terminals based on a Life Cycle Assessment (LCA)	0%	100%	100%	100%	100%	100%

**Quality Score – Contracts' Service Availability & Response Time:** From 2019 onwards, we speak about "Quality score" rather than "SLA Fulfilment". In 2019, we have a change into the scope by taking the 35 top contracts. Then, we took a maximum of 2 SLA per category (availability and response time) for each contract in scope. The scope include 99% of contract over € 1 million.

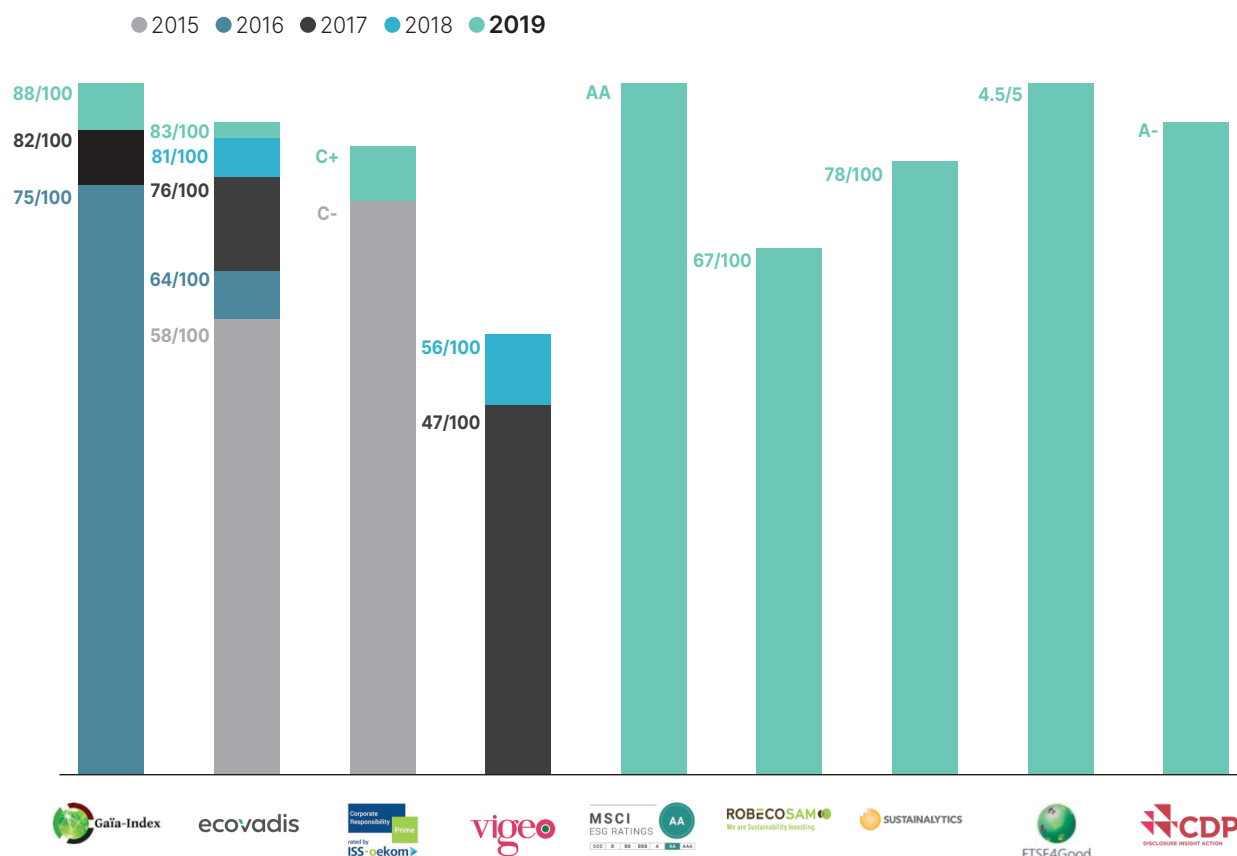
**% of Compliance Assessment of Data Processing (CADP) performed for all processing activities:** the values for 2016 and 2017 corresponded to the previous indicator "% of Privacy Impact Assessments (PIA) performed on critical services" and we don't report this indicator anymore.

**% of incident responses compliant with Worldline security policy:** As for 2019, security incidents are differentiated from security event in the tool ISMP used for reporting. Security events are excluded.

**Gap between the % of females in management positions and the % of females in the overall workforce:** in 2018, Worldline has modified the calculation methodology in order to be consistent with the indicators communicated internally. From now, the calculation takes into account the share of women in the overall workforce instead of the share of women in the employee's population (excluding the managers). Data from previous years (2016 and 2017) were also recalculated using the same methodology.

### D.1.3.2 Be recognized by top non-financial ratings and rankings

In 2019, Worldline continues to be recognized as a leader in its sector by the principal non-financial ratings agencies.



- CDP:** in 2020, Worldline obtained an A- rating following its first assessment for the 2018 exercise by the Carbon Disclosure Project (CDP) Questionnaire on its own initiative (the Company was previously assessed as part of the Atos group). The CDP is recognized by investors as the international benchmark for transparency and corporate commitment to climate change. the CDP uses a detailed and independent methodology to assess these companies, assigning them a rating from A to D- based on the completeness of information provided, awareness and management of environmental risks and demonstration of best practices associated with environmental leadership, such as setting ambitious and meaningful emission reduction targets. this high rating is recognition of Worldline's ambitious environmental strategy and achievements.
- EcoVadis:** in 2019, Worldline received for the fourth year in a row, the "Gold" level awarded by the independent extra-financial assessment organization EcoVadis. With a 2-point increase in the global ranking, the Group has obtained an overall score of 83/100, confirming its progress in CSR performance and its long-term commitment to sustainable development. Worldline confirms its position among the very restricted TOP 1% of the most advanced and invested companies in CSR across all industries and all themes assessed by EcoVadis: environment, labor & human rights, ethics and sustainable procurement.

The Group has especially progressed on sustainable procurement in 2018 and obtained a score of 80/100. Moreover, Worldline confirms its environmental theme score of 80/100 and received once again an excellent score of 90/100 on issues related to ethics, confirming its ability to promote and influence responsible behaviors and practices throughout its value chain, including its partners and subcontractors.

- Sustainalytics:** Worldline improves its position by becoming the 4<sup>th</sup> leading company of the software and services industry based on Sustainalytics assessment. for the second year in a row, Sustainalytics has recognized the Company's leadership in sustainability-related matters by giving an overall ESG score of 78/100.
- MSCI:** the Company scored high in the ranking released by MSCI (AA rating obtained in 2019).
- ISS-Oekom:** Worldline scored high in the ranking released by ISS-Oekom (prime status, with a c+ rating). regarding ISS (Institutional Shareholder Services, Inc.), the Group achieved a 1 ranking in environment, 1 in social, and 5 in governance at the end of 2019. The rating scale runs from 1 to 10, with 1 representing the lowest risk level and 10 the highest.

- **Vigeo Eiris:** the composition of the Euronext Vigeo Eiris indices is updated each year based on the opinions of Vigeo Eiris conducted approximately every 2 years. Worldline has been evaluated in 2019 and has been ranked 5<sup>th</sup>/45 in its industry, with a score of 56/100.
- **DJSI (Dow Jones Sustainability Index)/Robeco SAM:** created in 1999 by S&P Dow Jones indices in conjunction with Robeco SAM, these indices distinguish companies in each industry with the best performance in terms of sustainable development. Following its first assessment by Robeco SAM, Worldline obtained an ESG score of 67/100. With this overall score, strongly boosted by a significant

85/100 rating in the environmental area, Worldline is currently positioned as the 10<sup>th</sup> best sustainable companies in its industry.

- **Gaïa Index:** in 2019, Worldline has been recognized by Ethifinance for the Gaïa Index for the transparency of its extra-financial information by obtaining a score of 88/100 in 2019 against a score of 82/100 in 2017.
- **FTSE4Good:** in 2019, Worldline has been included in the FTSE4Good index series for the first submission. For the 2018 exercise, the Group has obtained an overall score of 4.5/5 and is in the top 4% of its industry.

### D.1.3.3 Strengthen our actions through external partnerships [GRI 102-12]

To stay abreast of the latest market trends and industry sustainability best practices, and thus develop its CSR performance, Worldline is an active member of the following networks and organizations:

- **United Nations Global Compact** (launched in 1999): Companies that sign the Global Compact commit to respect 10 fundamental principles in 4 areas: Human Rights, labor rights, the environment and anti-corruption. Committed since 2010, Worldline has joined the Global Compact on its own initiative since 2016 to reinforce its engagement. In this regard, the Company is also committed to contribute to the United Nations Sustainable Development Goals (SDGs) (refer to Section D.1.1.4 of this document);
- **Global Reporting Initiative Community:** The Global Reporting Initiative (GRI) was created in 1997 aiming to develop globally applicable directives and standards to report on economic, environmental and social performances. Worldline aligns its sustainability reporting with the GRI framework since 2014. The Group is a member of the Community and supports the mission of the GRI to empower decision makers everywhere, through the GRI standards;

- **Sustainability Directors' Club (C3D):** Worldline is an active member of the C3D organization which aims at networking and sharing the latest CSR practices and regulations. The CSR officer of Worldline is an administrator of the C3D;
- **L'ORSE (Observatory on Corporate Social Responsibility):** Since 2019, Worldline is a member of l'ORSE, making contributions to in-depth thinking relating to CSR best practices;
- **City of Paris climate commitment:** Paris Climate Plan (*Plan Climat de Paris*) aims to lay the foundations of a carbon-neutral city in 2050, which adapt to climate hazards and is resilient to crisis. In 2018, Worldline has signed the Climate Plan of Paris Charter and commit alongside the City of Paris to align its business strategy with trajectory 2°C;
- **The French business Climate Pledge commitment:** Launched in 2017, this initiative gathers 99 French companies which, by becoming signatories, have collectively committed to change their behaviors and invest in renewable energy, energy efficiency and other low-carbon technologies. This investment to fight against climate change amounted to € 68 billion between 2017 and 2019. Worldline joined these companies in 2019 at the "Rencontre des Entrepreneurs de France".

### D.1.3.4 Disclose our CSR performance through an extra-financial reporting with highest standards [GRI 102-46] and [GRI 102-47]

#### D.1.3.4.1 Making extra-financial information accessible and transparent through reports that align with the GRI Standards [GRI 102-12] [GRI 102-46] [GRI 102-54] and [GRI 103-3 Worldline Specific Disclosure] [GRI 103-3 Indirect Economic Impacts]

This report have been prepared in accordance with the GRI Standards : Comprehensive option since 2016. Their approach was also developed in accordance with the principles of the AA1000 AP standard (refer to Section D.1.1.3). The Group

releases two Annual Reports published on Worldline website, free to access:

- **The Universal Registration Document (URD)** that includes the whole set of key performance indicators and the results of the materiality assessment, in line with Worldline's financial statements. The document is intended for the investor community. it complies with the French Grenelle II law, the Sapin II law, the Duty of Vigilance law, the Energy Transition for Green Growth law and the French transposition of the European Directive 2014/95/EU on the declaration of extra-financial performance;

- **The integrated report** that includes the main financial and extra-financial KPIs and highlights the Company's key topics of the year, as well as its strategy for the years to come and how it will meet all its stakeholders' expectations. an appendix of this report, available on the website of the Company, discloses a content index table matching the GRI standards with the different Information reported in the URD and in the integrated report. this table also matches the GRI standards with Worldline's commitment to SDGs.

KPI monitoring and the reporting methodology are presented in Section D.6.

#### D.1.3.4.2 Complying with the European Directive 2014/95/EU on the declaration of extra-financial performance [GRI 103-3 Market Presence] [GRI 103-3 Indirect Economic Impacts] [GRI 103-3 Sector Specific Disclosure]

Since the first of August 2017 and the transposition of Directive 2014/95/EU on the declaration of extra-financial

performance, a new framework for the disclosure of non-financial information by large companies has entered into force in France. Such directive modifies the applicable rules regarding the publication requirements for Corporate Social Responsibility related information. This regulation covers and replaces other laws on this topic, and is intended to become a strategic management tool for the Company, concise and intelligible, as well as focused on significant information for all the relevant stakeholders.

This new reporting directive aims at improving the relevance, consistency and comparison of extra-financial information published in Europe and introduces a more global and material vision of extra-financial reporting. Together with the UN SDGs and with the PACTE law in France, this new regulation spurs companies to think about their activity with regard to their contribution and impact on society through an integrated thinking and to serve the ambition of a more sustainable development, taking into account all stakeholders' interest.

Presented hereafter is the cross-reference table to link the requirements of the Directive 2014/95/EU (article L. 225-102-1) and Worldline's corresponding extra-financial information.

Information Section required by the EFPD	Requirements of the new article L. 225-102-1 regarding the declaration of extra-financial performance (EFPD)	Handled in the present document
	An Integrated Business Model (IIRC framework)	Sections D.1.2.1.2 and C.3
<b>General information on Worldline challenges</b>	A risks analysis with its mitigation policies, action plans, and associated KPIs	Sections D.1.2.2 and F
<b>Section on social and societal information</b>	Topics covered by Worldline's risk analysis <div> <b>Employment</b> (cf. risk Talent attraction &amp; retention)  <b>Training</b> (cf. risk Training &amp; human capital development)  <b>Work organization</b> (cf. risk Employee well-being at work)  <b>Health and safety</b> (cf. risk Employee well-being at work)  <b>Working conditions</b> (cf. risk Employee well-being at work)  <b>Collective bargaining agreements</b> (cf. risk Employee well-being at work)  <b>Subcontracting and suppliers</b> (cf. risk Responsible procurement &amp; due diligence in the value chain)           </div>	Sections D.1.2.2, D.3, and H - Cross-reference table with EFPD
	Topics not covered by Worldline's risk analysis but considered as material <div> <b>Equal treatment:</b> <ul style="list-style-type: none"> <li>• Measures taken to promote equality between women and men;</li> <li>• Measures taken to promote the employment and integration of persons with disabilities;</li> <li>• Anti-discrimination policy;</li> <li>• Promotion of diversity.</li> </ul> </div>	Sections D.1.2.2, D.3, and H - Cross-reference table with EFPD

Information Section required by the EFPD	Requirements of the new article L. 225-102-1 regarding the declaration of extra-financial performance (EFPD)	Handled in the present document	
Section on social and societal information	Topics not covered by Worldline's risk analysis but considered as material  <b>Societal commitments to sustainable development:</b> <ul style="list-style-type: none"><li>● Impact of the Company's activity on employment and local development;</li><li>● Impact of the Company's activity on the local or local populations;</li><li>● Relationships with the stakeholders of the Company and the modalities of the dialogue with them;</li><li>● Partnership or sponsorship actions;</li></ul>	Sections D.1.2.1, D.1.2.2, D.3, D.4.4, D.4.5 and H - Cross-reference table with EFPD	
Section on Human Rights information	Topics covered by Worldline's risk analysis  <ul style="list-style-type: none"><li>● <b>Promotion and respect of the stipulations of the fundamental conventions of the International Labor Organization</b></li><li>● <b>Other actions in favor of Human Rights</b> (cf. risk Compliance with laws and regulations)</li></ul>	Sections D.1.2.1, D.3, D.4.4 and H - Cross-reference table with EFPD	
Section on environmental information	Topics covered by Worldline's risk analysis	<b>General environmental policy</b> (cf. risk Compliance with laws and regulations) <b>Climate Change</b> (cf. risk Climate change) <b>Pollution</b> (cf. risk Climate change) <b>Circular economy</b> (cf. risk Circular Economy)	Sections D.1.2.2, D.5 and H - Cross-reference table with EFPD
	Topics not covered by Worldline's risk analysis but considered as material	<b>Protection of biodiversity:</b> Measures taken to preserve or restore biodiversity	Sections D.5.3 and H – Cross-reference table with EFPD
		<b>Sustainable food and trade relations with food sector:</b> <ul style="list-style-type: none"><li>● measures to reduce and valorize food waste;</li><li>● measures to promote responsible, fair and sustainable meal.</li></ul>	Sections D.4.4, D.5.3 and H - Cross-reference table with EFPD
	Topics not directly addressed in this report	Topics not considered as a material topic for the Company and not directly addressed in this report <ul style="list-style-type: none"><li>● <b>The respect of animal welfare</b></li><li>● <b>Food insecurity</b></li></ul>	Sections D.4.4, D.5.3
Section on the fight against corruption information	Topics covered by Worldline's risk analysis	<b>Information on the fight against corruption: actions taken to prevent corruption</b> (cf. risk Bribery and corruption)	Sections D.1.2.2, D.4.3 and H - Cross-reference table with EFPD
Section on the fight against tax evasion information	Topics covered by Worldline's risk analysis	<b>Information on the fight against tax evasion: actions taken to prevent tax evasion</b> (cf. risk Compliance with laws and regulations)	Sections D.1.2.2, D.4.3 and H - Cross-reference table with EFPD

For more information, refer to the EFPD cross-reference table in this Registration Document Section H.

### D.1.4 Main key performance indicators [GRI 102-44] [GRI 405-1] [GRI 418-1] [GRI 419-1] [WL 1] [WL 2] [WL 3] [WL 5] [WL 6] [WL 7] [WL 8] [AO 2] [AO 11] [AO 14] [AO 16] [AO 17]

	Topics	GRI standards	Disclosures	2019
<b>Worldline challenges</b>				
<b>Building client's trust with fully available and secured platforms and reinforcing value for clients through sustainable &amp; innovative solutions</b>	Market intimacy	WL 1	Services availability rate	99.95%
		GRI 102-44	Overall customer Satisfaction from Tactical surveys	8.20
		GRI 102-44	Net promoter score	47%
	Innovative solutions		Innovation sessions delivered by Worldline for customers	14
		WL 8		
		WL 2	Number of WIN members	55
			Percentage of PhD and PhD students at R&D department	38%
		WL 2	External awards success rate	0%
	Fully available and secured platforms	GRI 418-1	Total number of sustained complaints (more than €100 thousand)	0
		WL 3	Number of security incidents	274
<b>Being a responsible employer by revealing our employees potential</b>	Talent attraction and development		Average hours of training that employees have undertaken during the year	21.4
		GRI 404-1		
		GRI 404-3	Percentage of employees who received a regular performance and career development review during the year	82.43%
		AO 2	Participation rate to the Great Place to Work® survey	71%
	Employee engagement	AO 2	Great Place to Work Trust index rate	63%
		WL 5	Employees stockplan	Qualitative
	Cultural diversity	WL 6	Global turnover rate	10.73%
		GRI 405-1	Percentage of females	31.50%
		AO 6	Diversity perception (GPTW)	87%
	Smart working	WL 7	Percentage of females in Worldline's top positions	24.06%
		GRI 403-2	Absenteeism rate %	3.48%
<b>Endorsing our business ethics within our value chain</b>	Ethics and Compliance	AO 11	Total number of collaborative working communities	
		GRI 205-2	Percentage of management employees trained in Code of Ethics – Virtual Classroom	82.43%
		GRI 205-2	Percentage of employees trained in Code of Ethics – E-learning	94.90%
	Strong suppliers partnership	GRI 419-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulation	0
		GRI 204-1	Proportion of spending on local suppliers at significant locations of operation	79%
		AO 17	Percentage of strategic suppliers evaluated by EcoVadis	45.2%
		AO 17	Percentage of total expenses assessed by EcoVadis	56.09%
<b>Leveraging the eco efficiency of our data centers and offices</b>	Eco efficient operations	GRI 302-1	Energy consumption within the organization (Gj)	320,571
		GRI 302-3	Energy consumption by revenue (Gj/€ million)	134.6
		GRI 302-3	Energy consumption by employee (Gj/employee)	27.23
		GRI 305-4	Total CO <sub>2</sub> emissions (t)	11,461
		GRI-305-4	CO <sub>2</sub> emissions by revenue (tCO <sub>2</sub> /€ million)	4.95
		GRI-305-4	CO <sub>2</sub> emissions by employee (tCO <sub>2</sub> /employee)	0.99
		AO 14	Number of ISO 14001 certified sites	12



## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Integrating sustainability in Worldline's business

2018	2017	2016	2019 Perimeter		2018 Perimeter		2017 Perimeter		2016 Perimeter	
			Per em- ployee	Per revenue	Per em- ployee	Per revenue	Per em- ployee	Per revenue	Per em- ployee	Per revenue
99.97%	99.96%	99.88%	-	39%	-	53%	-	100%	-	100%
8.10	8.10	7.67		100%	-	95%	-	100%	-	100%
41%	40%	29%		100%	-	95%	-	-	-	-
15	9	10	-	100%	-	100%	-	100%	-	100%
47	45	44	100%	-	100%	-	100%	-	100%	-
49%	49%	45%	100%	-	100%	-	100%	-	100%	-
0%	0%	50%	100%	-	100%	-	100%	-	100%	-
0	0	0		-	100%	-	100%	-	100%	-
159	150	110	-	54%	-	84%	-	100%	-	100%
26.32	28.13	25.14	100%		100%	-	86%	-	100%	-
	97.4%	94%	63%	-	69%	-	66%	-	81%	-
75%	77%	79%	96%	-	96%	-	94%	-	100%	-
59%	58%	57%	96%	-	96%	-	94%	-	100%	-
Qualitative	Qualitative	Qualitative	-	-	-	-	-	-	-	-
9.40%	8.21%	8.42%	100%	-	100%	-	97%	-	85%	-
30.30%	30.21%	29%	100%	-	100%	-	100%	-	100%	-
84%	82%	81%	96%	-	96%	-	94%	-	100%	-
18.52%	14.67%	20.97%	100%	-	100%	-	100%	-	100%	-
2.70%	2.78%	2.50%	65.0%		66.5%	-	67%	-	76%	-
1,138	267	218	-	-	100%	-	100%	-	100%	-
-	77%	-	100%	-	-	-	100%	-	100%	-
95%	95%	82%	87%	-	85%	-	100%	-	100%	-
0	0	0	100%		100%	-	-	100%	-	100%
86%	86%	88%	-	85%	-	98%	-	70%	-	93%
38%	30%	26%	-	85%	-	98%	-	99%	-	98%
56.23%	55%	0%	-	85%	-	98%	-	99%	-	98%
301,349	281,972	265,636	-	99.9%	-	99.6%	-	83%	-	98%
189	225	240	-	99.9%	-	98.6%	-	83%	-	91%
30.40	37	42	99.8%	-	97.5%	-	87%	-	85%	-
10,074	11,253	11,842	-	94.9%	-	90.7%	-	82%	-	92%
6.81	8.98	11	-	94.9%	-	90.7%	-	82%	-	92%
1.07	1.48	1.96	95.0%	-	98.0%	-	84%	-	87%	-
9	9	9	-	100%	-	100%	-	100%	-	100%

D

**WL 1 services availability rate:** exclusion of digital river (wopa), paysquare, equens, as well as SPS and S.aferpay.

**WL 3 Number of security incidents:** Exclusion of equensWorldline Italy, equensWorldline Netherlands, equensWorldline Germany, equensWorldline Finland, SPS Switzerland, SPS Luxembourg, SPS Austria and SPS Germany.

**GRI 404-3 Percentage of employees who received a regular performance and career development review during the year:** Inclusion of all employees present the December 31, 2019.

**AO 2 Participation rate to the Great Place to Work survey and Great Place to Work® Trust index rate:** Exclusion of casual workers, subcontractors, external service providers, specific aid contracts.

**AO 6 Diversity perception (Great Place To Work®):** Exclusion of casual workers, subcontractors, external service providers, specific aid contracts.

**GRI 403-2 Absenteeism rate % :** Exclusion of EW Finland, EW Germany, WL Germany, WL Italy, EW Luxembourg, WL Brasil, WL Chile, WL India, WL Estonia, WL Poland, WL Sweden, WL Neherlands, WL Czech Republic

**GRI 205-2 Percentage of employees trained in Code of Ethics:** Exclusion of Germany.

**GRI 204-1 Proportion of spending on local suppliers at significant locations of operation:** Exclusion of Estonia, Indonesia and Switzerland.

**AO 17 Percentage of strategic suppliers evaluated by EcoVadis and Percentage of total expenses assessed by EcoVadis:** Exclusion of Estonia, Indonesia and Switzerland.

**GRI 302-1 Energy consumption within the organization (Gj):** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary.

**GRI 302-3 Energy consumption by revenue (Gj/million euros):** exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary.

**GRI 305-4 total CO<sub>2</sub> emissions (t), CO<sub>2</sub> emissions by revenue (tCO<sub>2</sub>/million euros) and CO<sub>2</sub> emissions by employee (tCO<sub>2</sub>/employee):** exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary.

## D.2 Building customer trust with reliable, secured, innovative and sustainable solutions

### D.2.1 Meet customer expectations [GRI 102-43] [AO7]

In a fast-changing environment, Worldline must be able to adapt to meet the expectations of key market players with whom the Company generates a significant portion of its revenues. This is why Worldline pays particular attention to customer satisfaction. With regard to business challenges,

Worldline has identified four significant gross extra-financial risks. This chapter is structured according to these risks and presents mitigation measures for each in order to take full advantage of the opportunities related to these risks.

Business risk	Risk description	Worldline action plan	Related opportunities	Main monitoring KPIs
<b>Sustainable innovation</b> <i>For more details, refer to this document, Sections D.2.2 and F.</i>	In order for innovation to be sustainable in Worldline's business, the Company must continuously deliver new secured and useful solutions in different fields of expertise (energy efficiency, traceability, etc.). In addition, it must ensure these solutions are produced in a sustainable way.	Reinforcing value for customers and society through sustainable and innovative solutions is a key challenge. That is why the Company has implemented several actions to make its innovation as much useful as eco-friendly and accessible.	Sustainable digital transformation and business reinvention	<ul style="list-style-type: none"> <li>● WL8 Customer innovation sessions delivered by Worldline for customers</li> <li>● TRUST 2020 AO7 Revenue of "sustainability offering"</li> </ul>
<b>System security, reliability &amp; continuity</b> <i>For more details, refer to this document, Sections D.2.3 and F.</i>	Cyber-crime has become increasingly sophisticated in recent years. To deliver highly available services to its customers and maintain a high level of trust, Worldline must guarantee the security of its internal and external business processes.	To avoid or minimize the impact of security incidents, Worldline's security organization has defined a set of Global Security and Safety policies and guidelines, maintains a high coverage of ISO 27001 security certification and has implemented business Continuity Procedures.	Cyber and advanced security offering	<ul style="list-style-type: none"> <li>● TRUST 2020 WL1 Services availability rate</li> <li>● TRUST 2020 Incident responses compliant with Worldline security policy</li> </ul>
<b>Data protection</b> <i>For more details, refer to this document, Sections D.2.4 and F.</i>	The digital sector faces growing challenges in terms of data privacy. To implement compliant and secured services, Worldline must ensure a high level of data protection and work hand in hand with researchers to develop solutions. <b>Key topic:</b> customer data protection	To ensure the highest level of data protection, Worldline has implemented a comprehensive data protection approach, which was reinforced with the application of the GDPR European Regulation.	Operational excellence/Reputation resilience/Legal & internal control mechanisms/Trust & compliance throughout the value chain	<ul style="list-style-type: none"> <li>● TRUST 2020 Compliance Assessment of Data Processing for relevant services</li> <li>● AO3 WL3 Data Security incidents</li> </ul>

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Building customer trust with reliable, secured, innovative and sustainable solutions

Business risk	Risk description	Worldline action plan	Related opportunities	Main monitoring KPIs
<b>Customer relationship management</b> <i>For more details, refer to this document, Sections D.2.5 and F.</i>	The ability of Worldline to ensure that its products and services fulfill its customers' needs is crucial to its ability to create value. Worldline invests in its sales force to create the highest levels of trust and improve proposed solutions. <b>Key topic:</b> customer service	To ensure its customers satisfaction, Worldline conducts customer satisfaction surveys on a regular basis to adjust its business processes and increase its customers' overall satisfaction and loyalty. The Company also trains its employees in the protection of personal data.	Delivery quality and competitive advantage	<ul style="list-style-type: none"> <li>● GRI 102-44 Overall Customer Satisfaction from Tactical surveys</li> <li>● GRI 102-44 Net promoter score</li> </ul>

## D.2.2 Spur sustainable innovation

### D.2.2.1 Innovation@Worldline [GRI 102-43] [WL8]

Worldline is part of a sector facing challenging transitions ruptures, with deregulation, digital transformation, changes in scale, arrival of new entrants, introduction of new technologies (such as Artificial Intelligence, Distributed Ledger Technologies, Internet of Things, or even Quantum Computing), emergence of new usages: in such a context, *status quo* is not an option. In order to turn technology and new trends into useful and value creating solutions for its customers in the coming years, Worldline actively seeks to promote a culture of innovation which spurs all its employees to ever greater creativity, and structures this potential and talents through its Research, Development & Innovation units. Worldline has also always been working with selected partners, academics and startups to nurture and develop its innovations. Besides, sustainability plays a significant role in shaping the Company's innovation agenda by prioritizing useful solutions contributing to the UN SDGs and having a specific care with respect to eco-design. Worldline focuses its innovation, Research, Development & Innovation efforts on three main areas, all with high potential to create new opportunities and new services for its customers:

- Trusted Services;
- User eXperience;
- Performance and Intelligence.

#### D.2.2.1.1 Trusted Services

The Trusted Services track is dedicated on making transactions and services more secure for end-customers. It includes innovative payment solutions, advanced authentication solutions, cryptographic tools, data privacy solutions (such as secure cloud services) and network resiliency solutions. Key innovations that have come out of this process include:

- **From multi-factor authentication to contextual authentication:** Services requiring strong authentication, such as payments or connected devices, combine several authentication factors that individually would be considered insufficient to guarantee the level of trust. Existing authentication technologies are increasingly available, such as physiological biometrics (fingerprints, facial recognition, etc.). To complement this approach, new authentication factors now include a dimension of analysis of the context of the transaction. Let's take an example: if a customer has made a first payment with a high level of authentication from a computer, and a new payment is made from a different device (smartphone), but within a short period of time on the same id and WiFi address, the system will analyze the context to determine whether the authentication can then be implied ("frictionless") without further action by the customer;
- **Post-quantum cryptography:** The arrival of quantum computers eventually challenges digital security in general by breaking the public-key cryptographic systems that today protect all personal, professional and payment data. Worldline is working closely with researchers around the world on security algorithms that will withstand these computers, and is making joint proposals to global standardization organizations such as NIST (National Institute of Standards and Technology). At the end of 2017, in the framework of the NIST call for solutions, out of 69 successful proposals, 4 included contributions from Worldline Research, Development & Innovation crypto experts. At the end of 2019, among the 20 or so proposals still in the running, these four files were still included. The selection process continues and Worldline will undoubtedly be among the most important contributors to these new standards, which are essential to the security and confidence of tomorrow's payment service;

- **Blockchain technology**, and more generally DLT (Distributed Ledger Technology) is an advanced tool to build trust and enable traceability for any digital activity and for crypto-currency. For example, Worldline has created, in partnership with Bureau Veritas, an audit and certification company, the Origin solution: a digital platform dedicated to end-to-end traceability of food products. This offer is based on a Blockchain with controlled access and low energy consumption. This platform allows tracing the origin of any type of products, whether they are consumer, industrial, food or even pharmaceutical products. In 2019, other use cases have been treated with DLTs in the field of payments to implement digital certificates (tokens) based on real-world assets (gold coins, currency baskets, etc.) or for immediate loan management in an ecosystem of merchants and financial institutions.

#### D.2.2.1.2 User eXperience

The User eXperiences track leverages innovation technology to improve user experience across the spectrum of activities that Worldline's customers engage in, including banking, shopping, driving, communication and entertainment. It includes augmented reality solutions, solutions to make interactions more intuitive, to enable payments across multiple platforms, to analyze data generated by connected devices, etc. Key innovations that have come out of this process include:

- **Smart Shelves:** A seamless experience, no user interface (UI) and zero effort are the main drivers of the digital experience in all businesses, including the retail sector for which Worldline has been working on its smart shelves innovation. Instead of using an active device as a wallet and passive device as tags, Smart Shelves enable to reverse the paradigm: here, any passive device like a credit card, a parking NFC badge, a transport badge (that are all bearing a unique ID) will be tapped to all (active) price tags of any product a customer can put in his basket. The user then taps a last time his passive device to the cash register and the virtual shopping bag is transformed into a payment;
- **Smart Cooler:** Worldline has developed for Coca-Cola a self-service cooler embedding Artificial Intelligence-powered image recognition & payment. It allows a seamless refreshing experience such as: 1-You tap your card to authenticate & pass your payment method information to the cooler. 2-You open the cooler, take your product(s) and close the door. That's it. The cooler recognizes the products picked and automatically generates the matching payment transaction;
- **Chat bot:** These little robots that answer questions and introduce new uses, such as personal driving or home assistants, whether it happens through voice requests, written requests by email or instant messages;
- **Stable Coins:** One of the most visible 'new' use case around Blockchain is a cryptocurrency that is pegged to a "tangible asset" like gold, silver, fiat moneys, etc. and becomes a new monetary digital asset vehicle, like credit cards, wire transfers, and so on. Such stable coins UI have to be ease-of-use, secure and efficient. As a front runner on Blockchain and stable coins, for which core services and strong authentication are already industrially deployed, Worldline has for objective to develop an easy and secure end-to-end seamless process for users to natively earn, carry, value and burn those new coins.

#### D.2.2.1.3 Performance & Intelligence

The Performance & Intelligence track gathers innovative solutions for processing high volumes of data, proposing new generations of tools and algorithms to enable "device-to-cloud" application processing and off-loading. It includes high-performance computing, liquid computing solutions, cloud and context services, artificial intelligence and machine learning. Key innovations that have come out of this process include the following:

- **Machine Intelligence, Deep Learning and Artificial Intelligence (AI):** These research focuses enable computers to learn by themselves by creating reasoning or rules when analyzing real-time information in processing services. It is particularly crucial for fraud detection in payments. AI reinforces the data flow analysis and enables to predict potential problem or failure through technologies such as image recognition and its ability to search for elements defined in an image or a video stream;
- **Transfer learning** is another critical aspect of AI which applies when there is not enough relevant data on a given topic but that there is data on a close enough other topic. Just like if you can play the piano, you will learn faster the accordion. Applied to a Worldline's business example, it allows leveraging AI-powered payment fraud detection mechanisms inherited from learning applied to a massive existing historical dataset from a given location like Western Europe to jump-start the creation of a similar mechanism but this time applied to a region where only a smaller dataset would be available;
- **Federated Learning** is a new aspect of Machine Learning that Worldline starts to exploit. Learning comes in any case from 'datasets', i.e. "examples of the expected behavior" of the resulting inference, making the exchange and passing-on of those datasets rare and complicated due to the risk of dataset leakage. With Federated learning, Worldline enables to share the "result of the learning", i.e. an executable but non-exploitable knowledge instead of sharing the "source of the learning", i.e. the dataset, that is executable and exploitable knowledge. Thanks to this technique, Worldline can have mutually interested parties work together and build stronger and better machine learning systems without any risk.

## D.2.2.2 Our innovation management

### D.2.2.2.1 Worldline's approach to innovation [WL2] [WL8]

Worldline has a twofold approach to innovation:

- **Incremental:** part of the innovations developed by Worldline improves the existing services and processes designed for its customers on a daily basis. the climate of trust and proximity established with its customers also reinforces Worldline's value creation by allowing a better understanding of their needs and issues. Worldline's presence in multiple markets is a valuable asset that enables it to offer its solutions in new markets based on feedback from elsewhere. the evolution of Worldline's offering in the telecommunications sector illustrates this incremental approach: basic webmail services are evolving towards a more advanced and innovative offering of multi-channel solutions based on the consumer cloud and using convergent messaging technology;
- **Disruptive:** in parallel, Worldline is also focusing its research, development & innovation efforts on proactively developing disruptive technologies that provide solutions to its customers' current and future problems with an innovative perspective and angle. The Group adapts and markets its innovations to its customers through innovation workshops, "proof-of-concept" and other means to promote their usefulness. examples of breakthrough innovation processes that have emerged from this strategy include the early development of blockchain technology. the company brought together its experts and engineers around a working group, whose main objectives were to train teams in this technology, share information, conduct market research, and sound out customer interest and pool work and development. the first achievements of this new approach were the adaptation of Worldline's payment solutions (sips online payment platforms and terminals) to enable the physical use of crypto-money.

Many of Worldline's Research, Development & Innovation engineers are closely integrated within Worldline's operational teams and focus primarily on incremental innovation, while other engineers are focused on longer-term projects dedicated to disruptive innovation. Within Worldline, 38% of Research, Development & Innovation department employees are PhDs and PhD students [WL2].

In 2019, the Research, Development & Innovation expenditures have been €97.6 million (for more information, please refer to this present document, Section C).

Innovation management in Worldline consists in promoting, stimulating, facilitating and valorizing innovation, which requires the development of a strong culture of innovation. By communicating on innovation as a company value, by providing examples of innovations and by highlighting positive behaviors as well as success stories, Worldline ensures that all employees can understand what innovation is, how important it is and that everyone is concerned, and stimulates it in many ways:

- Top-down, by leveraging trends and monitoring competitive intelligence;
- Bottom-up, by calling to the creativity of each employee;
- Laterally, through interactions with its market, industrial and academic ecosystems.

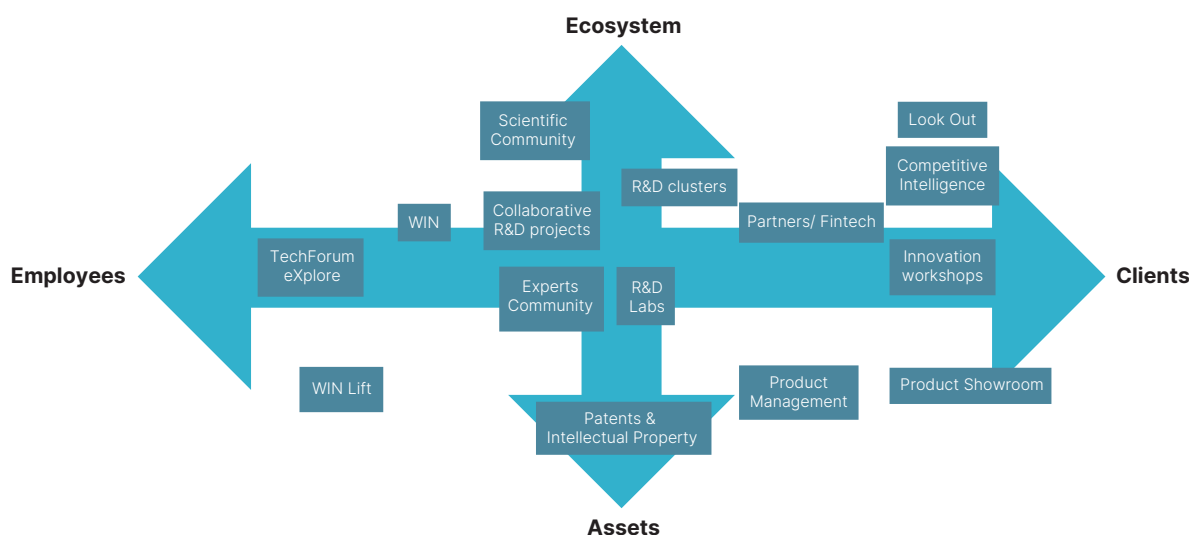
Worldline facilitates innovation by providing tools, training, processes, communities and initiatives. For example, Worldline's idea incubation program helps innovators define, refine, explore, develop and grow their ideas to the point they can be adopted as part of mainstream processes. Valorization is primarily done by integrating innovations into Worldline's offerings portfolio, but also through patents and know-how.

As part of its Innovation management, Worldline conveys amongst the key following messages:

- *An inclusive definition of innovation* so that everyone feels concerned and able to innovate and understands that innovation is not just about technology, but also products, services, processes, organization, marketing, sales, business models, as well as social aspects;
- *The importance of ambidexterity:* the Company must be capable of simultaneously exploiting current sources of revenue, while exploring new opportunities that will become the revenue of tomorrow. Keeping a good balance between exploration and exploitation is therefore essential;
- *Innovation is a process* (search/select/implement/capture) that needs to be structured, monitored and aligned to a strategic agenda;
- *Innovation being tightly bound to knowledge, experience and learning,* these forms of return need to be taken into account for the evaluation of innovative projects.

## D.2.2.2.2 Promotion of a culture of innovation

## WORDLINE'S INNOVATION ECOSYSTEM



To promote a culture of innovation, Worldline has implemented several initiatives internally and externally.

- **The Expert community:** More than 300 worldwide experts (332 in 2019) have 5% to 10% of their working time dedicated to collaboration on study topics, on Proof Of Concepts, on internal trainings, or to help provide support in strategic projects. Their expertise ranges from software and technology development to functional and business skills, including innovative project management. By mixing people from different entities and geographical sites, the Expert community is a real melting pot for all innovations. In 2019, members of this community participated to internal events such as the TechForum eXplore or the e-Payment challenges and to external events such as DevFest Lille or Mixit Lyon. Besides, a group of 15 Experts had the opportunity to meet players of the digital world in the Silicon Valley in San Francisco. Each expert is thus a vector of Worldline's open innovation thanks to numerous publications and interventions in conferences, or during visits to major international companies;
- **The WIN network (Worldline Innovation Network):** This network, which has around fifty members, brings together innovation ambassadors throughout the Company to provide support and proximity relays to innovators and to develop new innovation practices at Worldline;
- **The WIN Lift Idea Incubator:** The objective of this initiative is to help innovators define, refine, explore, develop and grow their ideas until they are adopted as part of the Company's overall processes;
- **The WIN Learning eXpedition:** This annual initiative takes Worldline's top innovators on a journey of discovery and encounter with the innovation ecosystem (universities,

startups, major players, institutions, etc.) of a major metropolis. In 2019, the expedition was bound for Edinburgh and allowed them to discover and establish links with the university and the local fintech ecosystem;

- **The annual WIN (Worldline Innovation Network) Awards project:** A network and community of innovation experts throughout the different geographies with bottom-up that processes enable employees to present their innovative projects to their peers and get the best projects awarded and sponsored by management for further development, which foster their creativity and motivation;
- **TechForum-eXplore (TeX):** 2019 saw the 10<sup>th</sup> anniversary edition of TeX, Worldline's yearly technical international conference addressed to its Technology & Research community that aims at sharing and innovation. This two-day event is regarded by its technical and expert community, in particular Research, Development & Innovation teams, as a key milestone enabling better coordination and collaboration between teams from various countries and units. It is also regarded by the top management as Worldline's technological showcase with a concentration of energy, expertise, willingness to share and curiosity from participants. The success of this event lies in the quality of the 50 talks, workshops and numerous demos made by over 120 speakers who share their technical breakthroughs and expertise as well as laboratory works, prospective vision and solutions with their peers coming from various business lines, units, countries, etc. Facing a steady growth over the years, TechForum has welcomed in 2019 800 participants and external partners who are proud to participate in the value of the event and to increase their knowledge of Worldline;



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- **Customer innovation workshops:** They enable Worldline to renew emerging technologies and trends to its customers. In 2019, 14 innovation sessions [WL8] were organized to dialog with customers about their needs and expectations and the best ways to meet them. An innovation session is a customer-focused and customer-tailored event, aiming at demonstrating Worldline's leadership and innovation capabilities. It is an opportunity and efficient way to share the Company's vision regarding digital services technologies and usages through Proof of Concepts that clients can "touch" and experiment in real-life;
- **Product Summit:** The first edition in 2019 of the annual conference of the Worldline Community of Product Managers took place in Luxembourg. Over two days and 24 conferences, it brought together more than 180 employees from 13 countries to meet and interact with the main goal of stimulating and federating Worldline's capabilities to develop, promote and market products on a global scale. The momentum generated during this edition will enable Worldline to further increase its capacity for innovation and agility in serving its customers.

### D.2.2.2.3 Collaboration with external partners

Worldline international Research, Development & Innovation teams have close relations with the academic worlds

### D.2.2.3 Innovate sustainably

#### D.2.2.3.1 Ensuring digital accessibility

In 2018, Worldline set up an internal accessibility policy which defines the guidelines for every employee in order to improve the digital accessibility of the Company's projects and solutions, as well as the integration of people with disabilities internally.

To continuously develop its knowledge and best practices around disability technologies, Worldline has implemented several actions:

- **Cross-department design thinking** with CCQA, Studio, Research, Development & Innovation and SDCO entities which collaborate to provide technical support to designers, developers and testers around technical accessibility solutions & criteria. For instance, the Research, Development & Innovation teams are working on the development of several proof of concept, such as "WL Hear 2 Pay", a payment terminal accessible to the visually impaired and people with cognitive impairment. This terminal provides the user with audio support throughout the transaction. This project, initiated by a multinational team, responds to the many European directives on the accessibility of public infrastructures. Besides, Studio and SDCO have also created an open-source HTML component library named KAWWA (Worldline Web Application Toolkit). Its goal is to make it easier for developers to produce quality HTML/CSS/JS code that complies with the Web Content Accessibility Guidelines (WCAG). Finally, CCQA (Quality Assurance Competence Center) has set up a digital accessibility test and audit

(researchers and students) and established long-term partnerships with leading European universities on data analytics and encryption (University of Passau in Germany, *Université Libre de Bruxelles* in Belgium). These partnerships both provide, for researchers, real business opportunities to test algorithm models, and, for Worldline, innovation leads and a worldwide technology watch.

As overall service's complexity increases with time, the need to work with external partners gets stronger and stronger. As it is embedded in Worldline's way of working since the beginning, the Company is exploring all the paths towards these fruitful collaborations, including the Hackathons and startup challenges. Thanks to these activities, Worldline tightens its links with the Fintech ecosystems thus leveraging their new services to address together common customer's problems (for more information, refer to this document, Section D.2.5.2). Besides, Worldline collaborates with the major industrial and service players on national and European programs.

Worldline also develops and nurtures deep relationships with schools and universities at the education level. Whether it is about Innovation, Blockchain or Artificial Intelligence, Worldline's experts share and teach their passion and knowledge on those groundbreaking topics with students (from graduates to executive MBAs) from Tier 1 schools such as HEC, Ecole Polytechnique, Columbia University, TelecomParisTech, Nanterre University.

offers for the web, mobile and refers to WCAG and RGAA rules;

- **Experts in digital accessibility** in the Worldline Expert community since its creation, contributing to the academic and industrial environment around disability technologies;
- **Training courses on last technologies** in web/mobiles app accessibility, available in the internal trainings catalog. Besides, Worldline collaborates with the academic community in training and awareness of teachers on digital and documentary accessibility, e.g. Biennale 2019 with the University of Lille;
- **External partnership on accessibility** to ensure the integration of users with disability in its innovation, with various European organizations (Valentin Hauy, CFPsAA, Oogvereniging, Fondation I See, etc.) that contribute to the improvement of products like VALINA and YUMI payment terminals. In order to strengthen compliance with international law and national laws, Worldline has joined the list of discussions of the Dinsic (Interministerial Directorate of Digital and Information and Communication System of the State) as well as collaborating with European payment initiatives to participate in the European Commission's workshops around the definition of evaluation criteria related to the European Accessibility Act. Worldline has also been a member of the Open Source Accessibility initiative since 2016, contributing with other companies to Open Source projects around Disability Technologies.



### D.2.2.3.2 Designing Green IT solutions

If Worldline already addresses the energy efficiency of its data centers and the eco-design of its payment terminals (refer to this document Section D.5), the Research, Development & Innovation team with the Expert community and the CSR team, is working more specifically to develop energy-efficient software programming. Thus, this initiative has set up a technical offer around energetic measures of mobile applications thanks to the GreenSpector tool. Projects are carried out in this context to measure the energy consumption of a mobile application provided by Worldline as well as the autonomy of the payment terminals.

Besides, in 2019, the Expert community launched internally Worldline's Golden Rules guidelines for coding to accompany its code quality analysis tool and thus better optimize code programming, together with the data transfer network.

Worldline has also launched an initiative to measure the environmental impact of card payments through the Life Cycle Assessment (LCA) of a payment transaction. Performing a LCA is recognized globally as a key approach to identify direct and indirect impact of payment activities and reduce their environmental consequences. Worldline ambition for 2020 is to perform a LCA of face to face payments and of e-commerce payments, taking advantage of its end to end services, to thus identify the energy gains to be made.

## D.2.3 Ensure system security, reliability & continuity

### D.2.3.1 A comprehensive and resilient Security Strategy

#### D.2.3.1.1 Worldline Group security objectives and policy

There are multiple factors that indicate that the security threat landscape is continuously changing:

- Attack surface is expanding (endpoints, networks, mobile devices, internet of things, cloud systems, industrial systems, etc.);
- Attack actors are increasingly structured (insiders, hackers, organized crime, nation sponsored, etc.);
- Attack vectors are more targeted and complex (ransomware, cross-platform malware, IoT botnet, swiftboating/hoax, watering hole, spear phishing, DDoS smokescreening, etc.).

To respond to the development of new digital usages and their inherent risks in terms of cyber-security, Worldline has reinforced in 2019 its governance and management processes (in alignment with regulations such as PSD2 and GDPR) to fight against cyberattacks and data breaches.

#### Worldline Global Information Security Management System (ISMS)

Since the end of 2019, Worldline Group Security has become fully independent from Atos group, which led to redefining and implementing a new centralized and harmonized Global Information Security Management System (ISMS), dedicated to Worldline activities and compliant with the ISO 27001:2013 standard. An ISMS is a systematic approach to managing sensitive company information through a set of security policies and standards so that it remains secure. It includes people, processes and IT systems by applying a risk management process. The main goal of this ISMS cover the protection of all of Worldline's assets, whether owned, used or held by Worldline on behalf of its customers (information, intellectual property, sites, network, personnel, software and hardware). In 2019, Worldline has updated its Policies, Standards, Processes and Procedures to cover the objectives of the ISMS. Worldline Group security is managed by the Security, Risk, Compliance and Operational Performance department.

Worldline Global ISMS also incorporates a Physical Security and Safety Policy which sets out rules and procedures to minimize inappropriate behavior inside and outside Worldline.

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## Worldline Security Strategy

Worldline Security Strategy is a high level vision on how Worldline addresses cyber threats. This global framework is implemented at each managerial unit level through customized cybersecurity programs. The objective of Worldline Security Strategy is to provide a common taxonomy and methodology to:

Describe its current cybersecurity posture	Describe its target state to align with industry best practices	Identify and prioritize opportunities for improvement	Assess progress toward the target state	Communicate among all stakeholders about cybersecurity risk management
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This Security Strategy is based on the NIST (*National Institute of Standards and Technology*) Cybersecurity Framework. It is organized in five main functions that are defined below. All these functions form an operational culture and address the dynamic cybersecurity risk.

Identify	Protect	Detect	Respond	Recover
Develop a cybersecurity risk management that enables Worldline to cover all its systems, assets, data and capabilities dimensions and prioritize its efforts.	Develop and implement the appropriate safeguards to avoid attacks or limit/contain the impact of a potential cybersecurity event.	Develop and implement the appropriate activities to identify the occurrence of a cybersecurity event.	Develop and implement the appropriate activities to take action regarding a detected cybersecurity event and contain its impacts.	Develop and implement the appropriate activities to maintain plans for resilience and to restore any capabilities or services that were impaired due to a cybersecurity event.

As part of the Enterprise Risk Management processes, the Security, Risk, Compliance and Operational Performance department conducts and analyzes regular security risk assessments. This risk analysis enables the Company to prioritize and refine its Security Strategy and the local cybersecurity programs ensuing.

## Worldline main security objectives

Thus, Worldline Group security is focus to achieve the five following commitments:

Core Worldline security principles	Consistency in high standards application	Prevention to avoid attacks	Detection and analysis to address security incidents	Improvement to avoid re-occurrence	Reporting to monitor our performance
Main commitments and actions	Maintain a full coverage of ISO 27001 Security certification across Worldline	Train 100% of its employees yearly regarding PCI-DSS	Consolidate and extend the services related to Security Operation Center (SOC)	Continue to respond to incidents consistently with the security policy to understand root causes and avoid re-occurrence	Achieve defined Security Key Performance Indicators.

- **Maintain a full coverage of ISO 27001 Security certification across Worldline under the Worldline Global ISMS.** Worldline has been engaged in an ISO 27001 multi-site certification (MSC) program with Atos group until end 2019. A Worldline standalone MSC program is being defined to cover ISO standards 9001, 14001, 27001. This multisite approach provides assurance to Worldline customers that the Company produces consistent service delivery worldwide. The ISO/IEC 27000 helps the Company manage the security of its assets such as financial information, intellectual property, its employee details or information entrusted to it by third parties. ISO/IEC 27001 is the best-recognized standard relating to requirements for an Information Security Management System (ISMS). The current scope for MSC ISO/IEC 27001:2013 covers 35 of 61 Worldline Group's eligible sites.
- **Consolidate and extend the services related to Security Operation Center (SOC)** in order to centralize and homogenize the threats detection and analysis services provided across Worldline entities. This improved set of security services, provided by Atos as MSSP (Managed Security Services Provider), includes:
  - Security Incident management service handled by security professionals (SIEM/SOC/CSIRT) to analyze potential incidents and determine their severity, priority and what activities to undertake to mitigate the threat,
  - The Threat Intelligence Service (TI) to provide a wide view on digital threats, including exploitation of vulnerabilities in computer systems, organized hacking, brand abuse, and reputational or computer fraud,
  - The Endpoint Detection and Response (EDR) solution.
- **Continue to keep Incident resolution at 100% consistent with security policy.** Incidents are reported and root causes are well understood to avoid re-occurrence. This reporting also provides valuable input for regular Security Risk Assessments. This practice is even more valuable in the international context as Worldline provides its services to customers worldwide. Weekly communication between the Worldline Chief Security Officer and all regional Security Officers ensures close monitoring of recorded Security Incidents and follow up on agreed upon improvement actions. In 2019, 99.64% of incident

responses were fully compliant with Worldline security policy, against 98.74% in 2018 and 97% in 2016.

- **Train 100% of its employees yearly regarding PCI-DSS in order to strengthen and maintain data security awareness.** In 2019, 91% of employees was trained. This objective relies on the fact that all Worldline staff is a key point of defense in security, which means it is vital that all staff, contractors and consultants through the Worldline organization take responsibility to adhere to Worldline security policies and related standards, procedures and guidelines. Worldline Information Security Policy, part of the ISMS, applies to all Worldline employees and describes the security processes and risk assessment approaches that need to be applied. In addition, as part of the annual e-learning mandatory for all employees, 96% of Worldline's employees completed in 2019 the "Security & Safety Awareness" training in order to develop their awareness in this area. Specifically regarding the growing threat of phishing attacks (malware), Worldline organized awareness trainings and simulations in 2019 to provide employees with a more concrete view on cyber and physical threats that they can face.
- **Achieve defined security Key Performance Indicators.** Technical monitoring and reporting are in place to proactively act on security anomalies: weekly security watch analysis, monthly monitoring of firewall configurations, weekly vulnerability scans, yearly penetration tests, reviews of access rights, intrusion detection systems including DDoS mitigation systems, and monitoring and logging of system events. All of these measures are part of the Worldline Security Strategy.

In addition to ensuring security in its business, Worldline has implemented measures and policies to protect its own intellectual property assets and confidential information, including, but not limited to, the use of confidential agreements, encryption and logical and physical protection of information where required. Furthermore, Worldline Legal & Compliance department advises on all commercial transactions to ensure that appropriate provisions are included in its contracts with customers and suppliers and that confidential matters are appropriately handled and in compliance with applicable laws.

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### How Worldline addresses cyber threats

The fight against cyber-criminality is done in three main aspects: prevention, detection and response as part of the Worldline's Security Strategy.



#### A. Prevent

- Threat Intelligence (TI):** TI helps Worldline to deal with the wide variety of digital threats, including exploitation of vulnerabilities in computer systems, organized hacking and reputational or computer fraud. A security breach can compromise Worldline business, impact regulations, and have bearing on the Worldline reputation. To monitor the threats of today and potential future risks, monitoring of unstructured and external sources is required to better suit the ongoing and ever-changing cyber threat landscape; gathering valuable information from countless sources on the Internet such as vendor security advisories, vulnerability repositories, social media, black board systems, search engines, including Dark and Deep Web sites to determine their severity. Then it is necessary to prioritize and identify the action required to mitigate the threat.
- Vulnerability Assessment:** Security operations performs vulnerability watch and warns stakeholders in a relevant delay. Vulnerability notification include the following information:
  - Advices for remediation,
  - Severity based on the Common Vulnerability Scoring System (CVSS),
  - Availability of a patch,
  - Requirement for extra analysis.
- Penetration Tests:** Execution of penetration tests on IT platforms (*i.e.* system, network equipment, infrastructure, applications). An audit report is created which includes understandable evidences of the findings:
  - Details of the vulnerability,
  - Exploitation scenario (if the vulnerability has been exploited),
  - Evidences of exploitation (if the vulnerability has been exploited),
  - Proposed Remediation Plan.

**B. Detect**

- **Endpoint Detection and Response (EDR):** Traditional Virus Protection is preventing of known threats. They have blind spots which don't stop advanced threats. The number and the device types is changing more and more from full managed endpoints to non-standard and IoT devices. EDR service makes it possible to detect advanced threats automatically, identify what is not prevented and to understand complex alerts. The most notable benefits of this solution are reduced attacker dwell time and accelerated incident detection and response.
- **Security Information and Event Management (SIEM)** solutions are a combination of two services categories of SIM (security information management) and SEM (security event manager). SIEM technology enables real-time analysis of security events generated by network hardware and applications. The most important capabilities of SIEM are:
  - **Data Aggregation:** SIEM aggregates security log data from many sources, including network and security devices, servers, databases, and applications,
  - **Correlation:** Correlation is the process of comparing events for common attributes and linking these events together into meaningful bundles. This technology provides the ability to perform a variety of correlation techniques to integrate different sources, in order to turn data into useful information. For example, it is possible to detect 10 unsuccessful login attempts to the same account followed by a successful one within a 5 min period,
  - **Alerting/security incidents:** This includes generation of alerts based on 1:1 mapping or correlated events and production of alerts, to notify recipients of issues immediately. Depending on the classification of the alert or security incident, customers are informed or/and qualified personnel start working to analyze the alert,
  - **Retention:** SIEM employs long-term storage of raw log data to satisfy compliancy requirements. This feature is critical in forensic investigations,
  - **24x7 SOC Monitoring and analysis:** The SIEM SOC provides continuous monitoring of security incidents and reaction to abnormal behavior according to the levels of severity defined in the Security Incident Response Procedure defined by Worldline. Security incidents are analyzed and those identified as "false positives" are closed. In case of confirmed security incidents, the corresponding escalation procedures are performed by a SOC Analyst.

**C. Respond**

- **The Computer Security Incident Response Team (CSIRT)** analyses potential incidents and determine their severity, priority and what activities to undertake to mitigate the threat. If a security incident is detected, the CSIRT initiates mitigation measures and generates recommendations to

remediate the root cause. For each priority 1 and 2 security incident, the CSIRT leads a defined action plan and perform all necessary escalations in Worldline or using a customer escalation matrix. Customer contact persons are involved in this escalation. In case the incident requires a forensic analysis, the Security incident management team performs it remotely. The services provided by CSIRT:

- provides comprehensive security functionalities around threat management, security incident response and forensic analysis,
- protects the end user devices and servers by analyzing all activities of malicious code,
- helps to protect Worldline intellectual property, business-critical information, and sensitive data against internal and external harassments,
- covers full life-cycle from planning and procurement through to operational support can be easily integrated in other security services.
- **Security Incident Response**, which analyses detected security incidents, initiates mitigation measures and generates recommendations to remediate the root cause.
- **Forensic Analysis**, whereby CSIRT investigates and analyses suspicious activities on systems (e.g. evidences malicious activities, data loss or data manipulation).

In 2019, Worldline reported 274 information security breaches or other cybersecurity incidents.

**D.2.3.1.2 Our specific strategy for mobile security challenges**

Nowadays, the Internet is browsed by mobile applications more than web browsers, and the trend keeps going. Yet, if web browser developers are now well on par with hackers, the typical app developer team is small, junior, UX-centered and considers security only at a second level. Quite logically, hackers and fraudsters aim at them first – 4 out of 5 intrusions involve mobile applications. Banking always was a target of choice for fraudsters and hackers. Unsurprisingly, it still holds true on the mobile apps ecosystem. Cybersecurity is for that reason an all-time, first-class concern for Worldline bank clients. Individuals become increasingly aware of the value and sensitiveness of their personal data. Legal institutions accompany this trend by creating new regulations of which DSP2, CCPA, GDPR regulations are but the first embodiments. The latter are constraining heavily every online activities and lay new legal responsibilities on any service provider collecting personal data, like integrating the consent or opt-out options in their platforms. Worldline has been protecting banking data for years and is constantly striving to improve its ability to fight against mobile fraud. The Company has accumulated a hefty advance in that field to ensure security of its platforms, and thus support its customers, not only banks but also E-health, transportation and retail sectors, by meeting their arising needs relating to mobile security and privacy.

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Worldline strategy to address mobile fraud relies on the three following pillars:

### 1. Creation of a Worldline Mobile Security Center

For ten years, this Mobile Security Center has been gathering the needed experts in device security, cryptography and data science to strengthen and better foresee how Worldline addresses future mobile security challenges. This expert team's goal is threefold:

- Liaise with the Research, Development & Innovation departments and digest whatever new technologies they foster, and push up the new fields of interest of the Company,
- Liaise with the Presales in all Worldline to get a clear reading of the market, and help them get a feeling about arising technologies so that we can together imagine new user stories,
- Offer continued expertise, support and perspective to the product teams so that they can see what is in store, and collect practical issues they are facing.

Worldline's Mobile Security Center allows the securing of more than 15 million of mobile devices various sectors such as Financial Service, Identity & Health, and now Transportation and Merchant Services. In 2019, the Mobile Security Center secured more than 200 million transactions.

### 2. Implementation of an adaptive security paradigm

Worldline has opted for an adaptive security paradigm able to optimally and dynamically respond to any cyber threat that may lead to data, service or image of the Company damage.

Worldline's Mobile Security Center offers a set of expertise & tools:

- In prediction by publishing regularly mobile security reports to customers, co-created with academic research and supporting business teams,
- In prevention by providing an end-to-end mobile security hardening that aims to package all security features like an HSM,
- In detection & response by detecting intrusions on the end user smartphones and by managing alerts in the Company's monitoring system.

### 3. Anticipation of new market needs around mobile cybersecurity

With digitization of services and mobility usage, new services are becoming accessible on mobile applications, which entail new security needs in the following sectors:

- Transportation market: ticketing is digitalized and integrated on smartphones,
- Healthcare market: healthcare services with personal data are accessible on smartphones,
- Merchant market: new initiatives are implemented like replacing the payment terminal by a mobile phone for the payment.

All Worldline security assets perfectly match with these new needs that require to ensure that sensitive data are not accessible and that an attacker cannot enter into the application.

## D.2.3.2 A robust and reliable IT infrastructure [WL 1] [GRI 418-1]

In order to deliver highly available services to its customers, Worldline has implemented a global Security Policy at two levels to ensure business continuity regardless of context: first, a secure and redundant technical infrastructure and second, a monitoring team that is responsible for ensuring that applications, network, servers remain fully operational to deliver the services to its customers.

### 1. Continuity by design embedded in Worldline's robust and redundant platforms

Worldline ensures highly available services through a redundant system at multiple levels which includes: robust base hardware (redundant components, RAID, etc.), sub-services running on several distinct servers, servers located in separate data centers, data centers located in different countries. This design allows high global resiliency, preventing a single element outage to generate unavailability of the global service. Worldline integrates the high availability requirement at the earliest design step of all platforms. In the case of a breakdown, traffic is directed to another available

site, ensuring that users can always reach an available service. Similar redundancy principles are applied for servers, databases and storage, to prevent any single point of failure. Data replication ensures that business continuity can be achieved, with several technologies available depending on the RTO/RPO (Recovery Time Objective/Recovery Point Objective).

### 2. Continuous monitoring & testing processes to ensure highest possible platform availability

- *Regular tests to verify the redundancy effectiveness and the robustness of the platforms.* Security audits, penetration tests and scans are regularly performed for each key component of the Company's infrastructure to check the redundancy effectiveness and the robustness of the platforms. Moreover, a patching process is in place to ensure state-of-the-art software, and to cover the security risks detected by the software vendors or open-source community. This is translated in its diverse security certifications (PCI, ISO 27001, TÜV IT).

- *Monitoring of Worldline data centers and services delivered to its customers by a 24/7 First Line Support team and fully automated and industrialized processes.* The First Line Support team receives training to obtain a broad range of technical skills. The team is dispatched on two different sites to ensure a non-stop service in case of major disaster and provided with reliable monitoring tools in order to:
  - Ensure the permanent follow-up of the correct availability of the customer services,
  - Fix any incident with a maximum of autonomy in accordance with the Service Level Agreements (SLA) defined with customers, notably thanks to monitoring tool that enable to analyze information received in a global context and then predefine a procedure to be applied,
  - Track all the incidents and report to the management, notably thanks to the monitoring tools that enable to automatically detect and send to a centralized tool any risks of potential dysfunction, any alert or action launched,
- Coordinate with the second Level Support teams if needed.
- *Alignment of Worldline processes with the ITIL best practices.* Because technology and organization are not enough to ensure a good level of availability and security, Worldline rolled out international processes in line with the ITIL best practices, such as change management, incident management.

Worldline's own data centers and its consequent end-to-end management is key to deliver High Critical Real-time Services with strict Service Level Agreements (SLA). This end-to-end management is indeed providing high quality and agility for services production as well as cost reductions (through virtualization, containerization, SaaS).

### D.2.3.3 Worldline business continuity strategy [WL 1]

As a leader in the payment sector in Europe and a large employer in its markets, Worldline has a considerable responsibility with regards to offering business continuity to all its stakeholders. The business continuity process within Worldline focuses on developing and managing procedures to protect its people (internal and external), its processes, premises and technology.

Worldline commits itself to:

- **Service availability:** resume (critical) business functions and the resources that supports them within the agreed timeframe with each customer (and according to service level agreements defined in contract);

- **Response time:** respond to, and mitigate the impacts of, disasters and crises in a timely and effective manner (and according to service level agreements defined in contract);
- **Confidence:** ensure confidence of customers in Worldline ability to handle disruptions and prevent damage to Worldline reputation;
- **Compliance:** ensure regulatory compliance.

To achieve its business continuity management (BCM) objectives, Worldline has an extensive BCM program which includes the following dimensions.

Identify BC key resources	Assess BC risks	Develop a BC strategy	Mitigate and recover from BC crisis	Test the resilience of BC strategies
Identification of critical business functions that support key products and services, their interdependencies, and the critical resources required to operate at an acceptable level.	Evaluation of risks and identification of Single Point of Failure (SPOF) resulting in business interruption and an analysis of the potential impact.	Development of strategies that enable Worldline to protect and recover critical business functions.	Planning and implementation of mitigations responses and recovery and crisis management strategies.	Testing of the implemented recovery and crisis management strategies to investigate their effectiveness.

**Allocated resources:** Worldline ensures that sufficient resources are allocated to enable key activities like assessments, planning and exercising to take place and ensures that key personnel have the knowledge and skills to deliver the Worldline business continuity lifecycle.

**Training and awareness:** All employees, regardless of their role within BCM, receive a minimum level of information on BCM to enable business continuity to be integrated into day-to-day operations and management processes.

**Tooling and ISO 22301 certification:** To respond to a disaster scenario, Worldline uses an external alerting tool (ISO 22301 business continuity certified) in order to be sure of the continuity of communications and so that the Crisis management team can implement the process validated at Worldline high management level in a timely and effective manner. Such process can include the creation of a Crisis Committee. The Managerial Unit Financial Services is certified ISO 22301 as well as other key resources.



**KEY RESULTS AND OBJECTIVES**

Thus, in 2019, Worldline's services availability rate was over 99.95% for SIPS Solution highlighting a secure and robust platform [WL1].

Indicator	2015	2016	2017	2018	2019	Targets 2020
Quality Score – Contracts' Service Availability & Response Time	-	-	-	9,608	9,871	9,875
% of incident responses compliant with Worldline security policy	-	97%	98.67%	98.74%	99.64%	100%

## D.2.4 Guarantee data protection [GRI 102-13] [GRI 103-1 Customer privacy] [GRI 418-1]

### D.2.4.1 Worldline's comprehensive data protection approach

Every day, Worldline processes huge volumes of personal data for its own use and on behalf of its customers. As a fundamental right, this personal data, meaning by that, any information relating to an identified or identifiable natural person (such as a name, an identification number, specific genetic factors, etc.) used in day to day business from both Worldline's customers and employees is managed to comply with the strictest applicable regulations. Worldline also leverages the stakes raised by the increasing processing of personal data as a differentiating criterion, thereby

guaranteeing a high level of protection to its employees' and customers' personal data. In this regard, Worldline complies with data protection regulation and informs and limits collection of essential personal identifiable information to the strict minimum required for the running of its operations and business projects.

Consistently with this approach, Data Protection was prioritized among the four most significant extra-financial business risks identified by Worldline.

### D.2.4.2 Binding Corporate Rules: Worldline still in scope in 2019

Since November 2014, Worldline has been part of the Atos group Binding Corporate Rules (BCR) for the processing of personal data, both as a data controller (for itself) and as a data processor (on behalf of its clients). With Worldline leaving the Atos group, the application of BCR for Worldline is no longer creating a benefit for data protection and hence has been limited until end 2019. From 2020 all Worldline Group entities worldwide will stay bound by the same obligations and processes, regardless of the country in which they are located, based on Worldline's data protection policies and reflected by relevant certification such as ISO 27001. The use of BCR to process data outside of the EU with an adequate level of protection will be replaced by the use of Standard Contractual

Clauses, another mechanism in line with the General Data Protection Regulation (GDPR).

Following a risk-based approach, Worldline fulfills the strict obligations to do detailed assessments and ultimately to demonstrate their compliance with the rules and regulations set out in the GDPR. Worldline is prepared to meet the requirements of this regulation, with a specific focus on, but not limited to, the enhanced data subjects' rights, the assessment and mitigation of risks for data subjects and the comprehensive documentation of all activities related to data protection.



## D.2.4.3 Data protection policy and procedures

### D.2.4.3.1 Worldline Data Protection Policy

The first pillar of Data Protection is the Worldline Data Protection Policy that sets up protection principles based on the provisions of the General Data Protection Regulation (GDPR). These are considered to be the most stringent personal data protection principles. Although GDPR harmonized data protection legislation throughout the EU, the opening clauses and additional local legislation within the EU Member States still allow a certain degree of variation. In order to guarantee compliance with all applicable national laws, Worldline has adopted a consistent policy that is obligatory for all of its entities and their employees. Worldline's Data Protection Procedures are also managed within Worldline Security Policy, which supports incidents risk mitigation.

### D.2.4.3.2 Worldline Data Protection Officer network

In order to implement this policy, the Worldline Global Data Protection Officer reports directly to the Group Head of Security, Risk & Compliance (SRC). The compliance with personal data protection policies, practices and tools is a fundamental element in the continued implementation and extension of Worldline's SRC strategy. The Company has established a strong network of data protection officers and coordinators, led by the Worldline Global Data Protection Officer. Close collaboration and regular exchanges within this network of experts ensures governance for the data processing of both Worldline's employees and its customers. This network of officers and local coordinators aims to support the implementation of the requirements in all activities related to data protection: in the daily routines, proceedings and processing activities, both on company and local level. Thus, Worldline manages the data protection of its organization led by the Global Data Protection Officer, to assure overall compliance to data protection regulations and a reporting to the highest management level.

### D.2.4.3.3 Worldline Data Protection commitments

Worldline structured its data protection policy to focus on and achieve the following commitments:

- **Ensure data protection as standard in Worldline solutions to address data protection already during design and as a default.** Defined procedures ensure "Privacy by design", the fact that privacy is embedded in all processing of personal data by Worldline and as early as possible in the design stage. As a result, Worldline implements data protection by design and by default, taking into account the nature, scope and context of the processing activity as well as possible risks and state of the art technologies;
- **Achieve 100% of Compliance Assessment of Data Processing (CADP) performed for all processing activities by 2020 (part of TRUST 2020 commitment)** to ensure adequate measures to protect personal data in Worldline's systems. The deployment and use of practical and effective tools such as Compliance Assessment of Data Processing (CADP) has allowed Worldline to comply fully with its data protection obligations. Worldline assessed the overall inventory of processing activities and already covered most of these by CADPs. In 2019, 99% of all processing activities have been covered by Compliance Assessment of Data Processing (CADP). At the same time Worldline started preparation to roll out an overall Data Protection management tool, also covering CADP, in 2020;
- **Train 100% of the Company's employees on a yearly basis regarding security and data protection.** Worldline has developed a training program targeting all Worldline's employees to create general awareness on the topic as well as more specific trainings to point out the issues employees face in their particular domain of expertise. In 2019, 85% of Worldline employees attended mandatory online training programs related to personal data protection.

In 2019, Worldline managed all complaints, data subjects requests and data breaches, following the internal data protection processes in time thus fully complying with the data protection regulations. No fines have been imposed on Worldline nor have there been any investigations into processing of personal data by Worldline. [GRI 418-1]

## D.2.5 Improve customer relationship management

### D.2.5.1 Continuously improve customer experience [GRI 102-44]

Following its separation from Atos group, Worldline has defined its own customer satisfaction policy tailored to its specific needs and business model. This policy provides guidance to ensure adequate effectiveness of the Customer Satisfaction Management Framework and related processes, thus building stronger relationship with customers and providing services with higher added-value. Moreover, additional questions relating to Corporate Social Responsibility will be addressed to Worldline customers as of 2020 to enrich the process of satisfaction survey described hereafter.

#### D.2.5.1.1 Improving customer experience through the customer satisfaction process

Customer satisfaction surveys are conducted on a regular basis to analyze whether changes need to be made to increase its customers' overall satisfaction and loyalty.

Worldline uses a proven methodology aligned with leading expertise from Gartner, Satmetrix and Forrester, to measure the satisfaction through two major indicators: the widely used Net Promoter Score (NPS®) and the Customer Satisfaction Score (CSAT).

Particularly, customer satisfaction surveys allow Worldline to:

- Consistently and comprehensively measure customer satisfaction;
- Establish baselines upon which to improve for each customer contract;
- Identify generic areas of concern to be addressed globally and locally;
- Communicate with its customers on its commitments relating to CSR.

Three types of customer satisfaction survey are conducted as illustrated below:

	Strategic survey	Tactical survey	Mass Market survey
DESCRIPTION	General perception measurement on overall quality of the relationship	Perceived performance measurement for individual contracts	Perceived performance measurement for Mass Market
SCOPE	Set of Worldline global top accounts	Large and medium size contracts	Mass Market contracts
TARGET AUDIENCE	Chief Experience Officer of key accounts	Contracts governance team (IT departments, operational managers, etc.)	Merchants
METHOD	Face-to-face interviews	Online surveys	Phone interviews with a representative sample of merchants
FREQUENCY	Once a year	Once a year	Once a year

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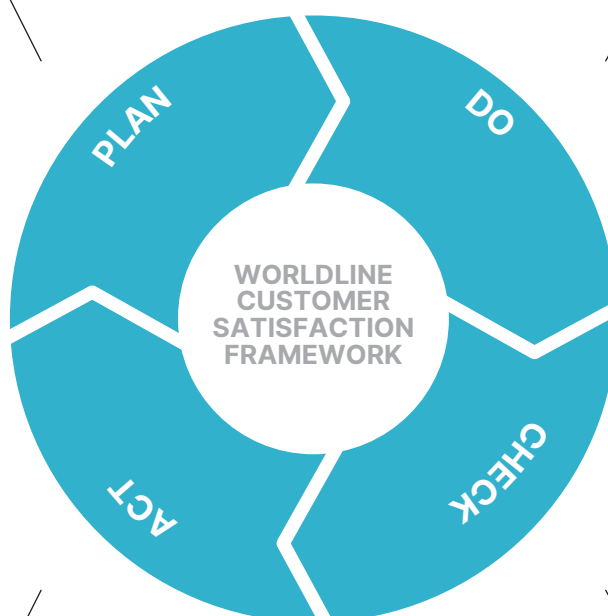
To ensure that Worldline closes the Customer Satisfaction loop, all Customer Satisfaction processes at various levels follows the Plan-Do-Check-Act cycle as illustrated below:

### PLAN AND PREPARE THE ANNUAL SURVEYS

- Survey planning begins with setting objectives.
- The scoping consists in defining the field of activity (accounts, contracts, organizational unit, geography, product...) that will be the subject of the survey.
- Particular attention is paid to ensuring that the questionnaires are consistent with the CSAT framework and policy.

### DEFINE IMPROVEMENT ACTIONS AND MONITOR THEIR EXECUTION UNTIL COMPLETION

- Improvement action plans are defined and shared with customers to ensure that Worldline addresses the needs and concerns expressed in the annual survey results. The agreed improvement actions are steered, globally and locally, until completion.
- Mass Market CSAT improvement actions are marketbased.



### CONDUCT THE PLANNED SURVEY

- Each survey uses an appropriate survey methodology as defined in the Worldline CSAT Framework and Policy.

### ANALYZE AND REVIEW THE RESULTS OF THE SURVEY

- Survey results are analyzed and evaluated with management at the local and global level.

D

### Corporate Programs focusing on improving Customer Experience

To support and better coordinate the implementation of improvement actions, Worldline has created the two following programs:

- **Objective Zero Incident initiative (OZI):** Worldline continuously seeks to improve the quality of the services delivered to its customers, targeting a drastic reduction of incident occurrence and unresolved problems that hurt customer experience in terms of reliability and robustness, and dampen much internal energy. Via the OZI initiative, a systematic follow-up of both the Incident and Problem management processes is put in place. Process improvements are identified through a continuous service improvement method, and systematically enhanced

throughout the organizations, in all geographical areas worldwide;

- **First Time Right Delivery:** Worldline launched “First Time Right” in order to share the experience of better connecting the Agile, DevOps and Test Automation culture at Worldline. Worldline is seeking to refine its ways of working by promoting the best examples and highlighting key lessons learned across the Group. To improve systematically and become a fully agile organization, Worldline is continuously evaluating the benefits offered by this way of conducting business and how the hurdles can be overcome.

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## KEY RESULTS

GRI standards	Indicators	2015	2016	2017	2018	2019
GRI 102-44	Overall customer Satisfaction from Tactical surveys	7.26	7.67	8.1	8.1	8.2
GRI 102-44	Net promoter score	1%	29%	40%	41%	47%

## D.2.5.1.2 Ensuring the highest standard through the PCI-DSS certification

As a major processor of cardholder data on behalf of its clients' customers, Worldline fully complies with and is certified under the Payment Card Industry Data Security Standard (PCI-DSS), reflecting its adoption of global consistent and most stringent data security measures. Worldline is audited every year by a Qualified Security Assessor to keep its PCI-DSS certification. Worldline is also involved as a participating organization in review of the next version of the PCI-DSS standard, which will be published in 2020 by the PCI Council.

The PCI-DSS standard consists of 12 main requirements that can be summarized as follows:

- To build and maintain a secured network;
- To protect cardholder data;

- To maintain a vulnerability management program;
- To implement strong access control measures;
- To regularly monitor and test networks;
- To maintain an information security policy.

Concretely, that means regular security training for employees, a review of the security policies and their application, and the management and update of many security measures.

Worldline has been PCI-DSS certified for thirteen years, covering all its following services: e-commerce solution, acquiring, issuing, clearing and settlement. The Company manages these services under the PCI-DSS standard in thirteen European countries. It is now also compliant with major e-payment standards such as PCI-3D Secure, PCI-PIN, and PCI-CP, when relevant.

## D.2.5.2 Extend offer possibilities through strategic partnerships [GRI 102-49] [GRI 203-1]

In order to broaden its portfolio of offers, notably integrating the latest technologies on the market, while increasing its geographical coverage, Worldline is developing specific alliances and partnerships, thus increasing its level of agility and credibility. These partnerships and alliances may also give rise to acquisitions through the traditional M&A process.

To achieve these objectives, Worldline is creating its own ecosystem through leveraging:

- **Innovative partnerships** to propose relevant innovative initiatives to Worldline customers;
- **Long-term bilateral industrial partnerships** to improve the innovation portfolio;
- **Commercial partnerships** to deploy joint projects for new contracts.

Worldline has implemented several methods to increase the number of partnerships, notably the creation of a dedicated team reporting to the Chief Sales Officer. This team is centrally managed and has built a dedicated network in the main Worldline geographic areas.

Thus, Worldline is teaming with partners to address large digital transformation opportunities for example on Traceability (with Bureau Veritas in the food chain through a Blockchain solution, with the tobacco industry through the solution "Fracture Code", etc.), ATM management, smart ticketing, Digital identify and in the IOT domain (with G&D), etc. In 2019, Worldline also signed a partnership with Meniga for its *Digital Banking* offering Meniga Personal Finance solution. Meniga is engaged in financial and environmental sustainability, while helping consumers and business to better manage their

financial flows and portfolio, and calculating the CO<sub>2</sub> footprint impact of their purchases.

As part of its ambition to foster open innovation with Fintech, startups and customers, Worldline has accelerated its engagement with Fintechs and startups (such as Accepteasy in e-billing or Isignthis in remote identity verification), especially in the context of the organization of its first e-Payments Challenge "Hackathon" in 2018. In 2019, the second edition of the e-Payments Challenge was a step forward in term of quality (more tangible solutions proposed) and number participants (11 customers and 25 Fintech startups).

The Company also launched in 2019 the e-Payments Booster Program, that is an enablement program designed specifically for Start-ups and Fintechs who want to accelerate their business and incorporate trusted and scalable payment functionalities into their solutions. By plugging into Worldline's e-Payments Booster Program, Start-ups, can fully focus on developing their business idea without having to spend their valuable time on understanding the complexities of payments. Through this program, start-ups will benefit from:

- Minimal effort for set-up through APIs, a quick and easy on-boarding process backed by local Worldline support;
- Maximum bandwidth of reachable target payers & payees, thanks to a wide range of payments methods, functionalities and channels;
- Flexibility to choose the appropriate set of payment functions for specific business needs;
- Adequate pricing in-line with the challenges of an emerging business.

Besides, since the separation of the Worldline Group from the Atos group in May 2019, a major Sales Alliance between Worldline and Atos has been created. This Alliance ensures the

continuity of the existing collaboration between both groups and to further leverage the complementarity in assets and footprint.

### D.2.5.3 Create CSR value for customer through our portfolio [GRI 203-1] [AO 7] [GRI 103-2 Economic Performance] and [GRI 103-2 Indirect Economic Impacts]

#### D.2.5.3.1 Assess our external contribution to the UN Sustainable Development Goals [AO 7]

Worldline has embedded sustainability in its business to actively support its customers in managing efficiently their own sustainability challenges, thus contributing positively to their CSR ambition through their supply chain. The increasing CSR criteria in the Request for Proposals and Request for Information over the past years demonstrate the rising customers' expectations regarding sustainability aspects of the offers. That is why reinforcing value for customers and society through sustainable and innovative solutions is a key challenge in Worldline's CSR strategy. In this regard, the Company has assessed the contribution of its solutions to the UN Sustainable Development Goals (SDGs), proposing a universal reading grid so that customers are better able to identify key relevant information for their own sustainability performance. This analysis highlights that Worldline's solutions provide customers with benefits that mainly contribute to the SDG 16 "Peace, justice and strong institutions," SDG 8 "Decent work and economic growth," SDG 9 "Industry, innovation and infrastructure," SDG 11 "Sustainable Cities and communities" and SDG 12 "Responsible consumption and production".

Worldline calculates its financial contribution to the SDGs using the following methodology:

1. Worldline has performed a detailed and analytical sustainability analysis of all its offers to identify and measure their various economic, social, environmental and ethics benefits. Each offer has been screened by product managers and sustainability experts over these 4 categories of benefits: *Economic/Social and wellbeing/Governance, trust and compliance/Environment footprint*. For those four categories, subcriteria have been defined which allows a matching with the UN SDGs, as presented below.
2. The entire analysis enables to assess whether the offer has a positive impact on each criterion and weight this impact in terms of percentage of sustainability per categories and per SDGs.
3. Based on the weight of the offer in its revenue, Worldline is then able to calculate its financial contribution to the SDGs.

D

#### ECONOMIC



Generating growth with solutions that make payments processes easier and more customized, thus improving customer experience and loyalty.

#### SOCIAL AND WELL-BEING



Supporting the protection of vulnerable populations with solutions facilitating access to payment and e-health services that contribute to financial and social inclusion.

#### ENVIRONMENT FOOTPRINT



Fighting pollution against climate change and waste production with digital solutions that reduce paper and transports use and improve energy consumption management (through smart grid technology for instance).

#### GOVERNANCE, TRUST AND COMPLIANCE



Contributing to the prevention of data privacy and cyberthreats risks through all worldline solutions and to the reduction of fraud through solutions such as the online fraud detection application which supports citizenship and democracy.

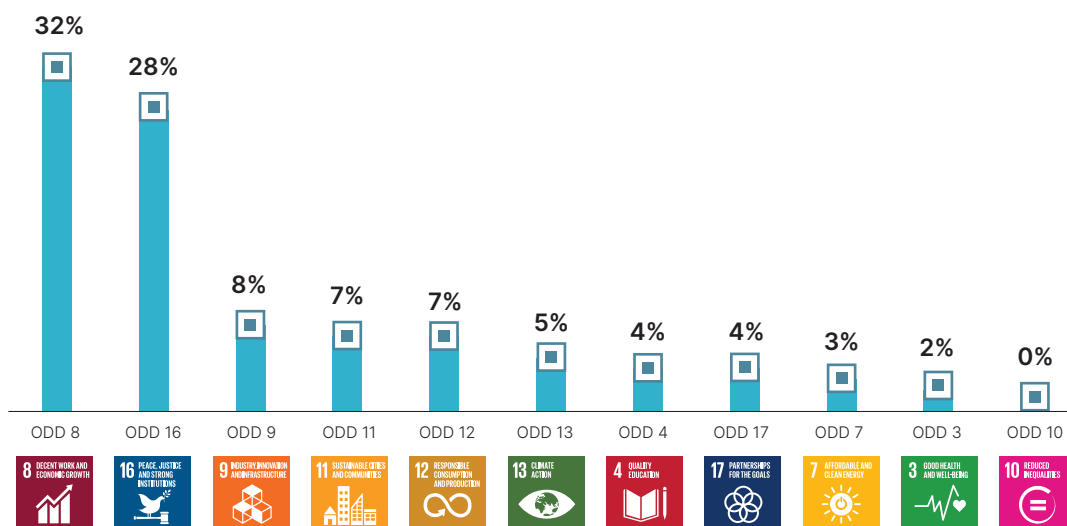
### Results

In 2019, Worldline has generated € 1,016 millions of sustainable revenue, which is broken-down as follow on the five main SDGs to which the Company contributes most through its business.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Building customer trust with reliable, secured, innovative and sustainable solutions

### CONTRIBUTION TO THE VARIOUS SDGS THROUGH OUR OFFERS (AS A PERCENTAGE OF REVENUE FROM SUSTAINABLE OFFERS IN 2019)



## D.2.5.3.2 Key examples of how our offers contribute to sustainability

Worldline solutions	Examples of economic, social and well-being, governance, trust and compliance and environment benefits
Digital Banking	<b>Examples of economic and social benefits:</b> This solution enables Worldline customers to provide <i>Digital Banking</i> services at any time and place, allowing end users to save time in daily life by viewing account balances, transferring funds and purchasing securities online. Thus, the Company facilitates transactions through the use of mobile applications and help banks and financial institutions develop customized secure online banking services in countries with limited access to banking services, boosting digital inclusion.
Connected Living	<b>Examples of economic and social benefits:</b> Internet of Everything is a fast-expanding market, where Worldline services delivery platform jointly with business partners such as manufacturers of home appliances, or vehicles, are developing solutions to make citizens' lives more comfortable and safer. Such services could be User Based Insurance, where you pay depending on how you drive, connected home, where your refrigerators make weekly home purchases considering your wishes and needs, avoiding journeys to the supermarket, or connected fleet, where fleet corporations can manage their fleet of vehicles ensuring costs efficiencies.
E-health services	<b>Examples of social and well-being benefits:</b> These solutions provide <i>Trusted Digitization</i> services in the healthcare sector, ensuring the utmost security, availability and data privacy, and facilitate health education and prevention (allowing patients to have digital access to their own health data through mobile applications, etc.). They also help increase efficiency of health system (optimizing the information system of emergencies services).
Digital Payments	<b>Examples of governance, trust and compliance benefits:</b> These solutions embrace a wide range of offerings and services covering the whole payment value chain: processing services for customers related to card payments (issuing, acquiring), interbank clearing & settlement, account-payments, etc. By integrating utmost ethical standards and regulations in its Digital Payment solutions (such as PSD2, GDPR, the EPC's instant payment scheme, etc.), Worldline contributes to making payments easier and safer for citizens.
Fraud risk management	<b>Examples of governance, trust and compliance benefits:</b> This complete and modular solution for issuers, acquirers and banks provides an end-to-end portfolio of effective fraud control services: ensuring an utmost compliance with EU data protection regulation (GDPR), enhancing fraud protection and loss reduction in supply chain, and providing full transparency and accountability through record-keeping programs to collaborate with legal systems.
Digitization	<b>Examples of governance, trust and environment footprint benefits:</b> This offer includes e-contract, e-signature, e-archiving, e-safe and e-Identity solutions that are secure, accurate, easy-to-access and efficient, enabling improved citizenship empowerment by increasing accessibility with services that are available everywhere and anytime. These services also enable greater traceability for customers, in line with the European Identification and Authentication Services, and thus greater transparency, contributing to the reduction of fraud, cyber threats and phishing.
Terminal Services	<b>Examples of environment footprint benefits:</b> all Worldline terminals follow the ECMA 370 eco-declaration that includes critical environmental recommendations, thus making them the best in class eco-friendly devices in the industry. Through this declaration, the Company also ensures that its terminals are part of a certified system for the collection and recycling of end-of-life products, batteries and packaging materials, free from ozone depleting substances and in full compliance with the Reach and RoHS directives.
Transport e-Ticketing	<b>Examples of environment footprint benefits:</b> This solution enables railway and bus operators to optimize their route management (and thus their energy efficiency). Therefore, more real time and accurate digital information, as well as advanced analytics, allow lowering pollution and waste by reducing fuel consumption and printed paper used.



### D.2.5.3.3 Solutions contributing to access to finance

As a company specialized in payment processing, notably for the retail merchants, Worldline positively contributes to the issue of access to finance that affect the less privileged stakeholders including the un-banked communities or the under-served groups such as small or rural businesses. The Company has developed specific offers and partnerships in favour of the underserved communities in order to improve their financial inclusion.

#### The partnership with the African Fintech, InTouch

The sub-Saharan African region, including 50 countries and 1.1 billion inhabitants in 2019 of which 59.9% from rural areas, is amongst the late emerging market in the global field of e-payments and e-banking and more generally, in terms of development, modernisation, standard of living, political stability, law and order. Driving changes and development in those countries is all the more crucial as, according to a World Bank report (2018), “an estimated 413 million people in Africa currently live in extreme poverty – more than half of the world’s total” while, according to the UN’s World Population Prospects (2017), “[m]ore than half of the anticipated growth in global population between now and 2050 is expected to occur in Africa, with 1.3 billion new people in Africa between 2017 and 2050”, particularly in sub-Saharan African countries. To address this challenge of the population growth, Worldline is convinced that enabling and facilitating exchanges throughout all forms of payment in these regions is essential to improve economic development level, procurement of basic necessities and service accessibility like internet.

In order to ease and accelerate the transformation, African countries have to take advantage of the technological opportunities offered by the fintechs (Financial Technologies). Indeed, traditional payment systems are relying on the creation of a bank account and payment cards operated by banking institutions. Such a system tends to be the safest but also the costliest. According to the World Bank, 350 million sub-Saharan African adults are unbanked and the two most commonly reported reason for that is first the lack of money and second the distance to financial institutions. The lack of traditional banking infrastructure and services has paved the way for fintech and telecommunication companies to revolutionise the Financial Services market on the African continent. In this context, fintechs have a considerable role to play in enabling other type of payments, including mobile money, which thus improves financial inclusion. Indeed, in recent years, mobile phone penetration in sub-Saharan Africa has increased dramatically. According to the most recent report from GSMA, an association of mobile network operators worldwide, there are 747 million SIM connections in sub-Saharan Africa, representing 75% of the population.

Worldline have signed end of 2018, a technological, commercial and financial partnership with the African fintech “InTouch” to support financial inclusion through the fintech’s actions. One of the key innovative digital solutions of InTouch is the *Guichet Unique*, which is deployed in eight African countries: Burkina Faso, Cameroon, Côte d’Ivoire, Kenya, Mali, Morocco, the Republic of Guinea and Senegal (with a total of

180 million inhabitants targeted). Seven additional countries will open in 2020. The *Guichet Unique* provides retail networks with a single customer-friendly device enabling them to accept a very wide range of secure and convenient payment methods (e-money, mobile money, private cards and cash) and to offer services supplied by third parties (multimedia subscriptions, bill payment, money transfer, card reloading, and banking and insurance services). Deployed in more than 800 Total service stations and more than 10,000 independent points of sale in 2019, the *Guichet Unique* platforms manages more than 100,000 transactions per day and enables unprivileged population to have access to e-payment services. Thus, this solution facilitates payment transactions and financial digital services for people without bank account and payment card. It is making wide range of services available (mobile money, prepaid cards, remittance, money transfer, bill payment, etc.). Moreover, it is allowing small merchants (small neighbourhood shops, salons, restaurants, retailers, etc.) more payment options to develop their business.

Besides, InTouch in partnership with Worldline also developed a specific initiative in Senegal to bring digital Financial Services to rural Senegalese areas where 61% of this population is financially excluded. With the support of the United Nations Capital Development Fund, the fintech deployed a network of 373 roving bank agents 10 underserved departments of Senegal within 18 months with the results of 800,000 transactions processed. In parallel, it has provided them with a specific mobile application allowing them to offer different types of transactions with all operators in the country and immediate money transfer free of charge. This innovation brought real progress in the villages: increase of awareness and use related to digital financial services (similar services than the *Guichet Unique*), additional income for agents, less travels and intermediary fees, more discretion with mobile payment, etc. It should be noted that the recruitment of women has been a challenge in this project. If the objective of 30% of female agents was not reached because of traditional barriers – such as the approval of the husband who has decision-making power, the 27 women recruited (10% in total) benefit – on the same basis as men – from an equal salary supplement which can be considered as a first lever for their emancipation.

In the coming years, Worldline and InTouch foresee to connect the solution with the Western Union type of offer to ease financial transfer across the globe. More generally, such a solution supports the development of digital payment solutions instead of cash exchanges only, which is in favour of economic growth and a more secure and transparent economy and society, fighting against fraud, encouraging financial flows traceability. In this way, it supports the Sustainable Development Goals 16 and 8 of the United Nation.

Worldline brings to InTouch its expertise in payment solutions and also provides a secure industrial hosting infrastructure enabling the deployment and operation of its solutions aiming at digital financial inclusion on a pan-African scale. Through this solution and the InTouch partnership, Worldline is contributing to sub-Saharan Africa’s global financial inclusion and a more secure and transparent society with stronger institutions.



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### **The QR code solution in India, when hardware terminals are replaced by a mobile app.**

Worldline India has developed a solution in the Indian market that makes payment easier and more accessible for the local communities. The QR code solution helps to replace the use of hardware terminals at merchant point of sales, thus offering an acquiring solution at lower cost. Thanks to this solution, merchants are able to print and past on the wall of their shop this QR code, which can then be read by a mobile application. These QR codes have been deployed by more than 100,000 merchants and customers can scan those QR code in order to pay their purchases. This solution was implemented

by Worldline with the support of the Indian government to encourage the acceptance of digital payment transactions by smaller merchants in towns and in rural areas.

Besides, in Belgium, Worldline also offers the solution Bancontact, an acquiring offering that provides turn-key payment functionalities for merchants while implementing lower fees for small payments used by small merchants. By accepting Bancontact in their business, small merchants can meet their customers' payment habits and opt for security, speed and ease.

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## D.2.6 Key performance indicators about business and innovation

[GRI 102-44] [GRI 418-1] [WL 1] [WL 2] [WL 3] [WL 8] [AO 7]

		2019	2018	2017	2016
Indicators	GRI				
<b>Services availability rate</b>					
Services availability rate	WL 1	100%	100%	99.96%	99.88%
<b>Innovation</b>					
Percentage of PhD and PhD students at R&D department	WL 2	38%	49%	49%	45%
Number of WIN members	WL 2	55	47	45	44
External awards success rate	WL 2	0%	0%	0%	50%
<b>Customer satisfaction survey</b>					
Overall customer satisfaction from Tactical surveys (scope from 0 to 10)	GRI 102-44	8.2	8.1	8.1	7.67
Net promoter score	GRI 102-44	47%	41%	40%	29%
<b>Financial implications and other risks and opportunities due to climate change</b>					
Financial implications and other risks and opportunities due to climate change	GRI 201-2	Qualitative	Qualitative	Qualitative	Qualitative
<b>Development and impact of infrastructure investments and services supported</b>					
Development and impact of infrastructure investments and services supported	GRI 203-1	Qualitative	Qualitative	Qualitative	Qualitative
<b>Revenue of "Sustainability offering"</b>					
Total revenue of "sustainability offering" (in € million)	AO 7	1,016	815	770	586
Mobility and e-Transactional Services – Total revenue of "sustainability offering"	AO7	212	224	186	180
Mobility and eTransactional Services – Percentage of total revenue of "sustainability offering"	AO 7	21%	28%	24%	31%
Merchant Services – Total revenue of "sustainability offering"	AO 7	366	201	207	175
Merchant Services – Percentage of total revenue of "sustainability offering"	AO 7	36%	25%	27%	30%
Financial Services – Total revenue of "sustainability offering" (in € million)	AO 7	438	389	377	231
Financial Services – Percentage of total revenue of "sustainability offering"	AO 7	43%	48%	49%	39%
<b>Initiatives regarding Innovative Services/Products Developments</b>					
Innovation sessions delivered by Worldline for customers	WL 8	14	15	9	10
<b>Customer complaints</b>					
Number of third party complaints regarding breaches of customer privacy higher than €100,000	GRI 418-1	0	0	0	0
Number of customers complaints regarding breaches of customer privacy higher than €100,000	GRI 418-1	0	0	0	0
<b>Data Security incidents</b>					
Number of security Incidents	WL 3	274	159	150	110
Percentage of Open Security Incidents Open vs closed	WL 3	20%	27%	10.7%	1.06%
Percentage of Employees that have attended to the Safety & Security E-learning	WL 3	96%	90%	94%	90%
Percentage of Employees that have attended to the Data Protection E-learning	WL 3	85%	82%	90%	89%

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	2019 Perimeter		2018 Perimeter		2017 Perimeter	
	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue
	-	39%	-	53%	-	100%
	100%	-	100%	-	100%	-
	100%	-	100%	-	100%	-
	100%	-	100%	-	100%	-
	-	-	-	95%	-	100%
	-	-	-	95%	-	100%
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	100%	-	100%	-	100%
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	-	100%	-	100%	-	100%
	-	100%	-	100%	-	100%
	-	100%	-	100%	-	100%
	-	54%	-	84%	-	100%
	-	54%	-	84%	-	100%
	-	88%	-	85%	-	80%
	-	88%	-	85%	-	80%

D

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**WL 1 Service availability rate:** Exclusion of WOPA, PaySquare, Six Payment Services (SPS) and Equens.

**GRI 102-44 Overall customer Satisfaction from Tactical surveys:** As part of 2018 the reporting scope is based on the eligible revenues, representing each contract taken into account by the satisfaction survey.

**GRI 102-44 Net Promoter score:** As part of 2018 the reporting scope is based on the eligible revenues, representing each contract taken into account by the satisfaction survey. In 2019 SPS contracts have been included in the scope (35 contracts). The indicator was calculated internally since 2014, but all of this data is published for the first time in 2018.

**WL 2 External awards success rate:** In 2019, there was no application for awards.

**WL 3 Number of security Incidents:** Exclusion of equensWorldline Italy, equensWorldline Netherlands, equensWorldline Germany, equensWorldline Finland, SPS Switzerland, SPS Luxembourg, SPS Austria and SPS Germany.

**WL 3 Percentage of employee that have attended e-learning:** exclusion of Germany.

**WL 8 Customer innovation sessions delivered by Worldline for customers:** There was a change in the definition compared to 2017. As part of 2018, there is no need to have a member of the scientific community in the session. The values from 2014 to 2017 correspond to the previous definition of the indicator (AO10) who aimed to include the members of the scientific community into the organization of the innovation workshops.

## D.3 Being a responsible employer

### D.3.1 Meet employee expectations [WL 6]

In Worldline's industry, having a qualified workforce, while ensuring a work environment that promotes diversity and well-being, is one of the most important drivers to ensure the Company's growth and success. Each year, Worldline must attract, recruit, develop and retain employees who can provide the expertise necessary to meet its customers' needs. Therefore, the Company pays specific attention to addressing

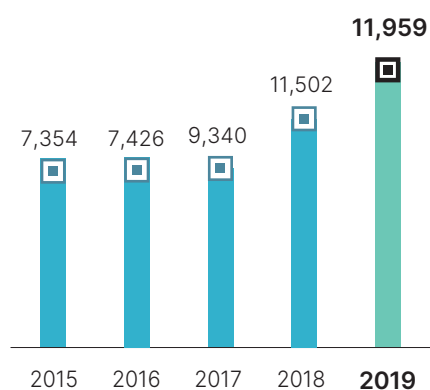
the expectations of another key stakeholder: its employees. With regard to people challenges, Worldline has identified three significant gross extra-financial risks. This chapter is structured according to these risks and presents mitigation measures for each in order to take full advantage of the opportunities related to these risks.

People risk	Risk description	Worldline action plan	Related opportunities	Main monitoring KPIs
<b>Employee well-being at work</b> <i>For more details, refer to this document, Section D.3.2.</i>	<p>The ability of the Company to foster an environment favoring well-being at work is essential to achieve Worldline's ambition to be a Great Place to Work® and establish stable and performing teams committed to meeting customer needs. In addition, it enables the Company to build a strong brand able to attract the best talents in the market.</p> <p><b>Key topics:</b> work organization, health and safety, and social dialog (collective agreements)</p>	<p>Worldline is enhancing its well-being culture through the Wellbeing@worldline program in order to promote a stimulating and healthy working environment, and the right conditions for the development of skills and Talents.</p>	<p>Collaborative environment and being a responsible employer by leveraging well-being at work</p>	<ul style="list-style-type: none"> <li>• TRUST 2020 AO 2 Employee satisfaction (Great Place to Work® Trust Index Rate)</li> <li>• TRUST 2020 Gap between the percentage of females in management positions and the % of females in the overall workforce</li> </ul>
<b>Talent attraction &amp; retention</b> <i>For more details, refer to this document, Sections D.3.3 and F.</i>	<p>In the fast-moving sector in which Worldline operates, a wide-ranging set of expertise and intellectual capital is key. Worldline must attract and retain Talents able to provide the expertise necessary to meet its customers' challenges.</p> <p><b>Key topics:</b> employment, work organization</p>	<p>To attract and retain the Talents it needs, Worldline promotes its employer brand and focuses on people integration and careers development through several programs in all of its entities.</p>	<p>People engagement</p>	<ul style="list-style-type: none"> <li>• GRI 401-1 Employee hiring &amp; attrition</li> <li>• WL 6 Global turnover rate</li> </ul>
<b>Training &amp; human capital development</b> <i>For more details, refer to this document, Sections D.3.4 and F.</i>	<p>The qualification of the workforce and continuous training is essential to adapt to the technological changes of the industry. Worldline must ensure that its employees have the proper skills to meet evolving demands and remain a leader in its industry.</p> <p><b>Key topic:</b> training</p>	<p>To maintain its level of expertise, Worldline prioritizes employee training and development through its global training plan and its on-going investment in certifications and adaptive &amp; multichannel learning.</p>	<p>People's career development</p>	<ul style="list-style-type: none"> <li>• GRI 404-1 Average training hours per employee each year</li> <li>• TRUST 2020 Percentage of employees satisfied with the trainings provided by Worldline</li> </ul>

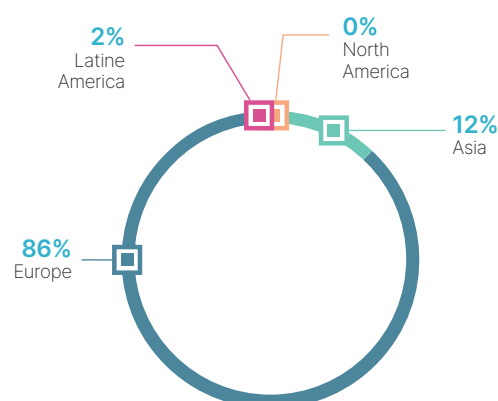
## KEY RESULTS AND OBJECTIVES

Indicators	2015	2016	2017	2018	2019	2020 Targets
Number of employer brand study citations	0	1	3	3	5	5
% of employees satisfied with the trainings provided by Worldline	-	86%	88.40%	87.80%	89.50%	90%
% employee satisfaction as measured by the Trust Index of the Great Place to Work® survey	50%	57%	58%	59%	63%	60%
Gap between the % of females in management positions and the % of females in the overall workforce	7 points	7.5 points	7.5 points	7.3 points	6.9 points	0 point

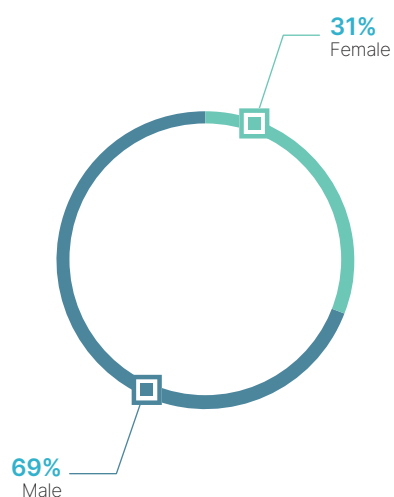
## NUMBER OF EMPLOYEES AT THE END OF THE REPORTING PERIOD (LEGAL STAFF)



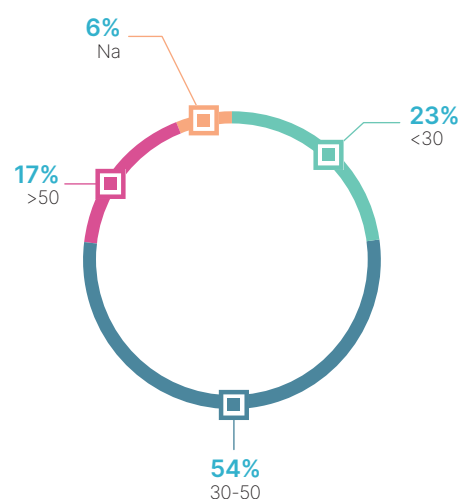
## BREAKDOWN OF EMPLOYEES BY GEOGRAPHY



## BREAKDOWN OF EMPLOYEES BY GENDER



## BREAKDOWN OF THE EMPLOYEE BY AGE



## D.3.2 Foster employee well-being at work

### D.3.2.1 Our Great Place to Work objective [WL 4] and [AO 2]

#### D.3.2.1.1 Monitor progress through an annual satisfaction survey

In Worldline's highly competitive markets, attracting, retaining and motivating the best talent is one of the most important levers for consistently reaching excellence. In order to attract, retain, and leverage the full potential of its employees, Worldline's ambition is to be a Great Place to Work®. In order to continuously improve its wellbeing culture and monitor progress, in addition to holding formal discussions with staff representative bodies, Worldline conducts with all its

employees an annual and international satisfaction survey which is administered by the independent Great Place to Work (GPTW) institute®. This survey provides a detailed view of employee expectations and the areas for improvement that they would like to see the Company address. The survey is structured in five dimensions: credibility, respect, fairness, pride and camaraderie. In 2019, 30 countries took part in the Great Place to Work® survey whose key results are displayed hereafter.

Employee satisfaction – Great Place to Work survey [AO 2]	2019
Great Place to Work Trust Index	63%
Great Place to Work survey [WL 4]	2019
Response rate	71%
	2019
Management trusts people to do a good job without watching over their shoulders	74%
People here are given a lot of responsibility	72%
Management shows appreciation for good work and extra effort	53%
Management genuinely seeks and responds to suggestions and ideas	55%
Management involves people in decisions that affect their jobs or work environment	48%

The Group's participation rate reached 71% in 2019. This clearly means that the results obtained can be considered as representative. Following this survey, the results are shared during specific workshops that are held to involve managers and employees in understanding the results of Great Place to Work® survey and taking action to tackle the areas of progress identified. A global action plan is then established for Worldline and each country. The purpose of the action plans is to increase the overall level of employee satisfaction

All stakeholders: HR teams, management and employees contribute to this continuous improvement process. As a result, in 2019, Worldline Great Place to Work Trust Index has reached

63%, which is above the Trust 2020 target to reach 60% by 2020.

Besides, for the first time, two Worldline legal entities have been rewarded by Great Place to Work® institute. Worldline Poland has been certified Great Place to Work®. Likewise, Worldline Argentina has entered for the first time, in the Great Place to Work Argentina national prize list at the 21<sup>st</sup> rank out of 50 companies rewarded. Based on the survey results and the completed cultural audit, both entities have demonstrated the quality of their programs and practices to secure, ease and enhance its employee experience.

#### KEY OBJECTIVES

Indicators	2015	2016	2017	2018	2019	2020 Targets
% employee satisfaction as measured by the Trust Index of the Great Place to Work® survey	50%	57%	58%	59%	63%	60%

### D.3.2.1.2 Initiatives to foster dialog and well-being among employees

In addition to Worldline's general actions that foster employee satisfaction in the area of career development, training and compensation packages, the Company also focuses its efforts to foster its employee wellbeing. Worldline is convinced that this wellbeing entails three actions:

- Encourage social dialog to promote Human Rights and high standards working conditions: refer to Section D.3.2.2;
- Ensure fairness & efficiency through diversity promotion: refer to Section D.3.2.3;
- Embrace a continuous improvement dynamic to move towards its ambition of being a Great Place to Work®.

Regarding this last point and thanks to the results of its annual survey, Worldline has identified and implemented several significant well-being initiatives through its local entities with different purposes structured in three levels:

1. **Top-down initiatives.** Indeed, reports from the GPTW survey showed a strong need for information and communication on news and business strategies across all countries:

- **Management roadshows** to better communicate about the Company vision, business priorities, challenges, ongoing projects and achievements. All entities have implemented their own management roadshows to share top management's vision and forthcoming challenges: whether with the annual Managing Director General Meeting in France, the General Meetings of the Manager of Production Services in European sites, the Town Hall meetings in Belgium, India and LATAM countries, the quarterly executives roundtable at each site in the UK, the bi-yearly meeting "Commit & Empower" for managers or the "World Café" workshops in Belgium, and the "Coffee clatsch" in Germany, all these roadshows and internal communication initiatives enable employees to discuss vision and strategy with their management. Another appreciated initiative is the CEO Breakfast organized mainly at European sites.
- **Global and local awareness actions** to provide Worldline business and well-being related information to all employees on a regular basis. In addition to global newsletters managed on a worldwide level, some entities issue their own publications like the monthly newsletter *Sabías que* in Spain or the bi-annual Worldline-India Magazine that focus both on the Company's business news as on employees' contributions. In 2019, a dedicated team has been created in equensWorldline to deploy new initiatives, such as the Strategy webinars whose objective is to inform the employees about the Company strategic direction and results. Furthermore, to enhance the accessibility and quality of the formation provided, the equensWorldline wellbeing team has launched a new Monthly newsletter and created a dedicated portal so that employees have a direct access to the Wellbeing@worldline program including GPTW results and actions.

2. **Bottom-up initiatives** to encourage dialog, improve the integration of employees' expectations and foster the employees' team spirit:

- **Establishing working groups** to encourage dialog and better understand employee expectations. Worldline France has been a pioneer in this regard by implementing the "Bottom-up initiative" that consists of working groups that help to understand everyday reality and identify areas for improvement. More than 110 volunteers have joined these working groups to address issues in the Wellbeing@worldline program (with topics such as communication, sharing, recognition and working conditions). These working groups represent a special communication channel through which employees are regularly informed about latest events and other changes in the Company. One of the new actions that resulted from this initiative is called "innovative management", and its goal is to train managers to new methods of management. Similar initiatives have been organized in other regions such as the Dhamaal Buddies meetings in India, the HR Newsflash webinar for all managers in Belgium or the Culture Program in the Netherlands that consists in brainstorming around the appropriation of Worldline values for newcomers in order to ease and give meaning to their integration.
- **Recognition actions.** Since 2016, the annual Accolade Reward Program aims to strengthen the sense of belonging and recognition among employees. This program consists in enabling each employee to reward a colleague or a team that stands out for their work and involvement within the Worldline Group (a successful project, a commitment from a team, etc.). There are four types of Accolade Rewards: three individual rewards (gold, silver and bronze) and one team reward "Champagne". The Third edition of the Accolade Reward Program in France was a success: 99 awards were given by the employee representative jury (*versus* 82 last year and 55 in 2017). A total of 145 employees were rewarded: 97 individual awards (27 gold, 29 silver and 36 bronze) as well as 7 teams. Beyond the numbers, Accolade rewards have confirmed the willingness of employees to appreciate, highlight and say thanks to their peers, across business line (23% of cases). This initiative was also implemented in Spain, LATAM countries and the UK (together with the Worldline Star program). In addition, Worldline Luxembourg is well represented in the Innovation Award category (winning an innovation award three years in a row) and Worldline India has its Spot Awards that reward employees for an extraordinary achievement or putting in extra effort to achieve business goals. More generally, India and LATAM regions celebrate employees completing long service in the organization (5 years, 10 years, 15 years and 20 years, etc.).
- **Working conditions actions.** Worldline Logistics & Housing team constantly strives to improve the work environment of employees, whether through the renovation of the buildings, by adding new spaces, or by making space organization more efficient, which fosters interactions, motivation and productivity. To this end, the team conducts an annual survey for each building, which leads to improvement plans that are discussed with Workers Council.



3. **Networking and teambuilding initiatives.** In addition to the annual *Wellbeing@worldline* week organized in all countries, other networking or sportive events take place across all geographies all year long. Employees also have the opportunity to contribute to social initiatives for local communities (refer to this document, Section D.4.5):

- **Networking events** are organized in all regions, in the form of the “Young Worldline” in Belgium (gathering trainees, interns and young employees), regular different events in the UK (Sports Days, Cinema Events), regular informal sessions named “kwartaalborrel” in the Netherlands, “happy hours” after work in Germany or through the “Fun Committee” in Luxembourg. These initiatives are often completed by an annual party/special day or a teambuilding event, such as the New Year’s Evening Party in Germany, a yearly party as well as a “sinterklaas” celebration in the Netherlands, an Annual Event in Luxembourg or the Republic Day and Independence Day celebrations in India. APAC countries like France also put a special focus on networking with local universities to promote Worldline brand and

facilitate future recruiting. In Finland, Christmas and summer parties are organized for all equensWorldline. In India, celebrations happen throughout the year such as Diwali celebrations, the Traditional Day or the Dandiya Evening or the Women’s Day celebration.

- **Sportive events** are also highly valued as part of the well-being program. France and the UK organize “Corporate Games”: inter-company annual sporting events where employees proudly represent the Company’s colors in a three-day competition. In addition, Worldline participates in different runs such as the Corporate Chase in Frankfurt, the 20km of Brussels, and the Paris Versailles. In 2019 those runs have gathered numerous employees from all geographies, notably from France, Belgium, Italy, the Netherlands and Germany. The Company is also involved in the Standard Chartered Mumbai Marathon. More generally, Worldline promotes alternative transports such as bicycle, especially in France and Belgium which contribute to the practice of physical activities.

### D.3.2.2 Encourage social dialog to promote Human Rights and high standards working conditions [GRI 102-8] [GRI 102-12] [GRI 102-13] [GRI 102-41] [GRI 403-2] [WL 4] [GRI 103-2 Occupational Health and Safety] [GRI 103-2 Indirect Economic Impact] [GRI 403-4] and [AO 2]

#### D.3.2.2.1 A culture of permanent and effective social dialogue [GRI 102-41]

Social dialog is a fundamental part of Worldline culture. The Works Councils are one of the main stakeholders of the Company. Worldline acknowledges that employee representatives must play a comprehensive role concerning the most important and confidential topics faced by the Company. In most of countries where the Company is, there are employee representative bodies. The employee representatives meet local management on a regular basis, and attend extraordinary meetings to address specific topics, notably acquisitions or transformations.

Until May 2019, managers regularly took part in the Atos group Societas Europaea (SE) Committee to which Worldline belonged. Besides, the Secretary of the Atos group SE Committee was a Worldline employee and two of the six members of the Committee’s bureau were Worldline employees. During Ordinary Meetings, topics of common interest were discussed such as Group strategy, announcements of financial results, acquisition plans, sales forecasting, quality issues and *Wellbeing@work* projects as well as specific meetings relating to the separation from Atos. This separation has been well perceived by employee representatives. On the top of that, thanks to this separation, Worldline has now its own employee representative at the

Board level, a staff representative specific to the French Works Council, as well as his/her alternate.

In 2019, concomitantly with the separation, the Worldline Group has proactively announced and launched the process of creation of the European Works Council (EWC) in the 17 European countries where the Group is present, informing all the WC, the managers as well as employees, thus opening the social dialog to more than 80% of the overall Worldline employees. In this regard, the Company started the creation of a Special Negotiation Body in order to create this future Council at the initiative of the top management. From a managerial perspective, Worldline has also created a specific role dedicated to worldwide social dialog by creating the post of Director of World Social Affairs.

In addition, Worldline management team shares and discusses on a monthly basis in the countries where the Company has employee representatives, strategies, projects and key information relating to its economic performance (turn-over, etc.), as well as all employee-related topics such as data privacy, participation Committees, *Wellbeing@work*. Key information is also shared with all employees through global or local newsletters. Several Worldline employees also sit on the Board of Directors and have access to confidential and strategic information.

Informing and monitoring work on the integration of new entities into the Worldline Group from the very beginning is also part of the agenda of the SE Committee and the WC in each country (like with Six Payment in 2018).

Moreover, Worldline respects and protects workers' representatives, and prevents employee representative discrimination as well as violations of the freedom of association and the right to organize.

### Health and Safety Committees

In France, the Occupational Health and Safety (OHS) Committees composed of elected employees are the point of contact for matters relating to health, safety and working conditions. As of January 1, 2020, the OHS Committees will disappear according to a change of law and will be replaced by the CSE (Economic and Social Committee). A dedicated national commission of the CSE will take over all the previous prerogatives of the OHS Committees. Nevertheless, Worldline management decided to implement local CSE Committees to maintain all occupational health and safety matters at a local level, site by site.

A similar Committee in Belgium is the Committee for Prevention and Protection at Work (CPPT). In July 2019, Worldline Iberia has established its own Health and Safety department and the OHS Committee composed of members of the management and elected employees. In Germany there is a close cooperation with labor safety and health authorities with regular inspections to ensure security at work.

Convened by management at least on a quarterly basis (for France and Spain), or monthly basis (for Belgium) and for extraordinary meetings when necessary, these Committees aims at consulting the elected employees on all the matters that impact employee's health, safety and working conditions (premises, move, emergencies, training, proposals for health and safety improvement, audits, etc.) prior to their implementation. They also give the possibility to employee representatives to test new infrastructures proposed by ergonomists (e.g. chairs, IT equipment) and provide their input on planned improvements and renovations. Beyond their regulatory role, the members of the OHS and the CPPT Committees are partners in managing issues related to working conditions and the protection of employees.

### Collective bargaining agreements [GRI 403-1] [GRI 403-4]

Worldline not only follows local and international regulations and requirements regarding labor rights, but also covers 72.94% of all its employees with collective bargaining agreements [GRI 102-41], and 81.25% of them by European Directives. Indeed the Company has signed collective bargaining agreements with trade unions and staff representative bodies that enable employees to benefit from favorable statutory requirements regarding working conditions. Worldline's collective agreements and commitments cover health and safety matters, duration of maternity/paternity leave, working time, teleworking, wages, profit sharing, prevention of psycho-social risks, notice periods, vacation time (usual and exceptional such as wedding, birth, relocation, etc.) as well as training.

Thus, in France, the Unions and the HR department meet on a regular basis to negotiate company-level agreements, such as the specific agreements signed hereafter:

- Employment of over-fifty: "Action plan for the generation agreement" – October 18, 2013;
- Gender equality: "Agreement on gender equality" - May 11, 2015 (in the process of renegotiation);
- Teleworking: "Group agreement on teleworking" – December 8, 2016;
- Disability: "Agreement on the employment and inclusion of disabled workers" – January 25, 2017 (in the process of renegotiation);
- Work-life balance and occupational health and safety: "Amendment to agreement on the prevention of psychosocial risks" – July 28, 2017 (in the process of renegotiation);
- Charter of the right to disconnection – January 22, 2018;
- Complementary health insurance agreement – October 10, 2019;
- Profit sharing agreements: Participation (May 28, 2019) – Profit Sharing (June 26, 2019) – PERCO (July 12, 2019), Buying power bonus (January 31, 2019).

In Belgium, on top of the national collective labor agreements that are applicable in its sector, Worldline is also negotiating collective bargaining agreements with the Unions on different topics such as: collective bonuses, working schedules for specific functions, rules linked to standby hours etc. Collective parameters are determined together with employer and employee representatives and collective targets for the ongoing year are set. Each employee contributes to the achieving these targets.

In Austria, Worldline is also supporting the chamber of commerce with inputs on its negotiations with the Unions regarding the applicable collective bargaining agreement.

EquensWorldline entities have signed the Collective Labor Agreement (CLA) of the Bank sector applicable to equensWorldline in Italy and the Netherlands that guarantees to employee specific benefits regarding health insurance, pension fund, collective bonus, paternity leaving, part time rules, working time, teleworking, bonus for student, etc. In the Netherlands, equensWorldline focuses on the reintegration objective during sickness period, aligned with Dutch law. Specifically for illness after two years, equensWorldline is 'bearer of the risk' and has a dedicated insurance to protect its employees from any additional cost related to their reintegration for 10 years. If reintegration is not possible, equensWorldline has to provide for outplacement. In this regard, equensWorldline started in 2019 workshops for management to train them in their capabilities to contribute to the reintegration of their employees and to prevent long term illness. In 2019, equensWorldline in the Netherlands has also renegotiated pension plan.

In Germany, there are no collective bargaining agreements. Instead, a lot of WC agreements are signed on topics such as Working Time, Social Benefits, Home Office regulations, On-call Duty.

In 2019, the main focus of Worldline WC discussion was related to the finalization of the integration of Six Payment Services, and the people that joined Worldline recently.

### D.3.2.2.2 Measures to ensure health and safety at work [GRI 403-1] [GRI 403-2] [GRI 403-3][GRI 403-4] [AO 16]

#### Assessing and preventing health and safety risks at work

The OHS and CPPT Committees work together to update a Unique Risk Assessment Document (DUER) for all of Worldline's sites on an annual basis. This document lists all the potential risks to which the employees may be exposed to when working. It details, the level of occurrence, the probability and gravity of these risks, and the related preventive measures. In addition to the Unique Risk Assessment Document, Worldline management publishes safety instructions for each site to inform employees of the proper behavior to adopt on site with regard to potential risks. A yearly exercise is planned with all employees in order to test the proper execution of the security guidelines. Every organization in the Netherlands also has a RI&E (risk assessment and evaluation), addressing topics such as health, safety, absenteeism, indoor climate, company emergency services, workplace design, computer work and psychosocial workload. An action plan is drawn up to reduce and/or eliminate the risks and have improvements on relevant issues.

Medical checks are also conducted for all employees in major sites on a regular basis (with also health insurance companies providing eye-tests in Germany, free medical examinations by an external consultant in France, Spain, Austria, Italy and the Netherlands).

Besides, in 2019, Worldline Iberia launched the certification ISO 45001 for Madrid and Barcelona. This international standard provides a framework to identify, control and reduce the risks associated with health and safety in the workplace. On the other hand, this certification allows the integration of procedures with the Quality and Environment Management System according to ISO 9001:2015 and ISO 14001:2015.

In 2019, the total number of hours lost due to sickness and long term absence amounted to 2,664,512 hours globally in Worldline Group.

#### Training first aid volunteers at the workplace

Volunteer employees at every site are entitled to receive training funded by the Company in order to learn basic first aid and about occupational risks. The training leads to a qualification which is recognized on a national level, regardless of the Company. These employees are contacted to intervene, for example in the case of a workplace accident involving an employee, and are authorized to contact the ambulance service. These employees regularly attend training courses to refresh their knowledge.

More specifically in Belgium, Germany, France, Italy and Spain, real life exercises and regular fire drills trainings are planned during the year on main sites to test the correct intervention by the first aid helpers. They involve all employees and the employees responsible for first aid at each site.

#### Identifying and mitigating psychosocial risks

Worldline is fully committed to preventing and controlling psychosocial risks. Since 2010, Worldline has worked with employees' representatives and external experts to verify if there is any stress in the workplace and, in that case, identify measures in order to avoid this stress.

As stipulated in a company agreement on the prevention of psychosocial risks in France, Worldline has implemented a training module dedicated to the prevention of psychosocial risks in order to improve working conditions and the work-life balance, notably targeting members of management and the HR department as well as Trade Union members. Besides, in general, employees can consult with several confidants (on HR and on business side) who are well trained to deal with the most sensitive topics related to the work environment. Furthermore and in order to prevent any psychosocial risk, since 2019, Worldline France has launched an anonymous hot-line 24 hours a day, 7 days a week to enable its employees to call a psychologist in case of discomfort. A mentoring program, notably for managers, also encourages pairs of employees to meet on a regular basis to talk about company topics, working conditions, networking, thus favoring improvement in management.

In Belgium, in addition to the existing "Learning & development" initiatives that have been implemented for managers to detect and recognize the first signs of a possible "burn-out" in order to avoid it, Worldline offers to all managers and teams a special new course focused on:

- Mental resilience trainings: employees receive the opportunity to attend, on a voluntary base, an individual coaching with a certified coach to discuss personal situation and make them more resilient towards stress situations etc.;
- Co-determination workshops: specifically designed for managers, these co-development workshops between peers, opened to all, foster knowledge sharing on managerial practices while taking the daily reality into account. A best practice identified for managers is, for example, to stay connected with their suffering workers to improve their mental condition and ease their return later on.

In order to ensure that employees work in a physical work place and psychological environment that fulfill the standards, at least in Frankfurt, Aachen and in Spain, Worldline also conducted a psychological risk analysis (notably through anonymous survey or focus groups). In the Netherlands as in Finland, equensWorldline offers physiotherapy and psychological counseling to employees. These employees can speak about any aspect of their life. Worldline Iberia has also implemented physiotherapy service on its sites as well as workshops to reduce stress if any.

### Raising employee awareness on health prevention

Worldline implements initiatives to create awareness on well-being and health prevention, such as the ones as follow. More generally, Worldline provides financial support to its employees on sport or fitness activities in its main geographies and special chairs or desks that fulfill physical or ergonomic requirements.

Worldline Belgium has set up a dedicated Cafeteria Plan for older employees (50+ & 55+), including topics such as knowledge sharing or medical checkup. The entity also offers other initiatives to all of its employees: sport week (with tai chi, yoga, football, fitness or dance activities), health sessions with experts notably relating to healthy food, health checkup.

Worldline Group entities in Germany, the Netherlands, Austria, Spain, Italy and India organize health events on their main sites such as fitness or yoga sessions during lunch breaks, health check-ups or fruit weeks in which fruits are provided to all employees. equensWorldline in the Netherlands also launched an internal Welcome app to better inform new employees, including on health and safety matters.

#### D.3.2.2.3 Promotion of Human Rights internally through the International Labor Rights [GRI 102-12] [GRI 102-13]

Worldline is determined to embed the respect and promotion of Human Rights into every function, role, and dimension of its business. As a signatory of United Nations Global Compact (UN GC) since 2016 which includes commitments with International Labor Organization (ILO) conventions, Worldline ensures the protection of international labor rights in its organization and its value chain and states that it is not engaged and have not been suspected/accused in any form of breaches on international labor rights. The Company supports and respects the principles of the Universal Declaration of Human Rights of 1948, the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business, and Human Rights, the ILO (87 or 98) Declaration on Fundamental Principles and Rights at Work, as well as UN International Covenant on Civil and Political Rights or UN International Covenant on Economic, Social and Cultural Rights.

As an active participant of the UN GC and consistently with its Human Right policy statement, while taking into account that 9.5% of its total employees in 2019 worked in sensitive countries (China, India, Singapore, United States) regarding violations of fundamental rights at work according to the ILO and the Freedom House research on political rights and on civil liberties, Worldline ensures compliance with the following principles regarding labor rights in all its geographies:

- Supporting and respecting the protection of internationally proclaimed Human Rights;
- Making sure that Worldline is not complicit in Human Rights abuses, including harassment;

- Upholding the freedom of association and speech and the effective recognition of the right to collective bargaining;
- Rejecting of all forms of forced and compulsory labor;
- Supporting United Nations Convention on the Rights of the Child and ensuring effective abolition of child labor.

The Worldline's Human Rights commitments are also set by its Code of Ethics (refer to this document, Section D.4.2.1) and integrated all along the Company's value chain through the *Business Partner's Commitment to Integrity* charter that is included in all suppliers' and partners' contract (refer to this document, Sections D.4.2.4 and D.4.4.2). In this document, it is stipulated that they must not make use of child or forced labor, practice or support any psychological or physical coercion and must respect individual and collective liberties and comply with labor laws. These documents introduce the right of any Group employee or partner to disclose behaviors or actions deemed inconsistent with the mentioned values and principles, through the Compliance alert system.

The Human Rights challenge is covered by the Company's Enterprise Risks Management but has not been identified as a main risk for Worldline.

#### D.3.2.2.4 Smart working conditions to foster work life balance [GRI 102-8] [GRI 202-2] [GRI 403-2] [GRI 405-1].

Worldline gives priority to permanent and full-time working relations with its employees: 97.25% of people in the total workforce are under a permanent employment contract and 83.10% of these people work full time. Nevertheless, the Group strives to ease part-time work situation on request of employee if this latter considers that it is better for his or her work-life balance. Additionally, Worldline operates in collaborative mode notably tools such as Circuit and Sharepoint, which allows remote working (teleworking) and offers more flexibility for employees in their work-life balance. For instance in France, the Company organized teleworking through the setup of a specific contract amendment and has reached 37% of telecommuters in 2019, thus bringing wellbeing as well as environmental benefits.

Besides, in the context of mergers and acquisitions, the strategy of the Company is to ensure employment security and responsible workforce restructuring. Thanks to its continuous growth, Worldline is able to absorb all employees coming from new entities while developing them notably through its internal mobility program.

Finally, Worldline supports local recruitment: 90% of experienced managers are local, and 91% of the Company's employees in 2019 were local. Thus, although most of Worldline's employees are located in Europe, the Company employs people of 95 different nationalities and is present in 30 countries.

These initiatives, used to create a healthy and smart working environment, help lower the Company's absenteeism rate, which was of 3.48% among operational employees in 2019.

### D.3.2.3 Ensure fairness & efficiency through diversity promotion

[GRI 202-2] [GRI 405-1] [GRI 405-2] [GRI 103-2 Diversity and equal opportunity] [GRI 103-2 Indirect Economic Impact] and [GRI 103-2 Market Presence]

Worldline seeks to give to all its employees an equal chance to reach their full potential in the Company regardless their gender, cultural differences, level of experience, sexual orientation or disability. Fostering diversity is not only the right thing to do, it is crucial for Worldline that its employees feel empowered and encouraged to bring their best to work. The Company commits to provide a secure working environment, that entails no discrimination and promote fair and ethical behaviors within its workforce. For this purpose, various long-term action plans have been launched.

- **Gender equality:** equal opportunities for men and women, equal access for all to the same level of responsibility within Worldline. The right balance of men and women in Worldline enables innovation, creativity and collaboration in each team.
- **Cultural differences:** capitalizing on Worldline's international diversity by learning to work better together and by encouraging the development of talent wherever Worldline operates. International diversity is the guarantee of the development of Worldline's global and cross-functional organizations. Diversity initiatives especially focus on trainings and local recruitment. "Working with" Aktéos trainings in France, Belgium and Germany or the e-learning on diversity in Chile and Argentina facilitate inclusion of diversity. Likewise various e-learning modules are available for all employees and notably hiring managers and recruiters willing to reflect and take action against unconscious bias in their daily activities and decisions.
- **Sexual orientation, including LGBT+** (Lesbian, Gay, Bisexual, Transgender, Intersex and others). Worldline has signed the United Nations' Standards of Conduct for Business and the *L'Autre Cercle* Charter, pledging its support to LGBT+ people at work worldwide. Drawing on good practices, the United Nations' Standards of Conduct for Business set out actions to protect the rights of LGBT+ employees, such as eliminating workplace discrimination; making sure business operations do not contribute to discrimination against customers or suppliers; and working with business partners to address discriminatory practices up and down the supply chain. Through the Atos group initiative in the UK, Worldline also joined the LGBT+ network.

- **Intergenerational skills transfer:** making sure that Worldline employees, at whatever stage of their career they are in, are given professional opportunities in line with their skills and experience. The active career policy must ensure the right transfer of expertise and skills within Worldline. For instance, intergenerational skills transfers take the form of Mentoring and Reverse Mentoring Programs. These annual or multi-year programs support employee development and networking in the Company, through learning from younger generations or sharing with more experienced colleagues;
- **Disability:** inclusion of disabled people, to ensure continued employment and access to training and equality in career development. The policy of employment and employability of people with disabilities is at the heart of Worldline's CSR commitments. As such, in 2018, Worldline endorsed the new Group Accessibility and Digital Inclusion policy (refer to this document, Section D.2.2.3.1). Through this policy Worldline commits that all Information Communications Technology (ICT) products, services and systems purchased, developed, supplied or otherwise procured by the Group to customers, and those that its supply for its employees, are effectively accessible. Besides, specific programs have been set up at various sites in collaboration with employees' representative bodies. The local initiatives are analyzed to be extended so that Worldline can capitalize on the best practices.

In 2019, Worldline Iberia also joined the alliance "CEO for Diversity" with the Adecco Foundation that seeks to promote diversity policies.

#### D.3.2.3.1 Focus 1: Promoting gender equality [GRI 401-1] [GRI 405-1] [GRI 103-3 Diversity and Equal Opportunity] and [WL 7]

##### Worldline's commitment through the Gender Equity program

A growing part of Worldline attractiveness as an employer brand is based on the fairness and transparency given to people in terms of recognition and promotion, notably in the form of broader responsibilities during their careers, and regardless of gender and wherever the Company operates. Worldline commits to ensuring collective fairness, equality of treatment between genders and balanced access to managerial positions in order to work better together.



To achieve this objective the Gender Equity program was launched in 2017 as a part of the Group Trust 2020 commitment. This program aims to ensure that the Company applies the principle of equity for management positions by eliminating the female managerial gap existing within the Company by 2020.

#### Implementation of the Gender Equity program and local initiatives

Although the fields of IT and engineering mostly appeal to men, Worldline employs 31.5% of female employees worldwide and constantly strives to improve this proportion. Out of this proportion of female employees, 23% females belong to the total management workforce. In 2019, 6 women were Board members out of 13 members. Worldline has identified new actions that will to strengthen women representation at all levels.

Thus, in 2018, the Gender Equity Steering Committee has established a purposeful gender equity top twenty guidelines structured around the three pillars: "Women attraction", "Women development and promotion" and "Women retention". These pillars are supported, at global and local level, by the Human resources teams, who are responsible for formalizing, promoting and deploying in all Worldline regions, the adjusted HR rules and actions to reach exemplary equal treatment for men and women in terms of recruitment, development, promotion and retention.

- **The "Women attraction" pillar** is aiming to provide concrete levers to better attract women and men talents and strengthen inclusivity in profiles Worldline recruits. These guidelines consist notably in ensuring that women and men are equally represented in all IT school partnerships, external events or corporate communication. In this context, the Company launched in 2019 the "Meet the women and men of Worldline" communication initiative whose goal is to promote more than 20 role model portraits, published internally through a global newsletter and externally on Worldline blog in order to inspire Worldline fellows and attract new talent. The Company has also required from the people in charge of its recruitments to ensure that the pool of applicant is systematically comprised of both women and men candidates to systematically prevent discrimination. Additionally, 50 global job descriptions have been reviewed to be more inclusive, gender-fair and enlarge the number of candidates that can see themselves in it. This has been achieved with the support of the Textio platform of augmented writing providing neutral tone alternative suggestions when required. These job descriptions, available to all employees, can be used when creating a job requisition in Worldline tooling.
- **The "Women development and promotion" pillar** was designed to grant development opportunities aligned with Worldline's diversity and enable the Company to give to all employees, women and men, an equal chance to reach their full potential. As such, Worldline deploys trainings fostering both women and men leadership. One of the key 2019 achievements was the significant improvement of women representation in Talents and Experts programs as well as in the succession plans.

- **The "Women retention" pillar** is aiming to better retain Worldline women and men including but not limited to ensuring that women and men are equally treated. To limit employee attrition, it is critical for Worldline to deploy HR neutral processes that will secure employees throughout their Worldline journey. This is why, gender equity criteria has been fully integrated as a part of the annual HR Processes, notably in the People and Salary review. As a result, in 2019, the same proportion of Women and Men were identified to be part of the Worldline Talent pool. In alignment with the ILO Convention 100 concerning "equal remuneration for men and women workers for work of equal value", the gender equal pay is also a point of attention. For Instance in France, in 2019, companies with more than 1,000 employees are now required to calculate and communicate their Gender equity index. The Worldline and equensWorldline entities in France have reached a score of 88 out of 100, which is far above the minimum legal requirement and also above the national score average. This score illustrates the positive impact of the local long-lasting effort of French entities on gender equity materialized in the Gender Equity bargaining agreement, which have been renewed in May 2019 for 3 years. Likewise, Worldline Spain has also signed a new Gender equity bargaining agreement covering 15 objectives and 50 actions to be roll-out until 2023.

Besides, the Gender Equity program is about the message the Company conveys, nurturing an inclusive mindset toward all employees. Numerous initiatives were launched by the Gender Equity Steering Committee and local taskforces to this end, such as:

- The global and local events organized for the 2019 International Women's Day including a webinar held by the Worldline CEO, which was attended by 600 employees from the Group;
- The Women's Guild of equensWorldline initiative, which takes the form of monthly webinars, aims to create an international network of women sharing best practices on Gender Equity;
- The afterwork organized with European Women Payment Network in Bezons with around 40 people from Worldline or the Fintech industry exchanging good practices around Gender Equity and Inclusion;
- The Women@worldline meet-ups in Belgium, Germany, Netherlands and Italy;
- The continuous effort to seek for gender fair representation in every Worldline internal and external events.

More generally, regardless the topic involved, the Gender Equity Steering Committee, composed of the CSR Officer, the Head of Human Resources and the Director of the Gender Equity Program, interacts with the internal stakeholders to ensure consistency in gender diversity in internal and external communication campaigns. This is a key lever to boost awareness and best practices, foster equal representation of women and men in testimonials and speaking opportunities, and ensure that corporate materials and recruitment messages are aligned with Worldline Gender diversity vision and strategy.

To leverage employee's assets and live up to Worldline's ambition, Gender Equity is also integrated in the action plans deployed locally that relate to:

- Excellence of the academic and IT background and skills;
- Personal Involvement: contribution to the Company's development;
- Respect to the values of the Company: Behaviors & Mindset;
- Individual development: Continuous and regular efforts/attention/willingness to grow as a person and within the Company all along the career.

To track, locally and globally, the progress of the Gender Equity Program, associated Key Performance Indicators (KPI) have been identified in term of woman manager representation, woman retention, attraction and evolution. These KPIs and corrective action requirements have been shared with each regional and business line Directors to identify local actions. The evolution of these KPIs are monitored monthly with the Gender Diversity Steering Committee and shared quarterly with Worldline Management Committee.

Along with the Gender Equity program, various initiatives were launched in the different Worldline geographies to strengthen local progress such as:

- The deployment of a "Woman Leadership" training in France, which is aimed to be deployed across the organization worldwide. Since 2018, more than 10 sessions were held (including 7 in 2019), comprising in total 100 women. Likewise Germany has developed specific

training and coaching sessions empowering women working in a predominantly male environment;

- Worldline has also launched in 2018 its association *MixIT*, which goal is to:
  - Contribute to promoting digital among young women, making it an attractive field of activity to rebalance gender diversity in the sector,
  - Strengthen the exemplarity of Worldline in terms of gender diversity,
  - Build a truly mixed Association with the support of many women and men members, an idea still pioneering in France,

This *MixIT* association has already implemented some actions:

- Develop initiatives with the youngest (e.g. "coding snacks");
- Promote female testimonials in conferences (e.g. Duchess or Numériqu'elles) to encourage women to pursue an engineering career and provide presentations on the place of women in the digital world;
- Advise on internal training programs (e.g.: female leadership).

Moreover various countries have developed policies fostering work-life balance such as the flexible working policy UK & I policy or the extended maternity leave (when breastfeeding) and paternity leave duration above local legal regulation in Spain.

Management categories	% of female per management category
Junior management	56%
Middle management	41%
Senior management	3%
% of women in junior management position vs total junior management position	26%

## KEY RESULTS AND TARGETS

Indicator	2015	2016	2017	2018	2019	2020 Target
Gap between the % of females in management positions and the % of females in the overall workforce	-	7.5 points	7.5 points	7.3 points	6.9 points	0 point

### D.3.2.3.2 Focus 2: Taking disabled people into account [GRI 405-1]

Worldline has been implementing for ten years specific programs for people with disabilities at various sites, mostly in Europe and in collaboration with employee representative bodies. Such programs aim to better train and integrate

disabled people (which involves their coworkers), notably by offering them interesting jobs that accommodate their disabilities. Besides, Worldline commits to better take into account disabilities in its sustainable procurement decisions, through the involvement of the sheltered workshops sector and in the development its solutions.

### Encouraging accessibility and integration at the workplace

In 2019, the percentage of Worldline disabled employees was 1.47% globally and 2.71% in France. Each type of disability is now represented within the population declared to the HR department, from psychological diseases to physical disabilities, including severe illness. Thus, over the last 11 years, Worldline has supported more than 200 disabled workers in France.

Since 2014, Worldline has signed a Group agreement with French employee representative bodies which was renewed in 2019 and will be valid until 2022. This agreement concerns the employment and professional inclusion of disabled people. Moreover, particular attention is paid to the integration of people with disabilities in order to adapt the workstation if necessary (customizing the devices, etc.) or to provide awareness session for coworkers, in agreement with the person concerned. To carry out this mission in France, Worldline relies on a network of 20 disability deputies located in all the French sites. These volunteer deputies each dedicate one week per year to guiding and assisting employees. Subject to absolute confidentiality, these key players in the Company's disability policy coordinate the multi-disciplinary mechanisms to maintain employment of people with disabilities.

Workplaces adjustments have been made in France, Belgium, Germany and Italy main sites and premise upgrade systematically considers accessibility for people with disabilities (with dedicated parking slots, adapted furniture, disabled-friendly toilets, special tables, extra phones for deaf people, etc.). Worldline also organized expert conference days, workshops and trainings around digital accessibility as well as training programs for all its employees in order to foster the inclusion of disabled people in their teams, notably through the following initiatives:

- Actions are held throughout the year to better understand the consequences of illnesses and disability situations through convivial moments such as shows or sports competitions;
- In France, sign language lessons are provided to make communication between deaf employees and their colleagues easier and, in 2019, a new awareness session on disability was organized for the entire HR department.

All these initiatives aim to support employees and applicants who are permanently or temporarily disabled, and encourage coworkers to be open-minded about disabilities. Moreover, in November 2019, Worldline actively participated to the biennale of disability organized by the University of Lille and its partners. This biennale covers the fields of culture, sport, professional integration and innovation with the aim to raise awareness on disability among students

### Worldline commitment and involvement regarding people with disabilities

Worldline also uses the support of the sheltered workshops sector on both internal purchases and response to tenders. Thus, Worldline applied the first social inclusion clause for public procurement in France in 2016 and added two other clauses since. In 2019, Worldline also renewed its trust with the GEIQ Emploi & Handicap which supports the Company in implementing the social integration clause.

Besides, the Procurement department is regularly trained on the interest of using the sheltered workshops companies. As an illustration, Worldline relies on the services of such companies for diverse activities, such as maintenance of green spaces, replacements and selective sorting with "Le Grain d'Or" in Blois and Tours (France), "ANRH" in Tours, "Illunion" in Madrid, and "SERVICEA" at Rennes site for the reception desk. Moreover, the recycling and reprocessing of the payment terminals is carried out by a sheltered workshop meeting Belgian national criteria (refer to this document, Section D.4.4.2). Thus, in France, collaboration with sheltered workshops represents the equivalent of 11.21 FTE hiring. Worldline also launched a collaboration with a sheltered workshop specialized in computing, the qualification and audit center (CCQA) sub contracted with the APF (*Association des Paralysés de France*).

In Spain, Worldline has been collaborating with the Adecco Foundation since 2016, thus launching initiatives to help people with disabilities to find a job (refer to this document, Section D.4.5).

Additionally, Worldline puts a specific focus in providing offers that integrate the "Inclusive Design Thinking" and the "Inclusive User Experience" (IUX), to better include people with disabilities in the use of digital solutions (through modular menus, "assistive technology" with speech recognition, etc.). For more information, refer to this document, Section D.2.2.3.1.

## D.3.3 Ensure talent attraction & retention

As a constantly growing company, attracting and retaining skilled and enthusiastic people is key. That is why Worldline focuses on its employee careers and development as a priority, through several programs that offer personalized career management, internal mobility and support schemes

and that are considered as a crucial source of motivation by employees. Other initiatives relating to training and development programs are detailed in this document, Section D.3.4.



### D.3.3.1 Talent acquisition@Worldline [GRI 401-1] [GRI 103-2 Indirect Economic Impacts] [GRI 103-2 Employment] and [WL 6]

Worldline's target is to attract and recruit the best talents, mainly in Information Technologies fields, including expert profiles in Big Data and cyber-security. That is why the Company has made extensive efforts to reinforce its employer brand and to develop close relations with the leading engineering, business schools and universities across its geographies. Its talent acquisition strategy is focused on a three-dimensional action plan as presented hereafter:

#### 1. Being recognized as a first-choice employer

To be recognized as a first-choice employer and a learning organization, Worldline has set up a wide recruiting campaign on different platforms and via career events with the objective to recruit trainees, interns and young graduates, but always with a long-term engagement in mind. To ensure a high-quality workforce by attracting students from leading universities, engineering and business schools, Worldline has launched the Tier 1 Interns & Graduates program. The goal of the Tier 1 program is to manage close relationships between targeted universities and schools and an internal volunteer network of approximately fifty alumni members.

#### 2. Attracting top-notch talents through the employer brand

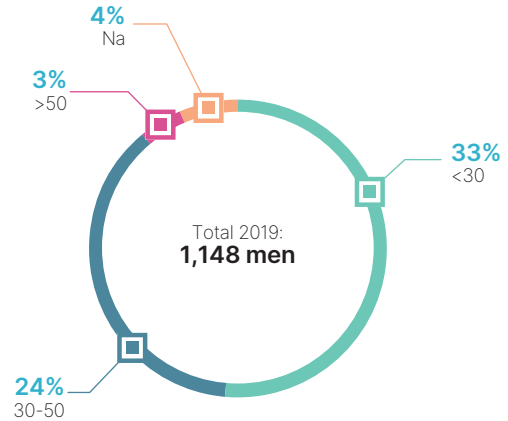
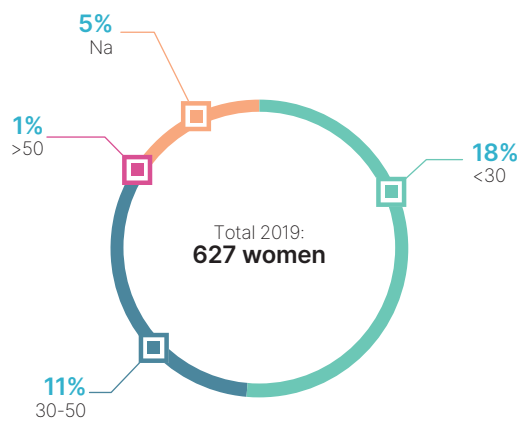
Worldline works on its brand as an employer to enhance its visibility and appeal on the market. In line with this, Worldline acts as a responsible and inclusive employer, with strong focus on gender equity, and has made a commitment through its TRUST 2020 program to appear on five "Hiring" rankings by 2020. As a leader in the payment and digital industries, the Company is also well-positioned to offer numerous and diversify career development opportunities to its employees.

In 2019, 1,775 new hired employees joined the Company around the world, of which 35% are women [GRI 401-1].

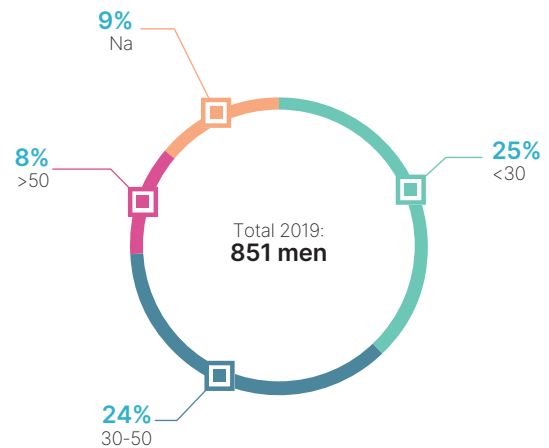
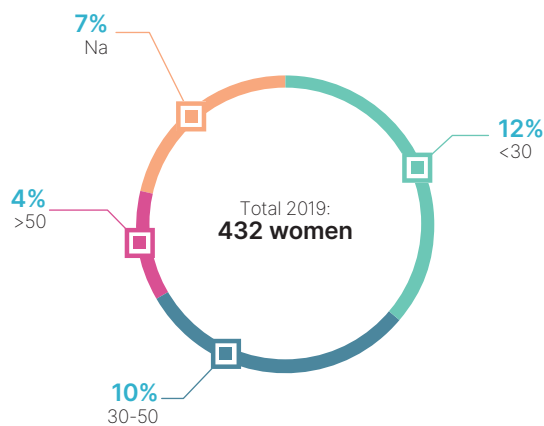
#### 3. Welcoming and onboarding new joiners

Building on its long history marked by significant acquisitions, Worldline has developed a solid expertise in newcomers' welcoming and integration with the objective to ease the onboarding in the Company's business, culture and values. In this regard in 2019, the Group launched an onboarding project that aims to reinforce the onboarding process and make sure that a new employee has all the necessary materials and access on their first day. This project complements the existing numerous best practices implemented to ensure a successful integration of new joiners, including the distribution of a welcome booklet and the organization of on-site welcome breakfasts to provide an overview of the Company internal organization and activities.

## NUMBER AND RATE OF PEOPLE ENTERING THE COMPANY PER GENDER AND AGE



## NUMBER AND RATE OF PEOPLE LEAVING THE COMPANY PER GENDER AND AGE



In 2019, the turnover rate is 10.73%, compared to 9.40% in 2018.

### D.3.3.2 Career development@Worldline [GRI 103-2 Indirect Economic Impacts] and [GRI 103-2 Training and Education]

#### D.3.3.2.1 Individual development framework

##### Annual People Reviews

Every year, people reviews are held by HR and managers consistently in most of the countries where Worldline Group operates. They aim to anticipate individual and/or collective

career moves and skills development needs in view of changes in terms of activity, technologies or organization. The information thus gathered offers a full cartography to identify possible career paths, high potentials, key skills, difficult jobs to staff, possible successors, and where support is needed, particularly in terms of training.

### People Performance management

This half-year individual interview led by managers is a key opportunity to enable employees to give their feedback, develop their skills and achieve their business goals. A full communication campaign is sent to all the employees each year to remind them of the expected benefits of these interviews and managers can attend webinars and training to help them better conduct performance appraisals and goal-setting discussions.

### The Individual Development Plan (IDP)

The IDP is a personalized career and development tool that enables Worldline employees to take charge of their individual career plan, then discussing their career aspirations with their managers to prepare a suitable action plan. Trainings for employees and managers, as well as guides and videos for the development of IDPs are provided to prepare the IDP.

### KEY RESULTS

Indicators	2015	2016	2017	2018	2019
Percentage of employees who received a regular performance and career development review during the year	97%	94%	97.4%	90.65%	82.43%

### D.3.3.2.2 Career & Internal Mobility

Worldline offers a strong set of career alternatives through vertical or lateral promotions to ensure its employees' growth and long-term employability: management, technical and functional expertise, project management, sales, support functions, etc. As part of the Internal First initiative, The Company's ambition is that 80% of all hiring is performed internally. This initiative is facilitated by the following actions:

- Career Days events introducing all tools to support employee career development;
- Career Talks for individually discussing employee career objectives, opportunities and needs;
- Career newsletters informing employees on job opportunities;
- Global communities facilitating access to all job opportunities;
- Job Cafés fostering direct discussions between employees, line managers and recruiters.

In addition to the managerial career path, other internal career paths have been developed as presented hereafter.

#### The expert career paths through the Worldline Expert community

In 2013, Worldline initiated its Expert Community which has expanded to 332 experts in 2019 from almost all Worldline geographies, among which 64 joined this year. Gathered through this community, Worldline experts are provided with numerous opportunities and a stimulating environment to nurture their skills, be recognized internally and externally and

evolve in their technical discipline. In addition to a specific training path and mentoring sessions with more experienced peers, they also participate in prestigious international seminars or conferences in technical and scientific fields. Thus, by formalizing a career path towards expertise with a dedicated compensation and benefits policy, Worldline experts have the opportunity to progress and be recognized with a symmetry of attention compared to managers.

#### The sales career paths

In 2018, the Worldline Global Sales entity has developed a Sales Career path to support Sales development and evolution across Worldline organization. All skills have been identified by job category in order to create a matrix of potential development in different job areas in Sales. This provides a reading grid for training path which gives perspective in terms of career evolution, but also which ensures a continuously fit between people profiles and business needs.

#### International mobility

Worldline has always considered international mobility as a key enabler of its business strategy and its employees' skills development and careers. This strong commitment was illustrated by the appointment of a Head of International Mobility within Worldline whose mission is to define and promote the mobility strategy, support the operational HR teams in this respect and provide support for employees throughout the process. Opportunities for international mobility within Worldline cover international projects, the organization of multi-country teams, the implementation of offshoring, and talent development programs. Worldline's policies and processes are designed to support this strategy.

### D.3.3.3 Recognition@Worldline [GRI 202-1] [GRI 401-2] [WL 5] [GRI 103-2 Indirect Economic Impacts] and [GRI 103-2 Market Presence]

#### D.3.3.3.1 Compensation and benefits policy [GRI 201-3]

Worldline's Total Remuneration and Recognition Awards Policy is designed to support Worldline Group's strategic ambition and is in line with the Worldline corporate interest.

Worldline relies on its people to achieve its business objectives. In order to attract the most qualified talents of tomorrow on the market, reward performance and innovation collectively and individually, motivate, retain, and accompany employees' career development within the Company, Worldline has designed an appealing, cost effective, fair, market competitive and flexible total remuneration and recognition awards package, in accordance with the local applicable legislation and in line with its business strategy, objectives, values and long-term interests<sup>1</sup>.

Worldline approach to compensation is based on a total package that includes a fixed salary, a variable bonus for eligible employees and essential benefits coverage aligned with market practices and applicable local regulations. First managerial lines of Worldline and key talented experts may also receive Long Term incentives such as stock-options and/or performance shares to associate them with the long-term performance and results of the Company. Worldline is also promoting a success based reward culture through recognition award programs, enabling managers to immediately reward their teams for exceptional performance or contribution.

In all its actions and decisions related to total reward and recognition awards, Worldline respects and promotes diversity (gender, race, political views, disability) and is committed to respecting internal equality. Worldline regularly conducts benchmarking exercises of its competitors to ensure its competitiveness; both in performance level and structure, and ensure that compensation packages are in line with market practices in every location.

#### 1. Comparison of minimum wages [GRI 202-1]

In all the countries in which the Company operates, Worldline's entry level wage (lowest wage in Worldline paid to a permanent and full-time employee) is above the local minimum wage, in line with local policies. In the 63% of countries where minimum wage is set up by law, Worldline pays at least 50% more than that minimum.

#### 2. Cover for healthcare, benefits for death and disability [GRI 401-2]

100% and 95%, respectively, of health care and disability benefits are offered to permanent employees. In some

countries (e.g. Germany and Austria), the compulsory health insurance is fairly comprehensive, so supplementary medical benefits are generally not necessary.

Death benefits are offered to a majority of permanent employees. In some countries (e.g. Austria and Germany), death benefits are included in the pension plans and provided in the form of a pension for the spouse and children. In other countries, death benefits are mainly provided in the form of lump-sum payments. The principal lump sum amount is sometimes increased according to the family status (e.g. in France) and could be doubled for a death as a result of an accident in some countries.

#### 3. Variable compensation

Worldline believes that financial reward drives behavior which impacts business results. The objective of the short-term bonus plan is to focus managerial effort on the achievement of key objectives that drive shareholder value. In this way, the short-term bonus plan is specifically designed to support the Worldline strategy and sense of purpose by pro-actively driving behavior required to achieve overall strategic company goals.

Worldline's short-term bonus plan is based on financial criteria (mainly Revenue, OMDA, Free Cash Flow and Order Entry) and non-financial criteria (like Quality and People objectives which could include Wellbeing@work initiatives roll-out). Depending on local constraints and negotiated local collective agreements, deviations from those global short-term bonus guidelines could apply. In order to secure the full year achievement - in the context of Worldline 3-year strategic plan-, the performance objectives are set and reviewed on a half-year basis. For each performance indicator, the Executive Committee sets:

- A target the attainment of which results in getting 100% of the on-target variable compensation in respect of this indicator;
- A floor which defines the threshold below which no variable compensation for that component is due;
- A cap which defines the threshold above which the variable compensation for that indicator is limited to a ceiling % of its on-target amount; and
- The elasticity curve which accelerates the amount of the variable compensation due upwards and downwards according to the level of achievement of each of the objectives.

<sup>1</sup> In developing and implementing its remuneration package, Worldline mitigates the risks related to unacceptable behavior and strives to limit any incentive to take unwanted or undue risks.

The bonus objectives are defined and weighted according to the importance of the business objective. Moreover, in order to reinforce the mitigation of the risks relating to unacceptable behavior:

- The scope of the financial objectives is determined collectively and based on audited financial targets as defined in the Company Budget;
- The payout curves per financial and non-financial indicator are capped.

Any bonus paid by Worldline can be reclaimed or reduced by Worldline when:

- It has been granted on incorrect information concerning the realization of certain goals and achievements having led to a restatement of the financial results;
- The beneficiary did not adhere to the standards regarding suitability and proper behavior;
- The beneficiary was found guilty by a final Court decision and responsible for conduct/behavior that resulted in a decrease in the financial position of the company. No variable compensation will be paid to the concerned eligible employee if he/she is dismissed for gross negligence or with good cause.

#### D.3.3.3.2 Profit sharing agreements and incentive schemes

##### Profit Sharing Agreements

Profit sharing is a mandatory measure in France for companies or "Social and Economic Unit" ("SEU") with at least 50 employees, providing for the redistribution of a "special profit-sharing reserve", if such a reserve is made available at the end of the calendar year. Within the current scope of the SEU Worldline, a profit-sharing agreement has been signed on 28 May 2019 for an indefinite period, following a prior agreement reached in 2018 for the year 2018. This agreement is applicable to all employees of the current UES Worldline companies in France, having an effective seniority of 3 months, continuous or not, within one or several companies of the UES Worldline.

##### Incentive Schemes

An incentive scheme is an optional device whose purpose is to allow the Company to associate more closely, by means of a calculation formula, employees in a collective way to the running of the Company, and more particularly to its results and performance. As such, an incentive scheme was signed on June 27, 2017 in favor of the employees of the current French legal entities, for application from January 1, 2017 for a period of three years. This agreement was subject to two amendments – in 2018 and 2019 – to adjust it as closely as possible to the changes in the performance of the entities concerned. During the first half of 2020, the Management will invite union representatives to negotiate a new incentive agreement for the years 2020 to 2022.

Employees in Belgium are also associated in a collective way to the Worldline SA/NV and equensWorldline SE results and performance, as well as to the achievement of collective Key Performance Indicators negotiated every year, through the payment of immediately available premiums benefitting from a local specific tax and social security treatment.

#### D.3.3.3.3 Collective Retirement Savings Plan ("PERCO") [WL 5]

As part of the pension reform in France, a Collective Retirement Savings Plan (PERCO) was also implemented as a unilateral measure in 2019, for the benefit of the employees of the current French legal entities. It enables long-term investment for retirement through voluntary payments in a favorable tax framework. In the context of the French legislation ("Loi PACTE") (law no. 2019-486), this scheme might be subject to future changes.

#### D.3.3.3.4 Equity plans [WL 5]

##### Group Savings Plan

A group or company savings plan is a collective savings system that offers employees of adhering companies the opportunity to build investment portfolios with the help of their employer, with beneficial tax and social contributions. In particular, it may receive contribution from a profit-sharing or incentive scheme. The implementation of a group savings plan is mandatory in France in companies that have already set up a profit-sharing agreement.

A Group Savings Plan was concluded for the benefits of Worldline employees on October 6, 2014 for an indefinite duration. This plan is available to adhering companies of the Worldline Group, and offers employees of these companies, with more than three months seniority, the possibility to subscribe to Worldline shares in company mutual funds ("fonds commun de placement d'entreprise" – "FCPE"), in the framework of the employee shareholding plan "Boost" of Worldline. This plan was subject to amendments on September 1, 2015 and October 30, 2018.

##### Employee Stock Ownership Plans "Boost"

Worldline has offered its own Employee Stock Ownership Plan ("Boost") several times in the past. Previous offerings took place in November 2014, December 2015 and December 2018. More details on these plans are available in the respective Registration Document. More than 23% of the eligible population participated to the last employee shareholding plan.

### Stock Options/Performance Shares

The Board of Directors decided, during its meeting held on July 24, 2019, and upon the recommendation of the nomination and remuneration committee, to proceed with the allocation of a maximum of 98,600 stock-options and 326,965 ordinary performance shares of the Company in favor of the Worldline Senior Executive Officers and other eligible individuals part of the Group Executive Management team and part of the first managerial lines of Worldline, key talents, key experts and selected juniors.

The characteristics of the performance shares and stock-options plans are identical to the plans described in Section [G.3.2] to the benefit of the Senior Executive Officers.

Performance shares and/or stock-options plans have also been decided in 2014, 2015, 2016, 2017 and 2018. The details of those plans are available in the registration document for the concerned year. Besides, detailed information on the number of outstanding shares or stock options relating to previous grants and on the achievement of the performance conditions are available in Sections [G.3.2.8. and G.3.2.10].

## D.3.4 Promote training & human capital development

[GRI 404-1] [GRI 404-2] [GRI 404-3] [GRI 103-2 Indirect Economic Impacts] and [GRI 103 Training and Education]

To create a competitive advantage, companies need to learn faster than their competitors, organizations need to maintain knowledge about new products and processes, understand what is happening in the outside environment and produce creative solutions using the knowledge and skills of all within the organization. Given the critical aspect of learning in an innovative and high-skilled IT company in a context of

permanent change, Worldline puts a specific priority on the skills development of its employees to keep the organization dynamic and prepared for change. In this regards, Worldline continuously strives to be a learning company and regularly thinks about how to bring learning to its people in different ways.

### D.3.4.1 Skills development@Worldline [GRI 103-2 Training and Education] and [GRI 103-2 Indirect Economic Impacts]

To ensure the quality and relevancy of its trainings, Worldline has set a TRUST 2020 objective in the area of Learning & Development: 90% of its employees need to be satisfied with the trainings provided by the Company by 2020. Thus, on an annual basis, Worldline sends to all its employees a survey

related to the classroom training they have performed to assess their satisfaction. Based on the results, Worldline sets and implements an action plan per country to further improve the trainings. In the beginning of 2020, the participation rate to this survey was 20%.

In 2019, 91% of the total workforce across all locations received career -or skills-related training from the Company.

#### KEY RESULTS

Average training hours per employee [GRI404-1]	2015	2016	2017	2018	2019
Average hours of training that employees have undertaken during the year	18.99	25.14	28.13	26.32	21.44

	2016 trainings	2017 trainings	2018 trainings	2019 trainings
Overall satisfaction with training course	86.50%	88.40%	87.75%	89.50%
Improvement of the required skills enabled by this training course	82.88%	85.57%	86.50%	88.47%
Satisfaction of the quality of the trainer	85.42%	88.47%	88.63%	89.73%
Satisfaction with the training methods used for this training course (f.e. practical work, exercises etc.)?	80.85%	84.28%	84.58%	86.39%
Application of the training knowledge/skills in their current role	72.29%	74.62%	87.67%	85.47%

#### D.3.4.1.1 The global Training Plan [GRI 404-1]

The Worldline Training Plan was developed based on three priority areas: to strengthen the technological expertise (IT delivery) of its employees, enrich the skills of the sales teams, and develop leadership in order to help managers grow in their jobs. Besides, other core trainings form and enforce the basis of Worldline culture.

#### 1. Technological expertise/IT delivery

Worldline strengthened the technological expertise of its employees by identifying both internal and external certification programs. The Company achieves 3,396 internal and external certifications in 2019, among the following certifications proposed.

#### Example of internal certifications in 2019

- **WHAT SHOULD YOU KNOW ABOUT PAYMENTS?:** 17 CERTIFICATIONS
- **Assessment Payment certification Modules 1 & 2:** 191
- **PCI-DSS FOR NEW JOINERS, INCLUDING NEW ACQUISITIONS:** 2,423 CERTIFICATIONS

#### Example of external certifications in 2019

- **ITIL FOUNDATION v3 + EXAM:** 101 CERTIFICATIONS
- **ISTQB:** 75 CERTIFICATIONS
- **ATOS AGILE AWARENESS LEVEL:** 56 CERTIFICATIONS
- **MANAGEMENT 3.0:** 53 CERTIFICATIONS
- **F5:** 53 CERTIFICATIONS
- **PROJECT MANAGER LEVEL 2:** 40 CERTIFICATIONS

#### Program management training

Worldline also offers a management training to provide high quality training for all employees working in projects, thus putting project management standards into practice throughout the Company. It is a combination of networking, peer to peer learning, instructor led training and e-Learning. It addresses experienced Senior Project Managers who are developing their careers towards a Program Manager level. In 2019, Worldline launched two new international sessions with 21 participants from 8 different countries (Belgium, France, Germany, Italy, Luxembourg, Netherlands, Switzerland and UK).

#### 2. Sales Academy

The Worldline Sales Academy aims to strengthen the Company competitive advantage by giving its sales staff the opportunity to develop their skills, increase their sales performance and customer relationships, enrich their knowledge of the market, and foster their personal growth. It includes a global catalog based on both global and local needs, sales techniques and soft skills, through Miller Heiman trainings. In 2019, 100 sales employees participated in sales training courses such as Payment for sales, Prospecting, Pitching to win and Sales methodology. This year, 6 trainings focusing on Worldline Sales Campaigns have been created in order to facilitate learning on Worldline strategic portfolio.

Since 2016, Worldline has also organized Sales events. In 2019, it took place in Roma, gathering 300 sales employees and managers, selected from all Worldline, equensWorldline and ex-SPS countries by local managers. During this annual 2-day-business-and-teambuilding event, more than 30 teams learned and competed to win a specifically designed business game. This event aims at strengthening the sales community, fostering networking and learning to pitch the Company's strategic offerings, as well giving visibility on market and business. This year, two main innovations were launched: the presentation of Worldline products by experts thanks to demos, and the publication of a starter kit, giving the essential business insights about global sales campaigns.

#### Contract management certification

The Contract management certification has been designed to support employees working part time on contract management activities. Indeed, the roles in charge of the responsibility of enforcing the execution of a contract may vary depending on local structures, and can concern Business Managers, Team Managers, Client Managers, Business Line Managers, Account Managers or others. It aims at providing learners supplemental knowledge in legal and contracting, bidding and financial aspects, risk management, contract management methodologies as well as soft skills. It also aims at allowing them to use the same key contracting principles, contract management methodology, major contracting policies, procedures and terminology everywhere in Worldline.

### 3. Company and leadership culture

#### The Lead! Program

Worldline has been successfully conducting for several years the Lead! Program – the Leadership Development Program – dedicated to managers and considered as a best practice, which aims to:

- Create a common understanding of leadership integrating risk management issues;
- Have common criteria in order to establish a Worldline culture;
- Define guidelines for managers in order to understand their role in the organization and be able to make the link between the vision of Worldline and their daily job;

- Develop a level of self-awareness and capacity to monitor their own learning and development;
- Clarify to employees what they may expect from their managers.

In February 2019, the international Lead! program was launched with 14 managers from 7 different countries (France, Netherlands, Germany, Belgium, United Kingdom, Italy and Sweden). Simultaneously, a LEAD for Excellence program was launched with 14 senior managers from 4 different countries (Germany, Belgium, Netherlands and France).

Worldline is also pursuing local implementation of the Lead! Induction Program. This is a further variant of the "Lead! Program" for first-time managers. In 2019, four sessions took place in Germany and France, involving 38 participants.

#### The Manager Program

This Program aims to bring clarity and sense to manager's function and to promote managers community through various events such as the conferences organized in France in 2019 "Challenge your vision of the Manager in Worldline Company" and "The neurosciences at the service of management".

#### Innovative management program

This program initiated in France aims at giving all employees and managers access to the tools to enable them to develop autonomy, team cohesion and commitment. A 2-day training course is offered, where participants come in teams to discover and put into practice tools and methodologies (communication, ability to delegate, skills development, team building) to achieve a more agile organization. In 2019, 304 employees followed this program.

#### United Nations' anti-corruption e-learning

Worldline employees are responsible for compliance and prevention from corrupt practices within the organization and towards third parties such as clients, suppliers and business partners. In that respect, and pursuant to the latest territorial and extra-territorial regulations, in 2019, Worldline updated this mandatory e-learning designed for the Company top managers and critical employees (such as sales, procurement) so that it meets Worldline needs.



#### 4. Worldline core sectorial trainings

##### Ethics and security mandatory trainings

To achieve Worldline's ambition to maintain the most stringent ethical standards within its organization and operations, and integrate them in day-to-day tasks, it is critical that all

employees work together and consistently follow the Company's compliance policies. That is why the Company has set annual mandatory training for all its employees relating to the following areas.

Course title	2019 Completion
Code of Ethics	95%
Customer Experience	93%
Security & Safety Awareness	94% (Germany included)
PCI-DSS	91% (Germany included)
Data Protection	85% (Germany included)

Besides, a new Secure Coding training was developed in order to raise awareness on attacks, weaknesses and defenses to minimize risks that may occur in creating unsecured software. In 2019, 81% of employees involved in software development completed this course (If Germany included: 77%).

##### Payment certification

As the European leader in payment and transaction services with the clear intention to consolidate Europe's payment industry, Worldline has developed, together with an external specialist in payment industry and its internal experts from the different European countries, a basic training and certification program of its core business. The first part of the certification was developed in 2018 ("what is an electronic payment system" and "the electronic payment methods available to the cardholder") along with a final assessment completed by 187 employees. In 2019, the global Training & Development team worked on the second part ("the different operating principles of an electronic payment system in a 4-corner architecture" and "the role of the Card Scheme and the security of an electronic payment system").

Worldline employees had the opportunity to follow conferences on the Blockchain and on Agility in the form of a one man-show.

##### Mentoring and Reverse Mentoring development programs

Since its launch in 2014, 888 employees (mentor-mentee pairs) in France and Belgium have taken part in this program, whose aim is to:

- Boost the development of young employees;
- Develop individual careers, strengthen internal mobility within the Company;
- Share the Company values, develop cooperation, and the network dynamic;
- Develop interpersonal skills and strengthen intergenerational ties.

In parallel of this Mentoring program, Worldline France has rolled out the Reverse Mentoring program, embarking 365 workers since the start in 2016. This six-month program of sharing expertise from new generations mastering digital technologies to older employees not yet accustomed to new media social networks for instance, aims to support personal and professional development, strengthen intergenerational links, and respond to the issues of digitalization in the Company. The Company's ambition is to deploy these two programs in others entities.

In 2019, Worldline France also launched the Peer Mentoring Program, focused on Managers and the Equity Mentoring Program, opened on the outside of the Company. It allows people in complex situations (often far from the world of business) to benefit from the support of a mentor to facilitate their insertion into employment.

The business benefits of all these mentoring programs are to promote skills development and transfer between employees in informal ways while reinforcing networking, cohesion and wellbeing.

**Worldline Expert community:** refer to this document, Sections D.2.2.2.2 and D.3.3.2.2.

#### D.3.4.1.2 Development programs and events

##### Learning Days

This initiative adopted and customized in every Worldline country aims at fostering the innovation and technological expertise so critical to the continuous development of Worldline engineers and, more generally, of all employees. During these one or two days dedicated to training and knowledge sharing, employees, on a voluntary basis, are offered a learning experience as well as the opportunity to hear about all the training and development options in Worldline in a warm atmosphere. The business benefits of this program is to make sure Worldline employees can improve their skills by choosing the right training for them and a career evolution that enables them to reach their full potential while answering the Company's need. Dozens of topics are scheduled, spread out over five different formats: conferences, e-learning, self-testing, meeting, and sharing session. In total in 2019, Worldline had more than 2,166 participants in the different local "Learning Days" sessions in France, Netherlands, Spain, Belgium, Germany and India. For instance in France,

### Hacky Days: new “Tech sessions” within Worldline

The Hacky Days are a bottom-up initiative which consists in the internal gathering of technical experts to experiment new methods of collaborative work, while sharing team building moments. In 2018, the two editions of the Hacky Days on three different locations gathered over 150 employees from developer to manager, who worked on various topics related

to security, DevOps approach, development tools, and collaborative work to present concrete achievements in closing ceremonies in front of the teams and many guests. The 2019 edition reinforced this initiative, notably by inviting professors and students from universities and engineer schools.

### D.3.4.2 Talent management@Worldline [GRI 103-2 Training and Education]

As part of Worldline's ambition to be the first payment industry employer brand, managing its talents to develop and motivate them is key priority. At Worldline every employee can become a talent, if they perform high and have the determination it takes to excel and grow in potential to shaping the future of the Company. A talent has the leadership potential to be effective in future roles with broader responsibilities at higher organizational levels. A talent can be a top performer with high potential for growth or with business critical expertise, a manager or expert, at the beginning of the journey in the Company.

In order to strengthen and renew its talent base and business performance, Worldline is rolling out a People Review every year, on a global level as well as on a local level. In order to have a reliable evaluation, all Management Committees review and validate the people review outcome for their scope. Once identified, the goal is to include these talented individuals in critical positions succession plans but also to build and follow up on their individual development plans.

Through Talent management@Worldline, the Company aims at:

- Maximizing visibility of talented employees, boosting their mobility internally and accelerating their development and giving them priority for the most critical positions in the Group;
- Supporting business success today and tomorrow by putting the right talent in the right job at the right time and building a stronger pipeline of ready high potential successors internally.

Worldline talented individuals follow Worldline Group's programs dedicated to talent development to help them grow, such as *Gold for Business Leaders*, *Gold for Technology Leaders*, *Fuel* (Foster Understanding of Excellence in Leadership) and *Launch* (Learn & Unfold New Career Horizons), and other career development programs. In the framework of the carve-out from Atos, Worldline is building new leadership and talent development programs of which the pilots will be rolled-out in H2 2020.

Other complementary local initiatives are launched, such as the deployed program at Worldline Belgium which is spread over two years, and gives young workers with the opportunity to follow a mini-management program guided by a personal mentor.

#### Launch (Learn & Unfold New Career Horizons)

Launch (former Worldline Juniors Group) is a global Worldline Talent Development program which has been set-up in autumn 2017. A second cohort of European Talents has been selected and is part of this cross-functional circle whose mission is to develop the best individual potential of its members and accelerate readiness for critical roles thanks to a combination of personal development sessions and networking opportunities, notably with Worldline top management. Through the program, the Company aims to reach out to more young Worldline talents by enabling the candidates to get to know the Worldline Group (strategy, ambitions, culture, portfolio, customers) and meet key people and top management during a three-day module with workshops and training sessions. Next to that, these young talents are working on in-house projects which they present and defend during the last module. It supports and facilitates their integration and broadens international mindset.

#### Fuel (Foster Understanding of Excellence in Leadership)

Fuel is an international, cross-functional circle whose purpose is to develop management skills by enabling complete entrepreneurial and business management experience and to gain visibility by close contact with senior management of the Company. A combination of highly interactive personal development sessions (quarterly physical meetings), global mentoring programs, personal development courses, business projects has been set-up.

**Gold for Business Leaders**

Nominated by the Worldline Executive Committees every year, 80 members of Group talents are invited to take part in the prestigious Gold for Business Leaders Program. In cooperation with HEC Paris, Europe's leading business school, this program aims to develop the future Company leaders and create ambassadors of the Company's values, notably through networking. Throughout the Program, participants explore Worldline's business strategy and work on a project proposed at the beginning of the program.

**Gold for Technology Leaders**

Gold for Technology Leaders Program was launched in 2013 in cooperation with the Institute for Manufacturing Education and Consultancy Services (IfM ECS) of Cambridge University and the department for Computer Science of Paderborn University. The goal is to equip Worldline's talents with expert profiles, with best in class capability to define and implement innovative end-to-end solutions for customers. This program includes three week-long modules in Cambridge and Paderborn, combining technological knowledge, business strategies and human insight.

### D.3.5 Key performance indicators about Human Resources

[GRI 102-8] [GRI 102-41] [GRI 201-3] [GRI 202-1] [GRI 405-1]  
[GRI 405-2] [WL 5] [WL 6] [WL 7] [AO 2] [AO 11] [AO 16]

Indicators	GRI	2019	2018	2017	2016
Employees stockplan	WL 5	Quali- tative	Quali- tative	Quali- tative	Quali- tative
<b>Organizational workforce</b>	<b>GRI 102-8</b>				
Number of employees at the end of the reporting period (legal staff)		11,959	11,502	9,340	7,426
<i>Females at the end of the reporting period (legal staff)</i>		3,767	3,573	2,825	2,135
<i>Males at the end of the reporting period (legal staff)</i>		8,192	7,929	6,513	5,291
Total employees (including supervised workers: interims + interns + subcos)		16,389	15,329	9,611	8,392
Percentage of employees with a permanent contract		97.25%	97.50%	98.46%	98.76%
<i>Males with a permanent contract</i>		8,042	6,815	6,439	5,239
<i>Females with a permanent contract</i>		3,588	2,918	2,755	2,095
Percentage of employees with a temporary contract		2.75%	2.50%	1.54%	1.24%
<i>Males with a temporary contract</i>		150	144	74	52
<i>Females with a temporary contract</i>		179	102	70	40
Percentage of employees in full time working		83.10%	91.20%	89.12%	91.92%
<i>Number of males in full time employment</i>		7,313	6,610	6,230	5,125
<i>Number of females in full time employment</i>		2,625	2,351	2,092	1,701
Percentage of employees in part time working		20.34%	8.80%	10.88%	8.08%
<i>Number of males in part time employment</i>		879	231	283	166
<i>Number of females in part time employment</i>		1,142	634	733	434
<b>Hires</b>	<b>GRI 401-1</b>				
New employees hires during the reporting period		1,775	1,579	1,097	759
<i>Males hires during the reporting period</i>		1,148	1,096	778	572
<i>Females hires during the reporting period</i>		627	483	319	187
<b>Departures</b>	<b>GRI 401-1</b>				
Number of employees leaving the Company during the reporting period		1,283	956	767	625
<i>Males leaving the Company during the reporting period</i>		870	668	555	465
<i>Females leaving the Company during the reporting period</i>		444	288	212	160
<b>Global turnover rate</b>	<b>WL 6</b>				
Global turnover rate		10.73%	9.40%	8.21%	8.42%
<b>Social dialogue</b>	<b>GRI 102-41</b>				
Percentage of employees covered by collective bargaining agreements		72.94%	78.27%	79.03%	82.04%
<b>Benefits to employees</b>	<b>GRI 401-2</b>				
Percentage of Permanent employees participating in Death Benefits		91%	98%	83%	100%
Percentage of Temporary employees participating in Death Benefits		66%	99%	71%	97%
Percentage of Permanent employees participating in Disability benefits		95%	89%	80%	100%
Percentage of Temporary employees participating in Disability benefits		66%	95%	70%	97%
Percentage of Permanent employees participating in Health Care		100%	92%	85%	95%
Percentage of Temporary employees participating in Health Care		98%	93%	69%	90%
<b>Absenteeism rate and health and safety indicators</b>	<b>GRI 403-2</b>				
Global Absenteeism Rate		3.48%	2.70%	2.78%	2.50%
Number of Worldline employees seriously injured at work		22	23	18	27
Number of Worldline employees dead work related		0	0	1	0
<b>Average training hours per employee</b>	<b>GRI 404-1</b>				
Average hours of training that employees have undertaken during the year		21.44	26.32	28.13	25.14
<i>Average hours of training per male employee</i>		22.33	27.02	29.53	26.38
<i>Average hours of training per female employee</i>		19.33	24.60	24.36	21.83

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Being a responsible employer

2019 Perimeter		2018 Perimeter		2017 Perimeter		2016 Perimeter	
Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue
-	-	-	-	-	-	-	-
100%	-	100%	-	100%	-	85%	-
100%	-	100%	-	100%	-	85%	-
100%	-	100%	-	100%	-	85%	-
100%	-	100%	-	100%	-	85%	-
100%	-	98%	-	100%	-	85%	-
100%	-	98%	-	100%	-	85%	-
100%	-	98%	-	100%	-	85%	-
100%	-	98%	-	100%	-	85%	-
100%	-	98%	-	100%	-	85%	-
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100%	-	100%	-	97%	-	85%	-
100%	-	100%	-	97%	-	85%	-
100%	-	100%	-	97%	-	85%	-
100%	-	100%	-	97%	-	85%	-
97%	-	94%	-	95%	-	85%	-
79%	-	79%	-	93%	-	85%	-
79%	-	79%	-	93%	-	85%	-
79%	-	79%	-	93%	-	85%	-
79%	-	79%	-	93%	-	85%	-
79%	-	79%	-	93%	-	85%	-
79%	-	79%	-	93%	-	85%	-
65%	-	67%	-	67%	-	76%	-
95%	-	100%	-	100%	-	85%	-
95%	-	100%	-	100%	-	85%	-
90%	-	100%	-	86%	-	85%	-
90%	-	100%	-	86%	-	85%	-
90%	-	100%	-	86%	-	85%	-

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## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Being a responsible employer

	2019	2018	2017	2016
<b>Indicators</b>	<b>GRI</b>			
<b>Employability initiatives</b>	<b>GRI 404-2</b>			
Total number of certifications registered	3,396	6,377	9,753	7,337
Average number of certifications per Employee	0.28	0.63	1.04	0.99
Number of different Skills owned by at least one Worldline Employee	5,155	5,226	5,147	3,767
Total number of skills registered	157,740	164,155	172,451	135,684
Average number of skills per Employee	15	16	23	18.27
Number of employees who updated their profile during the year	707	1,468	5,153	3,112
Percentage of employees who updated their profile during the year	7%	14%	80%	42%
<b>Career development monitoring</b>	<b>GRI 404-3</b>			
Percentage of employees who received a regular performance and career development review during the year	83.4%	90.65%	97.40%	94.23%
<b>Salary rate between men and women</b>	<b>GRI 405-2</b>			
General ratio women/men Annual in Basic Salary within the Worldline's job families	0.84	0.84	0.87	0.88
General ratio women/men in Total Remuneration within the Worldline's job families	0.83	0.85	0.86	0.87
<b>Coverage of the organization's defined benefit plans obligations</b>	<b>GRI 201-3</b>			
Coverage of the organization's defined benefit plans obligations	Qualitative	Qualitative	Qualitative	Qualitative
<b>Minimum wage comparison</b>	<b>GRI 202-1</b>			
Number of "Worldline countries" where Worldline entry wage > minimum national/IT sector wage [>50%]	14	14	14	9
Number of "Worldline countries" where Worldline entry wage > minimum national/IT sector wage [10%-50%]	9	3	4	5
Number of "Worldline countries" where Worldline entry wage > minimum national/IT sector wage [0%-10%]	0	5	5	2
Number of "Worldline countries" where Worldline entry wage < minimum national/IT sector wage	5	0	0	0
Number of "Worldline countries" with no minimum national local wage	3	4	2	1
Number of "Worldline countries" where Worldline females entry wage > minimum national/IT sector wage [>50%]	17	14	13	9
Number of "Worldline countries" where Worldline females entry wage > minimum national/IT sector wage [10%-50%]	8	4	5	6
Number of "Worldline countries" where Worldline females entry wage > minimum national/IT sector wage [0%-10%]	0	5	4	1
Number of "Worldline countries" where Worldline females entry wage < minimum national/IT sector wage	5	0	0	0
Number of "Worldline countries" where Worldline males entry wage > minimum national/IT sector wage [>50%]	20	15	16	9
Number of "Worldline countries" where Worldline males entry wage > minimum national/IT sector wage [10%-50%]	8	3	5	5
Number of "Worldline countries" where Worldline males entry wage > minimum national/IT sector wage [0%-10%]	0	5	2	2
Number of "Worldline countries" where Worldline males entry wage < minimum national/IT sector wage	3	0	0	0

## Being a responsible employer

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## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Being a responsible employer

		2019	2018	2017	2016
<b>Indicators</b>	<b>GRI</b>				
<b>Proportion of senior management hired from the local community</b>	<b>GRI 202-2</b>				
Number of national senior managers		419	799	272	222
Total number of senior managers		465	862	294	243
Percentage of national senior managers		90%	93%	92.52%	91.36%
Number of national employees		10,888	9,372	8,687	6,872
Total number of employees		11,958	10,173	9,340	7,426
Percentage of national employees		91%	92%	93.01%	92.54%
<b>Employee satisfaction</b>	<b>AO 2</b>				
Number of people participating in satisfaction surveys (Employees answering GPTW surveys)		8,228	7,285	6,721	5,284
Participation rate to Great Place to Work Survey		71%	75%	77%	79%
Percentage of positive responses to "Taking everything into account, I would say this is a great place to work"		60%	55%	54%	53%
Great Place to Work Trust Index Rate		63%	59%	58%	57%
<b>Diversity and equal opportunity</b>	<b>GRI 405-1</b>				
Percentage of female in Worldline's top positions	WL 7	24.06%	18.52%	14.67%	20.97%
Number of nationalities within Worldline		95	89	90	81
Percentage of females		31.50%	30.30%	30.21%	28.75%
Percentage of males		68.50%	69.70%	69.79%	71.25%
Disabled employees		167	155	141	106
Percentage of disabled people		1.47%	1.61%	2.31%	1.4%
Percentage of women that had promotions during the year		50.84%	8.88%	13.33%	9.37%
Percentage of men that had promotions during the year		56.53%	11.05%	11.31%	15.42%
<b>Diversity perception in GPTW</b>	<b>AO 6</b>				
People here are treated fairly regardless of their age		73%	70%	68%	71%
People here are treated fairly regardless of their gender		84%	81%	80%	83%
People here are treated fairly regardless of their race or ethnicity		89%	87%	88%	85%
People here are treated fairly regardless of their sexual orientation		90%	87%	88%	86%
People here are treated fairly regardless of disability		89%	86%	87%	77%
Diversity Perception (GPTW)		87%	84%	82%	81%
<b>Collaborative technologies development (Zero email)</b>	<b>AO 11</b>				
Percentage of active Community users		-	38%	53%	27%
Percentage of Collaborative Communities		-	62%	28%	28%
Percentage of Dormant Communities		-	38%	72%	60%
Number of active users in Communities		-	2,581	3,117	1,800
Total number of collaborative working communities		-	1,138	267	218
Number of Dormant communities		-	687	678	472
Total number of communities		-	1,825	945	787



## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Being a responsible employer

	2019 Perimeter		2018 Perimeter		2017 Perimeter		2016 Perimeter	
	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue
	100%		100%		100%	-	85%	-
	100%		100%		100%	-	85%	-
	100%		100%		100%	-	85%	-
	100%		100%		100%	-	85%	-
	100%		100%		100%	-	85%	-
	100%		100%		100%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	100%	-	100%	-	100%	-	85%	-
	100%		100%	-	100%	-	85%	-
	100%	-	100%	-	100%	-	85%	-
	100%	-	100%	-	100%	-	85%	-
	95%	-	95%	-	65%	-	94%	-
	95%	-	95%	-	65%	-	94%	-
	100%		76%	-	85%	-	85%	-
	100%		76%	-	85%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	96%	-	96%	-	94%	-	85%	-
	-	-	100%	-	100%	-	85%	-
	-	-	100%	-	100%	-	85%	-
	-	-	100%	-	100%	-	85%	-
	-	-	100%	-	100%	-	85%	-
	-	-	100%	-	100%	-	85%	-
	-	-	100%	-	100%	-	85%	-
	-	-	100%	-	100%	-	85%	-

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## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Being a responsible employer

**GRI 102-41 Social dialogue:** Exclusion of Argentina, Chile, China, China, Brazil, the Czech Republic and the United States.

**GRI 401-2 Benefits to employees:** Exclusion of WL Belgium WL Austria, WL Belgium, WL Brazil, WL Czech Republic, WL India, WL Italy, WL USA.

**GRI 403-2 Absenteeism rate and health and safety indicators:** Exclusion of Argentina, Brazil, Chile, Finland, Hungary, Sweden and the United States.

**GRI 404-1 Average training hours per employee :** Exclusion of Germany and SPS

**GRI 404-3 Career development monitoring:** Exclusion of GCM 0, Inactive, H2 Joiners, EW Germany, WL Austria, WL Germany, WL Baltics, former SPS.

**AO 2 Employee satisfaction:** Exclusion of Casual workers, Subcontractors, Outside service providers, Specific helped contracts.

**GRI 405-1 Disabled employees:** Exclusion of Argentina, Brazil, Chile, Finland, Hungary, Sweden and the USA.

**AO 6 Diversity perception in GPTW:** Exclusion of Casual workers, Subcontractors, Outside service providers, Specific helped contracts.

**AO 11 Collaborative technologies development (Zero email):** The use of the collaborative tools BlueKiwi and Circuit was gradually stopped during the year 2019. We have decided not to report this indicator in 2019 as it does not represent the ability of employees to work collaboratively.

## D.4 Ensuring business ethics within our value chain

[GRI 102-9] [GRI 103-3 Social compliance]

### D.4.1 Meet the highest level of ethics for all stakeholders

[GRI 102-16][GRI 102-17]

To develop the confidence of its stakeholders while processing finances and sensitive data, Worldline integrates business ethics as an absolute requirement and has zero tolerance for unethical behavior, be it within its organization or in its supply chain. Worldline also strives to contribute positively in the

development of its local communities. Such expectations are covered by Worldline's three significant extra-financial Ethics & Value chain gross risks that structure this chapter and for which mitigation measures are described as follow.

Ethics & value chain risk	Risk description	Worldline action plan	Related opportunities	Main monitoring KPIs
<b>Compliance with laws and regulations</b> <i>For more details, refer to this document, Sections D.4.2 and F.</i>	<p>In a context of changing regulations, Worldline faces ethics and compliance challenges throughout its geographies. The Company has to ensure full compliance with the applicable laws all along its value chain, notably with its suppliers.</p> <p><b>Key topics:</b> general environmental policy, Human Rights policy</p>	<p>Worldline closely follows the evolution of regulations in countries where it operates through the Group Compliance department, which includes local legal monitoring and ensure a comprehensive approach.</p>		<ul style="list-style-type: none"> <li>● GRI 419-1 Significant fines for non-compliance</li> </ul>
<b>Bribery and corruption</b> <i>For more details, refer to this document, Sections D.4.3 and F.</i>	<p>Ensuring business ethics within the value chain is not only key to protect Worldline's reputation (as its technologies could be used to facilitate fraud), and prevent the Company from undergoing legal proceedings, it is also crucial for responding to stakeholder expectations, particularly those of communities, including citizens.</p> <p><b>Key topics:</b> fight against corruption, fight against fraud and tax evasion</p>	<p>As a signatory of the United Nations Global Compact, Worldline has a Code of Ethics that is included in every employee's and supplier's contract and that sets out the principle of anticorruption to prevent fraud and noncompliance enforced through several Group policies.</p>	<p>Operational excellence/Reputation resilience/Legal &amp; internal control mechanisms/Trust &amp; compliance throughout the value chain</p>	<ul style="list-style-type: none"> <li>● GRI 205-2 Percentage of employees trained in Code of Ethics</li> <li>● GRI 205-3 Actions taken in response to incidents of corruption</li> </ul>

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Ensuring business ethics within our value chain [GRI 102-9] [GRI 103-3 Social compliance]

Ethics & value chain risk	Risk description	Worldline action plan	Related opportunities	Main monitoring KPIs
<b>Responsible procurement &amp; due diligence in the value chain</b> <i>For more details, refer to this document, Sections D.4.4 and F.</i>	Worldline's ability to work with suppliers and subcontractors to uphold its CSR values and standards is key to avoiding unethical behavior in the value chain and to meeting the Company's legal obligations (Duty of Vigilance). <b>Key topic:</b> relationship with suppliers and subcontractors	Worldline is engaged in a continuous dialog and has defined different levels of commitment with its suppliers to reduce technical, social and environmental risks and ensure ethical business practices all along the value chain (notably sharing Worldline's suppliers charter and using EcoVadis assessment).		<ul style="list-style-type: none"> <li>● AO 17 Supplier screening: Percentage of strategic suppliers evaluated by EcoVadis</li> <li>● GRI 204-1 Proportion of spending on local suppliers</li> </ul>

### D.4.2 Secure compliance with laws and regulations

[GRI 102-17] [GRI 102-33] [GRI 102-34] [GRI 103-1 Procurement Practices] [GRI 103-1 Anti-corruption] [GRI 103-1 Compliance] [GRI 419-1] [GRI 103-1 Socio-economic compliance] [GRI 205-3] [GRI 419-1] and [GRI 103-1 Procurement Practices]

#### D.4.2.1 Worldline culture of compliance

##### D.4.2.1.1 Worldline Code of Ethics as the backbone of the Company's ethics and policies [GRI 102-16] [GRI 102-17]

Worldline's Code of Ethics was reviewed and approved by Worldline Board of Directors in 2016. Strong involvement by the Human Resources department has ensured a consistent and thorough implementation, particularly in countries requiring representatives of employee to be involved. Additionally, the Legal department of each country reviewed the content of the Code of Ethics to ensure alignment with local laws and regulations. Consequently, certain countries have adopted a slightly modified Code of Ethics, particularly with respect to issues carrying legal implications, such as national whistleblowing systems.

The Code of Ethics makes a direct reference to Worldline Corporate Values, establishing ethical practices as the backbone of Worldline's business strategy: Responsibility, Trust, Sustainable competitiveness, Service quality and listening to clients, Innovation, Wellbeing@work and Excellence. These principles imply that Worldline treats its employees as well as third parties with integrity, based on merit and qualifications, prohibiting any form of discrimination. The Code of Ethics also reminds employees the need to act honestly, impartially and with integrity in their day-to-day work, and in compliance with the legal framework applicable to each country where Worldline conducts its business. To this end, the Code of Ethics has been included in the employee's employment contract since 2011. Suppliers, partners and third parties who assist Worldline in its business activities must commit to respecting the principles of the Code. Additionally, a mandatory e-learning training on the Code of Ethics is organized for all the Group employees to share knowledge on this key document (refer to this document, Section D.3.4.1.1).

The Code of Ethics introduces the right of any Group employee to disclose behaviors or actions deemed inconsistent with the values and principles of the Code of Ethics (refer to this document, Section D.4.2.4.4). The Compliance alert system has been established in line with the requirements of the French Data Protection Authority (CNIL). Local General Counsels, line management, the Group Chief Compliance Officer and the Group General Counsel are points of contact for any employee raising an alert, ensuring that the rights of employees, and the sender or subject of the alert, are protected accordingly. The employee who raises the alert is assured complete confidentiality in relation to the alert. The employee shall not be subjected to any penalty or retaliatory measure or discrimination, provided that he/she acted in good faith and without the intention to cause harm, even if the events relating to the alert prove inaccurate or no action is subsequently taken. If necessary, the employee's protection may be assured, on his/her request, by mobility within the Group. All alerts that reveal fraudulent behavior, significant lapses or material shortcomings in internal controls can result in corrective measures and/or disciplinary measures and/or legal action. Anonymous reports are not considered, except if permitted by local laws.

##### D.4.2.1.2 Building and maintaining a strong culture of compliance [GRI 205-2]

The Company aims to disseminate the values and principles of integrity entailed in the Code of Ethics so that all its employees embrace them. That's why Worldline conducted in 2019 a comprehensive and mandatory online training on the Group's compliance program. Since, 2014, Worldline has imposed to all its new employees an e-learning on the Code of Ethics, regardless of their jobs function, country and hierarchical level. This training aims to ensure a better understanding of Worldline's Code of Ethics and promote the adoption of fair practices on a daily basis. In 2019, 94.9% of Worldline employees completed the program [GRI 205-2].

Additionally, to ensure a deeper understanding of the specific risks related to corruption, top management and exposed functions must attend the ETO<sup>2</sup>S (specific mandatory training relating to Code of Ethics for top managers) and be certified in

the “fight against corruption” training program developed by the United Nations. Thus, in 2019, 82.4% of Worldline’s management and critical employees completed the ETO<sup>2</sup>S.

Indicators	2014	2015	2016	2017	2018	2019
Percentage of employees trained in Code of Ethics Elearning	50%	71%	82%	95%	95%	95%

#### D.4.2.2 Our compliance governance [GRI 102-34] [GRI 205-1] [GRI 205-3] [GRI 419-1]

The Worldline Group Compliance Charter, as published in 2019, sets forth the principles regarding to the positioning and governance of the Compliance Function at Worldline Group. The Compliance Function assists Worldline Group to carry out its mission with integrity and in accordance with applicable legal and regulatory requirements and the highest ethical standards.

Worldline Group has the following objectives related to Compliance:

- Preventing and mitigating of Compliance Risks;
- Embedding in all its activities Compliance with rules and ethical principles applicable to Worldline as well with Worldline’s Code of Ethics, Integrity policies and Compliance policies;
- Establishing and maintaining effective Compliance management and control systems, including monitoring and reporting;
- Promoting a culture of Compliance and integrity within Worldline, its business and its employees.

The aim is to prevent loss of integrity, as well as financial, legal and reputational damage and also to protect each company within the Worldline Group and/or one of its employees from prosecution or sanctions due to non-compliance with rules. Worldline’s Compliance Function acts as part of the second line of defense, within the three lines of defense model used in Worldline.

This three-lines-of-defense structure is in place in all countries where Worldline operates and can be defined as follows:

1. **Front line staff and management in operations and support functions.** Internal control and systems as well as the culture developed and implemented by these managerial units is crucial in ensuring compliance;

2. **Risk management and Compliance Function.** These functions provide the oversight and the tools, systems and advice necessary to support, challenge and monitor the first line in identifying, managing and monitoring risks and ensuring compliance;
3. **Internal audit function.** This function provides a level of independent assurance in order that the risk, compliance management and internal control framework works as designed.

Worldline’s Compliance global organization is based on 2 pillars: the Global Compliance Function headed by Worldline’s Head of Quality, Security, Risk and Compliance and the Group Head of Legal Compliance and contract management. The Head of Quality, Security, Risk and Compliance is appointed as the Group Chief Compliance Officer and reports in this role to the Deputy Chief Executive Officer with a functional reporting to the Group Head of Legal Compliance and contract management. The Group Chief Compliance Officer relies on the local compliance function to deploy compliance matters across the Group.

The Group Compliance Function makes the bridge with the Legal Compliance and contract management team via a functional reporting line at management level. Furthermore the Group Compliance Function relies on the local compliance function and teams established in the Managerial Units.

The outlined governance aims to achieve:

- An improved connection with top management focusing on priorities and progress of the risk based Compliance Program;
- A stronger involvement of the business and enhancing cooperation and alignment between first and second line of defense, sharing achievements and future requirements on Compliance.

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To support these objectives, exchanges are organized through the different following meeting **structures**.

Meeting structure	Scope	Participants & topics addressed
<b>Local Compliance meetings</b>	They cover specific compliance questions in operations for the unit.	Regularly organized in operations at Managerial Unit level.
<b>Local QSRC (Quality, Security, Risk &amp; Compliance) Committees</b>	They serve in the compliance context the objective of cooperation and information sharing on a monthly basis with the business.	Participants in these Committees are representatives of first and second line of defense with a Global Business Line or Regional Business Unit scope.
<b>Monthly Group Compliance Coordinators' meetings</b>	They draft and align group-wide compliance policies and follow up on the progress of the Group Compliance Program, with the aim to enhance compliance culture by greater visibility of the program through trainings on a variety of key compliance topics (Anti-bribery and anti-corruption policy, etc.).	These meetings gather over the Worldline Group the Compliance Coordinators of the different operational units.
<b>Group QSRC (Quality, Security, Risk &amp; Compliance) Committee</b>	This body relates compliance challenges and issues with a cross regional impact or coverage. Inputs are based on Local QSRC Committees.	The Committee is led by the Group Chief Compliance Officer and gathers Group operations and second line functions.
<b>Audit, Risk and Compliance Committee</b>	At the highest level in the Group, the Group Compliance Function reports to this Committee taking place twice a year. This latter aims to oversee Worldline's effectiveness in internal control, risk management and internal & external compliance and to communicate on the milestones related to the Group Compliance Program.	Chaired by the Deputy CEO and Head of Group Internal Audit, this Committee gathers the GBL heads, the CFO, Group Head of HR, Head of Legal Compliance and Contract Management, the CIO and the Head of Quality, Security, Risk and Compliance.

In 2019, no significant fine for non-compliance [GRI 419-1] or claim related to corruption [GRI 205-3] was reported for Worldline.

In 2019, no cases deemed critical were reported at global level [GRI 102-34].

### D.4.2.3 Worldline Duty of Care (Vigilance Plan) [102-11] [GRI 102-5] and [GRI 102-15]

French Corporate law on the "Duty of Care N° 2017-399" obliges the Group to prevent environmental, social and corruption risks in its activities, including among its subsidiaries, but also those of its subcontractors and suppliers, all along its supply chain. Beyond French and European Regulations, other Duty of Care laws exist. In this context, and as required by the Modern Slavery Act in the UK, statements have been published on Worldline web-sites in the different countries.

Worldline due diligence approach relies on the application of the French "Sapin II Law", Order No. 2017-1162 of July 12, 2017 dedicated to the fight against corruption and on the French transposition of the European Directive 2014/95/EU focused on the reporting of extra-financial information (i.e. social, Human Rights, corruption and environmental related topics). Worldline Group ensures its compliance with the Duty of Care law through the four following main actions which meet all the key components of a "duty of care" plan.

#### D.4.2.3.1 A risk mapping of our suppliers and partners [GRI 102-9 Supply Chain] [GRI 102-5]

In addition to the legal risk mapping that encompasses the categories "Human Rights", "Health and Safety" and "Environment", Worldline has included these risk categories into its Enterprise Risk Management. In 2019, the Company also worked on a risk evaluation specific to its supply chain to classify and prioritize suppliers, and thus better monitor and address risk mitigation in the supply chain (refer to this document, Section D.4.4.2).

#### D.4.2.3.2 An assessment procedure for subcontractors and suppliers

According to best practices and to fit with legal requirements, Worldline performs a yearly compliance risk assessment leading to a compliance risk heat map. This allows the Compliance Function, at global and local level, to identify the main compliance risks in their area of responsibility and to define and implement related mitigating actions. A compliance review is also established through the Rainbow Process, which sets out defined steps and escalation procedures. This process will be replaced in 2020 by the Arrow process, dedicated to Worldline but covering the same compliance areas. During the 2019 transition period, existing Atos compliance policies remained valid till publication of the Worldline ones.

Worldline's business partners, including agents, intermediaries, consortium partners and consultants assisting Worldline in developing and retaining its business are subject to a due diligence and validation process. Furthermore, Worldline performs a specific CSR assessment of its partners through the EcoVadis rating for rank 1. A new evaluation platform will be implemented in 2020 to further enhance the assessment process (refer to this document, Section D.4.4.2.3).

### D.4.2.3.3 Actions to mitigate these risks

In 2019, Worldline procurement and CSR teams updated the *Business partner's commitment to integrity* to dedicate it to the Group, following the separation with the Atos group. This charter integrates all the obligations related to the Duty of Vigilance (addressing human rights, health & safety and environment topics). This charter for partners is shared as an annex in all contracts with them. For more information, refer to this document Section D.4.4.2.2).

#### D.4.2.3.4 Worldline whistleblowing procedure and system [GRI 103-2 Anti-Corruption] [GRI 103-2 Indirect Economic Impacts] [GRI 102-16] [GRI 102-17] [GRI 102-33] and [GRI 205-2]

On an internal level through the Code of Ethics, and on an external level through the *Business partner's commitment to integrity* charter, -both documents being available on Worldline's website, Worldline gives the right to its employees and partners to report breaches with the Company's commitments on Human Rights, -including harassment and discrimination issues, Health & Safety and Environmental commitments. The whistleblowing procedure takes the form of the Compliance alert system, in which the setting of a unique email address, communicated to employees and partners, allows these latter to first report breaches: **ComplianceWorldline@worldline.com**. The procedure is similar for employees and partners (refer to this document Section D.4.2.1).

In 2019, the Group Chief Compliance Officer reviewed the internal Compliance alert process in order to:

- Reinforce the governance of any internal investigation;
- Enhance collaboration between global function and local teams;
- Provide clear guidelines on how to conduct an internal investigation, report and take decisions, such as remediation actions in a measureable and consistent manner, in case of non-compliant behaviours.

Any case subject to the Group Compliance Alert Process is reported to the Group Chief Compliance Officer, who will report to the Audit Risk and Compliance Committee any case investigated and confirmed as a critical concern at Group level. All governance matters as far as compliance is concerned are described in Chapter F. Risk Factors in this document.

The Compliance Alerts Policy gives an overview on how the Group acts on prevention, detection and reaction of compliance breaches including as well the protection of the person raising the alert. Roles and responsibilities are clearly set and guidelines on confidentiality and information management included.

In 2019, five alerts were reported and handled in Worldline Compliance alert system.



#### D.4.2.4 Utmost compliance standards in our markets [GRI 203-1] [GRI 102-6]

As an international Group operating in highly regulated sectors, Worldline not only ensures full compliance with the applicable laws and regulations, but it is also focuses on providing its customers with solutions and services integrating the utmost ethical standards, notably within its two specific and heavily regulated markets: the financial and the health industries. To achieve that, Worldline leverages its know-how and compliance experience, and works with regulatory bodies to innovate within the framework of strong regulatory constraints.

##### D.4.2.4.1 Specific compliance in the financial industry [GRI 102-9]

The European payments market is characterized by rapidly evolving technologies, regulatory requirements, standardization trends and increased customer focus on cost awareness, process control and risk management. The regulatory focus is shifting from a banking view towards a broader view that includes the payment industry. As new parties enter the payment landscape, the complexity and dependencies are increasing, hence the growing need for regulation and expert knowledge in a company like Worldline, capable of ensuring compliance.

As Europe's leading payment services provider, Worldline combines long-standing proven expertise in traditional mass payment systems (issuing, acquiring, intra- and interbank payment processing) and innovative e-commerce and mobile payment solutions. The Group provides Europe's most extensive end-to-end service portfolio both for payments and card transactions and offers cross-border availability of value-added services for banks, financial institutions and corporations.

The Eurosystem, part of the European Central Bank, promotes the safety and efficiency of payment, clearing and settlement systems under its oversight mandate. The systems play important roles not only in the stability and efficiency of the financial sector and the euro area economy as a whole, but also in the smooth conduct of the single monetary policy of the euro area and in the stability of the single currency. The Eurosystem oversight of Financial Market Infrastructures is based on the internationally accepted CPSS-IOSCO Principles for Financial Market Infrastructures (PFMIs), which were adopted by the ECB's Governing Council in June 2013 as the standards for Eurosystem oversight of all types of FMIs in the euro area under the Eurosystem's responsibility.

Worldline complies with these principles in all of its regulated countries and with the regulatory oversight regimes applicable in Belgium, Netherlands and Latvia. Along with supervision by regulators in some countries, there is also an increase in requirements imposed on the suppliers of financial institutions, especially in the payments market. Worldline is fully compliant with all these additional requirements. For example, in Germany

the BAFIN has released in October 2017 an update of the Main Risk requirements with more strict controls/requirements for outsourcing.

As a Financial Market infrastructure, Worldline further ensures compliance with applicable laws, rules and regulations and customer expectations through key standardized certifications, such as ISO 27001 (Information Security), ISO 22301 (business continuity), ISO 9001 (PCI DSS and Quality), which support the Company's ambition and, together with the ISAE 3402, provide this high level of assurance. Moreover, Worldline is working closely with the European Commission and the entire payment ecosystem to define and improve the payment value chain to reduce risks, facilitate competition and transparency while encouraging innovation and standardization for the benefit of the consumer and the merchant.

##### D.4.2.4.2 Specific compliance in the health industry

Worldline's activity in the e-health sector is reflected in services that include the development of information systems that process and host personal health data. This data is particularly critical since it is confidential and personal information, as highlighted in the GDPR (refer to Section D.2.4): "personal data relating to the physical or mental health of a person, including the providing health care services, which reveals information about the state of health of that person". The software development and hosting activities related to these sensitive data require a specific compliance with a normative and regulatory framework.

Since 2009, Worldline participates to and integrates definitions of several standards in the software development, interoperability and security of health e-services, in synergy with the agency of shared health information systems in France (*agence des systèmes d'information partagés en santé* or ASIP Santé). Interoperability Framework for Health Information Systems (CI-SIS) is among the main standards that have emerged. Since 2005, Worldline has also participated several times in the "Connectathon", an annual European meeting which approves the interoperability of the developed solutions and allows displaying true expertise in interoperability.

The Company conducts a systematic and continuous monitoring of these standards, their evolution and their implementation, to ensure its customers the guarantee of compliance with the state of the art, and the control of these standards by Worldline's experts. For instance, references and solutions developed by Worldline include three computer security standards that became applicable in 2018: The "INS-C" referencing, the "DMP-Compatibility" certification (intended to validate the software's ability to interface with the shared medical file (DMP) implemented by the CNAMS) and the "prescription assistance software" certification, obtained for two applications in order to secure medication prescriptions in addiction centers on the one hand, and in maternal and child health centers on the other hand.



Thus, Worldline Group has been one of the first providers as from 2010 to be granted authorization for the hosting of personal health data. In 2019, several approvals were operational through various projects operated by Worldline. The Company also took part in the consultation steps with

ASIP Santé in order to build a certification reference system based on its own feedback and pragmatic bases. Thus, Worldline renewed in 2019 its authorization and got this new certification for the hosting of personal health data (based on the new referential of requirement from ASIP).

### D.4.3 Fight against bribery and corruption [GRI 103-1 Anti-corruption] [GRI 103-1 Socio-economic compliance] [GRI 103-2 Anti-Corruption] [GRI 103-2 Indirect Economic Impacts] [GRI 419-1]

#### D.4.3.1 Policies against corruption and against fraud in general [GRI 102-17] [GRI 103-2 Anti-Corruption] [GRI 103-2 Indirect Economic Impacts]

As a signatory of the United Nations Global Compact since 2016, Worldline has implemented several internal policies and processes to prevent compliance risks such as bribery, corruption, violations of competition laws and export control laws, and fraud in general all along its value chain. The following policies are applied throughout the Company. Thanks to these measures, Worldline was not subject to any claims, penalties or major non-monetary sanctions for non-compliance with laws and regulations in 2019. It received no complaints from customers or suppliers related to corruption. To prevent risks, it is based on several policies:

- **Assessment of partners' ethical behavior:** any intermediaries, consortium partners or consultants assisting Worldline in developing/retaining its business are screened before the beginning of any business relationship: their behavior and knowledge of ethics are essential criteria that are checked upstream all relationships.
- **Anti-Fraud policy:** Worldline kept on relying in 2019 on the existing anti-fraud policy that defines roles and responsibilities of the management and support for prevention of fraud. The assets owned by Worldline which consist, in particular, in material such as hardware, or intellectual property rights or financial equity are used only for conducting Worldline business and pursuant to the law and rules defined by the Group.
- **Worldline's business related fraud risk management:** Worldline Group, as an issuer processor, has put in place all necessary measures, in accordance with best practices (e.g. PCI certification) to minimize the risk of data breaches. As a commercial acquirer, the Group must ensure compliance with payment security rules established by the organizations that issue PCI certifications and address money laundering risks. The Group's Fraud risk management department has implemented various policies and procedures to address these risks. For example,

Worldline SA/NV, the Group's Belgian subsidiary, has an anti-money laundering (AML) policy in place since 2011 (overseen by the local banking regulator). It sets out the general principles of AML, the "Know Your Customer" (KYC) principle as applied at Worldline SA/NV, and the allocation of responsibility between the Sales and Marketing (S&M) and the Customer Services (CS) Divisions. The Group has also developed a Fraud Detection & Reaction (FD&R) application that allows the detection of fraud in near real time based on a data analysis application. Furthermore, the Group's risk mitigation process has been enhanced with additional features to better manage residual risks, such as geo-blocking, real time blocking, fall back de-activation and back-up systems.

- **Fair competition policies:** a policy stipulates the main rules of fair competition to adhere to through meetings with potential and known competitors. Worldline treats its customers, suppliers, partners and intermediaries with respect and shall not take unfair advantage nor practice discriminatory conditions. Consequently, Worldline refuses that its employees or third parties when assisting the Company in developing business, take part in an agreement, understanding or concerted practice which would contravene the applicable laws and regulations concerning anti-competitive practices.
- **Anti-bribery and Anti-corruption policy (regarding gifts or benefits):** To protect Worldline from any disproportionate gift or benefit given or received by a Worldline employee, a policy was implemented in 2013, aiming to screen gifts, invitations and other benefits of which Worldline would be provider or recipient. As participant to the United Nations Global Compact, Worldline subscribes to anti-bribery principles in "all its forms, including extortion and bribery". The policy has been updated in 2019 and enhances the compliance focus overall including guidelines on forbidding contributions made or received for political purposes which could damage Worldline's reputation, provision of money, gifts, entertainment or hospitality or anything else to any government of public officials or their close associates. When in doubt, an employee is required to seek approval from the compliance function and his management that can carry out checks in case of identified risk.

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- **The Dawn Raids policy:** this Group policy provides a list of rules and procedures to be followed in the event of inspection by local authorities.
- **Policy to prevent tax evasion:**
  - **Tax compliance:** Worldline is committed to full compliance with tax law and practice in countries where the Group operates. In this respect, the Company pays taxes in the jurisdictions where business activities generate profits and value is created. This behavior is achieved in accordance with domestic and international rules and standards as well as applying the OECD principles to transactions within the Group.
  - **Tax risk management:** Worldline seeks to reduce the level of tax risk arising from its operations by ensuring that a strong care is applied in relation to all processes which could affect compliance with its tax obligations. The Group takes benefit of available tax incentives, reliefs and exemptions in line with tax legislation and the business of the Group.
  - **Tax transparency:** In order to prevent any case of tax avoidance, where tax law is subject to interpretation, the Group may take a written opinion so as to support the decision-making process or may engage transparent discussions with tax authorities to secure alignment on interpretation of tax rules.

### D.4.3.2 Monetary contributions as part of our public and regulatory affairs

The payment industry must organize itself in order to assert and promote its interests. Worldline's positioning in Europe now implies organizing and structuring the following missions, from strategy to operational implementation: regulatory and political monitoring, interest representation and lobbying. The multiplication of Worldline representations can alter the scope of the Company's messages, or even harm its interests. Moreover, future European projects imply that from now on Worldline must be able to share its vision and ambitions at the highest level of political and financial authorities, both locally and at the European level.

In this context, Worldline's general management has decided to appoint a Head of Public and Regulatory Affairs in order to set up an internal organisation that will structure this promotion

of the Company's interests. This function is carried out by the Strategy department reporting directly to the CEO of Worldline. The strategy of influence managed by the Public and Regulatory Affairs department aims to:

- Anticipate regulatory changes and react to public decisions;
- Directly promote the expertise of the Company;
- Orchestrate the workflow of information among the Company on the key topics;
- Enhance the Company' image by generating positive opinions and commitment.

Worldline does not make monetary contributions to candidates for elected office, political parties or Election Committee in any country. Moreover, in its Anti-Bribery and Anti-Corruption Policy, Worldline prohibits the provision of money, gifts, entertainment or anything else to any government or public officials and/or family members or persons known to be close associates of government and public officials ("Officials") for the purpose of influencing such officials in order to obtain or retain business or a business or commercial advantage, or otherwise in relation to decisions that may be seen as beneficial to Worldline's business interests.

Worldline's current strategy of influence tackles in priorities the following topics:

- Digital single market strategy: engage in the public debate for topics that are relevant for payment service providers;
- Payment/cybersecurity/cloud/data localization: input in the upcoming legislation on cybersecurity for Financial Services, as payments are likely to be an important aspect of this new legislation;
- Paytech/fintech in API world: develop and publicly communicate a view on the impact of the API regime under PSD2 and the workable solutions in this area;
- Topics as they emerge: the list of key topics can be amended over time as new topics of relevance arise.

Regarding the Company's association memberships, a global assessment has been initiated in 2019 in order to rationalize the number of its representations.

Worldline is deploying different tools to monitor this new activity and thus increase transparency and coherence of its actions relating to public and regulatory affairs.

### D.4.3.3 Privileged information and insider trading

- **Duty to act in Good Faith, Protection of confidentiality and privileged information:** Worldline protects both its own confidential information and the information provided by its customers, suppliers and partners (refer to Section D.2.4). Moreover, Worldline sets up rules to prevent insider trading and misconduct. In addition, Worldline ensures that in their decisions and actions, Worldline employees act in good faith, such as refraining from acting in an inappropriate manner of any kind, including disparaging the services provided by the Company to its clients and misappropriating the use of Worldline services and assets for personal benefit.
- **Conflicts of Interest:** Worldline undertakes to ensure that all decisions taken by anyone of its employees within the framework of professional duty are taken objectively and impartially, in the interest of Worldline and not based on personal interest, whether financial or family. Consequently, employees are asked to inform the Company in the event they would be in a situation of conflict of interest with Worldline's competitors, partners, customers or suppliers.

The Code of Ethics' principles are not the only mandatory provisions applicable within Worldline. A standard of policies established by the different departments and adopted by the Group, governs each employee activities, who must comply with these rules regarding, in particular, delegations of authority, mandatory contractual clauses for clients and suppliers' contracts, the selection of potential employees and their training or the selection process for business partners among other requirements.

In order to ensure market transparency and integrity in Worldline securities, the Company aims at providing its investors and shareholders, under conditions that are equal for all, information on its activities and performance. Worldline requires all senior managers or employees having access to critical information to follow special rules, contained in a guide, to prevent insider trading.

- **Insider Trading:** The undue use or disclosure of inside information constitutes a stock market regulation or legal violation which are liable to criminal, regulatory (*Autorité des Marchés Financiers* – AMF) and civil proceedings. Accordingly, no employee shall disclose any inside information to third parties or deal in Worldline securities when he or she is in possession of any inside information.
- **Dealing during closed periods:** Employees who are likely to have access on a regular basis to privileged information must not deal in Worldline securities, whether directly or indirectly, during any "closed period". A closed period is defined as six weeks prior to the publication of Worldline's annual financial results, 30 days prior to the publication of Worldline's half-year statements and four weeks prior to the financial information for the first, second and third quarters.
- **Hedging of stock-options and performance shares.** All staff members are prohibited to put in place, by means of derivatives or otherwise (right to purchase or sell at a certain price or any other term and conditions) against Worldline stock price changes from their exposure to the potential value of:
  - Stock options they are entitled to until the beginning of such options' exercise period,
  - Performance shares they were awarded, during acquisition and blocking periods.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

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### D.4.4 Develop responsible procurement & due diligence in the value chain [GRI 102-9] [GRI 103-1 Procurement practices] [GRI 103-2 Indirect Economic Impacts] [GRI 103-2 Procurement Practices] [GRI 204-1] and [GRI 205-1]

#### D.4.4.1 Foster sustainable relationships with our partners [GRI 102-9]

Worldline's ambition is to further influence its sector and ecosystem in terms of CSR practices, notably its suppliers and partners, in order to ensure integrity in its supply chain. To achieve that, the Company is firmly committed to develop responsible purchasing thus reducing at the same time its technical, environmental, social and financial risks relating to its supply chain. Eventually, this also reinforces its performance, protect its brand reputation and limit dependencies.

Worldline has articulated its global sustainable procurement strategy around four axes:

- Integrate sustainability at the core of procurement process;
- Promote Worldline's CSR commitments all along the value chain;

- Assess suppliers' and subcontractors' CSR practices;
- Improve continuously the suppliers' CSR performance.

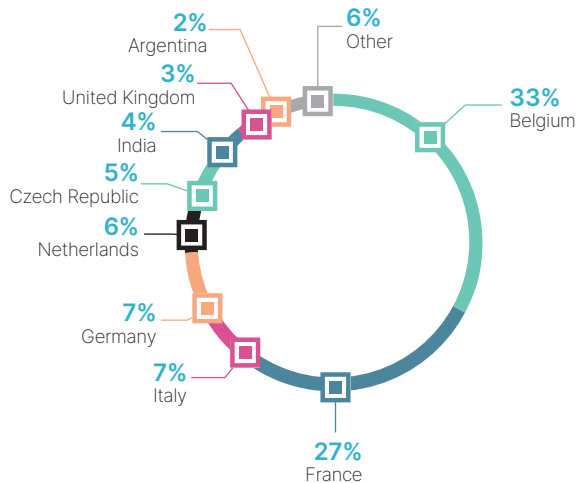
According to the Duty of Care French law, Worldline thus relies on these four strategic axes to further develop and deepen in the coming years its responsible procurement actions as part of its Vigilance Plan (refer to this document, Section D.4.2.3).

Additionally, Worldline strives to develop as much as possible local purchase to contribute positively to the economy and inclusion of its territories. In 2019, the proportion of spending on local suppliers represented 79% of total spending, thus also reducing transport and Worldline's environmental footprint.

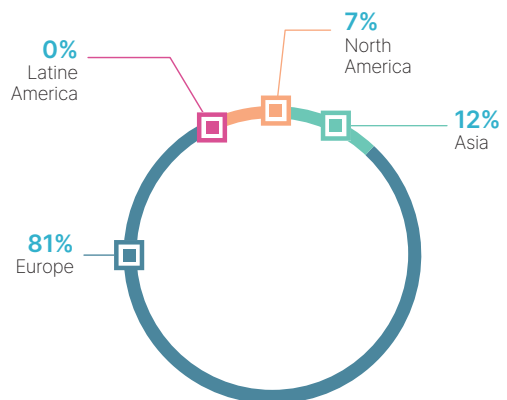
Worldline counts more than 4,000 suppliers, including 250 key strategic suppliers.

[GRI 203-2] [GRI 102-9]

#### SPENDINGS OF WORLDLINE BY COUNTRY



#### BREAKDOWN OF SUPPLIERS BY GEOGRAPHICAL LOCATION



**Responsible subcontracting:** Worldline sometimes depends on subcontractors to deliver services in particular contexts. Reliance on third parties is a common practice in the IT industry but represents a business risk that must be closely monitored on the basis of quality, cost, delivery, innovation, management and sustainability requirements. Subcontractors may be used in areas or projects where Worldline does not have the specific expertise or skills necessary to meet the terms of a particular contract for a limited period of time. The subcontracting process is managed by the Workforce management team, which is part of the Human Resources department and directly interacts with the operational teams to define needs and propose relevant profiles. There are local Workforce Managers in place in each region where Worldline operates to manage the subcontracting process locally. The most common subcontracted profiles are the ones of IT developers or Project Managers. The business relationships with subcontracting companies are managed by the Procurement Team through negotiated contracts. In 2019, Worldline recorded 1,920 subcontractors working across 12 countries.

#### D.4.4.2 Implement due diligence towards our supply chain [GRI 102-9] [GRI 103-2 Procurement Practices] [GRI 103-2 Indirect Economic Impacts] [GRI 203-2] [GRI 204-1] and [AO 17]

##### D.4.4.2.1 Integrate sustainability at the core of procurement process

Worldline sustainable procurement strategy entails that the relevant Category Manager or Lead Buyer with the support of the Global Procurement Process Manager, for global and key local suppliers, must comply and implement consistently the following initiatives:

- **Code of Conduct and Procurement department awareness:** Worldline's employees who perform procurement-related activities on behalf of the Company or who have regular contacts with suppliers must abide by a strict Code of Conduct. All the members of the Procurement department must take notice and sign this document establishing the elementary rules each employee must follow in the performance of their work. The Code of Conduct is applicable to the entire Worldline Group, and each entity is responsible for implementing the applicable objectives and principles (in accordance with national legislation and regulations). Failure to comply with

this Code of Conduct may result in disciplinary actions, up to and including termination of employment. Besides, the CSR team had regular day-to-day exchanges with the procurement team in 2019 to implement CSR practices in the procurement processes;

- **Sustainability as a criterion for supplier selection and qualification:** To build strategic and sustainable relationships, Worldline is using a specific process to select its suppliers which notably integrates the sustainability criterion through the QCDIMS (Quality, Cost, Delivery, Innovation, Management and Sustainability). Thus, weighting not less than 10% in the QCDIMS qualification, sustainability is an integral part of the decision-making process for selecting new partners. Such process is notified to potential suppliers during the Request for Proposal (RFP) process. Moreover, in 2019, Worldline elaborated a specific CSR clause that will be systematically included in all partners' contract in 2020. This clause compels the partner to align with Worldline's *Business partner's commitment to integrity* charter and Worldline's Code of Ethics, and requires a minimum of extra-financial ratings or proofs of CSR commitment to be provided within the first year of contract with Worldline. The clause also stipulates that the Company reserves the right to conduct a CSR-related audit at its suppliers;
- **Worldline's commitment to the sheltered workshop in purchasing decision:** As presented in Section D.3.2.3.2 of this document, Worldline commits to involving the adapted sector through social integration partners (like GEIQ) in its different business activities, such as: facility management, WEEE disposal, information processing, event organization, etc. For instance, for many years, Worldline procurement has been working in partnership with the sheltered workshop *Beschermde Werkplaats Zottegem* (BWZ) in Flanders, Belgium. Its aim is to promote the employment of people with minor mental or physical disabilities and integrate them into the professional world. This company provides the following services for Worldline:
  - The customization of payment Terminals: BWZ receives bulk shipments of naked devices and transforms these into finalized individual products that they ship afterwards to the various distributors around the world. This work includes technical inspection, loading of specific software and security keys, inclusion of accessories and final packaging;
  - The repair of returned terminals: distributors send damaged Terminals directly to BWZ where they are tested and diagnosed. The repair process includes the disassembly and exchange of modules with the objective to send them back perfectly working.

#### D.4.4.2.2 Promote Worldline's CSR commitments all along the value chain

In order for Worldline to share its values and commitment all along its supply chain, the Company relies on a unique document the *Business partner's commitment to integrity* charter, which is annexed to supplier contract and available on Worldline website. In addition, Worldline also produced a letter from the CSR Director to Worldline's hardware supplier on *Responsible mineral sourcing*.

- **Business partner's commitment to integrity charter:** In 2019, Worldline customized its own charter. Its objective is to summarize the principles and actions all Worldline partners should comply with in order to be able to work with the Company. Thus, it encourages them to follow the principles of the United Nations Global Compact in the areas of Human Rights, labor, the environment and anti-corruption. More specifically, the *Business partner's commitment to integrity* lists the environmental requirements for its suppliers: to support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility and encourage the development of environmentally friendly technologies.
- **Letter on the responsible sourcing of minerals:** Although the above-mentioned charter already tackles the requirement of a conflict-free supply chain, Worldline published in 2018 on its website a dedicated letter aiming at providing hardware suppliers (that provide terminals and data center components for instance), with a policy and specific guidelines on how to assess their minerals sourcing. This document sets forth the commitments and expectations Worldline's suppliers have to follow regarding conflict minerals. Indeed, the Company is committed to ensuring that the minerals used in its hardware's

components are not sourced from conflict regions (e.g. Democratic Republic of Congo, Rwanda, Tanzania, Uganda, Zambia), nor finance armed group. In this regards, Worldline strongly supports the efforts of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Therefore, the letter clearly states that Worldline's Electronic Manufacturing Services (EMS) suppliers should comply with the following principles:

- Take steps to determine if their products contain conflict minerals;
- If so, inform Worldline and adopt due diligence policy and procedures to reasonably assure that the 3TG (tin, tungsten, tantalum and/or gold) metals in their products or components do not directly or indirectly benefit armed groups;
- Identify all smelters in their supply chain that supply the 3TG metals. If they do not source directly from smelters, they have to cascade this request to their suppliers;
- Provide further evidences and statements on responsible sourcing when requested, especially during audits that may be conducted to verify compliance with the regulation.

Worldline also shares in this letter a list of conflict-free validated smelters available on the Responsible Minerals Initiatives (RMI) website.

Specifically regarding all Worldline's payment terminals designed in Belgium, none of Worldline suppliers has been considered at risk in 2019 based on the analysis carried out with the main terminals producer whose factories are located in Indonesia.

#### D.4.4.2.3 Assess suppliers' and subcontractors' CSR practices

- **Gross risk identification and assessment:** refer to Sections D.4.2.3.1 and D.4.2.3.2. Worldline's ERM covers supply chain risk management and all Worldline's business partners are subject to a due diligence and validation process. In order to mitigate the risk associated with external providers, the Procurement department monitors sharply any new supplier creation. To facilitate any potential scoring or further investigation, any new supplier creation is registered in Worldline's database with its identification numbers (such as Dun & Bradstreet number). All critical suppliers are physically met or visited periodically by purchasing or operations. Within the current existing supplier base, risk assessment and the design of risks mitigation plan for critical suppliers are part of the procurement team mission jointly with operations and CSR team. To go deeper in its supply chain specific risks and their assessment, the Group also launched in 2019 an analysis to classify and prioritize suppliers according to the inherent extra-financial risks they represent (sectorial, geographical, etc.). This will enable the company to better monitor and thus mitigate its main supply chain risks.
- **EcoVadis score to assess the mitigation of inherent risks:** To assess the CSR practices of its suppliers, and how these latter mitigate their extra-financial risks, Worldline asked, as part of the Atos group, its main and strategic suppliers (rank 1) to be assessed by the third-party EcoVadis rating agency on their CSR performance at any time during their contract. In 2019, Worldline was still part of Atos group procurement tool, but in parallel, the Company prepared the launching of its own sustainable procurement platform that will be implemented in 2020. This tool notably enables Worldline to maintain its TRUST 2020 objective that entails that the Company must encourage 100% of its suppliers who are rated below 40/100 on EcoVadis score to implement action plans to increase their CSR performance. This intermediate step is essential before any breach of contract as it positively contributes to change the entire ecosystem with sustainability practices, while maintaining an economic prosperity. However, if a supplier refuses to participate to an EcoVadis' assessment or is not willing to cooperate with Worldline in order to improve its CSR performance, this supplier risks losing its contract with Worldline eventually.

Thus, in 2019, 113 suppliers were assessed by EcoVadis, representing 56% of total spending [AO17], while the percentage of strategic suppliers evaluated by EcoVadis was 45.2%.

- **Supplier audit:** As stipulated in clauses annexed in its suppliers' contract, Worldline can perform different audits to its suppliers. These audits are carried out by the Industrialization and quality management team on request from the Procurement department. They require the supplier to provide information about its health and safety management, its safety policy, and whether or not it complies with the Business partner's commitment to integrity. In case of serious non-compliance with the principles of the charter, the supplier shall report to Worldline within one week after the discovery. Within one month after the reporting of this non-compliance, the supplier will determine an appropriate action plan to become compliant and Worldline will determine with the supplier an appropriate timeline for its implementation.

#### D.4.4.2.4 Improve continuously the suppliers' CSR performance

This strategy is supported by regular annual interviews of Worldline's main suppliers. In 2019, the Company organized in September, for the second year, its annual meetings initiative with 16 of its strategic suppliers (in terms of total spending). In addition to suppliers already interviewed in 2018 and providing Worldline with hardware and software solutions, this new batch of meetings included new suppliers related to electricity and catering procurement which entail sensitive topics such as renewable energy sources, food traceability and biodiversity, etc. These meetings aim at:

- Assessing the CSR maturity of the strategic suppliers through concrete commitments (extra-financial ratings, OHSAS 18001 and ISO 14001 certifications, commitments to Global Compact principles, policies on mineral sourcing, etc.);
- Monitoring their progress and good will with respect to CSR actions;
- Identifying how to implement best CSR practices within their commercial offer (buying more sustainable food, favoring ecolabels, reducing energy consumption and packaging waste, etc.).



### D.4.5 Develop sponsorship and philanthropy in our local communities

[GRI 201-1] [GRI 203-1] [GRI 203-2] [GRI 103-1 Economic performance]  
[GRI 103-1 Indirect economic impact] [GRI 201-4]

Worldline is firmly committed to having a positive impact on the economic and social development of the regions in which it operates. The Company's ambition goes beyond creating jobs, developing solutions and supplying services for its customers. Indeed, Worldline has been helping local underprivileged communities in its territories through multiple-social initiatives over the years, and articulated around three objectives:

- Provide social care especially for youth empowerment;
- Promote digital inclusion and employability through skill sponsorship;
- Fight disease and contribute to social welfare.

Based on the London Benchmark Group model, Worldline has adopted a standard way of assessing its social impact for its local communities. In 2019 Worldline invested a total of €1,509,259 for the social initiatives for local communities and society at large [GRI 201-1]. This amount includes four categories from the London Benchmark Group model: donations to charity and social communities, involvement in responsible IT projects and commercial initiatives for good causes, relationships and partnerships with schools and universities, as well as skill sponsorship. The total amount of €1,509,259 includes cash contribution, staff time costs (employee volunteering in working hours), in kind contributions and management costs of the initiatives.

#### KEY RESULTS

Indicators	2014	2015	2016	2017	2018	2019
Total community investments (in €)	145,782	67,331	1,272,959	1,254,704	1,381,657	1,509,259

Moreover, a total amount of 14,773,235 was received in financial assistance from governments in 2019 [GRI 201-4].

In 2019, Worldline France officially launched its partnership of technological sponsorship with the non-profit association "Un Rien C'est Tout" created in 2016, whose mission is to promote solidarity projects in collaboration with partner associations. The projects are dedicated to four major causes that perfectly align with Worldline's main societal objectives: childhood, education, health and the environment. The Group has committed, free of charge, to offer 40,000 banking transactions per month on the OUI SNCF website with the Worldline Sips solution.

#### D.4.5.1 Specific initiatives relating to children care and empowerment (non-exhaustive list)

Worldline launches and promotes initiatives to raise funds and support child protection services and even health and education services, thus helping sick children or those living in needy areas.

In the United Kingdom, the most emblematic action of employees is the Railway children Charity that raises funds to help homeless children who often seek shelter in train stations, in the UK or in India, the main regions in which the association works. As a player in the railway industry in the UK (with its e-Ticketing activity), Worldline and its employees participated

in 2019 to the National Three Peaks Challenge, an event in which participants attempt to climb the highest mountains of England, Scotland and Wales within 24 hours.

In Germany, The Group has been supporting children from the Monikahaus family center, via its Frankfurt site, since 1999. This is a social project run by the Catholic Church that focuses on the psychosocial education of children and teenagers with difficult family backgrounds and behavioral disorders. The Aachen site also gives donations and employees working hours or free time to projects of the Kinder-und Jugendhilfe Brand project, an institution offering care as well as in-patient and out-patient services to children.

In India, Worldline made donations to the Catalysts for Social Action program (CSA) that promotes child welfare and adoption through nutrition, hygiene & health, education & vocational skills, infrastructure support and recreation activities. More than 3,400 children have been supported throughout two projects:

- "Preventive Healthcare Partner at Orphanages", enabling to monitor children's health and treat minor health issues in Kandhamal district in Odisha, supporting 1,000 children;
- "Adopt a Home".

Additionally, Worldline gave financial support to the Jan Madhyam organization which aim is to support disabled children through speech and occupational therapy, helping them develop their speech and movement capacity to become more articulate and mobile.



#### D.4.5.2 Specific initiatives relating to digital inclusion and employability through skill sponsorship (non-exhaustive list)

Worldline employees volunteer their time and share their knowledge, skills and expertise of the IT industry in schools in order to provide equal access to education (girls and boys) and fight against social exclusion.

In Netherlands, equensWorldline was actively involved in a competition for Students of the Technical University in Eindhoven. This famous University gives students the opportunity to submit their projects to be nominated for a prize and receive coaching from companies. Some employees of equensWorldline were guests at the Technical University of Eindhoven and acted as coach during a speed date event for students who participated with their own project.

Since 2011, Atos and Worldline have in France a partnership with *Energie Jeunes*, a non-profit organization which aim is to fight school drop-out in secondary schools located in underprivileged neighborhoods and to encourage teenagers to persevere in their studies, while fighting their sense of "failure". More specifically dedicated to the learning of the basics of coding, Worldline France continues its initiative launched in 2017 that consists in offering Coding Courses to a high school in Bezons (France). A group of volunteers dedicate two hours each week, for several months, to the high school in order to teach of 18 pupils computer programming through games.

In Singapore, Worldline donated laptops to help the schools to enable the Vietnamese students to have a better IT education, in partnership with Actxplorer and 20 Singapore Management University (SMU) students.

#### D.4.5.3 Specific initiatives relating to health and contribution to social welfare (non-exhaustive list)

In Belgium, Worldline once again gave its financial and technological support to the Breast International group (BIG) for the initiative BIG Time for Baby. It is an international non-profit organization that forms the world's largest network of academic research groups against breast cancer. The BIG Time for Baby study enables young women with breast cancer to plan their treatment, in order to allow for the conception of a

child. In the framework of the 'Warmste Week' (Warmest Week), the Worldliners in Belgium also ran in support of a charity (Stichting Alzheimer Onderzoek and Konekt) during one of the races taking place between December 18 and 23, 2019. Different social actions are conducted during this week to support charitable causes.

In France, Worldline has been a faithful partner of the Téléthon for almost 20 years, providing its multi-channel secure payment gateway for donations made by credit cards online or by mobile devices free of charge all year long. This great solidarity initiative is possible due to employee involvement: approximately 40 volunteers help make the event a success every year.

In Spain, three volunteers also participated in 2019 to several workshops to help women who suffered cancer. After their disease, these women were unemployed for a long period of time and needed an empowerment to return to labor market. The activity consisted in a "speed networking". Worldline Iberia employees also continued to support and participated once more to the event organized by the Adecco Foundation in 2019: the "Carrera de las Capacidades", aiming to "The social and labor integration of people with disabilities". The event was attended by the honorary presidency of the Kings of Spain and the participation of the Minister of Employment, Migration and Social Security. The event was the opportunity to present the Alliance #CEOPorLaDiversidad, of which Worldline is part in Spain.

#### D.4.5.4 Other initiatives fostering social well-being in local communities (non-exhaustive list)

Worldline has a wide set of other voluntary social initiatives destined to the society in general, which focuses on social impacts and community well-being. Through various initiatives, Worldline also promotes social inclusion among its employees to encourage them to get involved.

For example, Worldline France has been organizing for six years the program *Engagement associatif* (Associative involvement), whose purpose is to encourage the social commitment of employees who are involved or wish to be involved in association projects with a social dimension. If a project is selected by the jury, employees are allowed some time to contribute to it during their work time and 30 days were offered by Worldline in 2019.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Ensuring business ethics within our value chain [GRI 102-9] [GRI 103-3 Social compliance]

## D.4.6 Key performance indicators about Ethics and value chain [AO 17]

		2019	2018	2017	2016
Indicators	GRI				
<b>Percentage of employees trained in Code of Ethics</b>					
Percentage of management employees trained in Code of Ethics – Virtual Classroom	GRI 205-2	82.43%	0%	77%	-
Percentage of employees trained in Code of Ethics – E learning	GRI 205-2	94.90%	95%	95%	79%
Number of employees trained in Code of Ethics	GRI 205-2	10,173	8,523	7,071	664
Number of targeted employees	GRI 205-2	10,720	8,973	7,555	7,426
<b>Number of claims from clients or suppliers related to corruption</b>					
Number of claims from clients or suppliers related to corruption (= or >€100,000)	GRI 205-3	0	0	0	0
Total value of significant fines (>100 thousand)	GRI 419-1	0	0	0	0
Number of significant fines (>€100 thousand)	GRI 419-1	0	0	0	0
<b>Direct economic value generated and distributed</b>					
Total community investments (in €)	GRI 201-1	1,509,259	1,381,657	1,254,704	1,272,959
Total number of employees involved in social responsibility initiatives	GRI 201-1	276	877	707	767
Donations to Charity (in €)	GRI 201-1	365,804	243,418	111,724	172,427
Contribution to Commercial initiatives for good causes (in €)	GRI 201-1	3,080	20,400	46,512	17,016
Contribution to Universities (in €)	GRI 201-1	1,096,027	1,115,991	1,096,468	1,083,516
Contribution to Responsible IT Projects (in €)	GRI 201-1	43,200	1,848	0	0
Total Financial assistance from governments (in €)	GRI201-4	14,773,235	13,508,000	11,516,745	5,338,840
<b>Proportion of spending on local suppliers</b>					
Proportion of spending on local suppliers	GRI 204-1	79%	86%	86.33%	87.67%
<b>Supplier screening</b>					
Percentage of strategic suppliers evaluated by EcoVadis	AO 17	45%	38%	30%	26%
Total spend evaluated by EcoVadis (in €)	AO 17	360,298,047	331,962,637	285,455,354	222,980,543
Percentage of total expenses assessed by EcoVadis	AO 17	56.09%	56.23%	55%	-

**GRI 205-2 Number of employees trained in Code of Ethics and Number of targeted employees:** exclusion of Germany.

**GRI 201-1 Direct economic value generated and distributed:** exclusion of Argentina, Austria, Brazil, Czech Republic, Estonia, Finland, Hungary, Latvia, Lithuania, Switzerland, USA.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Ensuring business ethics within our value chain [GRI 102-9] [GRI 103-3 Social compliance]

2019 Perimeter		2018 Perimeter		2017 Perimeter		2016 Perimeter	
Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue
100%	-	-	-	100%	-	100%	-
87%	-	85%	-	80%	-	100%	-
87%	-	85%	-	80%	-	100%	-
87%	-	85%	-	80%	-	100%	-
100%	-	100%	-	100%	-	100%	-
100%	-	100%	-	100%	-	100%	-
100%	-	100%	-	100%	-	100%	-
86%	-	100%	-	94%	-	92%	-
86%	-	100%	-	94%	-	92%	-
86%	-	100%	-	94%	-	92%	-
86%	-	100%	-	94%	-	92%	-
86%	-	100%	-	94%	-	92%	-
84%	-	-	95%	-	94%	-	85%
-	85%	-	98%	-	70%	-	93%
-	85%	-	98%	-	99%	-	98%
-	85%	-	98%	-	99%	-	98%
-	85%	-	98%	-	99%	-	98%

**GRI 204-1 Proportion of spending on local suppliers:**  
Exclusion of Estonia, Indonesia and Switzerland.

**AO 17 Supplier screening:** Exclusion of Estonia, Indonesia and Switzerland. For the KPI "Percentage of total expenses assessed by EcoVadis" and for the years 2018, 2017 and 2016, we have changed the calculation by taking into account only the total expenses for the top 250 suppliers, instead of all the suppliers.

## D.5 Reducing our environmental footprint [GRI 419-1]

### D.5.1 Meet society expectations for a sustainable environment [GRI 103-1 Energy] [GRI 103-2 Energy] [GRI 103-2 Indirect Economic Impacts] [GRI 103-3 Energy] [GRI 103-1 Emissions] [GRI 103-2 Emissions] [GRI 103-3 Emissions] [GRI 103-3 Market Presence]

#### D.5.1.1 Worldline environmental challenges [GRI 103-2 Energy] [GRI 103-2 Emissions] [GRI 103-2 Indirect Economic Impacts] [GRI 201-2] [GRI 305-5 Reduction of GHG emissions]

The exponential growth of digital, with the processing and hosting of a growing amount of data, causes notably a sharp increase of global energy demand to power data centers. In order to reduce its environmental footprint, Worldline has designed and implemented since 2016 a low-carbon environmental strategy consistent with the international guidelines to align with the commitments developed at the Paris Climate Change Conference (COP21), thus factoring its stakeholder expectations, whether it be from its clients, the countries where it operates or civil society. This strategy

mainly aims at lowering its energy consumption and carbon emissions linked to its business activity: processing large amounts of data in its data centers and manufacturing of its payment terminals.

To strengthen this approach, Worldline conducted an extra-financial risk analysis (refer to Section D.1.2.2) that identified two significant extra-financial Environment gross risks that structure this chapter and for which mitigation measures are described as follow.

Environmental risk	Risk description	Worldline action plan	Related opportunities	Main monitoring KPIs
<b>Climate change</b> <i>For more details, refer to this document, Section D.5.2.</i>	Worldline's activity of processing large amounts of data and manufacturing payment terminals contributes to energy consumption and related air emissions. The Company has a responsibility in setting ambitious carbon reduction targets and using renewable energy sources to support the fight against climate change. <b>Key topics:</b> climate change and pollution	In 2019, Worldline has set its own Science-Based Targets, committing to reduce its absolute CO <sub>2</sub> emissions by 2025 and 2035. Three other programs are in place to reduce CO <sub>2</sub> emissions regarding energy efficiency, renewable energy, and sustainable mobility.	Energy efficiency /International environmental standards & initiatives /Developing sustainable solutions	<ul style="list-style-type: none"> <li>• GRI 302-3 Energy intensity</li> <li>• GRI 305-4 Greenhouse Gas emissions intensity</li> <li>• GRI 305-1, GRI 305-2, GRI 305-3 Greenhouse gas emissions DCs and Offices Scope 1, 2, 3</li> </ul>
<b>Circular economy</b> <i>For more details, refer to this document, Section D.5.3.</i>	Limited resources, especially the rare raw materials used in electrical components, constitutes a challenge for the digital industry. Worldline's payment terminals have to be eco-designed, collected and recycled to limit electronic waste and favor the circular economy. <b>Key topic:</b> circular economy	Worldline is committed to ensure that its payment terminals are eco-designed and recycled (complying with WEEE regulation) to have the minimum impact on the environment throughout their lifecycle. Worldline also pays specific attention to avoid the use of conflict minerals in its components.	Eco-efficient products, recycling opportunities /Developing sustainable solutions	<ul style="list-style-type: none"> <li>• AO 19 Waste Electrical and Electronic Equipment (WEEE)</li> </ul>

Since 2010, Worldline has been implementing a global energy-efficient management of its data centers (which complies with the European Code of Conduct for Data Centers) to optimize energy consumption. Since 2016, other policies and actions mentioned above and hereafter –such as the eco-design of its payment terminals– have structured a more holistic and comprehensive approach towards a Green IT initiative with greater reach which includes the following commitments:

Commitments	2019 achievements	Strategic programs
Reduce Worldline's carbon intensity each year by 2.67% in alignment with Worldline Science-Based Targets to reduce its CO <sub>2</sub> emissions (scope 1+2+3A) by 19% in 2025 and by 45% in 2035 (baseline 2018).	Due to the integration of new entities, Worldline's CO <sub>2</sub> emissions (scope 1+2+3A) raised from 10,074 absolute CO <sub>2</sub> emissions in 2018 to 11,461 in 2019 (refer to Section D.5.2.3).	Worldline energy efficiency program, renewable energy program, building environmental improvement plan and sustainable mobility program
Certify ISO 14001 all its own strategic Data Centers and offices above 500 people.	11 out of the 13 targeted sites are certified.	All programs and initiatives relating to circular economy
Obtain an average PUE (Power Usage Effectiveness) of 1.65 by 2020 for its own data centers.	The PUE of Worldline data centers is 1.67 (refer to Section D.5.2.3.1).	Worldline energy efficiency program
Supply 100% of Worldline Group electricity consumption with renewable energies.	90% of Worldline total electricity consumption comes from renewable energy sources (refer to Section D.5.2.3.2).	Worldline renewable energy program
Continue to offset 100% of the remaining CO <sub>2</sub> emissions resulting from its activities (data centers, offices and business travels) and CO <sub>2</sub> emissions linked to its payment terminals lifecycle.	100% of Worldline CO <sub>2</sub> emissions resulting from its activities (data centers, offices and business travels) and CO <sub>2</sub> emissions linked to its payment terminals lifecycle are offset (refer to Section D.5.2.3.3).	Worldline offsetting program

This overall commitment is consistent with Worldline's adhesion to the City of Paris climate charter "Paris Action Climat" in 2018, as well as with the Company's commitment to the French business Climate Pledge in 2019.

The GreenIT@worldline initiative launched in 2018 commits Worldline to a more comprehensive scope of intervention, not only taking into account its energy efficiency and CO<sub>2</sub> emissions but also the circular economy dimension through a transversal approach that involves all employees, especially departments such as Research, Development & Innovation, procurement and business, thus adding new expectations relating to the eco-conception of ICT services. The start of this initiative was concurrent with Worldline's participation to the WeGreen IT study initiated by WWF France and the club Green IT which aimed at better assessing the environmental footprint of its IT system and gather good practices, notably regarding eco-conception of digital solutions. This study covered the following areas: responsible purchasing, duration and life of equipment, data centers management, environmental governance, workstation, telephony, printing, training and awareness, software and digital services eco-design. If Worldline's results indicated a global maturity of the Company (score of 70% vs. an average of 59% out of the 24 participating major French companies), further areas for improvement has

been identified such as adopting eco-design practices in the software development. In this regard, Worldline has a dedicated working group on software eco-design best practices gathering the Research, Development & Innovation department, the Expert community and the CSR team. In 2019, this group focused on the preparation of a Life Cycle Assessment (LCA) of a payment transaction to better identify further areas of improvement (for more details, refer to this document, Section D.2.2.3). On an external level, Worldline has also joined, since 2018, the Green IT think tank (*Conception Numérique Responsable*) which brings together experts and organizations to develop IT eco-design.

In 2019, as its next environmental step, Worldline obtained a A-rating (refer to this document Section D.1.3.2), which recognized its ambitious environmental policy and achievements. As part of this exercise, Worldline has taken the opportunity to reconsider and develop its climate strategy by identifying its main climate risks and opportunities and measuring their financial impact to better focus and address the relevant actions to implement. Moreover, Worldline has set and validated its own Science-Based Targets (baseline 2018) to reduce its greenhouse gas (GHG) emissions in a pace that meets the well below 2-degree trajectory requirements.

### D.5.1.2 Our environmental governance [GRI 103-1 Energy] [GRI 103-2 Energy] [GRI 103-2 Indirect Economic Impacts] [GRI 103-3 Energy] [GRI 103-1 Emissions] [GRI 103-2 Emissions] [GRI 103-3 Emissions] [GRI 419-1]

#### D.5.1.2.1 A global governance through the Environmental Management System [GRI 103-2 Energy] [GRI 103-2 Emissions] [AO14] [GRI 103-3 Energy] [GRI 103-2 Emissions] [AO 14]

As part of the CSR activities, the environmental governance –including the management of climate change risks, is under Worldline CEO's responsibility and managed by Worldline CSR Officer (refer to this document, Section D.1.1.2.2). Reporting to the CSR Officer, the Global Environment Manager is in charge of all environmental topics worldwide. The Global Environment Manager is supported by Country Environment Managers and local environmental teams on each site.

To coordinate activities within the environmental team, weekly calls are organized and a quarterly face to face workshop takes place. Global coordination is also enforced between CSR and environmental teams through the Worldline Environmental Board, a quarterly meeting where information and best practices are shared, environmental KPIs and ISO 14001 audits are monitored, and actions are decided in accordance with the strategy and targets.

In 2017, Worldline has implemented its own global environmental policy, which is aligned with the Company's strategic ambitions and its CSR program. The purpose of this

policy is to provide all stakeholders with high level principles, over the short and long term, on the Company's environmental challenges and commitments, including energy efficiency policies, carbon emission targets, procurement actions, electronic waste management, etc.

The two environmental risks identified by Worldline (refer to this document, Section D.5.1.1), i.e. climate change and circular economy, are monitored through the Company's Environmental Board. This body uses different tools and processes to mitigate these risks, such as the Enterprise Risk Management (ERM) process (refer to this document, Section D.1.2.2), the Legal Risk Mapping and its own Environmental Management System (EMS).

The EMS, in line with the ISO 14001 standard, seeks to address environmental issues specific to sites and introduce regular additional actions to reduce Worldline's environmental footprint. In this context, Worldline has decided, since 2012, to seek ISO 14001 certification for its main offices sites (over 500 employees) and all its own strategic data centers – see the following table. In total in 2019, 11 strategic sites of Worldline are certified, which represents 53% of the total headcount and 84.62% of operational facilities with more than 500 employees or with strategic data centers. In 2019, two new office sites were certified in Utrecht (The Netherlands) and Villeurbanne (France). The Bezons site (France) with more than 500 employees and the sites of Barcelona and Madrid (Spain) are ISO 14001 certified by the Atos group and Worldline has initiated the transfer of these certifications on its behalf since the separation of the two groups in 2019. In addition, Worldline also launched in 2019 the certification project for Mumbai (India) and Zurich (Switzerland). Worldline has implemented an EMS for all its ISO 14001 certified sites (i.e. all sites above 500 employees and strategic data centers).

Vendôme – data center (France)	ISO 14001 certified since 2011
Brussels – office (Belgium)	ISO 14001 certified since 2012
Brussels – data center	ISO 14001 certified since 2012
Frankfurt – office (Germany)	ISO 14001 certified since 2015
Blois – office (France)	ISO 14001 certified since 2017
Seclin – office (France)	ISO 14001 certified since 2017
Seclin – data center LP (France)	ISO 14001 certified since 2017
Seclin – data center D (France)	ISO 14001 certified since 2017
Villeurbanne – office (France)	ISO 14001 certified since 2019
Utrecht – office (The Netherlands)	ISO 14001 certified since 2019
Bezons – office (France)	ISO 14001 certified since 2019

The EMS covers all environmental topics, including: Purpose of the organization, Stakeholders, Risks and opportunities, Leadership, Legal compliance, Environmental analysis and significant aspects identification, Planning, Communication and awareness, Performance evaluation and continuous improvement. As part of its EMS, Worldline thus engages all its employees to apply its environmental policy and encourages

its suppliers to be compliant with its environmental standards. In 2019, Worldline renewed and expanded its initiative aiming to engage its main suppliers in reducing their own environmental footprint (refer to this document, Section D.4.4.1), notably by assessing their progress over the past year and by including new topics/type of suppliers.

This governance approach has already proved effective and is in line with local and global environmental regulations. Besides, by improving the Company's environmental performance, notably relating to energy efficiency and carbon reduction, it not only enables to mitigate risks, but also to provide opportunities for alternative ways of working, better operating efficiency and potential cost savings.

Finally, during the 2019 financial year, Worldline was not fined or subject of any administrative, legal or arbitration proceedings (including those of which Worldline is aware and which could pose a threat to the Company) having taken place or which could have a significant impact on Worldline's financial position or profitability. The Company confirms that it complies fully with local environmental regulations [GRI 419-1].

#### D.5.1.2.2 An environmental awareness that includes all employees

##### Local and global initiatives to encourage eco-friendly behaviors in office

Worldline has implemented several initiatives to increase its employees' awareness on environmental issues and encourage them to actively adopt eco-responsible behaviors that help reduce the environmental impact of their site. Internal communications are also regularly made to share Worldline's sustainability strategy, commitments and achievements through newsletters as well as through different events presented as follow.

- **The 2019 European Sustainable Development Week (ESDW) event**, which involved many employees on different CSR focus, including environmental challenges such as energy consumption. During this event, a global webinar on sustainability was organized with Worldline CEO, targeting all employees. Worldline also distributed electronically a sustainability booklet for its employees entitled "How to be a Worldliner with a sustainable lifestyle", an inspirational step-by-step guide to measure one's footprint and to consume less, save more and live better (refer to Section D.1.1.3.2).
- **The 2019 European Mobility Week event**. During this event from September 16 to 20 2019, Worldline proposed a series of local initiatives to employees organized by groups of volunteers in each location and aiming to propose alternative and more sustainable mobility solutions. All European countries participated to the event, with even initiatives in India.
- **Environmental Posters in each Worldline site**. In 2019, the environmental infographics that were already displayed in France and that convey key figures on Worldline's footprint as well as key eco-practices to implement for employee, have been designed to be adapted at an international level.

- **ISO 14001 certification training sessions**. In 2019, Worldline has provided to its employees a new e-learning on environmental topics, specifically presenting the ISO 14001 certification in 5 languages. Another online training course entitled "Sustainability Improvement" is also available in four languages. These training modules aim to explain what sustainability is, especially for the IT sector and how the Company is addressing the key environmental challenges of its sector through its sustainability program. In 2019, 9.61% of Worldline total workforce across all locations received a new internal training on environmental issues, out of a target of 60% to be achieved by 2025.
- **Organization by Worldline of the WeGreenIT conference with the participation of the WWF France**, Atos and Dell Technologies in Bezons (France) in February 2019, following Worldline's participation to the WeGreenIT study published by WWF France and the Green IT Club. This conference tackled the major environmental challenges linked to the digital world, such as global warming or the pressure on abiotic resources. It also raised awareness about IT best practices to implement in order to reduce the environmental footprint of IT and digital uses.

##### Worldline supports environmental scientific research through Under The Pole expedition

Since end of 2017, Worldline has committed to support an ambitious scientist research program on four years to accelerate research and help protect the environment by bringing its technological expertise. This sponsorship is also an opportunity to raise awareness among its employees. This scientific program takes the form of *The Under The Pole (UTP) III* submarine expedition. This expedition, directed by Ghislain and Emmanuelle Bardout, is supported by Explore private funding organization, created in 2013 under the impulse of the explorer Roland Jourdain to develop exploration projects combining science, innovation and awareness and responding to major environmental issues. This third adventure of the *Under the Pole* expedition series is dedicated to an underwater exploration of the deep ecosystems of the "Twilight Zone" (between 30 and 150 meters below the surface). From 2017 to 2021, a team of divers and scientists from CRILOBE-CNRS is sailing all around the world, from the Arctic to the Antarctic, collecting new species samples, photos, high definition videos and studying marine life. Tremendous volumes of data are thus gathered to be shared with the scientific communities across the globe and with the public, to educate us all.



**EXTRA-FINANCIAL STATEMENT OF PERFORMANCE**

Reducing our environmental footprint [GRI 419-1]

In 2019, the UTP team pursued the DeepHope program that studies mesophotic coral reefs, thus discovering new species at these depths like the Hawaiian Leptoseris discovered at -172 meters. Based on these discoveries, scientists hope that these deep-sea corals could eventually recolonize those on the surface, which are in clear decline although they are essential to about 30% of all marine life. During this year, the UTP team also launched the Capsule program, with the setting of a unique light underwater habitat at the bottom of the Polynesian waters that will allow scientists nearly 72 hours of diving observations. Thanks to it, researchers from CRIOBE will be able to observe the reef over long periods of time and capture the ephemeral moments of coral reproduction.

As part of its skill sponsorship, Worldline is providing UTP with its dedicated media management solution and hosting the data on a dedicated server in one of its data center, which has enabled the UTP team as from September 2019 to archive, store, classify and share all the medias assets (videos and

pictures) collected during the expeditions in a centralized and secured way. The solution also improves the media access thanks to an indexing system in order to ease the work of the scientific community as well as of the film directors so we can learn more about these exceptional marine ecosystems and protect them. This storage is done on an industrial scale as the team has uploaded 41 terabytes of data during their previous voyages and can upload up to 200 additional terabytes from their upcoming adventures.

In 2019, Worldline leveraged this sponsorship to raise awareness among its employees on key environmental issues such as global warming through several global newsletters and the organization of an event with UTP and Explore teams at its new Rennes site, notably celebrating the launch of the Worldline media management solution. This large-scale mobilization is at the heart of Worldline's societal commitment and is consistent with the Company's skills sponsorship approach.



## D.5.2 Fight climate change [GRI 103-2 Energy] [GRI 103-2 Indirect Economic Impacts] [GRI 103-2 Emissions] [GRI 302-4 Reduction of energy consumption] [GRI 305-5 Reduction of GHG emissions]

### D.5.2.1 Align with the TCFD recommendations

#### D.5.2.1.1 Worldline thorough climate risks & opportunities analysis

As part of its CDP answer, Worldline undertook in 2019 a thorough Task Force on Climate-related Financial Disclosures (TCFD) gap analysis to assess its maturity regarding its climate-related governance, strategy, risks management and climate indicators and objectives. Created in 2016 by the Financial Stability Board (FSB) at the request of G20 ministers, the TCFD makes recommendations and create a framework to

help companies strengthen their climate governance and provide the relevant climate reporting expected by institutional investors. Such recommendations are based on best practices (scenario and Risks and Opportunities (R&O) analysis, Science-Based-Targets, etc.) to eventually enable business to integrate climate at the core of the strategy and prepare for future regulatory requirements.

Type of recommendations	Governance	Strategy	Risk management	Metrics and Targets
<b>Recommendations (for more information refer to the TCFD report on fsb-tcfd.org)</b>	Disclose the organization's governance around climate-related risks and opportunities.	Disclose the actual and potential material impacts of climate-related R&O on the organization's businesses, strategy, and financial planning.	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related R&O.
<b>Worldline actions to fully align with the TCFD recommendations in 2019</b>	Creation of a Social and Environmental Committee at Board level.	Identification of the main climate R&O and their financial impacts, relying on different climate-related scenarios, including a below 2°C scenario.	Increased integration of the climate R&O and their financial impacts in the Company's Enterprise Risk Management.	Setting of Worldline's Science-Based Targets aligned with the well below 2°C scenario.

Thus, in 2019, Worldline conducted a climate R&O analysis with the objective to better respond to Worldline stakeholders' need for climate-related information and better measure the climate impacts faced by Worldline to increase the Company resilience. The most material R&O identified as well as the estimates provided for the financial impact analysis are the results of a consultative process that required three internal workshops involving contributors from all the relevant departments: Risk, Compliance, Environment and CSR, Data Centers management, Strategy, Finance, Marketing, Logistics & Housing (L&H), Business Continuity departments. Based on

these workshop discussions, a climate-scenarios analysis was conducted to strengthen the relevance of the results. The methodology used also aligned with the TCFD framework and is based on Worldline existing Enterprise Risk Management framework.

The table hereafter summarized the key findings of this analysis. None of the estimated financial impacts of these gross (or inherent) risks has been considered as severe. All these risks were already covered through Worldline ERM.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

Worldline main climate gross R&O for 2030	R&O description and main consequences	Likelihood and magnitude of impact	R&O monitoring/mitigation actions
<b>Physical acute risk 1</b>	Heavy rains and flooding <ul style="list-style-type: none"> <li>The forecasted increase in heavy rains and associated flooding poses a potential risk for Worldline direct activities as it could cause service disruption resulting in loss of activity, notably in third-party datacenters located in risk prone area. Interruptions in supply chain cause also reduce production capacity and the revenue.</li> <li>Impact on offices are limited notably due to the possibility of remote working and site location selection in safe areas.</li> </ul>	<b>Likelihood:</b> About as likely as not and <b>Magnitude:</b> medium-low	<ul style="list-style-type: none"> <li>Continue to factor climate change risks in the site selection criteria. In worst-case scenario RCP8.5 (or high GHG emission), no Worldline's datacenters (DC) would be exposed to flooding risks due to their location, covering ~85% of Worldline revenue.</li> <li>Monitor third-party DC and generalize business continuity plan for data recuperation and duplication process. Worldline has developed and refined extensive business continuity strategies and processes for critical contracts in its data centers so that in the event of any "disaster", the Company is able to transfer services from alternative locations.</li> <li>Worldline uses a Safety and Emergency Response Tool (SERT) that is activated in areas where an event has occurred that could put employees' safety at risk.</li> </ul>
<b>Physical chronic risk 2</b>	Rising temperatures <ul style="list-style-type: none"> <li>Rising mean temperature poses a potential risk for Worldline's direct activities due to the rising cost of electricity needed to cool the DC and due to the DCs limited capacity to function under extreme heat conditions.</li> <li>Impact on decrease in labor productivity resulting from more arduous working conditions is assessed as limited.</li> </ul>	<b>Likelihood:</b> Very likely <b>Magnitude:</b> Low	<ul style="list-style-type: none"> <li>Continue to factor climate change risks in the site selection criteria. In worst-case scenario RCP8.5, no Worldline's DC would suffer from significant increase in temperatures due to their location.</li> <li>Better monitor cooling and air conditioning electricity consumption and continue to improve energy efficiency to limit the electricity expenses.</li> <li>Continue to select the most efficient and resilient DC equipment.</li> </ul>
<b>Transition risk 3</b>	Rising carbon pricing <ul style="list-style-type: none"> <li>If policies were to fully align with the 2°C target in a Sustainable Development Scenario (SDS or low GHG emissions), 50% of global GHG emissions could be taxed by 2030 which would result in increased annual costs mainly in the value chain as Worldline's suppliers may be subject to new carbon taxes increasing the price of most energy intensive inputs/products.</li> <li>Worldline is currently relatively unaffected by carbon pricing but 80% of countries where Worldline operates have already implemented some form of carbon pricing mechanisms.</li> </ul>	<b>Likelihood:</b> Likely <b>Magnitude:</b> medium-high	<ul style="list-style-type: none"> <li>Better monitor regulatory evolutions in countries where Worldline operates and scope 3 GHG emissions to better understand the supply chain exposure to carbon pricing.</li> <li>Partner with suppliers in order to reduce indirect (or purchased) GHG emissions and introduce environmental clauses in purchasing policy.</li> <li>Achieve Worldline Science-Based Targets to limit GHG emissions and reduce exposure to carbon pricing.</li> </ul>

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

Worldline main climate gross R&O for 2030	R&O description and main consequences	Likelihood and magnitude of impact	R&O monitoring/mitigation actions
<b>Opportunity 1&amp;2</b>	Low carbon services	<ul style="list-style-type: none"> <li>• <b>IT for Green:</b> developing new mobility services enables GHG emissions reduction through optimized real-time route planning, use of public transport, etc. The development of the <i>Mobility as a Service</i> (MaaS) platforms and their payment apps in Europe cities could benefit Worldline MTS offers and increase the revenue of this business line.</li> <li>• <b>Green (for) IT:</b> developing low emission goods and services (energy efficiency, sustainable production, etc.) that could enable Worldline to better position in a market of growing consumer preferences towards eco-friendly products.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>IT for Green:</b> Identify and prioritize relevant solutions that could contribute to the MaaS market offer (open-payment, <i>e-Ticketing</i>, etc.).</li> <li>• <b>IT for Green:</b> Partner with relevant actors and start-ups to build a competitive offer.</li> <li>• <b>Green (for) IT:</b> Assess and improve the eco-design of solutions (through lifecycle assessment, trainings, etc.), especially regarding software programming. To note, Worldline has not estimate the financial impact of the Green (for) IT opportunity as it is a new topic with limited available literature and data on the topic.</li> </ul>
<b>Opportunity 3</b>	Renewable electricity	<p>Given the estimates rise in global prices of non-renewable energy, both from upcoming regulations and taxes on fossil fuels from one side, and the decrease in solar electricity price by 2030 in a Sustainable Development Scenario (SDS) from the other side, switching towards renewable energy would be beneficial in all nearly all Worldline geographies.</p>	<ul style="list-style-type: none"> <li>• Switch progressively all electricity consumption to renewable energy sources and explore alternative models such as leasing or partnership with electricity providers.</li> <li>• This opportunity is not restricted to self-generation but also assesses the potential benefits of new procurement strategy.</li> </ul>

D

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

## D.5.2.1.2 Defining SBT to strengthen our carbon reduction programs

In 2019, Worldline has set its own Science Based Targets (baseline 2018) to reduce its greenhouse gas (GHG) emissions in a pace that meets the well below 2-degree trajectory requirements by the end of the century compared to pre-industrial levels. These targets were officially approved by the SBT initiative which gathers four organizations: the World Resources Institute, the WWF, the CDP and the Global Compact.

Using the ACA (Absolute Contraction Approach) methodology, Worldline has committed to three tangible and long term targets:

1. Reduce its absolute CO<sub>2</sub> emissions by 2.67% each year, which implies an absolute reduction at constant scope (scope 1+2+3A) of 19% of its CO<sub>2</sub> emissions by 2025 (compared to 2018), i.e. a reduction of 1,883 tCO<sub>2</sub>e;

2. Reduce its absolute CO<sub>2</sub> emissions by 2.67% each year, which implies an absolute reduction at constant scope (scope 1+2+3A) of 45% of its CO<sub>2</sub> emissions by 2035 (compared to 2018), i.e. a reduction of 4,573 tCO<sub>2</sub>e;
3. Strongly encouraging Worldline 100 main suppliers to define their own SBT objectives, which thus covers above 95% of Worldline scope 3 that is the most significant scope for Worldline in terms of GHG emissions.

Setting these targets has enabled Worldline to better structure its environmental programs -their ambition and targets-, to better monitor and prevent GHG emissions by prioritizing most relevant actions to reduce them.

These substantive works (climate risks analysis and the setting of SBT) have been for Worldline an opportunity to better measure the carbon intensity of its activities, to challenge and redefine its environmental strategy regarding its key programs notably relating to energy efficiency, sustainable mobility, renewable energies supply detailed hereafter.

## D.5.2.2 Worldline carbon footprint

## D.5.2.2.1 Our carbon footprint methodology

Since 2014, the Company has calculated its carbon footprint using the most widely adopted standard: the Green House Gas (GHG) emissions protocol. This approach covers GHG emissions across a scope that extends to the entire value chain, including Scopes 1, 2 and 3.

## WORLDLINE'S CARBON FOOTPRINT

In 2019, Worldline's emissions for its operational activities (Scopes 1+2+3A) worldwide amounted to **11,461 tons of CO<sub>2</sub>e** [GRI 305-4]. Taking into account all Scopes [1+2+3A+3B], Worldline's total emissions amount to 448,858 tons CO<sub>2</sub>.



## SCOPE 1

## DIRECT GHG EMISSIONS

**44%** Combustion of fossil fuels used for the energy consumption of Worldline offices, data centers and business travel (notably company cars)  
**= 5,010 tons of CO<sub>2</sub> emissions** in 2019, representing 44% of the Worldline's operational emissions (Scope 1+2+3A) in 2019.



## SCOPE 2

## INDIRECT GHG EMISSIONS

**16%** Electricity and district heating consumption in Worldline offices and data centers\*  
**= 1,847 tons of CO<sub>2</sub> emissions**, representing 16% of the Worldline's operational emissions (Scope 1+2+3A) in 2019.  
 Worldline Scope 2 emissions calculation is based on the Greenhouse Gas Protocol protocol using the market-based conversion factors (directly delivered by the energy providers).



## SCOPE 3

## OTHER INDIRECT GHG EMISSIONS

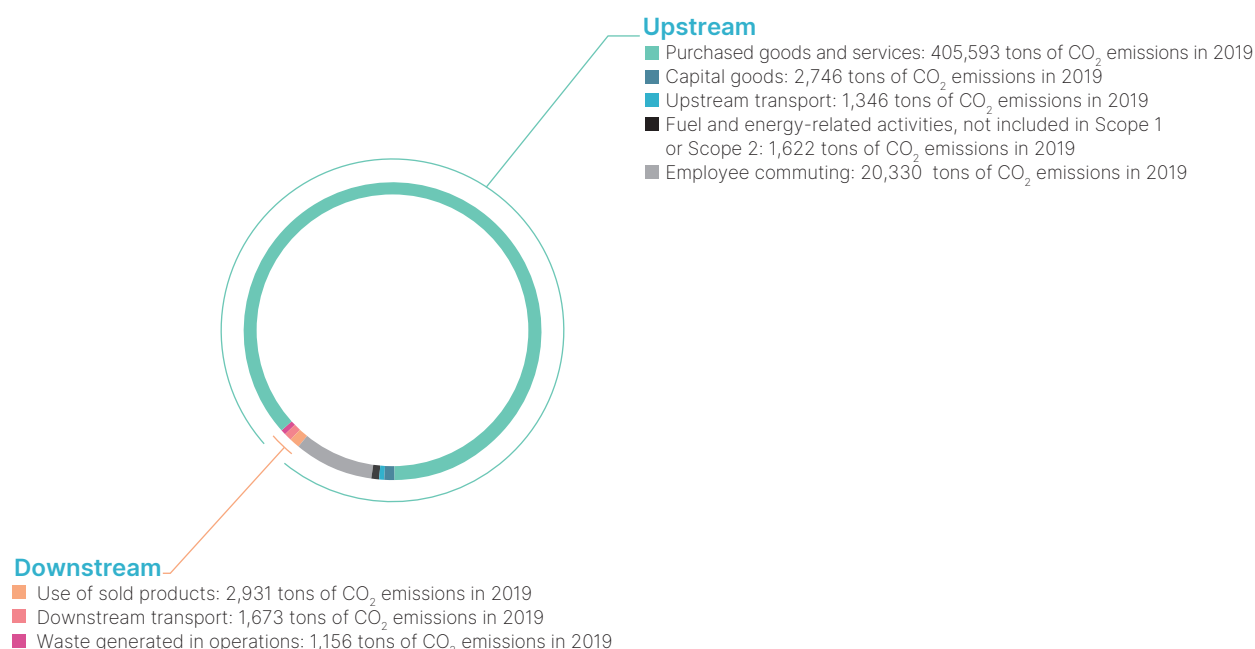
Worldline has calculated its Scope 3 emissions dividing them into two categories:

**40%** **Scope 3A** (operational scope): covering Worldline's other emissions under control or direct influence, including emissions from offices, data centers and business travels.  
**= 4,605 tons of CO<sub>2</sub> emissions**, representing 40% of the Worldline's operational emissions (Scope 1+2+3A) in 2019.

**Scope 3B** (all other scope emissions): regrouping other categories not under Worldline direct control or influence. The methodology for calculating Scope 3 emissions relies on the "Scope 3 calculator" created by the Greenhouse Gas Protocol and Quantis.

## FOCUS ON WORLDLINE SCOPE 3B EMISSIONS

Emissions of the Scope 3B category not under Worldline direct control or influence represent 437,397 tons of CO<sub>2</sub> equivalent, or 97.45% of the total Group's emissions (all scopes combined).



The Company has excluded several categories that are not relevant for the calculation of Scope 3 emissions such as downstream leased assets, investments and franchises and the travels of visitors and customers. The level of uncertainty remains high and the results must be considered as orders of magnitude.

Within this Scope 3B, the most significant categories represent around 92% of this scope, among which the upstream category 1 "Goods and services" and the downstream category 11 "Use of sold products".

## D.5.2.2.2 Our absolute emissions [GRI 305-4]

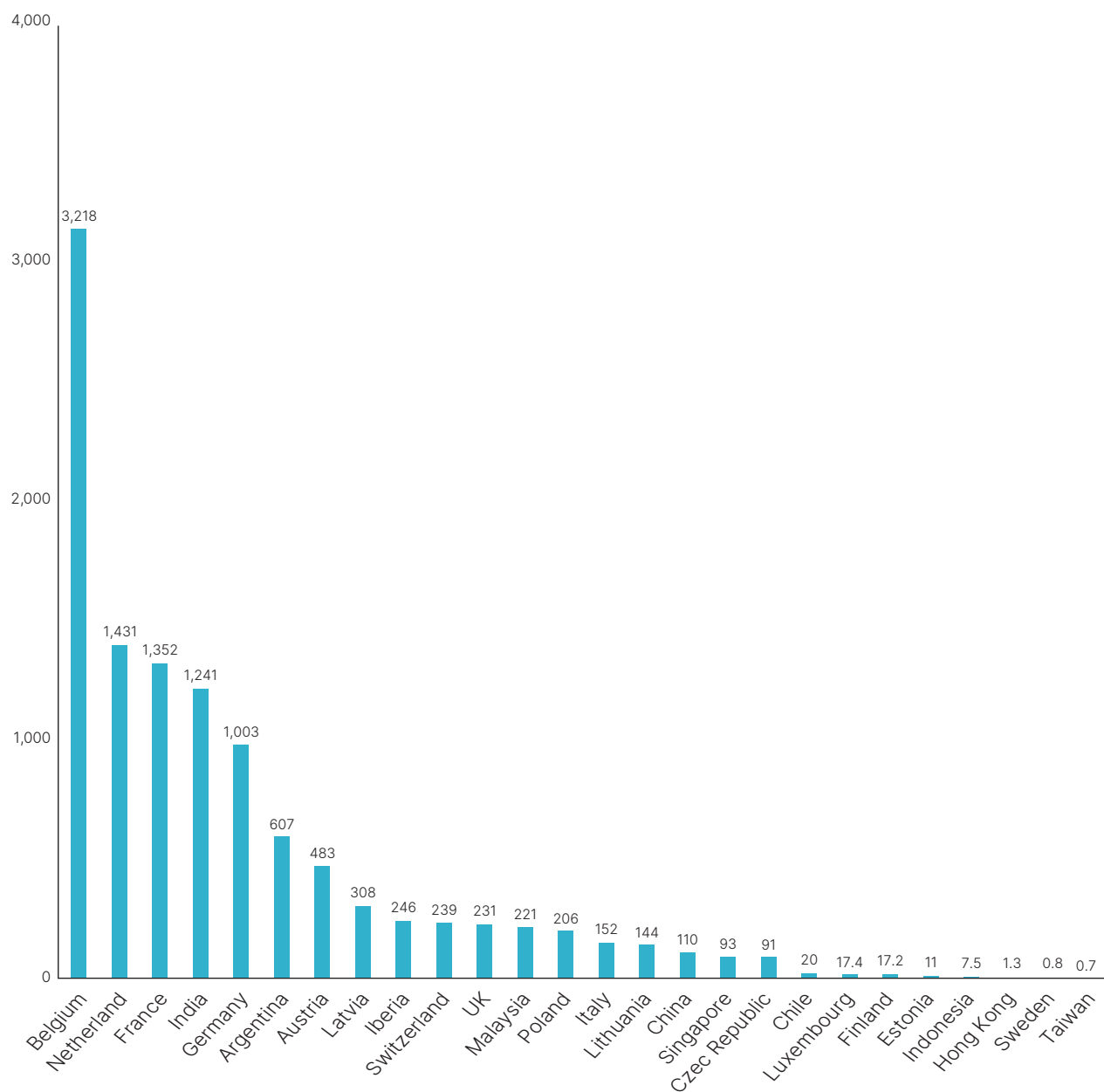
The main source of Worldline's carbon footprint (i.e. Scopes 1, 2 and 3 included, as per the Greenhouse Gas Protocol), is the purchase of equipment and services (Scope 3B).

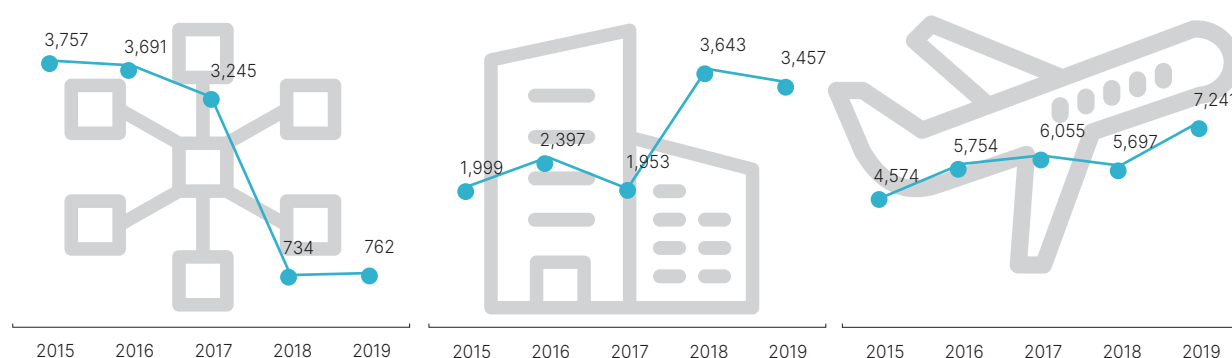
The raise of absolute CO<sub>2</sub> emissions between 2018 and 2019 is due to the acquisition of the Six Payment Services entity. In the same period, Worldline lowered its CO<sub>2</sub> emissions by revenue of 1.86 points as presented hereafter.

Emissions in tons CO <sub>2</sub> equivalent	2015	2016	2017	2018	2019
Scope 1 (direct emissions from the combustion of fossil fuels)	3,959	4,038	4,755	4,062	5,010
Scope 2 (indirect emissions from electricity)	4,703	5,189	3,492	1,911	1,847
Scope 3A (operational scope)	1,730	2,614	3,006	4,042	4,605
Scope 3B (all other scope emissions)		338,340	371,420	419,573	437,397

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

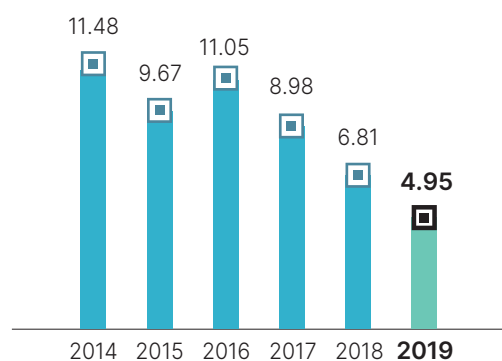
CO<sub>2</sub> EMISSIONS BY COUNTRY (IN TONS CO<sub>2</sub> EQUIVALENT)

**CO<sub>2</sub> EMISSIONS BY CATEGORY (IN TONS CO<sub>2</sub> EQUIVALENT): DATA CENTERS, OFFICES, BUSINESS TRAVEL**

	2015	2016	2017	2018	2019
TOTAL	10,330	11,842	11,253	10,074	11,461

In terms of business activities, the data centers represented 7%, the offices 30% and business travels 63%.

The raise of absolute CO<sub>2</sub> emissions between 2018 and 2019 is due to the acquisition of the Six Payment Services entity. In the same period, Worldline lowered its CO<sub>2</sub> emissions by revenue of 1.86 points as presented hereafter.

**D.5.2.2.3 Our carbon intensity [GRI 305-4]****REDUCTION OF OUR CARBON INTENSITY**

The rapid external growth of the Company has direct impacts on its carbon emissions in absolute value by integrating new companies, new activities in new countries or new production capacities accompanied by additional emissions. Thus, due to changes in the Company's scope, CO<sub>2</sub> emissions in absolute

terms can hardly be compared from year to year. That is why carbon intensity figures are much more relevant than absolute values to reflect Worldline's progress in terms of energy efficiency. In 2019, Worldline's carbon intensity figures were 4.95 tons of CO<sub>2</sub> per € million and 0.99 tons of CO<sub>2</sub> per employee [GRI 305-4].

The progress made in terms of intensity in 2018 (tCO<sub>2</sub>e/€ million in sales) is directly linked to the reduction of emissions (numerator), changes in turnover or the number of employees (denominator) and changes in conversion factors. The reduction also comes from energy-saving initiatives in Worldline's data centers and offices.

**D.5.2.2.4 Other atmospheric emissions [GRI 305-6] and [GRI 305-7]**

Unlike the CO<sub>2</sub> emissions described above, ozone-depleting substances (ODS), including Sulphur Oxides (SO<sub>x</sub>) and nitrogen oxides (NO<sub>x</sub>), have not been identified as material in Worldline's operations since they represent around 20% of the GHG emissions vs. 80% for CO<sub>2</sub> emissions. The Company's materiality matrix analysis has highlighted that Worldline's operations do not have a significant or critical impact on other forms of pollution, such as noise pollution. As a consequence, no relevant and appropriate actions or measures need to be taken in this area.

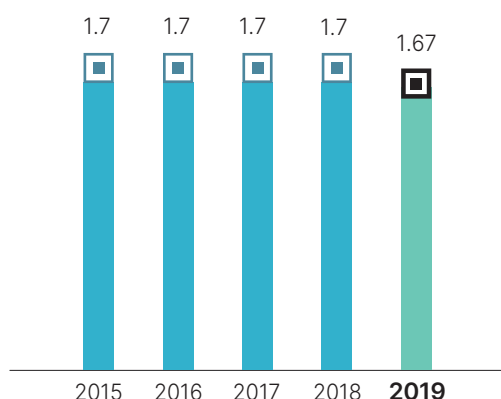
## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

### D.5.2.3 Reduce our carbon footprint [GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4] [GRI 302-5] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4]

#### D.5.2.3.1 Our energy efficiency program [GRI 302-4 Reduction of energy consumption] [GRI 305-5 Reduction of GHG emissions]

##### EVOLUTION OF THE POWER USAGE EFFECTIVENESS OF OUR DATA CENTERS (PUE)



##### Data centers Power Usage Effectiveness

Since 2013, Worldline has managed its five data centers in three different countries with a dedicated energy efficiency program. Over the years, many actions and best practices have been implemented in Worldline data centers such as cooling systems that use closed water circuits or the implementation of adiabatic cooling that avoids the sizing of the infrastructure for the hot peak days, allowing making substantial gains in energy savings. In this regard, Worldline is committed to follow the *European Code of Conduct for Data Centres* framework that was launched in 2008 and that aims at setting ambitious energy-efficiency standards for data centers. Besides, the Company strives to rationalize as much as possible its data centers locations to optimize infrastructure efficiency. Worldline's data center energy efficiency program articulates around three pillars:

- **Selecting the most energy-efficient servers and components:**
  - Carefully choose products used in its data centers (such as Transformers, UPS, cooling units, for the infrastructure, but also servers, disks, routers) with the highest environmental and energy-efficiency standards at the time of purchase and constantly optimizing the existing systems;
  - Leverage technologies like the server virtualization in all its data centers to reduce the number of physical servers (systematically implemented since 2009), resulting in less transport of hardware, less waste and packaging, and reduced need to enlarge or build new datacenters;

- Optimize the hundreds of lighting in rooms and technical areas with LEDs.

- **Optimizing the use of its resources to save energy:**

- Increase the data center room temperatures to the maximum levels compliant with the operating standards of servers;
- Use an additional adiabatic system in the peak periods of temperature to help the air conditioning systems;
- Organize rooms alternately in cold aisles and hot aisles and, with the containment of cold aisles when possible, using the Free Cooling technique in Vendome and new Magnetic Bearing Chillers in Dassault that replaced in 2019 the use of the Free Chilling technique and that improve energy efficiency as well as allow the use of less polluting gas.

In parallel, Worldline has purchased the Dassault data center components according to the ramp up of the site. The Dassault data center is the latest built in 2008-2009 and initially aimed to a PUE of 1.6, which is a good performance for a ten-year-old data center. In 2019, due to the upgrade of new chillers of higher energy efficiency, this data center reached a PUE of 1.5.

- **Monitoring and checking the energy-effectiveness of its infrastructures:**

- Conduct every 4 years since 2015 an energy audit, as well as an ISO 14001 audit on an annual basis, to regularly challenge and improve the data center infrastructure and techniques used in order to ensure continuous energy efficiency and PUE improvement,
- Use an infrastructure management solution (DCIM) for very precise, real-time monitoring of energy consumption and monitoring on a monthly basis the PUE.

All these different measures (adoption of cloud solutions, virtualization, increased use of energy-efficient hardware and other optimization measures) allow Worldline to continue to improve the average Power Usage Effectiveness (PUE) of its five strategic data centers from a current average 1.67 in 2019, to an objective of 1.65 achieved in 2020 [GRI 302-5]. The PUE is the total energy consumed by the data center divided by the energy consumed by IT equipment.

In addition to PUE enhancement, all the data centers at La Pointe, Dassault, Vendome, Brussels and the technical room in Frankfurt are ISO 14001 certified. This certification also provides new levers on IT waste reduction, especially on the server recycling process. The business activity on Worldline's non-strategic data centers is marginal and the Company aims to consolidate all its operational activities on its five strategic data centers in the coming years.



Besides, Worldline strives to promote energy efficiency with its suppliers for rented third-party data centers. For the selection of new third-party data centers sites, energy-efficiency as well as localization with respect to climate risks are new criteria taken into account in the decision process.

From 2018 to 2019, thanks to new investments, 2,746,198 kWh of energy was saved.

### Energy-efficient offices

As part of its ISO 14001 certification, Worldline has launched in 2019 a global Building Environmental Improvement Plan for all office locations above 200 employees to further reduce the Company's environmental impacts. This plan is managed at Global level and quarterly follow-ups are organized between the Logistics & Housing team and the environmental teams, reporting to the CSR Officer and Global Environment Manager. This plan includes energy-efficient actions such as:

- Fine measuring the electricity consumption and splitting between lighting, heating and cooling and power plugs. This will allow to better spot major consumption sources;
- High performance LED lighting installation;
- Upgrading equipment with energy efficient appliances.

Besides, energy efficiency is one of the main criteria taken into account when considering a new office location.

### D.5.2.3.2 Our renewable energy program [GRI 302-4 Reduction of energy consumption] [GRI 305-5 Reduction of GHG emissions]

Worldline's objective is to achieve 100% renewable energy in its electricity mix that powers all its own data centers and offices, notably in order to reach its CO<sub>2</sub> emissions reduction in line with its SBT. To this end, the Company is continuously looking at renewing or switching its electricity supply contracts to purchase renewable energy certificates (REC). Thus, renewable electricity is generated on Worldline's behalf for its offices and data centers.

Since 2018, all Worldline strategic data centers, as well as all its offices in France, Belgium, Germany, Italy, have been powered with renewable energy electricity. In addition, the third party data centers in the Netherlands and in Italy are also powered with renewable energy electricity.

Besides, Worldline Belgium has a solar panel system on the roofs of its data center and car park since 2015. Through this investment (500 solar panels), Worldline contributes, even marginally, to the renewable energy supply of its own electricity consumption.

In 2019, the energy consumption totaled 320,571 GJ [GRI 302-1], with an intensity by revenue of 134.6 GJ/€ million and 27.23 GJ/employee [GRI 302-3]. Whereas the normalized total electrical power use value is 292,407 GJ, the total of electricity used that is derived from renewable reached 263,827 GJ [GRI 302-1] (vs. 56,744 GJ of total of energy used that is derived from non-renewable sources). Thus, the percentage of electricity used that is derived from renewable sources amounted to 90% in 2019.

### D.5.2.3.3 Our offsetting program

As part of its low-carbon strategy and TRUST 2020 objectives, and to offset the impact of its remaining CO<sub>2</sub>e emissions, Worldline has implemented a voluntary carbon offsetting program. In 2018, Worldline became the first company of the payment industry to contribute to carbon neutrality by offsetting 100% of its CO<sub>2</sub>e emissions, including the emissions from its data centers, offices, business travels, and the emissions induced by its payment terminals over their entire lifecycle. This initiative, which provides carbon neutral footprint hosting, allows customers to declare "zero" in their carbon public reporting (Scope 3, outsourced services) for services hosted by Worldline.

In terms of offsetting program, Worldline has been funding a wind farm project for many years, enabling the development of renewable electricity in India, a region where Worldline operates and where renewable energies development is a critical challenge for society. However, to diversify its offsetting initiatives and more efficiently capture its CO<sub>2</sub> emissions with carbon sinks, Worldline decided in 2019 to progressively switch its renewable energy project towards a forest preservation project. Thus in 2019, 10% of its offsetting program finances forest preservation and 90% continues to support the development of the wind farm in India. All these projects are certified according to the best internationally recognized standards such as the Verified Carbon Standard and the Gold Standard in partnership with the company Ecoact.

### D.5.2.3.4 Our sustainable mobility program [GRI 103-2 Emissions] [GRI 103-2 Indirect Economic Impacts] [GRI 103-2 Energy] [GRI 302-2] [GRI 305-5]

#### Business travels and car fleets

In 2019, Worldline prepared the launch of its sustainable mobility program with the objective to reduce the CO<sub>2</sub> emissions of its business travels and car fleets (scope 1 & 3A) in order to be able to meet its objective of CO<sub>2</sub> emission reduction.

- **Business travels:** To reduce its CO<sub>2</sub> emissions and encourage the use of low-carbon transportations, Worldline develops different incentives to promote alternative mobility options, for instance, favoring the train vs. the plane whenever possible in business travels or promoting low-carbon/electric vehicles in its car fleet.
- **Car fleets:** Nearly 60% of Worldline car fleet belongs to the Belgium geography since the country has included this advantage in the remuneration package for employees. Therefore, Worldline Belgium has worked on a mobility strategy and a greener car policy in 2019. This strategy will be concretely roll-out in 2020, through the introduction of electric cars and Compressed-Natural-Gas cars to support the energy transition. In 2019, the company car policy already "capped" the carbon emissions to 120 g CO<sub>2</sub> under the renewed more severe NEDC 2.0 norm in 2019, which is on average 10% more strict than the previous NEDC norm. This resulted in less CO<sub>2</sub> emissions for every lease car replaced.

### Commuting travels

In commuting from home to work, Worldline strives to promote alternative modes of transport options other than individual petrol cars, as presented as follow. In 2019, Worldline France continued to roll-out its sustainable mobility plans, known as *Plan De Mobilité* (PDM)", for each of its sites, including Mobility Inter-Firm Plans in Bezons and Blois. These plans involve different companies around the area and the city hall with the objective to collect ideas and best practices in order to help actors of the region improve public transportation. In general, the communication on the use of public transport for each site has also been improved and working groups are organized with town halls and other neighboring companies to develop global alternative transport solutions to private car. Similar initiatives ought to be implemented in other countries to strengthen the global sustainability mobility program.

- **Public transportations:** Worldline has been financing the public transportation cards of its employees for many years, sometimes even adding flexible policy like it is the case in the Netherlands. Thus, equensWorldline Netherlands employees receive a "Radiuz Mobility Card" that enables automobile users, alongside their lease vehicle, to opt for alternative forms of mobility, such as public transport. The Radiuz card is offering employees increased flexibility and options regarding mobility. Generally, public transportation availability is one of the main criteria taken into account when considering a new office location.

- **Electric vehicles:** Worldline Belgium has installed one eCar charging station for visitors and plans to add 10 more charging stations by the start of 2020 to facilitate future car policies. In France, the Company plans to install charging stations for electric vehicles and bikes in its car parks in Seclin, Blois, Vendôme, Rennes and Villeurbanne sites in response to the growing expectations of its employees for their private electric vehicles.
- **Bicycles:** the Company has implemented a subsidy for bicycle use to go to work and granted parking spaces (with sometimes charging stations for electrical bikes) on its main sites in Belgium (since 2016 with the "bike to work" program, which should be strengthened in the coming years as requested by employees in the 2018 mobility survey), in France (since 2016 with the "use your bike" program and has doubled in 2019), and in Germany (since 2016 with the "Company bicycle" agreement and bicycle parking spaces created in 2017 in the Frankfurt site). Additionally, German sites also offer their employees to lease bicycles thanks to the JobRad platform.
- **Carpooling:** the Company promotes a carpooling platform that was launched in France in 2017 for its employees through a mobile application fostering social connections and empowering an eco-responsible behavior.

More generally, in 2019, Worldline organized the "Sustainable Mobility Week" event in order to raise awareness on sustainable mobility alternatives to emit less CO<sub>2</sub> emissions (refer to this document, Section D.5.1.2.2). The remote working strategy of the Company (often 2 days/home weekly) is also strongly promoted as a lever to reduce unnecessary trips and thus restrain CO<sub>2</sub> emissions while generating benefits to the work/life balance of employees.

### KEY RESULTS

Indicators	2015	2016	2017	2018	2019
Total KM travelled per employee	5,457	5,497	4,994	4,762	4,899

## D.5.3 Develop circular economy

### D.5.3.1 Promote circular economy throughout our payment terminal lifecycle [AO 19]

Worldline's main hardware equipment that is produced and delivered to customers is the Worldline payment terminal designed in Worldline Belgium. To be noted that the share of terminal sales activity in Worldline's total revenue amounts to 14% in 2019. Worldline terminals designed in Belgium are produced by two suppliers: the main one is located in South-East Asia (Toshiba Tec. represents 75% of the production of Worldline terminals, with manufacture sites in Indonesia that are ISO 14001 certified), and the second one is in Eastern Europe in Czech Republic. The sections hereafter focus on Worldline terminals and exclude terminals purchased for resell to clients.

#### D.5.3.1.1 Sustainable design

In order to produce, use and recycle this hardware product in the most environmental-friendly way, Worldline proceed to the following actions.

- **A carbon footprint assessment of its terminals over their life-cycle in 2014** to be able to offset 100% of their carbon impact since 2016. For more information, refer to Section D.5.2.3.3 relating to the offsetting program.
- **An environmental assessment of their life-cycle according to the ECMA 370 standard** (European Computer Manufacturers Association), already used worldwide and recognized in the electronics sector as high level of compliance and environmental performance guidelines. By mid-2018, 100% of the terminals catalog was eco-declared with the ECMA standard (including portable and unattended devices).
- **Organization of eco-design workshops for payment terminals in 2017**, with external partners (Sirris and Agoria) to better measure, monitor and address the required actions to eco-design this product all along its life-cycle, from the design phase to production and recycling phases, including delivery and use by customers phases. In 2018 and 2019, following the workshops, actions have been implemented according to a continuous improvement approach. Compliance with applicable environmental regulations is also taken into account. Thus, at each stage, engineers have to consider factors such as power consumption, the use of recyclable materials and environmentally friendly packaging. In this regard, alternatives to the plastic use are highly considered with suppliers for the housing materials. However, the demanding characteristics of housing materials (UV stability, mechanical requirements, fire retardant, etc.) have not allowed finding a suitable alternative until now. However, thanks to suppliers and sourcing benchmark, Worldline is able to keep track of new innovative alternatives that might be able to replace plastic in the future. On the other hand, thanks to these workshops, Worldline has identified new ways to reduce wasteful packaging and streamline logistics, notably during the delivery of its IT equipment, by favoring bulk packaging.

- **Worldline terminals are compliant with the new RoHS 3 Directive 2015/863** (they were already compliant with the previous RoHS 1 and RoHS 2), applicable since beginning of 2019. This new directive aims to limit the use of six hazardous substances in electrical and electronic equipment. This compliance has been certified by an independent third-party.
- **Responsible sourcing of minerals used as components of the terminals** (refer to this document, Section D.4.4.2.2).

The Altran consulting firm is mandated by Worldline to ensure the compliance of Worldline terminals with RoHS 3 Directives as well as the ethical sourcing of rare minerals, in particular by collecting mineral certificates from suppliers to avoid purchasing minerals from conflict zones.

#### D.5.3.1.2 Optimized delivery and use

- **Avoiding thermographic paper waste:** Besides, these workshops were also an opportunity for Worldline to challenge the necessity to provide printed receipts with customers. Indeed, providing mandatory printed receipts at every transaction has a significant impact in terms of thermographic paper. Thus, the new YUMI Worldline terminal launched in 2019 is the first terminal to be delivered without a ticket printer.
- **Reducing CO<sub>2</sub> emissions relating to transports:** Selection of production sites and transport modes has significant economic and environmental consequences as the multi-phase production process involves locations in Europe and Asia to address global market. Worldline also strives to optimize its supply chain in terms of cost and eco-impact through additional criteria for scenario evaluation that strengthens Worldline's strategic decision-making processes. Thus, in 2019, the Company has opted to use ship transport (vs. air freight) as much as possible to reduce its CO<sub>2</sub> emissions and has implemented direct shipment processes between Indonesia manufacturing site and Australia market.

#### D.5.3.1.3 Reused and recycled product

Worldline is compliant with the European Waste Electrical and Electronic Equipment (WEEE) Directive 2012/19/EU on the polluter-pays-principle and product stewardship, and finances waste collection and recycling. Worldline supports all actions related to circular economy, especially with regards to the life-cycle of its main hardware products, the Worldline payment terminals designed in Belgium. Worldline Belgium is the major coordination center for Terminal engineering and operations.

- **REPAIR:** Worldline strives to extend as much as possible the life duration of its terminals, either through maintenance service for rented terminals or through after-sales service for sold terminals. The Company offers to its customers an efficient repair services mainly for its two major markets: Belgium and the Netherlands. The repair process is organized to maximize the recycling and repurpose of usable parts of the terminals in the second-hand market. Once cleaned and reprogrammed, a significant part of these payment terminals can be reused. The terminals are collected in the warehouses where they are held in temporary storage and refurbished in repair centers. Such centers for Worldline terminals are managed by BMZ in Belgium (refer to this document Section D.4.4.2.1), Connectronics in Czech Republic for other countries in Europe, and Toshiba Tec. in Indonesia.
- **RECYCLE:** Different local organizations are in charge of collecting, disassembling and professionally disposing Worldline terminals at their end-of-life. For rented terminals, merchants can return their rented terminals by courier or post package the collection rate of used terminals is above 90% notably for Belgian and Dutch markets. For sold terminals, merchants can either send the terminals to the same channel or use the traditional recycling streams locally available. For the Belgian Terminal sales market, Worldline Belgium is a member of Recupel (which recycles used electronic appliances): merchant can

thus use these dedicated recycling containers for WEEE waste like payment terminals. The waste management of payment terminals is similar in France, where it is processed by Lumiver Optim and Defabnord. For other Terminal sales market, it is the local importing partner that takes care of legal obligations of product stewardship on waste collection and recycling.

If the terminals cannot be reused, they are occasionally disassembled and their components salvaged. After a rigorous quality control, these components can be used as spare parts for new terminals. Non-recoverable components (cables, batteries, printed circuit boards, metal parts, housings) are sorted in special containers and disposed. The process of disposal is carried out by certified companies, in accordance with best practices, ensuring the best environmental solution for each component. In 2018, Worldline started to use the service of the MCA Company to gain additional waste sorting services.

On average, Worldline Belgium processes 34 tons of WEEE each year, mainly Terminals.

Besides, beyond terminals, other initiatives are conducted to valorize WEEE in the Company, such as the donation by Worldline Austria of its old office IT equipment and server hardware equipment to "AfB", an organization that repairs and refurbishes the equipment for reuse.

### D.5.3.2 Reduce waste induced by our activities [AO 19]

**ISO 14001 and waste tracking** – As part of its ISO 14001 certification program for all its sites above 500 employees, Worldline aims to achieve high quality waste management through waste sorting through collective bins at each floor, collection and recycling. Besides, Worldline has carried out actions to reduce food waste in its canteens, as demonstrated by the creation of biomass energy in Seclin (France). In 2019, 15.132 tons of wastes have been collected, which has allowed the production of 5,044 Kg of compost. Posters explaining how to sort waste for composter are also displayed in the canteens in Seclin to encourage employees to adapt this practice at home.

In addition in Italy, Worldline also organized a Plastic Free Campaign in 2019, distributing recyclable water bottle and biodegradable coffee cup in the vending machines to reduce plastic waste.

**Waste Electrical & Electronic Equipment (WEEE)** – Worldline offices follow the same waste policy as payment terminals for the collection and processing of used or end-of-life WEEE. In Worldline business context, WEEE includes IT servers, storage robots, network switch, computers (laptops and desktops), monitors, printers, ink cartridges, battery chargers, adapters and electrical appliances.

In 2019, Worldline collected 124,877 Kg of electronics waste and 100% have been professionally disposed [AO 19]. The volume of non-electronic waste amounts to 424,054 Kg, 90.3% of which was professionally disposed.

#### KEY RESULTS

Indicator	2015	2016	2017	2018	2019
E-waste collected (Kg)	81,460.7	64,369	92,110	119,984	124,877
E-waste collected or recovered and reused/recycled (Kg)	81,460.7	64,369	92,110	119,984	124,877
Other waste collected (Kg)	568,535	657,947	518,446	488,464	424,054
Other waste collected or recovered and reused/recycled (Kg)	640,480.5	617,958	466,626	410,323	383,204

### D.5.3.3 Optimize our usage of natural resources

#### D.5.3.3.1 Water savings

The monitoring of water consumption is part of Worldline's responsibility in offices even if it is not a critical concern. Thus, the Worldline Logistics & Housing team is permanently looking for investment to reduce water consumption in offices or canteens, and track any over-consumption to limit leaks, as well as anticipate repairs to be done to avoid leak occurrence. In line with its ISO 14001 certification, Worldline has launched in 2019 a global Building Environmental Improvement Plan for all office location above 200 employees (refer to Section D.5.2.3.1). This plan includes actions such as the water consumption reduction by installing auto shut-off taps.

The water used in data center is mainly required for cooling servers. As water is used *via* a special closed-loop circuit, its consumption is not significant. Moreover, datacenters are equipped to monitor water consumption and track any leak, which limits water overconsumption. In 2019, Worldline also started to replace the exchangers to improve their ability to operate efficiently up to 38°C externally, which has reduced water consumption in peak periods of temperature.

Thus, water stress has not been identified as a significant climate risk during the analysis conducted in 2019.

The total water consumed within Worldline has reached 22,437 m<sup>3</sup> in 2019 [GRI 303-5].

#### D.5.3.3.2 Promotion of biodiversity initiatives [GRI 305-6] [GRI 305-7]

**Land use and preservation of pollinators** – Because the Company's current local operations do not directly impact biodiversity, air pollution and land use, these issues have not been considered as critical for Worldline. However, the Company supports local biodiversity initiatives on its different sites. These initiatives mainly consist in raising awareness and

paying attention to the environment in various areas such as: land use, GHG production, promotion of species and biodiversity. For instance, Worldline France supported an initiative from its employees and set up bee hives at Blois and Seclin sites to contribute to bee's preservation. Similarly, the Brussels site has a 1,500 m<sup>2</sup> garden that was designed to attract a variety of plant and insect species. These initiatives are an opportunity for Worldline Environmental Managers to raise employee awareness on the importance of pollinators in the biodiversity preservation.

**Responsible catering sourcing** – In the context of the new article 55 of the French law of October 30, 2018 which aims to promote and develop a "healthy, sustainable and accessible food to all", Worldline reinforces its commitment to provide a responsible, fair and sustainable food in its canteens even though this topic has not been identified as critical in its materiality analysis, thus indirectly contributing to the promotion of biodiversity. In 2019, the Company met its major food catering suppliers as part of its annual supplier meeting and has shared its *Charter for a healthy and sustainable food* with them in order to improve the traceability, the quality and environmental impact of the food proposed in all its canteens, thus tackling commitments such as organic, seasonal and local food, animal welfare, the systematic proposition of alternative veggie meal options every day, the non-use of palm oil for instance. This charter was also added in renewal of contracts with food catering suppliers (refer to this document, Section D.4.4.2). Similarly, in 2019, Worldline Belgian also obtained the Gold level of the Good Food label for its canteens. These initiatives contribute to the promotion of both biodiversity and low-carbon solutions.

Besides, Worldline also ensures that the paper it used in printers internally, as well as for its reports comes from responsible source and is certified FSC Mix.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

### D.5.4 Key performance indicators about Environment [GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4] [GRI 302-5] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5] [AO 14] [AO 19]

		2019	2018	2017	2016
Indicators	GRI				
<b>Compliance with environmental laws and regulations</b>					
<b>ISO 14001</b>	<b>AO 14</b>				
Number of sites certified ISO 14001		12	9	9	9
<b>Energy consumption within the organization</b>	<b>GRI 302-1</b>				
Energy Consumption within the organisation (GJ)		320,571	301,349	281,972	265,636
Energy consumption within the offices (GJ)		107,718	90,216	79,105	73,321
Energy consumption within the Data Centers (GJ)		212,853	211,133	202,866	192,315
Total electricity consumption (GJ)		292,407	278,044	264,015	248,137
Total district heating (GJ)		14,456	9,244	6,030	3,394
Total fuel oil and diesel (GJ)		1,400	2,131	1,349	1,357
Total gas (GJ)		12,308	11,930	10,577	12,748
Total Direct Energy Consumption in Data Centers & Offices (Gj)		13,708	14,061	11,926	14,054
Direct energy consumption in Offices (Gj)		12,370	12,382	10,605	12,748
Direct energy consumption in Data Centers (Gj)		1,338	1,679	1,321	1,357
Total Indirect Energy Consumption in Data Centers & Offices (Gj)		306,863	287,288	270,046	251,531
Indirect Energy Consumption in Offices (Gj)		95,348	77,834	68,501	60,573
Indirect Energy Consumption in Data Centers (Gj)		211,515	209,454	201,545	190,958
Total electricity consumption from renewable sources (Gj)		263,827	249,817	49,367	19,792
% of the electricity consumption from renewable sources (GJ)		100%	90%	19%	8%
<b>Energy consumption outside the organization</b>	<b>GRI 302-2</b>				
Total KM travelled per employee		4,899	4,762	4,994	5,497
Total KM travelled by car		28,515,884	21,858,923	21,362,963	19,599,863
Total KM travelled by train		12,520,403	8,360,847	9,331,236	8,302,857
Total KM travelled by taxi		359,901	233,770	401,884	176,349
Total KM travelled by plane		12,850,222	11,809,921	6,830,277	5,067,421
Total KM travelled per revenue		24,692	30,932	30,257	30,934
Percentage of company cars below 120 gr CO <sub>2</sub> /km		88.18%	95%	98.94%	95%
Number of cars below 120 gr CO <sub>2</sub> /km		306	758	744	786
Number of company cars		347	797	752	829
Average of emissions in companies fleet cars (Gr/km)		110.33	109.941	110	112.9
<b>Energy intensity</b>	<b>GRI 302-3</b>				
Energy consumption by revenue (Gj/€ million revenue)		134.60	189	225	240
Energy consumption by employee (Gj/Employee)		27.23	30.40	37.13	42.18

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

	2019 Perimeter		2018 Perimeter		2017 Perimeter		2016 Perimeter	
	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue
	-	100%	-	100%	-	100%	-	100%
	-	99.9%	-	100%	-	83%	-	98%
	-	99.6%		99%		81%		91%
	-	100%		100%		84%		100%
	-	99.9%		100%		83%		98%
	-	99.9%		100%		83%		98%
	-	99.9%		100%		83%		98%
	-	99.9%		100%		83%		98%
	-	99.9%		100%		83%		98%
	-	99.9%	-	100%	-	83%	-	98%
	-	99.6%	-	99%	-	81%	-	91%
	-	100.0%	-	100%	-	84%	-	100%
	-	99.9%	-	100%	-	83%	-	98%
	-	99.9%		99%	-	81%	-	91%
	-	100.0%	-	100%	-	84%	-	100%
	-	99.9%		100%		83%		98%
	-	99.9%		100%	-	83%	-	98%
	92%	-	87%	-	82%	-	81%	-
	94%	-	87%	-	82%	-	81%	-
	92%	-	87%	-	82%	-	81%	-
	95%	-	87%	-	82%	-	81%	-
	90%	-	87%	-	82%	-	81%	-
	-	92%	-	84%	-	81%	-	88%
			-	100%	-	100%	-	100%
			-	100%	-	100%	-	100%
			-	100%	-	100%	-	100%
	-	100%	-	100%	-	100%	-	100%
	-	99.9%	-	99%	-	83%	-	91%
	99.8%	-	97.5%	-	87%	-	85%	-

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## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

		2019	2018	2017	2016
Indicators	GRI				
<b>Energy saving initiatives</b>	<b>GRI 302-4</b>				
Estimated energy savings in data centers (Gj)		0	0	0	55
Cost savings due to improved energy efficiency in data centers (in €)		0	15,500	0	200
Estimated energy savings in offices due to initiatives (Gj)		0	198	0	84
Cost savings due to improved energy efficiency in offices (in €)		0	5,214	585	13,272
<b>Energy requirements of products and services</b>	<b>GRI 302-4</b>				
Power usage effectiveness (PUE)		1.67	1.7	1.7	1.7
<b>Total Greenhouse Gas emissions</b>	<b>GRI 305-4</b>				
Total CO <sub>2</sub> emissions (tCO <sub>2</sub> e)		11,461	10,074	11,253	11,842
Total CO <sub>2</sub> emissions in data centers (tCO <sub>2</sub> e)		762	734	3,245	3,691
Total CO <sub>2</sub> emissions in offices (tCO <sub>2</sub> e)		3,457.8	3,643	1,953	2,397
Total CO <sub>2</sub> emissions in travels (tCO <sub>2</sub> e)		7,241	5,697	6,055	5,754
<b>Direct Greenhouse gas emissions DCs and Offices</b>	<b>GRI 305-1</b>				
Total CO <sub>2</sub> emissions (scope 1) (tCO <sub>2</sub> e)		5,009.9	4,062	4,755	4,038
<b>Indirect Greenhouse gas emissions DCs and Offices</b>	<b>GRI 305-2</b>				
Total CO <sub>2</sub> emissions (scope 2) (tCO <sub>2</sub> e)		1,847	1,911	3,492	5,189
<b>Other indirect Greenhouse gas emissions (scope 3)</b>	<b>GRI 305-3</b>				
Total CO <sub>2</sub> emissions (scope 3A) (tCO <sub>2</sub> e)		4,605	4,042	3,006	2,614
Total CO <sub>2</sub> emissions (scope 3B) (tCO <sub>2</sub> e)		437,397	419,573	371,420	338,340
<b>Greenhouse Gas emissions intensity</b>	<b>GRI 305-4</b>				
CO <sub>2</sub> emissions by revenue (tCO <sub>2</sub> e/€ million revenue)		4.95	6.81	8.98	11.05
CO <sub>2</sub> emissions by employee (tCO <sub>2</sub> e/employee)		0.99	1.07	1.48	1.96
<b>Reduction of greenhouse gas (ghg) emissions</b>	<b>GRI 305-5</b>				
Estimation of reductions achieved (tCO <sub>2</sub> e)		0	10,758	0	15
CO <sub>2</sub> e reductions due to the energy saved in data centers (tCO <sub>2</sub> e)		0	0	0	7.0
CO <sub>2</sub> e reductions due to the energy saved in offices (tCO <sub>2</sub> e)		0	10,758	0	0
<b>Significant fines for non-compliance concerning the provision and use of products and services</b>	<b>GRI 419-1</b>	<b>Qualitative</b>	<b>Qualitative</b>	<b>Qualitative</b>	<b>Qualitative</b>
<b>Waste management</b>	<b>AO 19</b>				
E-waste collected (Kg)		124,877	119,984	92,110	64,369
E-waste collected or recovered and reused/recycled (Kg)		124,877	119,984	92,110	64,369
Other waste collected (Kg)		424,054	488,464	518,446	657,947
Other waste collected or recovered and reused/recycled (Kg)		383,204	410,323	466,626	617,958
<b>Water consumption</b>	<b>GRI 303-5</b>				
Water consumption (m <sup>3</sup> )		22,437	31,355	28,442.221	29,101.763



## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

	2019 Perimeter		2018 Perimeter		2017 Perimeter		2016 Perimeter	
	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue	Per employee	Per revenue
	-	56%	-	91%	-	81%	-	86%
	-	56%	-	91%	-	81%	-	86%
	-	56%	-	91%	-	81%	-	86%
	-	56%	-	91%	-	81%	-	86%
	-	100%	-	100%	-	100%	-	100%
	-	95%	-	91%	-	82%	-	92%
	-	100%	-	100%	-	84%	-	100%
	-	100%	-	99%	-	81%	-	88%
	-	92%	-	84%	-	81%	-	88%
	-	95%	-	91%	-	82%	-	92%
	-	95%	-	91%	-	82%	-	92%
	-	95%	-	91%	-	82%	-	92%
	-	95%	-	91%	-	82%	-	92%
	-	95%	-	91%	-	82%	-	92%
	95%	-	98%	-	84%	-	87%	-
	-	56%	-	91%	-	81%	-	86%
	-	56%	-	91%	-	81%	-	86%
	-	56%	-	91%	-	81%	-	86%
	-	-	-	-	-	-	-	-
	-	45%	-	59%	-	61%	-	75%
	-	45%	-	59%	-	61%	-	75%
	-	45%	-	59%	-	61%	-	75%
	-	45%	-	59%	-	61%	-	75%
	-	45%	-	59%	-	61%	-	75%

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## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reducing our environmental footprint [GRI 419-1]

**GRI 302-1 Energy consumption within the organization:** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary.

**GRI 302-2 Energy consumption outside the organization :**

- **Total km travelled per employee and Total KM travelled per revenue:** Exclusion of Sweden, USA, Brazil, Hungary;
- **Total km travelled by car:** Exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, China, Finland, Sweden, USA, Brazil, Hungary;
- **Total km travelled by train:** Exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, Finland, Poland, Czech Republic, Estonia, Lithuania, Sweden, USA, Brazil, Hungary;
- **Total km travelled by taxi:** Exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, China, Sweden, USA, Brazil, Hungary;
- **Total km travelled by plane:** Exclusion of Poland, Estonia, Latvia, Sweden, Switzerland, Usa, Brazil, Hungary;
- **GRI 302-3 Energy intensity:** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary.

**GRI 305-4 Total Greenhouse Gas emissions:** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary, Sweden.

**GRI 305-1 Direct Greenhouse gas emissions DCs and Offices:** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary, Sweden.

**GRI 305-2 Indirect greenhouse gas emissions Dcs And Offices:** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary, Sweden.

**GRI 305-3 Other indirect greenhouse gas emissions (scope 3):** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary, Sweden.

**GRI 305-4 Greenhouse gas emissions intensity:** Exclusion of Indonesia, Hong Kong, Taiwan, USA, Brazil, Hungary, Sweden

**GRI 305-5 reduction of greenhouse gas (ghg) emissions:** exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, Finland, Poland, Czech Republic, Estonia, Latvia, Lithuania, Sweden, Switzerland, USA, Brazil, Hungary.

**AO 19 Waste management:** Inclusion of France, Belgium and Germany.

**GRI 303-5 Water consumption:** inclusion of France, Belgium and Germany.

## D.6 Reporting methodology and scope for non-financial indicators

This chapter describes the scope of 2019 Worldline's Corporate Social Responsibility report and the guidelines on which it is based. It also addresses how Worldline reports

according to globally accepted reporting standards and the process used to obtain the information presented in the report.

### D.6.1 Principles and standards of reporting [GRI 102-5] [GRI 102-10] [GRI 102-45] [GRI 102-48] [GRI 102-49] [GRI 102-50] [GRI 102-51] [GRI 102-52] [GRI 102-56] and [GRI 103-1]

#### D.6.1.1 Legal requirements and principles [GRI 102-12] [GRI 103-3 Worldline Specific Disclosures]

##### D.6.1.1.1 European Directive on the declaration of extra-financial performance

As required in this French transposition of the European Directive 2014/95/EU on the declaration of extra-financial performance, the content of Worldline's statement on extra-financial performance includes a reference to its business model, a presentation of the non-financial risks it faces, a description of the policies implemented to mitigate these risks and the results of such policies, which effectiveness and performance are measured by relevant KPIs. In particular, the document submits information regarding the social and environmental impact of Worldline activities and its contribution to Human Rights, and fight against corruption and against tax evasion. For further information, refer to this report, Section D.1.3.4.2.

##### D.6.1.1.2 Respect and application of the principles of standard AA1000 AP [GRI 102-12] [GRI 103-3 Market Presence] [GRI 103-3 Worldline Specific Disclosures]

Worldline adheres to the criteria of the AA1000 AP internationally accepted standard by assessing, monitoring and disclosing its impacts in extra-financial reporting, which also allows more effective decision-making and increased value creation for the Company and its stakeholders. Worldline's integrated report and the Section D.1.1.3.1 of this Universal Registration Document present how the Company has integrated the principles of inclusion, materiality, responsiveness and impact defined in the AA1000 AP in its operating mode. These principles are detailed hereafter.

- **Inclusion:** To ensure that Worldline's Corporate Social Responsibility strategy meets the expectations of its valuable stakeholders (employees, customers, partners, suppliers and shareholders), meetings and discussions have been initiated and will continue on a regular basis for sharing the Worldline materiality matters of concern and discuss the different business activities of the Company;
- **Materiality:** The sustainability challenges considered most significant for Worldline business activities were selected in 2014 and updated in 2018. Worldline's materiality assessment is described in Section D.1.1.3.2. This selection is based on Worldline stakeholders' expectations as well as Worldline internal prioritization established on objective criteria related to its markets, opportunities and achievements;
- **Responsiveness:** Worldline's reports (the integrated report and the Universal Registration Document) are published annually. They contain all the key performance indicators regarding sustainability monitored by Worldline. They outline the main sustainability challenges and associated actions;
- **Impact:** Worldline acknowledges, measures, monitors and is accountable for how its actions affect its broader ecosystem in the economy, the environment, society, stakeholders or in its own organization, and whether its impacts are direct or indirect, positive or negative, intended or unintended, expected or realized, short, medium or long term. Through its regular meeting with its stakeholders, the update of its materiality matrix and the monitoring of extra-financial indicators as well as through its action plans (policies, programs, products and services, etc.) to improve these KPIs in the perspective of its TRUST 2020 objectives, Worldline aims to embark all its organization on a result-based management of accountability.

## EXTRA-FINANCIAL STATEMENT OF PERFORMANCE

Reporting methodology and scope for non-financial indicators

### D.6.1.2 Alignment with Global Reporting Initiative (GRI) standards [GRI 102-12] [GRI 102-46] [GRI 102-54] [GRI 103-1] [GRI 103-1 Indirect Economic Impacts] [GRI 103-1 Market Presence] [GRI 103-1 Procurement Practices] [GRI 103-1 Anti-Corruption] [GRI 103-1 Energy] [GRI 103-1 Emissions] [GRI 103-1 Employment] [GRI 103-1 Occupational Health and Safety] [GRI 103-1 Training and Education] [GRI 103-1 Diversity and Equal Opportunity] [GRI 103-1 Customer Privacy] [GRI 103-1 Worldline Specific Disclosures] and [GRI 103-1 Economic Performance]

Since its first reporting in 2014, Worldline has prepared its sustainability report in accordance with the GRI sustainability reporting framework. Worldline reports on the full general disclosures and on the material topics clustered into general categories (economic performance, market presence, indirect economic impacts, procurement practices, anti-corruption, energy, emissions, employment, health and safety, training and education, diversity and equal opportunity, customer privacy and socioeconomic compliance) plus 16 Worldline Sector specific indicators. This report has been prepared in accordance with the GRI Standards: Comprehensive option and Worldline has successfully completed the GRI Content Index Service.

Worldline has successfully completed the GRI Content Index that is available on the Company's website: worldline.com. It states which subjects have been considered applicable and then included in the report. The required profile information and an overview of the management approach for each indicator category is also provided.

Worldline is committed to transparent and public reporting on sustainability. This report covers the period from January 1, 2019 to December 31, 2019 in a comparable period (one year) to the previous 2018 report. In term of scope, the geographical perimeter has changed compared to 2018. Detailed explanations are provided in next paragraphs.

### D.6.1.3 Alignment with other reporting standards

Besides, Worldline meets the principles and requirements of the CDSB Framework and it reports on its material environmental impacts and performance on an annual basis in the Registration Document and integrated report. CDSB has

developed a framework for reporting environmental information, natural capital and climate change-related information in mainstream corporate reports.

### D.6.1.4 Process for defining report content [GRI 102-4] [GRI 103-1 Worldline Specific Disclosures]

Firstly, the selection of the Key Performance Indicators (KPIs) is aligned with Worldline strategy and based on its materiality assessment (refer to Section 1.1.3.3). The Corporate Social Responsibility strategy includes a prioritization of topics which is an essential requirement for the non-financial performance dashboard and internal project follow up.

In 2018, Worldline reviewed the results from the last material analysis and aligned with GRI Standards in order to confirm the prioritization of its sustainable issues and its strategic axes. This global review in 2018 confirmed that the issues previously identified in Worldline sustainability challenges were still relevant.

## Topics boundaries [GRI 102-45] [GRI 103-1]

The following topics of the Standards from the GRI have material significance for Worldline. Outside the organization, these aspects are material for the mentioned stakeholders.

Material topics	Topic boundaries outside the organization
<b>Economic performance</b>	Communities, Customers, Investors and analysts and NGOs
<b>Market presence</b>	Communities, Public bodies, Suppliers and partners and NGOs
<b>Indirect economic impacts</b>	Communities, Public bodies, Suppliers and partners and NGOs
<b>Procurement practices</b>	Communities, Public bodies, Suppliers and partners
<b>Energy</b>	Customers, Investors and analysts
<b>Emissions</b>	Customers, Investors and analysts
<b>Employment</b>	
<b>Training and education</b>	Communities, Public bodies, Suppliers and partners
<b>Diversity and equal opportunity</b>	
<b>Occupational health and safety</b>	Suppliers and Partners
<b>Anti-corruption</b>	Customers, Investors and analysts, Public bodies, Suppliers and partners
<b>Socioeconomic compliance</b>	Customer, investors and analysts, Public bodies, Suppliers and partners
<b>Customer privacy</b>	Customers

For each topics of the GRI standards, an internal and an external score were determined. All of the topics covering a defined threshold for internal and external scores were considered as material for Worldline. Thirteen Standards topics were analyzed as material for Worldline. Other topics were identified as material but did not match with any GRI Standards

topics. Worldline integrated these topics in its materiality matrix to reflect its business specificities and challenges. The Worldline materiality matrix emphasizes the prioritization of Worldline's Corporate Social Responsibility challenges and enables to determine its strategy.

D

## D.6.2 Methodology of reporting

### D.6.2.1 Reporting process for the indicators resulting from the materiality analysis [GRI 102-45] [GRI 102-49]

The reporting process for our Main KPIs and our TRUST 2020 KPIs is described in two internal documents entitled "CSR Reporting Protocol" and "TRUST 2020 Reporting Protocol". This protocol presents the context, the objectives, the scope and the organization of the reporting. For each KPI, the document describes the definition, the scope, the levels of responsibility and control, as well as the calculation methodology. As Worldline is engaged in a process of improvement, the Company works to adapt its reporting protocol to changes in the Group and update this document every year.

Worldline's CSR reporting is managed by the CSR team and a network of contributors of throughout the countries and

entities. The majority of the CSR data is collected using individual discussions, a dedicated CSR reporting tool and other internal reporting systems. Data provided by the different contributors is then consolidated at a global level.

Finally, Worldline asked Deloitte to conduct a review in order to obtain a level of assurance for its main key performance indicators (see independent verification's report on Section D.6.4). Deloitte conducted on-site audits for France and Switzerland in Q3 2019 to review the data collected in H1 2019 and the reporting process. Then, some global audits are performed on all the main key performance indicators and the TRUST2020 indicators.

### D.6.2.2 Reporting scope for the indicators resulting from the materiality analysis [GRI 102-45] [GRI 102-49] [GRI 102-10] [GRI 102-4]

The reports concern the financial year from January 1, 2019 to December 31, 2019. It gathers the information on the environmental, social and societal impacts of Worldline and its entities. The report includes all entities acquired before the end of 2019.

Worldline obtains its non-financial data from internal measurements and external sources (third parties). The frequency of the extra financial reporting will be annually. The 2019 CSR reporting scope covers 29 countries: Argentina, Austria, Belgium, Brazil, Chile, China, Czech Republic, Estonia, Finland, France, Germany, Hong Kong, Hungary, India,

Indonesia, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Netherlands, Poland, Singapore, Spain, Sweden, Switzerland, Taiwan, United Kingdom and the USA.

The tables Key performance indicators in Sections D.1.4, D.2.6, D.3.5, D.4.6 and D.5.4 specify the scope associated with each indicator provided.

Following the deconsolidation with the Atos group, Worldline will not be part anymore of the reporting scope of Atos as part of the 1<sup>st</sup> of January 2020.

### D.6.2.3 Reporting tools [GRI 103-3 Indirect Economic Impacts] [GRI 103-3 Market Presence] [GRI 103-3 Procurement Practices] [GRI 103-3 Anti-Corruption] [GRI 103-3 Energy] [GRI 103-3 Emissions] [GRI 103-3 Employment] [GRI 103-3 Occupational Health and Safety] [GRI 103-3 Training and Education] [GRI 103-3 Diversity and Equal Opportunity] [GRI 103-3 Customer Privacy] [GRI 103-3 Economic Performance]

Since 2011, the Atos group has used a SAP Sustainability Performance Management (SuPM) as a global tool to facilitate the gathering of information, global workflows, validations, exploitation and visualization of KPIs results. Worldline has used this reporting tool since 2014. Since the carve-out with the Atos group (1<sup>st</sup> of May 2019), Worldline continue using SuPM in 2019 but will have its own reporting tool as part of the 1<sup>st</sup> of January 2020.

For 2019, most of the CSR indicators are gathered using SuPM. Most of HR indicators data have been extracted from the Atos group's HR tool – Clarity – and uploaded into SuPM via linking and interfaces. A few indicators are still not gathered into the sustainability global tool but have been collected at Worldline level in other tools or through interviews and discussions.

## D.6.3 Methodology of indicators [GRI 103-1 Worldline Specific Disclosures] [GRI 103-2 Indirect Economic Impacts]

### D.6.3.1 Detailed information related to indicators from TRUST2020 program

#### Quality Score of 8,751 – Contracts' Service Availability & Response Times

When applicable and agreed with the customer, Worldline contracts may include Service Level Agreements (SLA) linked to the availability and/or the response time of the delivered services. Therefore the SLAs are categorized in terms of "Service Availability" and "Response Time". The SLA fulfillments are measured and reported on a monthly basis to ensure timely remediation actions in case of the deviations from the agreed on SLAs.

Although each Worldline group entity is responsible to monitor all its contractual SLAs, since 2018 the SLA monitoring and reporting at Worldline group level focus on the large service contracts and also on the most business and customer critical SLAs.

To measure the level of adherence to the SLAs in the scope of Global reporting, Worldline has defined an indicator called "Quality Score Service Availability & Response Time" for contracts. The quality score - service availability & Response Time is then calculated by dividing the number fulfilled critical SLAs by the total number of identified business critical SLAs. Then the ratio is multiplied by the financial weight of each contract. The consolidated Quality Score Service Availability and Response Time, as well as any SLA breach in the scope of

Global reporting is communicated to the Worldline Executive Management on a monthly basis to ensure immediately remediation actions.

#### 100% of incident responses compliant with Worldline security policy

The number of security incidents and the number of security events correspond to the number of tickets that have been opened to signal an incident during the reporting period. There are three principal ways of opening a ticket:

- When the system logs a security event considered as being security relevant an alarm is created, a team analyses all the alarms and decides if a ticket needs to be open or not;
- When a client warns Worldline about a wrong information treatment;
- When an employee is subject to a security incident.

The different types of security incidents are defined through Worldline security policy. The compliance rate is calculated by dividing the Number of incident responses compliant with Worldline security policy by the total number of incident responses.

The number of security incidents is the sum of all tickets that have been opened during the reporting period.

#### **100% of Compliance Assessment of Data Processing (CADP) performed for all processing activities**

Worldline has committed in its CSR strategy to perform privacy impact assessments for all critical services it provides. These impact assessments are regularly performed as Compliance Assessments of Data Processing (CADP) according to the Atos Data protection policy.

As of 2018, the indicator related to the Private Impact Assessments (PIA) has been replaced by an indicator related to the completion of Compliance assessment of data processing (CADP). This indicator aims to ensure that the necessary assessments and records of processing activities regarding data protection are performed in Worldline. In other words, it indicates the performance in covering inventory by CADP (both submitted and validated).

Worldline considers all processing activities which include processing of personal data as critical services in the sense of CSR. As a consequence, within Worldline each service processing personal data has to be assessed by a CADP. In case of absence of a CADP, an existing Privacy Impact Assessment (PIA) may be used as a substitute for the missing CADP.

A CADP performed is a CADP that has been done (processing activities have been assessed) but there is no certainty that the CADP has been validated and consequently completely realized.

The indicator is obtained by dividing the number of inventory covered by CADP by the number of inventory.

For this indicator, the scope is limited to the entities and countries of Worldline in Europe and it represents 93% of the revenue.

#### **725 millions of euros generated through sustainable solutions that contribute to societal and environmental progress in € million**

This is the AO7 indicator, described below.

#### **An overall Customer Satisfaction (OCS) score of 8 points**

The term "Customer Satisfaction" refers to all activities related to discover whether or not Worldline's customers are satisfied with the products or services that the Company delivers.

The term "Overall Customer Satisfaction" is a metric used to evaluate the overall customer satisfaction at various levels.

The tactical surveys enable to perceive performance measurement for individual contracts or projects. They are delivered every 6 months, on-line or face-to-face. They are based on the type of activity.

Worldline performs twice per year tactical customer satisfaction surveys. The question "Overall, how satisfied are you with Atos?" is used to evaluate the overall customer satisfaction at various levels. The indicator is calculated over a scale of 0 to 10 with 10 as the highest level of satisfaction. The country Overall Customer Satisfaction is calculated as the average of all customers/contracts OCS results.

#### **5 employer brand study citations**

These quotations in employer brands could be quotations in newspapers, social networks or other media and quotations in employer brand study. It also concerns some employer brand certifications obtained (such as for instance the Happy Trainees certification). For instance, the citation is considered as an employer brand citation when the Company is recognized as a good employer or when good working conditions are acknowledged.

#### **90% of employees satisfied with the training provided by Worldline**

In order to measure the employees' satisfaction regarding the trainings they received during the year, Worldline has developed a yearly survey that aims to deliver on a yearly basis the employee satisfaction KPI for each training they attended, to ensure that this information can be audited and provide inputs for the Learning and Development department that will set action plans when necessary to increase the quality of the trainings.

The calculation is the ratio of the number of respondents who state being satisfied with the trainings received/Number of respondents.

#### **60% employee satisfaction as measured by the Trust Index of the Great Place to Work® survey**

This indicator is monitored by the Trust Index rate provided by the results of the Great Place to Work survey.

This statement is part of a survey launched every year. The survey is led by the Great Place to Work institute, independent from the Company. In this survey, there are 59 closed ended statements from GPTW and 13 additional closed ended statements defined by Atos that have to be answered. Among those 59 statements is: "Taking everything into account, I would say this is a great place to work". If this answer is "Often true" or "Almost always true" then it is considered as a positive response. Based on the positive response, the institute calculates a Trust Index.

#### **Gap of 0 between the % of females in management positions and the % of females in the overall workforce**

With this indicator, Worldline calculates the share of women in the total employee population as well as the share of women in the manager population. Then, a difference is calculated between the share of women (in %) in the total employee population and the share of women in the manager population (in %).

#### **Level obtained in the EcoVadis supply chain assessment**

This commitment measures the level of performance of Worldline regarding its responsible supply chain management. The EcoVadis assessment corresponds to a documentary study that enables Worldline to make an evaluation of its performance on topics related to the environment, labor practices and human rights, fair business practices and sustainable procurement. Being gold level on EcoVadis means that the Company got a score higher than 62/100 points.

#### **100% of suppliers evaluated by EcoVadis with a score below 40 having an action plan to solve critical findings identified**

This commitment measures the ability of Worldline to enhance the level of responsibility of Worldline among its strategic suppliers and consequently to ensure that the Group is responsible among its whole value chain.



If the supplier has a score below 40 points, Atos and Worldline initiate each year a corrective and collaborative action plan with the supplier. This action plan is not mandatory for the supplier, as well as the EcoVadis evaluation: suppliers can decide to not do the assessment and/or the corrective action plan. The calculation is the number of suppliers who have a score below 40/100 for which WL asked action plans to solve critical issues identified by EcoVadis/total number of suppliers who have a score below 40/100.

#### 100% of CO<sub>2</sub> emissions offset from data centers, buildings and business travels

This CO<sub>2</sub> emissions offset is performed thanks to the company Ecoact which proposes voluntary carbon offsetting programs for greenhouse gas emissions for companies.

It means to offset the emissions produced by data centers, buildings and business travel of Worldline. The amount of CO<sub>2</sub> emissions is then multiplied by a carbon price (number of € per

ton of CO<sub>2</sub>) and it enables to obtain an amount of emissions in euros. In 2019, the carbon price was € 1.35/tons CO<sub>2</sub>. The indicator will cover the CO<sub>2</sub> emissions induced by business travels, data centers and offices reported during the full-year data collection of the present year already audited by Deloitte.

#### 100% of CO<sub>2</sub> emissions offset from payment terminals Life Cycle Assessment (LCA)

This CO<sub>2</sub> emissions offset is made thanks to the company Ecoact which proposes voluntary carbon offsetting programs for greenhouse gas emissions for companies.

Each year Worldline is reporting the tons of CO<sub>2</sub> emissions produced by its payment terminals. Worldline multiplies the total number of terminals produced during the year by an emission factor that takes into account all the lifecycle of the terminal (production, use, transportation, end of life). Based on these inputs, the CO<sub>2</sub> emissions are calculated.

### D.6.3.2 Detailed information related to environmental KPI

In line with the GRI Standards "comprehensive" recommendations, Worldline is monitoring a broad range of environmental KPIs related to energy consumption, waste, water and CO<sub>2</sub> emissions. The scope of environmental reporting is that of ISO 14001 certified sites and non-certified sites on a voluntary basis (sites with at least more than 30 people) located in 23 countries: Argentina, Austria, Belgium, Chile, China, Czech Republic, Estonia, Finland, France, Germany, Hong Kong, India, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Netherlands, Poland, Spain, Sweden, Switzerland and the United Kingdom.

The data collection is performed twice a year on SuPM.

The scope of the reporting regarding the GHG emissions covers about 95% of the revenue and about 95% of employees. Some of these indicators are then audited and verified by an external auditor (see the list in the Independent verification's report on Section D.6.4).

For business:

- Car travel : company car / private car (fuel consumption or distance travelled) : Exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, China, Finland, Sweden, USA, Brazil, Hungary;
- Air travel (distance travelled and emissions from the travel agency) : Exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, Finland, Poland, Czech Republic, Estonia, Lithuania, Sweden, USA, Brazil, Hungary;
- Train travel (total kilometres travelled) : Exclusion of Indonesia, Malaysia, Singapore, Hong Kong, Taiwan, China, Sweden, USA, Brazil, Hungary;
- Taxi travel (total kilometres travelled) : Exclusion of Poland, Estonia, Latvia, Sweden, Switzerland, USA, Brazil, Hungary.

For energy consumption, the countries excluded in 2019 are: Indonesia, Hong Kong, Taiwan, United-States, Brazil, Hungary.

Offices and data centers from Six Payment Services (SPS) have been taken into account in calculation of the scope and are included in the 2019.

Comments on the indicators are included in the corresponding chapters.

#### Detailed information related to GRI 302-1 KPI "Energy consumption within the organization"

Worldline used a collection methodology based on the GHG protocol and the GRI Standards. In this way the two processes can be integrated and the data for both reports can be gathered.

For the CO<sub>2</sub> calculations, country regulations and calculation methods have been applied.

The conversion factors have been adjusted according to country and type of energy consumed (fuel oil, diesel, gas, electricity).

Conversion factors are based on Defra and the International Energy Agency (IEA). The electricity conversion factors for all countries are gathered from the document "CO<sub>2</sub>e Emissions from Fuel Combustion 2017" available at:

[http://www.iea.org/bookshop/757-CO2\\_Emissions\\_from\\_Fuel\\_Combustion\\_2017](http://www.iea.org/bookshop/757-CO2_Emissions_from_Fuel_Combustion_2017). The rest of the conversion factors are gathered from the DEFRA's last updated version, "Conversion Factors 2017.MS Excel Spreadsheet" available at: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2017>.

The methodology used is provided directly through the local power supplier or landlord:

- Concerning electricity, meters are installed at the site level to measure the energy consumed in kWh. The measurement recorded by the meters is used by suppliers or via landlords for issuing invoices;
- Concerning natural gas, meters are installed at site level to measure the energy consumed in m<sup>3</sup> and converted in kWh according to local conversion ratios, in many cases directly by the supplier. The invoice is provided directly by the gas supplier or via the landlord.



Invoices state the total amount consumed in kWh and/or its monetary value (local currency). If only the monetary value is provided, the respective consumption in kWh is calculated by using a respective cost per unit rate.

Worldline has included some assumptions and techniques for underlying estimations applied to the compilation of the Indicators and other information in the specific KPIs.

For example, in the case of unavailability of actual consumption data, estimates based on previous period consumption have been used to calculate actual consumption. In the case of unavailability of consumption data, estimates based on footage and average consumption from other sites have been used to calculate actual consumption. The corresponding data is entered into the organization's application for each site.

The cooling purchased through the local district cooling schemes, for DC and offices is zero (0) GJ and the total of steam purchased through district heating schemes to heat sites is not available. Worldline does not sell electricity, heating, cooling, or steam to third parties.

#### **Detailed information related to GRI 302-3 KPI "Energy intensity"**

The Energy intensity ratio is calculated by dividing the absolute energy consumption during the reporting year (the numerator) by the revenue metric expressed in € (the denominator) produced by the organization, in the same reporting year. The Energy intensity ratio expresses the energy required per unit of activity. For consistency, the scope of reporting is aligned with the country scope included within our 2019 baseline.

For the Energy intensity ratio per revenue, the denominator for revenues is covered by 98.6%. Within that scope, the revenue corresponds to the turnover generated by these countries within the baseline during the year (reporting period: January 1 – December 31) under analysis.

For the Energy intensity ratio per employee, the denominator for employees is the total headcounts registered at the end of the financial year for all countries within the baseline as on December 31.

The types of energy included in the intensity ratio are: electricity, gas, district heating, backup generator fuel (diesel and fuel oil).

The ratio uses energy consumed only within the organization (energy required to operate).

#### **Detailed information related to GRI 302-5 KPI "Reductions in energy requirements of products and services"**

The PUE is a standard calculation: total kWh consumed by the entire site infrastructure divided by the kWh consumed by the IT infrastructure. The PUE is the industry standard indicator used to measure and monitor the energy efficiency of a datacenter.

The base year is the reporting period (January 1 to December 31). Considering the external growth of the Company, the geographical scope can progressively change to include additional countries.

**Detailed information related to GRI 305-3 "Direct (Scope 1) GHG emissions", GRI 305-2 "Energy indirect (Scope 2) GHG emissions", GRI 305-3 "Other indirect (Scope 3) GHG emissions" and GRI 305-4 "GHG emissions intensity" KPIs**

The base year is the reporting period (January 1 to December 31). Considering the external growth of the Company, the geographical scope can progressively change to include additional countries.

Worldline is applying the GHG protocol methodology for all GHG Scopes (Scopes 1, 2 and 3). The Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD), sets the global standard for how to measure, manage, and report greenhouse gas emissions.

The gases included in Scope 2 are CO<sub>2</sub>. The gases included in the calculation of Gases included in Scope 1 and Scope 3 are CO<sub>2</sub> plus fugitive emissions of refrigerant gases converted to CO<sub>2</sub> equivalents. These gases include R134a, R22, R404a, R407c, R410a, R422d, R508b.

Where possible, Worldline uses conversion factors provided by the energy generating company. Where this is not available, the conversion table used is based on the DEFRA table which provides country average ratio. The table is available at <http://www.ukconversionfactorscarbonsmart.co.uk/>

The chosen consolidation approach for emissions is based on an operational control. Site related data are collected at site level, then consolidated with travel data which is collected at country level. This is then consolidated at GBU level then at global level.

For the 11<sup>th</sup> category of used products, Worldline based its calculation on the CO<sub>2</sub> emissions of the lifecycle production of the payment terminal Yomani in order to estimate the CO<sub>2</sub> emissions of other payment terminals. The Yomani model represents 54% of the payment terminals sold by Worldline in 2019. The calculation of the CO<sub>2</sub> emissions of the lifecycle production of the payment terminal Yomani will be updated in 2020.

Worldline includes 3<sup>rd</sup> party fugitive refrigerant leaks, which are converted into CO<sub>2</sub> equivalent values.

For the GHG emission intensity ratio, the denominator for revenues is the complete organization. Within that scope, the revenue is corresponding to the turnover generated by all countries within the baseline (all Service Lines) during the year (reporting period: January 1 – December 31) under analysis.

For the GHG emission intensity ratio, the denominator for employees is the total headcounts registered at the end of the financial year for all countries within the baseline as on December 31.

Worldline is not producing any biogenic CO<sub>2</sub> emissions.

#### **Detailed information related to GRI 305-6 KPI "Emissions of ozone-depleting substances (ODS)"**

In order to calculate the Global Warming Potential, Worldline has identified the emission of substances to the atmosphere through fugitive refrigerant gas leakage from cooling systems, for example R22, R404a, R407 and R410a. Additionally, these gases are mainly reported for the DCs.

The conversion table used is based on the DEFRA table which provides refrigerant gas GWP tables. The tables are available at <http://www.ukconversionfactorscarbonsmart.co.uk/>.

**Detailed information related to the AO 14 KPI “Number of sites certified ISO 14001”**

Worldline reports this KPI only for the sites that are directly controlled by the Company. Therefore, sites such as Worldline

Spain and Worldline Austria have been reported in the ISO 14001 list of Atos group because these country sites are shared with Atos. In total, two offices from Worldline in Spain and two in Austria are certified but reported on Atos group.

**D.6.3.3 Detailed information related to Human Resources KPI**

All Human Resources indicators derived from the HR Information System (GRI 401-1, GRI 401-2, GRI 401-3, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 202-1, GRI 202-2, and AO 6) are based on an extraction made in January 2020. Due to late and retroactive entries on staff movements into the HR Information System, the actual situation as of December 31 is different from the one presented through the HR dedicated indicators. This difference, however, remains limited: it is approximately 1% of the total workforce at the end of the period.

Employees from Six Payment Services are included into the reporting scope in 2019.

SIX Payment Services employees are only included in the 2018 global workforce indicator.

**Detailed information related to AO 6 KPI “Diversity perception in Great Place to Work survey”**

In the KPI AO 6 relating Diversity perception, the countries assessed have a percentage of positive responses to each Great Place to Work item which has been converted into a group “percentage of Diversity perception” by dividing the total positive punctuation between the number of respondents. In 2018, for all the indicators concerning the Great Place to Work survey, the interns and employees in an apprenticeship are now included in the reporting scope.

**Detailed information related to AO 2 KPI “Employee satisfaction from the Great Place to Work survey”**

This indicator is based on the Great Place to Work survey. After a recommendation by the Great Place to Work Institute,

the calculation method has been changed for the Trust Index. Since 2016, a weighted average of the scores is provided by taking into account the number of people answering the GPTW survey by country. In 2018, for all the indicators concerning the Great Place to Work survey, the interns and employees in an apprenticeship are now included in the reporting scope.

**Detailed information related to GRI 404-1 “Average hours of training per year per employee”**

Average training by employee is calculated using the headcount closing 2018. This includes the hours recorded in the Atos formal training tools (SABA, McGraw-Hill, etc.).

**Detailed information related to AO 16/GRI 403-2 KPI “Absenteeism rate and health and safety indicators”**

The scope of the data taken into account to calculate absenteeism hours is related to sickness and accident leave.

**Detailed information related to WL 6 KPI “Turnover rate”**

The method for calculating turnover rate divides the number of employees leaving the Company by the final headcount at the end of the year.

**Detailed information related to AO 11 KPI “Total number of collaborative working communities”**

The use of the collaborative tools BlueKiwi and Circuit was gradually stopped during the year 2019. We have decided not to report this indicator in 2019 as it does not represent the ability of employees to work collaboratively.

**D.6.3.4 Detailed information related to other indicators (innovation, customer satisfaction, data protection, compliance, value chain, local communities)****Detailed information related to GRI 102-44 “Net promoter score”**

The Net Promoter Score (NPS) is used for measuring and improving customer loyalty. This methodology is based on the perspective that the customers can be divided into three categories: Promoters (score 9-10), Passives (score 7-8) and Detractors (score 0-6). The question “How likely is it that you would recommend Atos to a friend or colleague?” is used to calculate the NPS. Worldline calculates the Net Promoter Score by using the difference between those who have been promoters and detractors divided by the total number of contracts. Regarding the reporting scope, Worldline takes into account the eligible revenue for 2019.

**Detailed information related to GRI 419-1 “Non-compliance with laws and regulations in the social and economic area”**

The reporting of the significant fines for non-compliance is linked to a Global procedure called “Litigation Docket,” which requires the reporting from the Countries to the Group Litigation department of all fines, claims and penalties greater than € 100,000. The reporting follows this procedure and the results of zero (0) means that Worldline has no fines for non-compliance greater than € 100,000. Compared to other companies, this threshold is very low, and enables Atos to have a clear and efficient control of the litigation issues within the Group.

**Detailed information related to AO 17 “EcoVadis assessment”**

AO 17 information contains data provided by EcoVadis. EcoVadis assessment not only covers corruption, but also HR and environment. Worldline works with EcoVadis to assess strategic suppliers’ risks related to corruption (total number and percentage of operations assessed for risks related to corruption and significant risks identified).

Information published after 2015 is no longer comparable with previous year values as the definition of strategic supplier was changed to reflect the Atos procurement supplier consolidation strategy. According to the new three-year plan, Atos is focusing on the top 250 vendors, which represents 70% of the total expenditure. The supplier scorecard is shared with Atos group thanks to the supplier evaluation campaign made by EcoVadis.

**Detailed information related to GRI 102-9 “Supply chain”**

The reported value in Section 4.6 Responsible subcontracting is the number of external onshore subcontractors (headcount) present within Worldline on December 31, 2018.

**Detailed information related to GRI 205-2 KPI “Communication and training about anti-corruption policies and procedures”**

Awareness in Code of Ethics KPI is divided in the e-learning training for all employees available in the training platform of Worldline and virtual classroom webinar training for management employees. The calculation method of GRI 205-2 KPI for e-learning training takes into account all current Worldline employees who had taken the training since 2013.

**Detailed information related to AO7 “Revenue generated through sustainable solutions that contribute to societal and environmental progress in € million”**

AO7 KPI is calculated based on the revenues of sustainably oriented offers that Worldline sells to its customers. These revenues are multiplied by an index that assesses the degree of sustainability within each offer. Sustainably oriented offers are identified and the associated indexes (degrees of sustainability) are set by Worldline Solution Managers based on their screening of offerings on 15 aspects (regrouping economic, social and environmental benefits provided by the

offering). The overall process is coordinated by a dedicated person in the Corporate Social Responsibility team. Worldline portfolio continually evolves and the KPI definitions are subject to updates.

Worldline has made an effort to estimate the revenue linked to its sustainable solutions. To obtain this information, Worldline has calculated the revenue by business division and grouped the list of offers that are part of this division in proportion of their total contract value as reported in 2018. Then, Worldline applies the sustainability percentage obtained to the revenue, thus obtaining the revenue linked to sustainable offers. The percentage of sustainability is 0% when the sustainability analysis could not be finalized.

**Detailed information related to the KPIs GRI 201-1 “Direct economic value generated and distributed” and GRI 203-1 “Infrastructure investments and services supported”**

The information required in GRI 201-1 is mostly included in the financial statement of this document, however for the part relating to community investments Worldline reports the total social contribution reached in 2019.

The reporting of this information is aligned with the guidelines of the London Benchmark Group related to the measurement of the community investment made by companies. It is detailed in Section D.4.5 of this document.

**Detailed information related to the KPI WL 8 “Customer innovation sessions delivered by Worldline for customers”**

This KPI represents the number of delivered Innovation sessions/workshops that are promoted by Global Markets among clients of Atos and Worldline with the support of BTIC network. In these sessions, selected IT topics of customers' interest are addressed to develop innovation awareness that help transform the customer's business.

For this specific indicator, the Innovation workshop doesn't have to be done only with the support of a Scientific Community member. It can also be considered as an Innovation Workshop as long as Worldline is the organizing entity. Worldline reports only the innovation workshops organized by its entities.

## D.6.4 Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement – year ended December 31, 2019 [GRI 102-55] [GRI 102-56]

To the Shareholders,

In our capacity as Statutory Auditor of WORLDLINE SA, appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at [www.cofrac.fr](http://www.cofrac.fr)), we hereby report to you on the consolidated non financial statement for the year ended December 31, 2019 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*)

### Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement has been prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the company's website or on request from its headquarter

### Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

### Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- The compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- The fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225 105 of the French Commercial Code, *i.e.* the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of

vigilance, anti-corruption and taxation nor on the compliance of products and services with the applicable regulations.

However, it is not our responsibility to provide any conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation;
- the compliance of products and services with the applicable regulations.

### Nature and scope of procedures

We performed our work in accordance with Articles A. 225 1 *et seq.* of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 (Assurance engagements other than audits or reviews of historical financial information).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the Group's business activity and the description of the principal risks associated.
- We assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in Section III of article L. 225 102 1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code.
- We verified that the Statement presents the business model and a description of principal risks associated with all the entity's activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks.

- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important<sup>1</sup>; concerning anticorruption and other qualitative information selected, our work was carried out on the consolidating entity.
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.
- We carried out, for the key performance indicators and other quantitative outcomes<sup>2</sup> that in our judgment were of most significance:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities<sup>3</sup> and covered between 14% and all of the consolidated data for the key performance indicators and outcomes selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

## Means and resources

Our work engaged the skills of eight people between October 2019 and February 2020. To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around twenty interviews with people responsible for preparing the Statement.

## Conclusion

Based on our work, nothing has come to our attention that cause us to believe that the non financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

## Comments

Without qualifying the conclusion expressed above and in accordance with Article A. 225-3 of the French Commercial Code, we make the following comments: as mentioned in the methodological note of the statement ("Information about the report") and the main KPIs tables, the reporting perimeter is limited for some indicators (including Services availability rate, Number of security incidents and Percentage of total employees who received a regular performance and career development review during the year).

Paris-La Défense, February 19, 2020

One of the Statutory Auditors,

**Deloitte & Associés**

**Véronique Laurent**

Partner

<sup>1</sup> Sustainable design; Integrate sustainability at the core of procurement process; Reused and recycled product.

<sup>2</sup> Number of employees at the end of the reporting period (legal staff); Total number of employees recruited; Total number of departures (by types); Average hours of training that employees have undertaken during the year; Percentage of total employees who received a regular performance and career development review during the year; Great Place to Work Trust index rate; Global turnover rate; Percentage of females; Percentage of female in Worldline's top positions; Services availability rate; Overall customer Satisfaction from Tactical surveys; Net Promoter Score; Innovative sessions delivered by Worldline for customers; Number of security incidents; Percentage of management employees trained in Code of Ethics - Virtual Classroom; Percentage of employees trained in Code of Ethics - E-learning; Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulation; Proportion of spending on local suppliers at significant locations of operation; Percentage of strategic suppliers evaluated by EcoVadis; Percentage of total expenses assessed by EcoVadis; Energy consumption within the organization (Gj); Energy intensity revenue (Gj/million euros); Energy intensity employee (Gj/employee); Total CO<sub>2</sub> emissions (t); CO<sub>2</sub> emissions by revenue (tCO<sub>2</sub>/million euros); CO<sub>2</sub> emissions by employee (tCO<sub>2</sub>/employee).

<sup>3</sup> Worldline France and Worldline System Payment Services Switzerland.





# FINANCIALS

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## E.1 Main factors affecting the Group's revenue and profitability

### E.1.1 Payment Services Industry Dynamics

The payment services industry is currently undergoing a period of significant change in response to changing consumer habits, new technology and regulatory developments. Trends in the payment services industry can have a significant impact on the underlying performance of the Group's business. As further described in Section B The Payment Industry and market overview includes the following:

**Transaction Volume Growth.** The Group generates a substantial portion of its revenue from the processing of payment transactions charged primarily on either a per transaction or volume basis (based on a percentage of transaction value). These kinds of transactions are growing significantly as consumers gradually shift from cash to non-cash payments, driven by a number of factors including increased acceptance of non-cash payments by merchants in stores, growth in e-Commerce transactions and transactions using mobile devices, government initiatives to encourage non-cash payments and other factors. A.T. Kearney estimates that non-cash transactions in the European Union grew at a compound annual growth rate of 6% over the past 10 years. A.T. Kearney forecasts that the CAGR will grow to 7% between 2020 and 2015 to reach 238 billion transactions;

**Regulatory changes.** Recent regulatory changes in Europe have significantly decreased interchange fees and are expected to increase the ability of payment institutions to access European markets other than those of the originating member state in which they have a license (Visa/MasterCard) to issue payment cards or undertake Commercial Acquiring activities. Because the Group records its revenue net of interchange fees paid to issuing banks, and does not itself act as an issuing bank, the effects of the reduction of interchange fees on the Group's revenue will be indirect rather than direct. In the medium to long term the impact of these changes on the Group's revenue will be driven by their effects on the Group's merchant and banking clients and consumer behavior. The Group believes that the reduction in interchange fees will progressively encourage more merchants to accept credit and debit cards for small payments, thus driving additional growth in the number of transactions. In addition, the Group believes that issuing banks, which will see the amount of revenue they receive from interchange decrease, will increasingly consider outsourcing their payment processing services to reduce

costs. They will also seek to add new value added services to generate new fees to offset the reduction in interchange fees. The Group has experienced pricing pressure in recent periods and expects pricing pressure from banks to continue to increase due to the changes to interchange fees;

**Technology changes.** Mobility and big data technology are creating new payment methods and new business models. These developments have the potential to drive additional growth in transaction numbers. Similarly, payment service hub services are becoming more and more important in order to adapt existing systems to new payment methods and models, which may create new outsourcing opportunities from banks whose near-term transaction volume is not sufficient to support investment in redesigning their own systems;

**Emergence of new electronic payment methods.** New electronic payment methods such as Online Banking enabled Payments (OBeP) and person-to-person electronic wallets are creating new non-card based methods for electronic payments that the Group believes will generate increased transaction volumes. Because these new services offer opportunities for fee structures that differ from the traditional credit card interchange fee system, they may also lead to further pressure on prices, which may in turn further fuel volume growth. The net impact on the Group will depend on whether the effect of increased volume outweighs the effect of any associated price decreases;

**Pricing dynamics.** The payment services industry is highly competitive, and the ability to deliver reliable, high quality processing services at competitive prices for high processing volumes is an important differentiator. The Group seeks to leverage its scale and global factory approach to achieve low costs and enhance its ability to provide highly competitive pricing without sacrificing reliability or profitability;

**Emergence of new digital businesses.** The digital revolution is creating new digital businesses that are expected to drive additional payment transaction growth in the coming years. *E-Ticketing* and automated fare collection, new government services and Connected Living services that leverage the "internet of things" are each creating new service ecosystems with new non-cash payment needs.



## E.1.2 Contract Structure

Although each contract is tailored to the circumstances and the specific terms vary from client to client, the Group's contracts typically have one of two main structures:

**Build to run contracts.** The Group provides most of its services under mid- to long-term "build to run" contracts. These arrangements typically include fixed fees paid to the Group upon completion of specified milestones during the "build" phase of the service, as well as ongoing "run" fees paid once the service has become operational. "Run" fees for operating and maintaining the system typically include a fixed component, typically with a pre-agreed capacity or assumed minimum number of transactions, and a variable component based on the number of transactions beyond a pre-agreed threshold;

**Transaction value based contracts.** The Group provides some services under contracts that are primarily based on the value of transactions processed, with minimal fees for initial set up of the service. These arrangements include the processing of credit (or debit) card transactions in the Group's commercial acquiring business and some of the Group's *e-Ticketing* contracts in Latin America. The Group recognizes revenue from transaction based contracts at the time of the transaction.

The Group's revenue and profitability recorded during any given period is affected by the mix of types of contracts and the development stage of those contracts.

From a revenue perspective, the Group generally records a significant amount of revenue from a build to run contract during the "build" phase. Once the "run" phase of a project begins, the Group typically earns lower transaction based revenue during the "ramp" phase of the project and higher transaction based revenue once the project reaches the "maturity" stage.

In terms of profitability, the most profitable stage of a contract is typically the "maturity" stage, where the Group earns increasing transaction based revenue (or they remain high) with relatively small additional cost. The "build" stage is typically less profitable because the costs of building a service are usually higher than the fixed costs of running a service once it is in place. During the "ramp" phase, a contract with "run" revenue priced on a per transaction or value basis may or may not be profitable, depending on the terms of the agreement and whether the minimum fees charged without reference to the number or value of transactions are high enough to offset the associated costs.

Given the front-end nature of build revenue and the lower associated profitability of the build and early ramp phases of a project, differences in the mix of development stages of the Group's projects from period to period may cause significant period to period fluctuations in revenue and profitability at the consolidated level, and the effect may be even more pronounced at the level of a particular Global Business Line or business division.

## E.1.3 Composition of Global Business Line Revenue

The Group's consolidated revenue is generated by sales of services and products by its three Global Business Lines.

### E.1.3.1 Revenue of the Merchant Services Global Business Line

The Group's Merchant Services Global Business Line generates revenue from four Business Lines:

**Commercial Acquiring.** The Group's Commercial Acquiring revenue is primarily derived from the processing of credit and debit card transactions. The fees the Group charges generally consist of either a percentage of the value of the transaction (in the case of credit card transactions) or a fixed fee per transaction (in the case of debit cards), or both (in the case of low-value debit transactions), and are recognized at the time of the transaction. The Group also generates revenue from

ancillary value added services such as fraud detection, customer feedback surveys, loyalty and gift card solutions, DDC (dynamic currency conversion) services. Revenue from the Group's commercial acquiring business is affected primarily by average transaction values, the mix of merchant types in its client portfolio and the commercial performance of the Group's merchant clients;

**Revenue from Omni-channel payment acceptance** is generated primarily from activation fees, monthly subscription fees and per transaction processing fees that incorporate volume discounts for higher numbers of transactions. The Group also includes in this Business Line revenue from other acceptance-related processing services. Revenue from its online services business is impacted primarily by the number of omni-commerce projects in the build phase during the relevant period, the number of omni-commerce transactions processed for projects in the run phase and the number of Sips and other acceptance transactions processed;

**Payment Terminals.** The Group's payment terminals are generally offered to merchants on a purchase or rental basis, with an initial installation fee and recurring monthly maintenance fees, and are often sold as a package with its Commercial Acquiring services in countries where the Group offers such services. The Group's terminals revenue is driven primarily by the number of terminals sold or rented out and the average price or rental fee per terminal, which is in turn influenced primarily by market conditions and the mix of terminals sold.

#### Digital retail

- **The Group's omni-commerce solutions** are generally sold under mid- to long-term contracts that include fees for designing and implementing the service, and recurring fees generally with an assumed minimum number of transactions, and agreed per-transaction fees above the assumed minimum. Omni-commerce revenue also include revenue from the Group's redspottedhanky.com e-Commerce site, from which the Group earns commission revenue for the sale of train tickets and other travel-related purchases generally based on a percentage of the value of the items sold,
- **Private Label Cards & Loyalty Services.** Revenue from the Group's private label card and loyalty services are driven primarily by the number of cards or loyalty accounts managed, the level of transactions per account, and average fee per managed account and per transaction. When designing a new loyalty program the Group also typically receives "build" fees for the initial implementation of the program.

### E.1.3.2 Revenue of the Financial Services Global Business Line

The Group's Financial Services Global Business Line generates revenue from four Business Lines:

**Issuing Processing:** The Group earns most of its *Issuing Processing* revenue from the processing of transactions under long term contracts under which fees are primarily based on the number of credit cards managed and the number of transactions processed. The Group's card issuing services revenue is therefore primarily a function of the number of cards managed, the average level of transaction activity and the average fee per managed card and per transaction. The Group typically offers volume discounts based on pre-determined bands of transaction volumes and cards managed. When the Group acquires a new client or helps implement new services such as electronic wallets, the Group typically earns a "build" fee for the initial set up of the service, then earns fees based on the number of business transactions processed. Part of *Issuing Processing* revenue comes from payment Software Licensing fees, paid at the time the software is sold and ongoing maintenance and thereafter support fees charged annually based on a percentage of the initial license fee as well as project revenue to help banks roll out and integrate the software into their existing systems;

**Acquiring Processing:** The Group's *Acquiring Processing* revenue is primarily driven by the number of acquiring transactions processed by the Group in countries where it is

not itself the commercial acquirer and the average fee per transaction. Part of *Acquiring Processing* revenue comes from payment Software Licensing fees, as described above;

**Digital Services:** The Group's *Digital Services* revenue is generated from transaction fees for processing eBrokerage transactions, which are typically charged on a per transaction fee basis. The Group also generates revenue through this Business Line from projects such as enhancements to Online Banking and mobile banking sites, which are typically charged on a build and run project basis;

**Account Payments:** The Group's *Account Payments* division's revenue is generated from transaction fees for processing OBeP transactions, SEPA credit transfer and direct debit transactions, which are typically charged on a per transaction fee basis. The Group also generates revenue through this Business Line from projects such as adaptation of client systems to accommodate SEPA transactions, to comply with new regulations.

### E.1.3.3 Revenue of the Mobility & e-Transactional Services Global Business Line

The Group's Mobility & e-Transactional Services Global Business Line generates revenue from three Business Lines:

**E-Ticketing.** The Group's *e-Ticketing* and journey management services are typically sold under mid- to long-term build to run project contracts. These include initial project implementation fees as well as ongoing fees over the life of the contract based on the number or value of tickets managed. This division's revenue is largely driven by the number of contracts the Group wins, the mix between projects in the build phase and those in the run phase, the volume or value of transactions, and average pricing terms;

**Trusted Digitization.** The Group's e-Government Collection Business Line offers a range of services, including large scale digitization services, road traffic enforcement, tax collection, healthcare information and reimbursement systems and other services to public sector entities under a range of contract types, often of significant size. Many of these services are provided on a build to run project basis where the Group earns an initial fee for the design and implementation of the project and thereafter earns ongoing fees for maintaining and running the program based on the system's capacity. The Group also earns some fees based on the number of transactions or records processed and additional system capacity. After a service has begun operations, the Group may also earn new project revenue to further expand its capabilities;

**E-Consumer & Mobility.** The Group's *e-Consumer & Mobility* Business Line offers a large range of services. Consumer cloud services are typically priced based on the number of end users and the average usage per user. Revenue from these services may also include some project revenue in connection with implementing new services. Contact services are typically based on the number and duration of connections. Connected Living projects typically include build revenue and then an ongoing fee based on the number of connected devices managed.

## E.1.4 Contract renewal cycles

The Group's revenue and profitability can be significantly affected by contract renewal cycles. The Group's contracts generally range from three to five years in length, with some private sector contracts in Latin America having a length of up to ten years. When an agreement reaches the end of its term, a client may seek to renew it or renegotiate the terms of the agreement or may decide not to renew the agreement. The terms of a contract renewal, or failure to renew a contract, can

have, depending on the relative size of the agreement in question, a significant impact on the revenue and profitability of the Group or a Global Business Line in any given period. Although the Group's business is spread across a large number of agreements and no single client represented more than c.4% of the Group's revenue in 2019, the relative weighting of a particular contract can be higher within a business division or Global Business Line.

## E.1.5 General economic conditions

The Group generates the majority of its revenue from the processing of payment transactions on either a per transaction or percentage of transaction value basis. During economic downturns, consumers typically reduce spending, and card issuers often reduce credit limits and tighten their card issuance rates, which can have a negative effect on the overall value of transactions generated by consumers and number of cards managed. Although this effect exists, it has been far outweighed in recent years by the secular shift from cash to non-cash payments. Also, while consumers reduce spending

during downturns, many consumers may make smaller but more frequent transactions. Because a majority of the Group's revenue is generated on the basis of the number of transactions that take place, this helps reduce the effect of overall spending declines. In addition, a significant portion of the Group's merchant services business is earned from retailers that are in non-discretionary spending categories such as groceries or fuel, the sales of which are less volatile, which further insulates the Group from the full effect of economic downturns.

## E.1.6 Services mix

The Group's revenue and profitability are also affected by the mix and stage of maturity of the services it sells. As noted in Section *Contract Structure*, while the highest revenue under a build to run contract is typically earned during the "build" phase, the most profitable stage of such contracts is typically the "maturity" phase of the "run" period. Each of the Group's three Global Business Lines has a mix of some services that have reached scale and others that are still in the build or ramp up phase. From a Global Business Line profitability perspective, the Group's Financial Services Global Business Line and Merchant Services Global Business Line have a higher proportion of services that have reached full scale, allowing it to generate OMDA margins of 30.5% and 21.2% respectively for these two Global Business Lines in 2019. Conversely,

because the Group's Mobility & e-Transactional Services division tends to generate a proportionately higher portion of its revenue from projects in the build and ramp phase, it achieves higher revenue growth but lower margins (OMDA margin of 12.2% in 2018). Similarly, the Group earns higher average fees on credit card transactions than it does on debit, OBeP and certain electronic wallet transactions. To the extent that these categories of non-cash payments experience significant growth in future periods, the Group's profitability would be affected by the extent to which the new volumes generated by these payment methods outweigh the lower per transaction fees and the Group's success in building scalable platforms to process these volumes profitably.

## E.1.7 Geographic footprint

Although the Group provides services across the extended payment services ecosystem, it currently does not generate revenue from its full range of services across each of its principal jurisdictions. As part of its strategy, the Group intends

to gradually expand the geographic footprint of its services throughout the markets where it operates, leveraging its new Global Business Lines structure and its increasingly integrated and standardized IT platforms.

Although most of the Group's revenue is currently generated in its core historical markets in Europe (approximately 93% in 2019), the Group is earning an increasing proportion of its revenue from emerging market countries in Latin America and

Asia. The percentage of the Group's revenue generated in emerging markets in Latin America and Asia was 6.7% in 2019, and this percentage is expected to grow over time as the Group pursues further international growth.

### E.1.8 Seasonality and period to period variability

Although the Group's operations typically do not show strong seasonal variations, the fourth quarter of the year, which is favorably affected by higher shopping volumes during the end of year holidays, is the Group's highest revenue quarter, and the first quarter of the year, when new projects are often in their early phases, usually shows the lowest revenue. The effect of the end of year holiday season is offset to some extent by a slowdown in some of the Group's e-Government contracts that have lower volumes during holiday periods.

While the Group's results do not typically show strong seasonal variations, the Group may experience significant

period-to-period fluctuations at the consolidated level or in a particular Global Business Line or business division. In particular, given the front-end nature of build revenue and the lower associated profitability of the build and early ramp phases of a project, a greater or lesser proportion of build revenue from one period to the next can have a significant impact on revenue and profitability. A range of other factors could cause or contribute to period to period fluctuations, including non-renewals of contracts or the end of life of a terminal product.

### E.1.9 Changes in scope [GRI 102-45] and [GRI 102-49]

The Group's scope of consolidation has evolved significantly in 2018, 2017 and 2016 as detailed in Section A.5.1 Formation on the Group. The Group's scope of consolidation will continue to evolve given its external growth strategy.

## E.1.10 TEAM<sup>2</sup> program

In early 2014, the Group had launched "TEAM", a four-year efficiency, industrialization, and standardization program whose underlying objective was to extract the full value and potential of the Group by improving the efficiency and integration of all of its component activities, globally. Through the TEAM program, the Group aims at improving its operating model, reducing costs and leveraging its resources and strengths across the Group's business to benefit from the strong growth in the markets and industries in which the Group operates, improve resource allocation and standardization across its network, and take full advantage of the Group's size and global reach. Through TEAM, the Group leveraged "continuous improvement" initiatives already begun as part of Atos' similar TOP Program, such as lean management and improved purchasing efficiency, while implementing new "efficiency through transformation" initiatives aimed at increasing the Group's production volumes, enhancing the globalization of its business, and integrating and standardizing the Group's IT infrastructure.

The TEAM program, which had an objective to generate € 150 million of cost saving by the end of 2017, was realized as soon as in 2016, by capturing the productivity gains and by finding additional levers, which allowed compensating the price decreases requested by clients.

Given the good results of this program and the strong internal mobilization that it has created to deeply transform the Company, a new TEAM<sup>2</sup> program has been launched early 2017. This new program covers the next 3 years with an ambition similar to that of the first TEAM program, but incorporating new workstreams. TEAM<sup>2</sup> pursue the initiatives that have proven successful over the long term and where there is still potential improvement opportunities, while introducing new workstreams centered around transformation and innovation of our core business.

The initiatives Lean, Purchasing, Real Estate, Contract profitability and Workforce management have been taken into consideration in the TEAM<sup>2</sup> program with the objective to continue progressing in terms of performance and operational efficiency.

After a successful 2018 exercise with € 75 million of cost saving, 3 workstreams (Make or buy infrastructure, Robotics &

automation, First time right development) have been transferred to a new specific transformation program: transversal platform industrialization. The TEAM<sup>2</sup> program will keep focus on the remaining streams:

**Contract profitability.** Further enhance the profitability of existing projects, and contracts through improved monitoring of contract performance and by mobilizing expert task forces to implement remediation processes when necessary;

**Purchasing.** Continue to expand the involvement of the Group's procurement teams to leverage the Group's best practices and scale, by systematically involving procurement teams throughout a project's lifecycle, including them early on and in the decision-making process, expanding team sizes in response to greater demand levels, and creating specific purchasing milestones in bid and budget processes;

**Workforce management.** Reinforce the optimization of our production capacity management, by ensuring the right resources are allocated to the various projects whatever their localization. This includes the development of offshore services for our various countries in addition to onshore resources that are closer to the client;

**Lean.** Continue with and follow up on the implementation of the "lean" program initiated by Atos, which applies a standard methodology designed to strengthen operations across the Group, develop customer loyalty and leverage the skills and creativity of staff to increase operational efficiency, improve quality of service, promote well-being at work and attract and retain top talent;

**Real estate.** Optimize the Group's real estate in order to ensure adequate office space for our employees at the best market price;

**Zero incident objective:** Automate, reinforce and improve the incident management through tooling, process and organization optimization around three axis: incident forecasting, incident detection and problem solving. The purpose is to increase the visibility of the root cause and the frequency of the incident in order to perform deeper bug fixing in application, in procedures or in terms of organization.

## E.2 Operational review

### E.2.1 Significant events of the year

#### E.2.1.1 Deconsolidation from Atos group

##### E.2.1.1.1 Exceptional distribution in kind by Atos of 23.5% of the shares making up Worldline's share capital in May 2019

During its Annual Meeting on April 30, 2019, Atos SE shareholders have approved the exceptional distribution in kind of circa 23.5% of the shares making up Worldline's share capital. Following this distribution, Atos SE retained around 27.3% of Worldline's share capital. The distribution of Worldline shares occurred on May 7, 2019 and as a result Worldline is no longer fully consolidated within the Atos group.

Worldline's Board of Directors unanimously welcomed this change, which increases the Group's strategic flexibility. This distribution allows Worldline Group to pursue its successful strategy and confirm its ability to act as a key player in the consolidation of the European payment market. This distribution also leads to a greater free float and increased visibility and liquidity of the Worldline stock, providing investors with an enhanced opportunity to invest in Worldline.

##### E.2.1.1.2 Further sale by Atos of c.10.4% of Worldline share capital in October 2019, equity collar transaction entered into by SIX Group AG and Atos's issuance of bonds exchangeable into Worldline shares

After having distributed 23.5% of Worldline's share capital to its shareholders on May 7, 2019, Atos has completed on October 30, 2019 the sale of c. 14.7 million Worldline shares, through a placement to qualified investors by way of accelerated book-building offering.

Concurrently with this equity placement, Atos issued bonds due 2024 for an aggregate nominal amount of approximately €500 million, which will be exchangeable into Worldline shares.

Separately, SIX Group AG has entered into a collar transaction over c. €500 million. In connection therewith, as part of its initial hedge position, the collar counterparty had to sell c. €420 million as part of the above mentioned accelerated book-building.

Following these transactions:

- SIX Group AG has become the largest shareholder of Worldline with c.27% of the share capital (c.24% of voting rights), including c.5% of the share capital lent and pledged to the collar counterparty;
- Atos shareholding has been reduced to c.17% of the share capital (c.26% of voting rights);
- Free float has increased to c.56% of the share capital.

##### E.2.1.1.3 Adaptation of the governance of Worldline

As a consequence of Atos SE exceptional distribution in kind of 23.5% of Worldline share capital, followed by the partial disposal of a minority stake in Worldline and the decision of SIX Group AG to enter into an equity collar transaction related to part of its holding in Worldline, the Board of Directors is composed at the end of 2019 as follows:

- The Chairman and Chief Executive Officer;
- 2 Directors designated upon proposal of Atos SE, as well as a censor position;
- 2 Directors designated upon proposal of SIX Group AG, as well as a censor position;
- 6 independent Directors;
- 1 Director representing the employees.

#### **E.2.1.1.4 Group reorganization, set-up of the Atos-Worldline alliance and financial impact of the separation from Atos group**

From an operational point of view, in light of Atos group and Worldline Group's willingness to maintain a strong industrial and commercial partnership to preserve mutually beneficial cooperation, Worldline and Atos entered into an agreement covering four main domains: sales, research and development (R&D), human resources, and procurement. The set-up of this alliance aims to facilitate Worldline's transition from the status of controlled subsidiary of Atos to independent company.

In 2019 Worldline still had various service agreements in place with Atos covering notably areas such as:

- Internal IT management, infrastructure and solution;
- Shared services notably for human resources, finance, M&A, and communication.

Detailed information regarding the relationships between Atos and Worldline is available in Section E.8.1.

After the necessary disentanglement work from the Atos IT systems and mutualized support functions expertise, these service agreements will be replaced by reinforced Worldline corporate teams and internal IT systems, as anticipated and already included in the 2019-2021 3-year trajectory.

#### **E.2.1.2 Exercise of Worldline call option to acquire the 36.4% minority stake and take full ownership of equensWorldline**

The acquisition of the 36.4% minority stake in equensWorldline has been finalized on September 30, 2019, ahead of the timing initially contemplated thanks to an efficient management of the closing process and trust established with regulators over time.

Worldline had indeed exercised on July 24, 2019 its call option on the 36.4% minority stake in equensWorldline, representing the final step of the Equens acquisition initiated in 2016 and allowing full ownership of equensWorldline, the leading European payment transaction processor.

The call exercise price was circa €1,070 million for the remaining 36.4% stake. It implied an acquisition multiple <sup>1</sup> significantly below Worldline's trading multiple at the time of the transaction.

The transaction has been supported by a newly issued BBB/stable investment grade rating received from Standard & Poor's and has been financed by:

- A 7-year € 600 million convertible bond issued on July 25, 2019 (60% conversion premium, zero coupon and yield to maturity of -0.96%); and
- A 5-year € 500 million bond issued on September 11, 2019 (0.25% coupon; 0.35% yield, BBB rating from Standard & Poor's).

Thanks to the very attractive terms of these two bond issuances, the overall financing of the acquisition has a negative cost (from a cash flow perspective) for Worldline, and allows to fully confirm the double digit accretion expected on the earnings per share as soon as 2020.

#### **E.2.1.3 Resignation of Mr. Thierry BRETON as Chairman of the Board**

On October 24, 2019, the Board of Directors of Worldline acknowledged the resignation of Mr. Thierry BRETON as Chairman of the Board, with immediate effects, following the announcement by the presidency of the French Republic of its proposal to submit the candidature of Mr. Thierry BRETON as Commissioner representing France in the European Commission.

The Board of Directors of Worldline unanimously expressed its sincere gratitude to Mr. Thierry BRETON for his conduct of the works of the Board during the 5 years following Worldline Initial Public Offering as well as for his outstanding involvement and energy that constantly contributed to the success of the greatest projects that characterized the impressive development of Worldline since 2014. The Board of Directors of Worldline expressed to Mr. Thierry BRETON its best wishes for success in the new very important mission he is about to undertake. The Board of Directors also decided that the chairmanship of the Board of Directors be assumed by Mr. Gilles GRAPINET, currently Chief Executive Officer of Worldline.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, has decided that the chairmanship of the Board of Directors be assumed by Mr. Gilles GRAPINET, thereby unifying the functions of President of the Board of Directors and Chief Executive Office of the Company.

<sup>1</sup> Enterprise value/2019 estimated OMDA.



## E.2.2 Subsequent events

### E.2.2.1 Creation of a new world-class leader in payment services: Planned acquisition of Ingenico

Worldline and Ingenico Group SA have announced on February 3, 2020 that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares, consisting of a 81% share and 19% cash transaction, as well as outstanding OCEANES.

Upon closing, former Worldline shareholders would own c.65% of the combined entity and former Ingenico shareholders would own c.35%.

This transaction would combine two premier companies to create the world's number four player in payment services with circa 20,000 employees in approximately 50 countries with physical presence. Upon closing, the new combined group would offer best-in-class payment services to nearly 1 million merchants and 1,200 financial institutions.

The transaction will be subject to customary closing conditions, including regulatory, merger control clearances and information and/or consultation with employee representative bodies, as well as Worldline shareholders' approval.

It is expected that the tender offer will be filed with the AMF in June or July 2020, once regulatory and merger control clearances processes are in progress.

For more information, in particular related to the terms of the offer, please refer to the press release available at [worldline.com](http://worldline.com) in the Investors section.

### E.2.2.2 Further sale by Atos of c. 13.1% of Worldline share capital on February 4, 2020

On February 4, 2020, Atos has completed the sale of ca. 23.9 million Worldline shares, representing ca. 13.1% of the Worldline share capital.

Following this operation Atos holds ca. 7.0 million Worldline shares, representing ca. 3.8% of the Worldline share capital, which are underlying the exchangeable bonds. In case of exchange in full of the bonds, Atos would no longer hold any Worldline shares and voting rights.

### E.2.2.3 First quarter 2020 revenue

#### E.2.2.3.1 Very fast adaptation of Worldline to the COVID-19 business context

Pandemic is one of the risks addressed by the Group Business Continuity Plans, which was activated as early as February 2020, resulting in a ramp up of the Group's remote working rate along the crisis development and the full compliance with the local regulatory requirements. These measures meet both objectives of protecting the health of the Group's employees and ensuring a continuous delivery of the Group's services.

In addition, Worldline's sales force remained in constant dialogue with its customers and in particular supported retailers for the need for click & collect capacity upgrades, offered temporarily support to merchants to gain longer-term customer engagements and promoted contactless payments and mobile POS systems



Strong actions to adapt the cost base to COVID-19 consequences were also taken, and among others,

- Holidays & restricted hours policy were implemented;
- A freeze on new hirings was put in place; •Salary increase were postponed;
- Supplier contracts were renegotiated;
- Project reviews were conducted; and
- All discretionary expenses, including travel costs, were stopped.

A tight monitoring of merchant risks was also implemented. In that respect, Worldline's high quality risk management teams were reinforced with new members and new tools.

Last, Worldline participated with its partners (banks and payment brands) in numerous countries throughout Europe (Belgium, The Netherlands, Germany, Switzerland, Luxemburg, etc.) to facilitate and implement higher contactless payment authorization limits, in light of WHO recommendations for fostering ePayments and limit the risk of transmitting the COVID-19 virus through bills and coins.

### E.2.2.3.2 Resilient Q1 revenue

For the analysis of the Group's performance, revenue for the first quarter of 2020 is compared with the first quarter 2019 at constant scope and exchange rates, presented in Appendix. Performance for the first quarter 2020, on a like-for-like basis compared with Q1 2019, was as follows:

## Q1 2020 REVENUE PERFORMANCE BY GLOBAL BUSINESS LINES

(In € million)	Revenue		
	Q1 2020	Q1 2019*	% Organic Growth
Merchant Services	267.2	266.3	+0.4 %
Financial Services	223.0	214.2	+4.1 %
Mobility & e-Transactional Services	84.6	83.2	+1.6 %
<b>Worldline</b>	<b>574.8</b>	<b>563.7</b>	<b>+2.0 %</b>

\* At constant scope and March 2020 YTD average exchange rates

**Merchant Services** revenue for the quarter reached **€ 267.2 million**, improving organically by €+1.0 million or **+0.4%** compared to Q1 last year.

After a double digit growth recorded during the first two months of the year, the Business line was impacted by the overall reduction in payment transactions following the social distancing, confinement and lock-down measures adopted in all key geographies where the Group operates, in the context of the COVID-19 sanitary crisis.

In that context, growth for **Merchant Payment Services** (commercial acquiring, online & omni-channel payment acceptance and payment terminals) grew slightly during the first quarter.

- Indeed, an unprecedented reduction in transaction volumes was recorded in sectors strongly impacted by the confinement measures such as tourism & event related businesses (airlines, tour operators and cruise, duty free stores, hospitality, dynamic currency conversion), restaurants, petrol retail and general retail.
- This decrease of transaction as nonetheless partly compensated by much higher transaction volumes with food retailers and drugstores and more online transactions for businesses not impacted by COVID 19, such as gaming of food delivery.

Overall, acquiring transaction volumes have decreased by more than 30% since mid-March compared with the same period last year.

Regarding payment terminals, sales slightly decreased but were overall resilient thanks to higher demand for mobile POS needed for deliveries and to the newly launched VALINA unattended payment terminal.

Lastly, **Merchant Digital Retail** grew slightly as well, partly thanks to higher business with French retailers on "click & drive" or "click & collect" types of solutions.

Revenue in **Financial Services** reached **€ 223.0 million**, improving organically by €+8.8 million or **+4.1%**. As expected, this business line showed an overall resilience in the current economic context thanks to recurring payment flows (such as for payment of rent, utilities, etc.), to newly signed large outsourcing contracts and to ongoing project activity with banks and financial institutions.

Specifically, revenue for Accounts Payments was not affected by COVID 19 and recorded a solid double digit growth rate, primarily fueled by:

- Higher account based payment transaction (+8%);
- The ramp-up of large contracts such as Commerzbank and the newly announced large long-term outsourcing contract with Unicredit in Germany and Austria; as well as
- Revenue recognized on payment license sales.

Digital Banking was unaffected by the current crisis environment as well, benefitting from more Strong Authentications requests for eCommerce transactions (ACS transactions, + 30%; wallet transactions +70%), coupled with higher volumes on e-brokerage.

Issuing processing revenue was slightly impacted by COVID-19 but these impacts were offset by the ramp-up of the OP contract in Finland and by a slight increase in number of cards managed and a +8% growth in number of issuing transactions, reflecting the stronger usage of cards for low value or contactless payments.

Lastly, as expected, Acquiring Processing revenue slightly decreased. Indeed, that division was the most impacted by the COVID 19, as number of transactions processed for local acquirers in The Netherlands, France, Italy and Belgium decreased sharply from March.

**Mobility & e-Transactional Services** revenue reached **€ 84.6 million**, improving organically by €+1.3 million or **+1.6%** compared to last year.

- Trusted digitization revenue grew double digit, thanks to higher business with various French governmental entities, in particular agencies in charge of payment of grants and benefits, of traffic infringement fine collection and in charge of the Digital Personal Medical file. Activity was good in Latin America as well, in particular for the Salta Tax collection contract and with Farmalink.
- Revenue in eConsumer & Mobility declined as planned mostly due to less project and value added device resell revenue recoded this quarter.
- e-Ticketing revenue remained quasi stable, despite being the most impacted by the COVID-19 situation. Indeed, the division suffered from lower ticketing volumes and revenue in the United Kingdom at the very end of the quarter, while benefitting from the continuous development of Tap2Use contracts, and in particular from the project phase of the newly Open Payment contract signed with the Lyon public transport operator SYTRAL.

#### E.2.2.3.3 First quarter 2020 commercial activity and key achievements

##### Merchant Services

Further to the signature of the Subway pan-European contract announced in February, the commercial success of Worldline online payment solutions was further confirmed this quarter with:

- The signature of a contract with the online print and design company Moo, for which Worldline will offer a one stop shop solution for gateway & acquiring across xx countries in Europe.
- A pan-European gateway and acquiring contract with the online musical instrument retailer Gear4music.

Lastly, Worldline successfully penetrated the electric vehicle charging market. Indeed, the Group will provide Alpiq Digital AG, the largest European electric vehicle charging service provider, a mobile application, which will enable drivers to access Alpiq charging stations and to pay for the service, thanks to the integration of Saferpay and WL acquiring into the application.

##### Financial Services

Besides the very large new outsourcing contract signed with Unicredit disclosed thereafter in this press release, commercial activity in Financial Services was very active. In particular:

- Worldline has signed through Brinks a large ATM transaction management contract for BPCE, in which the Group will manage approximately 300 million transactions per year from circa 11,000 ATM over 10 years. This new contract illustrates perfectly Worldline's strategy to expand in the ATM transaction management market, which is currently consolidating;
- A large issuing processing contract was renewed with a leading European financial institution; and
- Worldline was chosen by the Central bank of Curacao & Saint-Martin to switch to instant Payments, further demonstrating the Group's expertise in instant payments.

##### Mobility & e-Transactional Services (MeTS)

**In eTicketing**, Worldline has been selected by SYTRAL, Lyon's region public transport operator, to implement its "Tap 2 Use" solution, enabling travellers to buy and validate their journey just using their EMV cards. That solution, which includes validators, ticketing back office and commercial acquiring, further confirms Worldline's leadership in deploying Open Payment solutions for public transport operators. Also, Worldline has renewed its contract with two rail franchises in the United Kingdom to provide rail operations and passenger information services.

**In eConsumer & mobility**, Worldline will implement its "Smartpush" solution for the broadcasting and monitoring of secured SMS / voice messages, for the French Social Security branch in charge of paying numerous subsidies to French families.

**In Trusted Digitization**, several contracts were renewed or extended. In particular, Worldline has extended its current secured Track and Trace contract with 5 tobacco manufacturers to manage excise rights collection and payment, in the context of the EU Tobacco Product Directive.

##### Backlog

The **backlog** at the end of March 2020 increased to **€ 3.9 billion**.

#### **E.2.2.3.4 Continued execution of the strategic vision of Worldline on all fronts, organic and M&A**

##### **Very large long-term payment outsourcing contract signed with Unicredit**

On February 27, 2020, Worldline has announced the signature of a very large long-term strategic partnership with Unicredit, a leading European financial institution. Worldline will be responsible for the processing of all SEPA (Single Euro Payments Area) payments, instant payments, multi-currency, domestic and high value payments transactions for UniCredit in Austria and Germany. This new major outsourcing contract follows that of Commerzbank announced in 2018 and is a new proof point of the relevance of Worldline's payment outsourcing value proposition, not only as a provider but also as a true sparring partner bringing innovation, price competitiveness and guaranteed regulatory compliance.

##### **Fast progress towards the closing of the Ingenico transaction**

On February 3rd 2020, Worldline and Ingenico have announced a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares and convertible bonds, thereby creating a new world-call leader in payment services with pro forma revenues reaching an estimated c. € 5.3 billion in 2019, out of which c.€ 2.5 billion in merchant payment and transaction-related services. Since its announcement, the transaction has been particularly well received by the customers and the key partners of both groups, highlighting its very compelling industrial and business rationale.

Thanks to the full mobilization of teams on both sides, significant progresses have been made towards the closing of the transaction, which is **expected to close during the third quarter of 2020**.

In particular:

- **All regulatory filings or pre-fillings for required transaction approvals** (Regulatory clearances, Foreign Investment clearance, Antitrust) are completed and/or under discussion with regulators, in line with plan;
- The **French social process was successfully conducted** and particularly, the opinion ("Avis") was received from Ingenico's workers representative body;
- The **bridge financing** for the transaction has been **committed** by a pool of 8 banks for an amount up to € 2.6 billion. That bridge financing will be available for a duration of up to 2 years.

In addition, **preliminary activities to prepare integration** are now **started**, in line with the Worldline Day-1 readiness proven methodology, supported by a joint governance process in place involving senior management from both companies.

##### **Bolt-on acquisition of GoPay, an online payment pure player in Eastern Europe**

On April 8, Worldline signed the acquisition of 53% of GoPay, the leading online collecting payment services provider for small and medium sized businesses (SMB) in the Czech Republic.

Having generated c. €8 million revenue in 2019 and OMDA of c.€ 2 million, GoPay currently employs 45 employees and manages online payments for c. 9,000 e-shops in Czech Republic, with presence in Slovakia and Poland. GoPay's value proposition is based on a quick access to a high quality payment collecting engine fit for the needs of small businesses and offering an extensive range of local payment means.

With this acquisition, Worldline:

- Seizes a rare opportunity to develop its online collecting activity in the fast-growing Eastern Europe market;
- Enhances its local expertise in digital go-to-market;
- Strengthens its market position in the Czech Republic and its partnership with Komerční Banka.

With its double-digit revenue growth track record and solid profitability, GoPay is expected to contribute to reinforce the financial profile of Worldline's Merchant Services division.

The current owner and manager of GoPay, Pavel Schwarz, will continue to be fully involved in the daily operations of the company and will be instrumental in both product development and in achieving the ambitious business plan and synergies.

The transaction is expected to close during the third quarter of 2020, and Worldline has a call to acquire the remaining shares in 2022.

#### **E.2.2.3.5 Worldline financing liquidity**

In the current COVID-19 context, it is reminded that Worldline enjoys excellent short and long term liquidity position as well as BBB/stable rating from S&P. None of its debt instrument is subject to covenant closes.

In particular, as of December 31<sup>st</sup>, 2019:

- The indebtedness of the company was limited to € 641 million, corresponding to a 2019 net debt / OMDA leverage ratio below 1.1x;
- The gross cash position was € 500 million and the Commercial Paper program was used only for a limited amount of € 63 million, which was reimbursed in Q1;
- The revolving credit facility of €600 million was undrawn.

On the longer term:

- Long term debt consists in two bonds issued in the context of the acquisition of equensWorldline minority interests in 2019, a € 600 million convertible bond maturing in 2026 and a € 500 million rated bond maturing in 2024.

Last, regarding the financing for the Ingenico transaction:

- The bridge financing is secured with a pool of 8 banks, for an amount of up to €2.6 billion and up to a maximum duration of two years after expected closing.

#### E.2.2.3.6 Update of the 2020 objectives adapted to the new COVID-19 context

As the 2020 objectives disclosed on February 3, 2020 were pre Covid-19 effect, the Group updates today its three objectives for the full year 2020, as indicated in Section E.3.

## E.2.3 Executive Summary

At constant scope and exchange rates, Worldline **revenue** stood at **€ 2,381.6 million** representing an organic growth of **+6.9%** compared with 2018. Revenue growth accelerated as planned during the year, with +7.3% in H2 2019 (+7.5% in the fourth quarter of the year).

- **Merchant Services**, which represented c.47% of Worldline's revenue, grew by **+6.6%** organically or €+68.9 million and reached € 1,119.4 million, mainly led by Commercial Acquiring and Online & Omni-channel Payment Acceptance. The strong acceleration of Commercial Acquiring was nonetheless partly offset by the anticipated slowdown of Payment Terminal Services;
- Accounting for c.39% of total revenue, **Financial Services** revenue reached € 918.4 million, improving organically by €+51.0 million or **+5.9%** compared to 2018. Growth was particularly strong in *Account Payments*, *Digital Banking* and *Issuing Processing*, with solid transaction volumes, payment software license sales and good level of project activities;
- Representing c.14% of total revenue, **Mobility & e-Transactional Services** revenue reached € 343.8 million, increasing by **+10.8%** organically or €+33.6 million compared to last year, with all three business divisions recorded strong organic growth rates.

#### E.2.2.4 Further sale by SIX of circa 6.0% of Worldline share capital on April 28, 2020

On April 28, 2020, SIX has finalized the sale of approximately 11 million Worldline shares, representing circa 6.0% of Worldline share capital.

Following this sale, SIX holds approximately 16.3% of the share capital of Worldline, which continues to be a strategic investment for SIX. SIX has reiterated its support to Worldline's planned offer on the shares and convertible bonds of Ingenico and will vote in favor of all the necessary resolutions during the June 9, 2020 Extraordinary Shareholders' Meeting.

**By geography**, organic revenue was well distributed with the largest geographies contributing to revenue growth, in particular:

- France (€+52.1 million or +13%);
- Luxemburg and the Netherlands (€+33.9 million or +9.2%);
- Belgium (€+21.8 million or +6.3%);
- Germany and CEE (€+22.7 million or +6.6%); and
- Switzerland (€+27.8 million or +8.5%).

As a percentage of revenue, the Group's **Operating Margin before Depreciation and Amortization (OMDA)** reached **€ 602.1 million** or **25.3%** of revenue. These numbers include the positive impact of the adoption of IFRS 16 of € 40.6 million on OMDA or +170 basis points. Before IFRS 16 impacts, OMDA stood at € 561.5 million or 23.6% of revenue, representing an increase of +240 basis points compared with 2018, in the upper end of the objective bracket set for the year of between 23% and 24%.

The **backlog** at the end of December 2019 remained high at **€ 3.7 billion**.

The **total headcount** was **11,877** at the end of December 2019, **compared to 11,474** at the beginning of 2019. The increase of +3.5% (or +403 staff) of the Group total workforce was due to the net increase in direct workforce of +327 staff, linked to strong business development, in particular in North & South Europe, France, Switzerland, Luxembourg & Netherlands.

## E.2.4 Statutory to constant scope and foreign exchange rates reconciliation

For the analysis of the Group's performance, revenue and OMDA for 2019 is compared with 2018 revenue and OMDA at constant scope and foreign exchange rates.

Reconciliation between the 2018 reported revenue and OMDA and the 2018 revenue and OMDA at constant scope and foreign exchange rates is presented below (per Global Business Lines and geographies):

Revenue						
(In € million)	FY 2018	Reallocation of shared costs between Business Lines according to new structure <sup>2</sup>	Internal Transfers	Scope effects	Exchange rates effects	FY 2018 <sup>1</sup>
Merchant Services	624.3		-0.4	+414.5	+12.2	1,050.5
Financial Services	777.0		+0.4	+86.7	+3.3	867.4
Mobility & e-Transactional Services	319.0				-8.8	310.2
<b>Worldline</b>	<b>1,720.2</b>		<b>0.0</b>	<b>+501.1</b>	<b>+6.7</b>	<b>2,228.1</b>

<sup>1</sup> At constant scope and December 2019 YTD average exchange rates.

<sup>2</sup> Due to new weight of each Business Line after the acquisition of SIX Payment Services, the shared costs have been reallocated accordingly.

Revenue						
(In € million)	FY 2018	Reallocation of shared costs between Business Lines according to new structure <sup>2</sup>	Internal Transfers	Scope effects	Exchange rates effects	FY 2018 <sup>1</sup>
France	396.7		+2.6			399.3
Belgium	356.7		-2.6	-8.1		346.0
Switzerland	29.5			+284.4	+12.7	326.5
Germany & CEE	372.8		-98.3	+68.8	-0.1	343.1
North & South Europe	187.5		+98.3			285.8
Luxemburg	15.7			+156.1		171.8
Netherlands	195.1					195.1
Emerging markets	166.4				-5.9	160.5
<b>Worldline</b>	<b>1,720.2</b>			<b>+501.1</b>	<b>+6.7</b>	<b>2,228.1</b>

<sup>1</sup> At constant scope and December 2019 YTD average exchange rates.

<sup>2</sup> Due to new weight of each Business Line after the acquisition of SIX Payment Services, the shared costs have been reallocated accordingly.

## OMDA

(In € million)	FY 2018	Reallocation of shared costs between Business Lines according to new structure <sup>2</sup>	Internal Transfers	Scope effects	Exchange rates effects	FY 2018 <sup>1</sup>
Merchant Services	132.3	-4.2	-0.4	+48.9	+1.6	178.2
Financial Services	237.1	+2.1	+0.4	+30.5	+1.1	271.2
Mobility & e-Transactional Services	38.8	+2.0			-1.3	39.6
Corporate costs	-17.1					-17.1
<b>Worldline</b>	<b>391.1</b>	<b>+0.0</b>	<b>0.0</b>	<b>+79.3</b>	<b>+1.4</b>	<b>471.9</b>

1 At constant scope and December 2019 YTD average exchange rates.

2 Due to new weight of each Business Line after the acquisition of SIX Payment Services, the shared costs have been reallocated accordingly.

- Following the acquisition of SIX payment Services, the costs shared between the 3 Business Lines have been reallocated according to the new group profile.
- Internal transfers refer to:
  - The reclassification of the United Kingdom business from "Germany, Central & Eastern Europe and UK" to "North & South Europe";
  - The reclassification of some SPS contracts between Financial Services and Merchant Services.
- Scope effects correspond to the addition of SIX Payment Services revenue and OMDA for the first 11 months of 2018.
- Exchange rate effects correspond mainly to the appreciation of the Swiss Franc partly compensated by depreciation of the Argentinian Peso.
- The OMDA table above does not include the effect of the adoption of IFRS 16. The adoption of IFRS 16 is +170 basis points on the 2019 OMDA.

The 2018 figures presented in this operational review are based on the constant scope and foreign exchange rates data.

## E.2.5 Revenue profile

Following the acquisition of SIX Payment Services end of 2018, Merchant Services is now the largest Global Business Line of the Group, representing 47% of the total revenue:

(In € million)	Revenue		
	DEC YTD 2019	Dec YTD 2018*	% of Total
Merchant Services	1,119.4	1,050.5	+47.0%
Financial Services	918.4	867.4	+38.6%
Mobility & e-Transactional Services	343.8	310.2	+14.4%
<b>Worldline</b>	<b>2,381.6</b>	<b>2,228.1</b>	<b>+100.0%</b>

\* At constant scope and Dec 2019 YTD average exchange rates.

Europe remained Worldline's main operational base, generating c.93% of total revenue.

(In € million)	Revenue		
	Dec YTD 2019	Dec YTD 2018*	% of total revenue
France	451.4	399.3	19.0%
Luxembourg & Netherlands	400.8	366.9	16.8%
Belgium	367.8	346.0	15.4%
Germany & CEE	365.8	343.1	15.4%
Switzerland	354.3	326.5	14.9%
North & South Europe	282.3	285.8	11.9%
Emerging markets	159.3	160.5	6.7%
<b>Worldline</b>	<b>2,381.6</b>	<b>2,228.1</b>	<b>100%</b>

\* At constant scope and Dec 2019 YTD Average exchange rates.

## E.2.6 Performance by Global Business Line

(In € million)	Revenue		
	FY 2019	FY 2018*	% Organic Growth
Merchant Services	1,119.4	1,050.5	+6.6%
Financial Services	918.4	867.4	+5.9%
Mobility & e-Transactional Services	343.8	310.2	+10.8%
<b>Worldline</b>	<b>2,381.6</b>	<b>2,228.1</b>	<b>+6.9%</b>

(In € million)	OMDA				
	FY 2019 after IFRS 16 impact	IFRS 16 impact	FY 2019 before IFRS 16 impact	FY 2018*	Org. Var.
Merchant Services	265.3	19.2	246.1	178.2	67.9
Financial Services	307.2	15.1	292.1	271.2	20.9
Mobility & e-Transactional Services	53.4	6.4	47.0	39.6	7.4
Corporate costs	-23.7	-	-23.7	-17.1	-6.6
<b>Worldline</b>	<b>602.1</b>	<b>40.6</b>	<b>561.5</b>	<b>471.9</b>	<b>89.6</b>

(In € million)	OMDA%				
	FY 2019 after IFRS 16 impact	IFRS 16 impact	FY 2019 before IFRS 16 impact	FY 2018*	Org. Var. (in pts)
Merchant Services	23.7%	+1.7 pt	22.0%	17.0%	+5.0 pt
Financial Services	33.4%	+1.6 pt	31.8%	31.3%	+0.5 pt
Mobility & e-Transactional Services	15.5%	+1.9 pt	13.7%	12.8%	+0.9 pt
Corporate costs	-1.0%	-	-1.0%	-0.8%	-0.2 pt
<b>Worldline</b>	<b>25.3%</b>	<b>+1.7 pt</b>	<b>23.6%</b>	<b>21.2%</b>	<b>+2.4 pt</b>

\* At constant scope and December 2019 YTD average exchange rates.

### E.2.6.1 Merchant Services

(In € million)	Merchant Services				
	2019 after IFRS 16 impact	IFRS 16 impact	2019 before IFRS 16 impact	2018*	% Organic Growth
Revenue	1,119.4		1,119.4	1,050.5	+6.6%
OMDA	265.3	19.2	246.1	178.2	
% OMDA	23.7%	+1.7 pt	22.0%	17.0%	+5.0 pt

\* At constant scope and December 2019 YTD average exchange rates.

**Merchant Services**, which represented c.47% of Worldline's revenue, grew by **+6.6%** organically or **€+68.9 million** and reached **€ 1,119.4 million**.

- **Commercial Acquiring** grew double digit, benefiting particularly from:
  - The fast in-store transaction volume growth, triggered notably by the increased usage of payment card for low value purchase and the rapid adoption of contactless payments;
  - The continuous very strong increase of e-commerce payment transactions thanks particularly to the successful deployment of commercial offers specialized by market verticals;
  - Solid volume growth of value added services such as Dynamic Currency Conversion.
- Revenue in **Online and Omni-channel Payment Acceptance** grew high single digit, mainly driven by additional volumes and new customers in France, Switzerland, Austria and large international customers.
- Sales of **Payment Terminals** decreased overall in 2019. Revenue nevertheless recovered during the second

semester and was nearly stable, enjoying a higher demand for newly launched products (mainly the new VALINA terminal) and from synergies with SIX Payment Services.

- **Merchant Digital Services**, which is the smallest business unit of the Business Line, decreased slightly mainly due to lower sales of digital kiosks in the UK.

Growth in Merchant Services remained globally very strong, notably for acquisition and acceptance services, and has reached +9.4% excluding Payment Terminals.

**Merchant Services' OMDA** was up by **+500 basis points** at the end of December 2019 compared to the same period last year (€+67.9 million) and reached **€ 265.3 million** or 23.7% of revenue (including an impact of +170 basis points due to the adoption of IFRS 16), thanks to:

- Good business trends in Commercial Acquiring and Online and Omni-channel Payment Acceptance;
- Positive effect of the realized synergies of the combination of SIX Payment Services with the former Worldline scope, in accordance with the combined business plan; and
- The impacts of transversal productivity improvement actions (TEAM<sup>2</sup> program).

### E.2.6.2 Financial Services

(In € million)	Financial Services				
	2019 after IFRS 16 impact	IFRS 16 impact	2019 before IFRS 16 impact	2018*	% Organic Growth
Revenue	918.4		918.4	867.4	+5.9%
OMDA	307.2	15.1	292.1	271.2	
% OMDA	33.4%	+1.6 pt	31.8%	31.3%	+0.5 pt

\* At constant scope and December 2019 YTD average exchange rates.

Accounting for c.39% of total revenue, **Financial Services** revenue reached **€ 918.4 million**, improving organically by **€+51.0 million** or **+5.9%** compared to 2018.

- **Account Payments** revenue grew double digit, benefitting from good SEPA payment transaction volumes in Germany,

Italy and the Netherlands but also volume growth on transactions on the Dutch iDEAL scheme. In addition, the division benefited from the ramp-up of the large Commerzbank outsourcing contract signed last year.



- **Digital Banking** revenue grew double digit as well thanks to good business trends, in particular related to PSD2 compliance.
- **Issuing processing** grew high single digit thanks mainly to good growth in volumes of card payments, continuous increase of 3D-Secure and strong authentications transactions and revenue recognized on payment software licenses.
- Despite a recovery during the second semester, **Acquiring processing** revenue decreased slightly, mostly due to a high comparison basis last year.

**Financial Services' OMDA** was up by **+50 basis points** at the end of December 2019 compared to the same period last year (€+20.9 million organically) and reached **€ 307.2 million** or 33.4% of revenue (including an impact of +160 basis points due to the adoption of IFRS 16), thanks mainly to the aforementioned strong business trends in Issuing Services, *Account Payments* and *Digital Banking* and further efficiency gains from TEAM<sup>2</sup>, equensWorldline and SIX Payment Services synergy programs.

### E.2.6.3 Mobility & e-Transactional Services

	Mobility & e-Transactional Services				
	2019 after IFRS 16 impact	IFRS 16 impact	2019 before IFRS 16 impact	2018*	% Organic Growth
(In € million)					
Revenue	343.8		343.8	310.2	+10.8%
OMDA	53.4	6.4	47.0	39.6	
% OMDA	15.5%	+1.9 pt	13.7%	12.8%	+0.9 pt

\* At constant scope and December 2019 YTD average exchange rates.

Representing c.14% of total revenue, **Mobility & e-Transactional Services** revenue reached **€ 343.8 million**, increasing by **+10.8%** organically or **€+33.6 million** compared to last year.

All three business divisions recorded strong organic growth rates:

- **Revenue in e-Ticketing** expanded thanks to the development of Tap2Use contracts in various French cities as well as the ramp up of the *e-Ticketing* contract signed last year for the Paris region. Latin America also contributed to this growth;
- **Trusted Digitization** benefited from good transaction volume and project activity, notably on services related to Tobacco tracing for excise collection, as well as with various government agencies;

- **E-Consumer & Mobility** grew high single digit, mainly driven by the continuous increase of Contact contracts with French customers as well as the good contribution of volume growth in Connected Living and Mobility activities.

**Mobility & e-Transactional Services OMDA** reached **€53.4 million** or 15.5% of revenue (including an impact of +190 basis points due to the adoption of IFRS 16), increasing organically by €+7.4 million or **+90 basis points** compared to December last year. Key reasons for this increase were:

- Good business trends in all business divisions due to recently won contracts;
- The productivity improvement with the increased scalability of the platforms;
- Impacts of TEAM<sup>2</sup> actions.

## E.2.7 Performance by geography

The primary operating segments of the Group are the *Global Business Lines* ("GBLs"). The secondary axis is by geography, for which revenue is presented below.

The revenue presented in one geography can refer to sales or services rendered in different countries or regions (for example, most of the sales of payment Terminals worldwide are reported under Belgium revenue).

(In € million)	Revenue			
	Dec YTD 2019	Dec YTD 2018*	Delta M€	% Growth
France	451.4	399.3	+52.1	+13.0%
Luxembourg & Netherlands	400.8	366.9	+33.9	+9.2%
Belgium	367.8	346.0	+21.8	+6.3%
Germany and CEE	365.8	343.1	+22.7	+6.6%
Switzerland	354.3	326.5	+27.8	+8.5%
North & South Europe	282.3	285.8	-3.5	-1.2%
Emerging markets	159.3	160.5	-1.2	-0.8%
<b>Worldline</b>	<b>2,381.6</b>	<b>2,228.1</b>	<b>+153.6</b>	<b>+6.9%</b>

**France** posted revenue of € 451.4 million, increasing organically by **+13.0%** in 2019, primarily thanks to a double digit growth recorded in Mobility & e-Transactional Services mainly driven by *Trusted Digitization* and *e-Ticketing*. Financial Services grew double digit as well and revenue in Merchant Services grew high single digit.

Revenue in **Luxembourg & the Netherlands** was € 400.8 million and grew **+9.2%** organically thanks to a strong double digit growth in Merchant Services.

**Belgium** had revenue of € 367.8 million in 2019, up **+6.3%** organically. That growth was primarily fuelled by Merchant Services and notably by Commercial Acquiring. Financial Services, in particular *Issuing Processing*, and Mobility & e-Transactional Services also contributed to growth.

**Germany, Central & Eastern Europe** revenue reached €365.8 million (**+6.6%** organic growth), out of which € 81.3 million in Austria (+8.7%), supported by the strong growth of *Account Payments*, which benefitted in particular from the ramp-up of the Commerzbank Contract

Revenue in **Switzerland** was € 354.3 million (**+8.5%** organically), led by Commercial Acquiring in Merchant Services and by *Acquiring Processing* in Financial Processing.

Sales in **North & South Europe** slightly decreased by **-1.2%** organically, reaching € 282.3 million, mainly due to a high comparison basis in 2018 in *Acquiring Processing*.

Revenue in **Emerging Markets** (€159.3 million, **-0.8% organically**) was overall nearly stable, with a double-digit growth in Latin America offset by a decrease in Asia-Pacific due to a high comparison basis in 2018.

## E.2.8 Commercial activity

### E.2.8.1 Main achievements and contract signings

#### Merchant Services

Commercial Acquiring was very dynamic in 2019, with number of transactions acquired growing double digit globally in Continental Europe (+16% for in-store transactions and +32% for on-line transactions).

Numerous new or extended contracts with prominent brands were signed in 2019 among other:

- A new e-commerce Pan-European commercial acquiring contract was signed with **American Express Global Business Travel**, one of the largest global B2B travel agents. Worldline was awarded that service in 16 European countries as well as in Hong Kong, for a 3-year period;

- A significant contract was signed with **Paypal** facilitating mobile and online payment processing in Brazil;
- A full e-commerce acquiring and acceptance contract was signed with **Samsonite**, for their repair business as well as their e-stores in 15 European countries;
- The contract with **Multipharma**, a large pharmacy chain store, was renewed and extended with additional eCommerce services added to the existing in store acquiring contract, illustrating Worldline efficient cross-selling and the successful development of omni-channel systems for its customers;

- Worldline has been selected to provide state-of-the art payment solutions to **Subway restaurants** across several European countries. Worldline's solution includes POS and E-Commerce acceptance. Subway and its franchise owners will also benefit from Worldline's commitment to omni-channel solutions and in particular from a consolidated reporting of all payment flows, regardless of their origin. Additional features include the optional DCC (Dynamic Currency Conversion) in tourist or multi-currency locations as well as POS-advertising capabilities.

The **specialization of payment services by global verticals** and the **Pan-European reach** of commercial acquiring post the SIX Payment Services acquisition continue to support the growth of the Company. In particular, a large acquiring contract was renewed and significantly extended with a major retailer operating more than 3,000 stores in rails stations and airports, consisting in acquiring, DCC services and payment terminal provisioning in 4 large European countries.

In addition, after the successful deployment Worldline's **unattended payment terminal VALINA** for bike sharing infrastructures, new large orders were received from vending machine operators such as and operators of shared mobility solutions and smart city related activities. With the doubling of the number of units in operation only twelve months after the start of the commercial campaign, Worldline confirms the quality of the VALINA value proposition for the unattended commerce market.

In terms of product innovation:

- Worldline successfully made its acquiring and e-commerce platforms **compliant with the new 3D Secure 2.0 standard**, with live transactions already performed for European retailers allowing them to prepare their readiness well ahead of the regulatory deadline;
- WeChat Pay** was launched in Switzerland during the third quarter; and
- With the introduction of **UnionPay and Alipay acceptance in the duty free stores** at Budapest Airport, Worldline enhances its positioning in the European travel retail market by catering for the needs of the growing number of Chinese travellers across Europe.

Lastly, revenue synergies with SIX Payment services materialize fast, with in particular a **payment collecting** solution developed with Citibank for **Shell** in Germany and the deployment of SPS's online gateway **Saferpay** to the broader Worldline client base.

## Financial Services

Further to the contract won last year with Commerzbank, significant progress was made on large commercial engagements in continental Europe reinforcing confidence to sign these new contracts in the coming months, in particular for account-based payment back-office.

In addition, main contract signings in Financial Services also include:

- Contract extension for Commerzbank** for PSD2 compliance;
- New **ATM transaction processing** management contracts in France and in the Baltics;
- A 3-year **extension of a processing contract** with one of **equensWorldline's key clients**; and
- Various **contracts renewals** across Europe.

Sales synergies with SIX Payment Services enabled the signature of a large contract for on-line payment dual factor authentication with a **large organization in the DACH region** (Austria, Germany and Switzerland).

During the year, Worldline helped numerous European banks to be compliant with the upcoming **PSD2** and to take benefit from this new regulation. Key achievements in this respect included the following:

- As many as **25 banks in seven European countries have reached the first milestone for PSD2 compliance on time**, via the PSD2 compliance solution and services from equensWorldline;
- equensWorldline has expanded its **Trusted Authentication** solution by **adding fingerprint and FaceID** security options. The addition of biometric features further enhances the security of strong customer authentication and is PSD2 and FIDO (Fast Identity Online) compliant;
- Five German banks have already subscribed to **Worldline's Authentication-Process-Management (APM)** service, managing exemptions of strong customer authentication on specific payment types while reducing friction as much as possible during the payment checkout;
- Numerous European banks, including new banks in Luxembourg, Finland and Germany, have now signed for Worldline's **PSD2 fraud reporting solution**.

**Following the increased penetration of mobile payments in Central Europe**, mobile payment services (card enrolments, transaction processing) have gone live with several banking groups in Germany, Austria and Luxemburg.

**In Account based payments**, due to the large-scale launch of real-time payments in the Netherlands, equensWorldline has become the **biggest processor of instant payments in the Eurozone**, handling already close to one million instant payment transactions per day.

Lastly, Worldline won from the PayTech Awards 2019 the **"Best Open Banking Solution Provider"** for the Worldline *Digital Banking Platform*.

## Mobility & e-Transactional Services

Commercial activity was strong during the year in Mobility & e-Transactional Services, in all 3 divisions:

In **e-Ticketing**, following an exceptional year in 2018, with the launch of Open Payment in Dijon and the signature of Ile-de-France Smart Navigo project, Worldline has confirmed its successes by winning, among other, the following contracts:

- A ticketless smartphone solution for the Navigo transportation pass;
- The contract extension with Thalys International for on board ticketing devices;
- A contract related to the build of a mobility pass for a city in France, combining public transport, car sharing and biking;
- An Open Payment service for shuttle buses connecting airports with the city center;
- A new city in France for a Tap2Use ticketing solution to provide open payment services allowing travellers to use their contactless payment cards as tickets.

Worldline confirmed the success of its Mobile point-of-sale system, @Station, by signing new contracts with 3 UK rail franchises. @Station will be used by station staff on and around the concourse to sell tickets and to resolve faster customer queries, improving customer satisfaction.

In terms of innovation, Worldline and Trapeze, a leader in intelligent transport systems, have developed a truly hands-free payment solution that allows passengers using public transport to pay for their ticket by automatically detecting their entire journey using Bluetooth.

### In Trusted Digitization:

- Worldline has renewed its contract with Bourgogne-Franche-Comté region in France to provide its highly secured public services digitization services platform;

- Also, Worldline has renewed its contracts for the *Issuing Processing* of 2 of the main German health insurances cards and has signed several new contracts in Latin America to digitize and validate medical prescriptions for a health insurance payment organization;
- Last, the French Agence de Services et de Paiements contracted with Worldline to assist low-income households to pay their energy bills through the *chèque énergie*.

### In e-Consumer & Mobility:

- Worldline customer engagement platform "Contact" continues to attract interest from major financial institutions. Worldline has been selected by a major Belgium bank, for a multi-channel solution including artificial intelligence, semantic analysis and biometry and another one was extended with a French mutual insurance company. Also, the contract with a large French telecommunication operator has been extended;
- In Connected Living, contracts related to security for smart meters, which allow more efficient energy bill payments were signed in Austria and the Netherlands, while the industrial IoT offer from Worldline did renew an important contract with a significant German customer. Also, in the United Kingdom, Worldline signed a contract with Siemens to supply its new Digital Doorman solution, a unique cyber-security platform that ensures fully secured and transparent machine access management for vendors and service staff.

## E.2.8.2 Backlog

The **backlog** at the end of December 2019 remained high at **€ 3.7 billion**.

## E.2.9 SIX Payment Services integration and synergy plans

The integration of SIX Payment Services is progressing very well and slightly ahead of plan. Quality and cultural fit of teams enable very fast and good progresses and all integration tracks were above target for 2019 in terms of synergies, while former SPS customer satisfaction is fully matching Worldline benchmark.

The Group therefore fully confirms the total of circa €110 million run rate OMDA synergies expected with SIX Payment Services in 2022, of which circa 25% in 2019 and circa 50% in 2020.

## E.2.10 Human resources [GRI 102-4] [GRI 102-7] [GRI 102-8]

### Headcount evolution

The **total headcount** was **11,877** at the end of December 2019, compared to **11,474 at the beginning of 2019**. The increase of +3.5% (or +403 staff) of the Group total workforce was due to the net increase in direct workforce of +327 staff, linked to strong business development, in particular in North & South Europe, France, Switzerland, Luxembourg & the Netherlands.

The number of direct employees at the end of December 2019 was 10,779, representing 90.8% of the total Group headcount. That proportion remained stable. Indirect staff was 1,098, a small increase since the beginning of the year (+76 employees).

Headcount movements at the end of December are detailed by nature and country here below:

Headcount	Opening Jan-19	Scope effects	Hiring	Leavers	Dismiss/ Restruc	Other	Closing Dec-19	Changes	%
France	3,083		+369	-132	-17	-69	3,234	+151	+4.9%
Luxembourg & Netherlands	1,146	+0	+145	-83	-6	-27	1,175	+29	+2.5%
Belgium	1,115		+97	-58		-32	1,122	+7	+0.6%
Germany and CEE	1,423		+154	-125		-7	1,445	+22	+1.5%
Switzerland	524		+101	-39	-23	+16	547	+23	+4.4%
Emerging markets	1,597	+6	+364	-349	-1	-17	1,594	-3	-0.2%
North & South Europe	1,564		+191	-126	-52	+85	1,662	+98	+6.3%
<b>Direct</b>	<b>10,452</b>	<b>+6</b>	<b>+1,421</b>	<b>-912</b>	<b>-99</b>	<b>-83</b>	<b>10,779</b>	<b>+327</b>	<b>+3.1%</b>
<b>Indirect</b>	<b>1,022</b>		<b>+149</b>	<b>-86</b>	<b>-6</b>	<b>+19</b>	<b>1,098</b>	<b>+76</b>	<b>+7.4%</b>
<b>Total (Direct + Indirect)</b>	<b>11,474</b>	<b>+6</b>	<b>+1,570</b>	<b>-998</b>	<b>-105</b>	<b>-64</b>	<b>11,877</b>	<b>+403</b>	<b>+3.5%</b>

## E.3 2020 Objectives [GRI 102-7]

As the 2020 objectives disclosed on February 3, 2020 were pre Covid-19 effect, the Group has updated on April 23, 2020 its three objectives for the full year 2020, consistently with the macro-economic and sanitary scenario described below.

Consequences of the COVID-19 pandemic are expected to last for the whole year 2020, due to exceptional social and economic restriction measures taken by governments in most of the Group's key markets. In this context, the Group has retained the following scenario for its analysis:

- **During Q2, Worldline anticipates that activities will remain severely restricted:** Lock down of non-essential retail and strict confinement and/or social distancing measures maintained during most of the quarter;
- **During H2 2020, the scenario is based on a very gradual lift of government constraints:** General "non-essential" retail re-opening and increase of domestic payment flows allowing a progressive business recovery, while very limited international travel, tourism and related businesses are anticipated. Postponement of all key conventions and events (sporting, corporate, festivals, concerts & leisure, etc.) to 2021.

These objectives are expressed at constant exchange rates. They rely also on the absence of change in scope and of significant change in accounting standards.

These objectives have been built on a comparable basis versus historical financial information, and according to Group's accounting standards.

Based on these hypotheses, the Group expects a full year 2020 financial performance broadly in line with 2019, as follows:

### Revenue

The Group expects its 2020 full year revenue, to be flat or decreasing by a low single digit compared with 2019 at constant scope and foreign exchange rates.

### OMDA

The Group expects a 2020 full year OMDA percentage at constant scope and foreign exchange rates around 25%, circa the same percentage than 2019.

### Free cash flow

The Group targets circa the same cash conversion percentage (free cash flow divided by OMDA) than in 2019<sup>1</sup>.

<sup>1</sup> Excluding Ingenico transaction acquisition costs.

## E.4 Financial review [GRI 102-7]

### E.4.1 Income statement

The Group reported a net income (attributable to owners of the parent Worldline SA) of € 311.2 million for the full year 2019 (€ 100.5 million for the full year 2018), which represented 13.1% of Group revenue for the period. The normalized net income

before unusual and infrequent items (net of tax) for the period was € 300.5 million, representing 12.6% of revenues compared to € 154.2 million in 2018.

#### E.4.1.1 Reconciliation from operating margin to net income

(In € million)	12 months ended December 31, 2019	% Margin	12 months ended December 31, 2018	% Margin
<b>Operating margin</b>	<b>442.6</b>	<b>18.6%</b>	<b>292.9</b>	<b>17.0%</b>
Other operating income/(expenses)	-148.3		-87.0	
<b>Operating income</b>	<b>294.3</b>	<b>12.4%</b>	<b>205.9</b>	<b>12.0%</b>
Net financial income/(expenses)	121.7		-20.4	
Tax charge	-75.0		-45.3	
Share of net profit/(loss) of associates	-2.9		-0.8	
Non-controlling interests and associates	-26.8		-38.9	
<b>Net income – Attributable to owners of the parent</b>	<b>311.2</b>	<b>13.1%</b>	<b>100.5</b>	<b>5.8%</b>
<b>Normalized net income – Attributable to owners of the parent*</b>	<b>300.5</b>	<b>12.6%</b>	<b>154.2</b>	<b>9.0%</b>

\* Defined hereafter.

Net financial income includes the cancellation of contingent liability linked to the acquisition of SIX Payment Services representing an income of € 117.6 million (cf. Note 1 Main changes in the scope of consolidation).

#### E.4.1.2 Operating Margin before Depreciation and Amortization

Operating margin before depreciation and amortization (OMDA) represents the underlying operational performance of the current business and is analysed in the operational review.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018	Variation
<b>Operating margin</b>	<b>442.6</b>	<b>292.9</b>	<b>149.7</b>
+ Depreciation of fixed assets	142.9	94.9	48.0
+ Net book value of assets sold/written off	7.3	4.2	3.1
+/- Net charge/(release) of pension provisions	9.1	4.8	4.3
+/- Net charge/(release) of provisions	0.2	-5.6	5.8
<b>OMDA</b>	<b>602.1</b>	<b>391.1</b>	<b>211.0</b>

The 2019 depreciation of fixed assets includes 39.1 M€ of Right-of-use amortization (Refer to Note 9 Right-of-use assets & lease liabilities).

### E.4.1.3 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent. They represent a net cost € 148.3 million in 2019 with more than half corresponding to customer relationship amortization. The following table presents this amount by nature:

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Staff reorganization	-3.8	-3.6
Rationalization and associated costs	-3.3	-3.9
Integration and acquisition costs	-39.6	-39.8
Equity based compensation & associated costs	-19.9	-16.2
Customer relationships and patents amortization	-75.9	-20.9
Other items	-5.7	-2.5
<b>Total</b>	<b>-148.3</b>	<b>-86.9</b>

**Staff reorganization** expenses of € 3.8 million increased by € 0.2 million compared to last year and correspond mainly to the restructuring costs induced by the recent acquisitions.

The € 3.3 million of **rationalization and associated costs** resulted mainly from costs linked to the TEAM<sup>2</sup> program, including administrative back office transformation. Those costs have decreased by € 0.6 million compared to 2018.

**Integration and acquisition** costs reached € 39.6 million which represents a decrease of € 0.2 million compared to the prior period. SIX Payment Services integration costs represent a large part of this amount.

The 2019 **customer relationships amortization** of € 75.9 million corresponds mainly to:

- € 59.0 million of SIX Payment Services customer relationships, technologies and patents;
- € 10.0 million of Equens and Paysquare customer relationships;
- € 2.3 million of MRL Posnet customer relationships and technologies;
- € 2.2 million of Cataps (KB Smartpay) customer relationships.

Net cost of financial debt of € 5.5 million is made up of:

- € 6.3 million of cost of gross debt of the Group's subsidiaries representing an average interest rate of 0.6%. Those costs include interest linked to convertible bonds for € 2.6 million and bond for € 0.6 million;
- € 0.8 million of remuneration of gross cash of the Group's subsidiaries representing an average interest rate of 0.1%.

The non-operational financial income was mainly composed of:

- The cancelation of contingent liability linked to the acquisition of SIX Payment Services representing an income of € 117.6 million (cf. Note 1 Main changes in the scope of consolidation);
- The recognition in the consolidated income statement of the variation of the fair value of the Visa preferred shares for a profit of € 24.2 million;
- Foreign exchange losses for € 9.7 million;
- IFRS 16 impacts for an expense of € 3.6 million; and
- Pension financial costs for € 2.3 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded (cf. Note 10 Pensions and similar benefits).

### E.4.1.4 Net financial expenses

Net financial income amounted to € 121.7 million for the period (compared to an expense of € 20.4 million in 2018) and was made up of:

- A net cost of financial debt of € 5.5 million (€ 0.8 million in 2018); and
- A non-operational financial income of € 127.2 million (€ -19.6 million in 2018).

### E.4.1.5 Corporate tax

The tax charge at the end of December 2019 was € 75.0 million with a profit before tax of € 416.0 million. The annualized Effective Tax Rate (ETR) was 18.0% (24.4% in 2018).

Excluding cancelation of contingent liability linked to the acquisition of SIX Payment Services representing an income of € 117.6 million, the ETR would have been 25.1%.



### E.4.1.6 Non-controlling interests and associates

The non-controlling interests and associates at the end of December 2019 was € 26.8 million compared to € 38.9 million in 2018 and represented 36.4% of the net result of

equensWorldline for the 9 first months of the year 2019, before exercise of Worldline call option to acquire the 36.4% minority stake and take full ownership of equensWorldline.

### E.4.1.7 Normalized net income

The normalized net income is defined as net income excluding unusual and infrequent items (Group share), net of tax. For 2019, the amount was € 300.5 million.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Net income – Attributable to owners of the parent</b>	<b>311.2</b>	<b>100.5</b>
Cancellation of the contingent liability linked to the acquisition of SIX Payment Services	-117.6	
Other operating income and expenses (Group share)	142.5	75.9
Tax impact on unusual items	-35.5	-22.2
<b>Normalized net income – Attributable to owners of the parent</b>	<b>300.5</b>	<b>154.2</b>

### E.4.1.8 Earnings per share

The number of shares as at January 1, 2019 was 182,554,917 shares. The weighted average number of shares amounts to 182,025,225 shares for the period. As at the end of December 2019, potential dilutive instruments comprised stock subscription (equivalent to 909,289 options) and convertible bonds effect (equivalent to 2,453,010 options).

(In € million)	12 months ended December 31, 2019	% Margin	12 months ended December 31, 2018	% Margin
<b>Net income [a]</b>	<b>311.2</b>	<b>13.1%</b>	<b>100.5</b>	<b>5.8%</b>
<b>Diluted net income [b]</b>	<b>312.9</b>	<b>13.1%</b>	<b>100.5</b>	<b>5.8%</b>
<b>Normalized net income [c]</b>	<b>300.5</b>	<b>12.6%</b>	<b>154.2</b>	<b>9.0%</b>
<b>Normalized diluted net income [d]</b>	<b>302.3</b>	<b>12.7%</b>	<b>154.2</b>	<b>9.0%</b>
Average number of shares [e]	182,025,225		137,263,059	
Impact of dilutive instruments	3,362,300		1,016,824	
Diluted average number of shares [f]	185,387,525		138,279,882	
(In EUR)				
<b>Basic EPS [a]/ [e]</b>	<b>1.71</b>		<b>0.73</b>	
<b>Diluted EPS [b]/ [f]</b>	<b>1.69</b>		<b>0.73</b>	
<b>Normalized basic EPS [c]/ [e]</b>	<b>1.65</b>		<b>1.12</b>	
<b>Normalized diluted EPS [d]/ [f]</b>	<b>1.63</b>		<b>1.12</b>	



## E.4.2 Cash flow

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>602.1</b>	<b>391.1</b>
Capital expenditures	-113.9	-105.5
Lease expenditures (Lease under IFRS 16)	-41.6	
Change in working capital requirement	-46.3	21.1
<b>Cash from operation</b>	<b>400.3</b>	<b>306.7</b>
Taxes paid	-57.4	-49.9
Net cost of financial debt paid	-2.8	-0.8
Reorganization in other operating income	-5.4	-3.5
Rationalization & associated costs in other operating income	-3.3	-3.9
Integration and acquisition costs	-39.6	-36.1
Net Long term financial investments	14.9	-1.9
Other changes*	-19.2	-3.1
<b>Free Cash Flow</b>	<b>287.6</b>	<b>207.5</b>
Net material acquisitions	-1,094.8	-387.8
Contingent liability at fair value	117.6	-117.6
Capital increase	10.9	8.3
Portion of convertible bonds in equity/debt	79.4	
Share buy-back	0.0	-45.1
Dividends paid	-11.8	-6.8
<b>Change in net cash/(debt)</b>	<b>-611.2</b>	<b>-341.5</b>
<b>Opening net cash/(debt)</b>	<b>-35.0</b>	<b>309.1</b>
Change in net cash/(debt)	-611.1	-341.5
Foreign exchange rate fluctuation on net cash/(debt)	2.1	-2.7
Excl. Of former Finance lease (Post IFRS 16 effect)	2.8	
<b>Closing net cash/(debt)</b>	<b>-641.3</b>	<b>-35.0</b>

\* "Other changes" include other operating income and expense with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), and other financial items with cash impact, net long term financial investments excluding acquisitions and disposals.

The Group elected to exclude the lease liabilities from the Group net debt definition. Therefore, Free Cash Flow as per Group definition will remain comparable with prior years.

**Free cash flow** represented by the change in net cash or net debt, excluding equity changes (notably cash received from the exercise of stock options), dividends paid, impact of foreign exchange rate fluctuation on opening net cash balance, and net acquisitions and disposals, reached € 287.6 million compared to € 207.5 million in 2018 corresponding to an increase of +38.6%.

**Cash From Operations** amounted to € 400.3 million and increased by € 93.6 million compared to last year, including the following items:

- OMDA (€+211.1 million);
- Higher capital expenditures (€ 8.4 million);
- Lease expenditure (first application of IFRS 16) (€-41.6 million);
- Lower improvement in change in working capital requirement (€-67.4 million).

**OMDA** of € 602.1 million, representing an increase of €+211.1 million compared to 2018, reached 25.3% of revenue (restated from IFRS 16 it would have been 23.6%) versus 22.7% of revenue in 2018 (excluding IFRS 16 impact).

**Capital expenditures** amounted to € 113.9 million or 4.8% of revenue below the level of 2018 at 6.1%. The part related to investments in software platforms through capitalized cost, in connection with the modernization of proprietary technological platforms amounted to € 42.1 million.

The negative **change in working capital requirement** was € 46.3 million. The DSO ratio reached 31 days at the end of December 2019 (33 days in December 2018), while the DPO was 73 days (87 days in December 2018). The Group may factor part of its account receivables in the normal course of its day to day treasury management. Amount of receivables factored as at December 30, 2019 is non-significant and below the level of December 30, 2018.

Cash out related to **taxes paid** reached € 57.4 million increasing by € 7.5 million compared to 2018.

Net outflow related to **cost of net debt** of € 2.8 million included the costs linked to the financing of the acquisition of Equens Worldline minority interests.

Cash outflow linked to **reorganization costs** and **rationalization costs** represented respectively € 5.4 million and € 3.3 million.

**Integration costs** of € 39.6 million included a large part of costs linked to the integration of SIX Payment Services and cost related to post acquisition integrations.

**Net financial investments** amounted to € 14.9 million. It includes in particular collection related to Visa receivable for € 14.3 million.

**Other changes** of € -19.2 million corresponded mainly to € -11.3 million of other items of Other operating income and expenses and € -7.9 million of other financial costs.

As a result, the **Free Cash Flow (FCF)** generated in 2019 was € 287.6 million.

The **net material acquisitions** of € 1,094.8 million represented mainly the acquisition of the 36.4% minority interests of

Equens Worldline (€ 1,070.9 million) and the net cash effects linked to the acquisitions of SIX Payment Services.

The impact of **fair value of the contingent liability** linked to the acquisition of SIX Payment Services was € 117.6 million (cf. Note 1 Main changes in the scope of consolidation).

In 2019, the € 10.9 million **Capital increase** corresponded to the issuance of common stock following employee's exercise of stock options and the employee share purchased plan BOOST.

Net cash effect of **convertible bond** implemented in July 2019 reached € 79.4 million.

**Dividends** paid to minority shareholders of equensWorldline amounted to € 11.8 million.

**Foreign exchange rate** fluctuation which is determined on debt or cash exposure by country had a positive impact of € 2.1 million.

## E.4.3 Financing policy

### Financing structure

Worldline's expected liquidity requirements are currently fully covered by the gross cash and long-term committed credit facility.

In this respect, on December 20, 2018, Worldline SA (as Borrower) signed a five-year Revolving Credit Facility (the "Facility") for an amount of € 600 million, maturing in December 2023 with an option for Worldline to request the extension of the Facility maturity date until December 2025. In October 2019, first extension has been requested and approved by the banks. The revolving credit facility maturity date is now December 2024.

Under the terms of the initial agreement, the Facility included one financial covenant, which was the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) that should not be greater than 2.5 times. In December 2019, the cancellation of the financial covenant was obtained and the Facility does not include any more this financial covenant.

The Facility has been arranged by a syndicate of 13 international banks. The Facility will be available for general corporate purpose. At the end of December 2019, the Facility is not used.

Furthermore, Worldline has issued a "Negotiable European Commercial Papers" program (NEU CP) on April 12, 2019 to optimize its financial charges and improve Group's cash for a maximum initial amount of € 600 million. At the end of December 2019, the outstanding amount of the program was € 63 million.

In addition Worldline has issued on July 30, 2019 interest-free bonds convertible into new shares and/or exchangeable for

existing shares of Worldline for an amount of € 600 million maturing on July 30, 2026, unless the bonds have been subject to early redemption, conversion or purchase and cancellation. Worldline has issued subsequently, on September 18, 2019, bonds for an amount of €500 million. Such bonds are to mature on September 18, 2024 and produce interest of 0.25% per year on the outstanding principal amount. These two bonds have financed the acquisition of the 36.4% minority stake of EquensWorldline, which has been paid entirely in cash during September 2019.

On March 30, 2020 Worldline entered into a mandate letter providing the terms and conditions under which a pool of banks commit to enter into a bridge facility agreement upon Company's request for an amount of € 2.6 billion and for a one year maturity (with options for extension) in order to finance the contemplated acquisition of Ingenico as announced on February 3, 2020 (for additional information, refer to Section A.5.2).

### Investment grade rating

On September 4, 2019, Standard & Poor's Global has assigned an "investment grade" BBB issuer credit rating to Worldline, with a stable outlook. This rating was affirmed on February 3, 2020 in the context of the planned acquisition of Ingenico.

### Investment policy

Worldline has a policy to lease its office space and other real estate assets either administrative or technical. Some other fixed assets such as IT equipment and company cars may be financed through leases depending on the cost of funding and on the most appropriate type of financing for each new investment.

## E.5 Consolidated financial statements

### E.5.1 Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2019

*This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required by European Regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To Annual General Meeting of Worldline,

#### Opinion

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying consolidated financial statements of Worldline for the year ended December 31, 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

#### Basis for Opinion

##### Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory auditors' responsibilities for the audit of the consolidated financial statements" section of our report.

#### Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in article 5 (1) of Regulation (EU) No. 537/2014 or in the French Code of ethics (*Code de Déontologie*) for statutory auditors.

#### Emphasis of matter

Without qualifying our opinion, we draw your attention to the Note A.1.6.2 Basis of preparation and accounting principles of the notes to the consolidated financial statements, which reflects a change in the accounting policy regarding the first application of IFRS 16 "Leases" from January 1, 2019.

#### Justification of Assessments – Key Audit Matters

In accordance with the requirements of articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de Commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the year, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

**Revenue recognition related to development projects and/or migration of platform with customers**  
**Note 3 Revenue, segment information and trade accounts of consolidated financial statements**

**Key Audit Matter**

Regarding fixed-price contracts performed over the course of several years, particularly related to development projects and/or migration of platform with customers, revenues are recognized in accordance with IFRS 15 'Revenue from contracts with customers', when the control of the goods or services is transferred to the customer.

For multi-element service contracts, which may be a combination of different services, revenue is accounted for distinctly for each identified performance obligation when the control of the solutions or services is transferred to the customer. The revenue accounted for depends on the total estimated transaction price and its allocation between the different performance obligations.

Total costs of a contract (mainly made up of men/hours spent per project) and expected remaining costs are subject to regular monitoring and estimates to determine the contract's stage of completion. If these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for onerous contract.

We have considered revenue recognition on these contracts and the associated costs as a key audit matter considering that the identification of the performance obligations and the allocation of transaction prices to each of them require management's estimate and judgement. Furthermore, when revenue is recognized based on costs incurred, the assessment of the stage of completion is based on operational assumptions and estimates that have a direct impact on revenue recognized in the consolidated financial statements.

**Our audit approach**

We have assessed the internal control environment relating to fixed-price services, and the estimation of costs and margin over the duration of the contract.

Furthermore, for a number of contracts that were selected based upon quantitative and qualitative criteria (including contracts that are experiencing technical difficulties or low profitability), we performed the following procedures:

- For new contracts:
  - When they include multiple elements, we corroborated the Company's analysis and accounting treatment regarding identification, allocation of the transaction price to the different performance obligation and the definition of the methods of accounting for the revenues regarding each of these performance obligations with the contractual terms and our understanding of the services provided,
  - We also corroborated the initially expected margin to the financial data included within the signed contract and the associated estimated costs;
- For contracts in progress, we have implemented the following procedures aimed at assessing the margin at completion when revenue is recognized on the basis of costs incurred:
  - We reconciled the financial data (revenue, billing and costs incurred to date) included in the project's spreadsheet that is updated monthly by the financial controllers to the accounting records,
  - We corroborated the amount of costs incurred, including projects timesheets, with the underlying data included within the application system,
  - We analysed standard hourly rates' calculation methodology,
  - We performed interviews with financial controllers and/or operational managers to assess the percentage of completion of the contract, which is the basis on which revenue and margin are accounted for; we have furthermore analysed the appropriateness of these estimates by comparing the forecast data with the actual performance of the contract and by reconciling, if necessary, with the information obtained since the contract had been signed.

**Revenue arising from transactional activities****Note 3 Revenue, segment information and trade accounts of consolidated financial statements****Key Audit Matter**

Regarding the revenue arising from transactional activities, in particular those in relation to payments, the transactions are recognized over the period during which the transactions were processed.

Those activities are relying upon numerous and complex IT applications which are collecting and evaluating all transactions through the Group's various payment processing platforms.

We have considered the revenue arising from transactional activities as a key audit matter due to the reliance upon a highly complex IT environment, the high number of transactions, and the necessary manual inputs to issue the invoices.

**Our audit approach**

We have assessed and tested the internal controls in relation to securing the transactions flows recorded in the Group's revenues; our IT specialists have assisted us in performing the following procedures:

- We have tested the general IT controls of the main IT applications supporting revenue streams arising from transactional activities;
- We have also tested the operating effectiveness of the manual or automated controls securing the completeness and the validity of the accounting records.

Moreover, we have performed substantive testing on manual journal entries in order to ensure the validity of the accounting entries booked in the financial statements.

Finally, we have reviewed the accounting treatment of each revenue streams in order to ensure the consistency of the accounting treatment with the contractual arrangements signed with the clients.

**Final allocation of the purchase price of Six Payment Services ("SPS")****Note 1 Main changes in the scope of consolidation of consolidated financial statements****Key Audit Matter**

The Group has completed the acquisition of the payment services division of the SIX Group ("SPS") on November 30, 2018, for an initial amount of € 2,826.1 million, which was reduced by € 47 million in 2019 as a result of price adjustments.

As described in Note 1 of the consolidated financial statements, the consideration transferred was subject to a preliminary allocation as of December 31, 2018, to the identifiable assets acquired and liabilities assumed, based on an estimate of their fair value and the information available at that date.

The final allocation period of the purchase price ended at the end of November 2019. At that date, the Group retrospectively recorded adjustments in relation to the valuation of intangible assets and current and non-current liabilities in order to take into account the information related to the facts and circumstances that had existed at the date of acquisition.

These adjustments have reduced the net equity by €95 million net of tax.

This final allocation has led to the recognition of intangible assets for an amount of €576,1 million net of deferred tax and the final goodwill of €2,126.5 million.

We have considered the final allocation of the transaction price as a key audit matter, given the use of Management's estimates and judgment, in determination of the consideration transferred, the final allocation to the identifiable assets and liabilities, to the goodwill acquired and the disclosures provided in the notes to the consolidated financial statements.

**Our audit approach**

We have examined the determination of the fair value of the consideration, including the assumptions and methods used to determine the fair value of the contingent consideration as well as the price adjustments.

The consolidated opening balance sheet of SPS as of December 1, 2018 had been subject to specific audit procedures covering the main subsidiaries, that were supplemented in 2019 with audit procedures regarding the subsequent adjustments of the opening balance sheet based on the information that became available during the allocation period, in relation to facts and circumstances existing on the date of SPS acquisition.

Worldline appointed an independent appraiser to assist in the identification and valuation of intangible assets acquired and their allocation to the entities of the acquired group. Our approach consisted in reviewing the final expert's report and assessing the consistency of the assumptions and estimates used with the business plans obtained:

- We have interviewed the independent expert on the scope of his work, the valuation methodologies used and the main assumptions made;
- We have assessed the relevance of the valuation methods used, with the support of our own valuation specialists;
- We have interviewed the Management to corroborate the assumptions used in the business plans supporting the valuation of the intangible assets.

Finally, based on these elements, we have reviewed the calculation of the final goodwill and its allocation to SPS group entities and assessed the appropriateness of the disclosures related to the acquisition provided in the notes to the consolidated financial statements.

## Specific verifications

As required by law, we have also verified in accordance with the professional standards applicable in France the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to the fair presentation and the consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by article L. 225-102-1 of the French Commercial Code (*Code de Commerce*) is in the information pertaining to the Group presented in the management report, it being specified that, in accordance with the provisions of article L. 823-10 of the Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

## Report on other legal and regulatory requirements.

### Appointment of the statutory auditors

We were appointed as statutory auditors of Worldline by the Annual General Meeting held on June 30, 1997 for Deloitte & Associés and April 30, 2014 for Grant Thornton.

As at December 31, 2019, Deloitte & Associés and Grant Thornton were respectively in their 23<sup>rd</sup> year and 6<sup>th</sup> year of total uninterrupted engagement, which represent the 6<sup>th</sup> year of engagement for both statutory auditors since the Company securities were admitted to trading on a regulated market.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

## Statutory auditors' responsibilities for the audit of the consolidated financial statements

### Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in article L. 823-10-1 of the French Commercial Code (*Code du Commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

### Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the implemented audit program, as well as the results of our audit. We also report, if any, significant deficiencies in internal control

regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the year and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de Commerce*) and in the French Code of Ethics (*Code de Déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris – La Défense and Neuilly-sur-Seine, February 28, 2020

The statutory auditors

French original signed by

**Deloitte & Associés**

Véronique Laurent

**Grant Thornton**

*French member of Grant Thornton International*

Virginie Palethorpe



## E.5.2 Consolidated Income Statement [GRI 201-1]

(In € million)		12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Revenue</b>	<b>Note 3</b>	<b>2,381.6</b>	<b>1,720.2</b>
Personnel expenses	Note 4	-870.3	-692.6
Operating expenses	Note 4	-1,068.8	-734.8
<b>Operating margin</b>		<b>442.6</b>	<b>292.9</b>
<b>% of revenue</b>		<b>18.6%</b>	<b>17.0%</b>
Other operating income and expenses	Note 5	-148.3	-87.0
<b>Operating income</b>		<b>294.3</b>	<b>205.9</b>
<b>% of revenue</b>		<b>12.4%</b>	<b>12.0%</b>
Financial expenses		-29.3	-26.8
Financial income		150.9	6.4
Net financial expenses	Note 6	121.7	-20.4
<b>Net income before tax</b>		<b>416.0</b>	<b>185.5</b>
Tax charge	Note 7	-75.0	-45.3
Share of net profit/(loss) of associates		-2.9	-0.8
<b>Net income</b>		<b>338.0</b>	<b>139.4</b>
Of which:			
• attributable to owners of the parent		<b>311.2</b>	<b>100.5</b>
• non-controlling interests	Note 12	26.8	38.9
Weighted average number of shares		182,025,225	137,263,058.6
<b>Basic earnings per share</b>	<b>Note 12</b>	<b>1.71</b>	<b>0.73</b>
Diluted weighted average number of shares		185,387,525	138,279,882.3
<b>Diluted earnings per share</b>	<b>Note 12</b>	<b>1.69</b>	<b>0.73</b>

## E.5.3 Consolidated statement of comprehensive income

(In € million)		12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Net income</b>		<b>338.0</b>	<b>139.4</b>
<b>Other comprehensive income</b>			
• to be reclassified subsequently to profit/(loss) recyclable:		<b>67.2</b>	<b>-19.5</b>
Cash flow hedging		-0.1	0.3
Exchange differences on translation of foreign operations		66.8	-21.3
Deferred tax on items recyclable recognized directly on equity		0.5	1.5
• not reclassified to profit/(loss) non-recyclable:		<b>-11.0</b>	<b>-11.7</b>
Actuarial gains and (losses) generated in the period on defined benefit plan		-16.5	-14.0
Deferred tax on items non-recyclable recognized directly on equity		5.4	2.3
<b>Total other comprehensive income</b>		<b>56.1</b>	<b>-31.2</b>
<b>Total comprehensive income for the period</b>		<b>394.1</b>	<b>108.2</b>
Of which:			
• attributable to owners of the parent		<b>367.3</b>	<b>68.7</b>
• non-controlling interests		26.8	39.4



## E.5.4 Consolidated statement of financial position

### Assets

(In € million)		As at December 31, 2019	As at December 31, 2018
Goodwill	Note 8	3,114.5	3,013.0
Intangible assets	Note 8	1,047.1	1,094.6
Tangible assets	Note 8	143.9	146.0
Right-of-use	Note 9	202.1	-
Non-current financial assets	Note 6	102.1	112.0
Deferred tax assets	Note 7	26.5	51.5
<b>Total non-current assets</b>		<b>4,636.2</b>	<b>4,417.2</b>
Trade accounts and notes receivables	Note 3	413.5	361.1
Current taxes		29.5	31.0
Other current assets	Note 4	242.3	184.2
Assets linked to intermediation activities	Note 4	1,053.4	1,151.4
Current financial instruments		0.4	0.4
Cash and cash equivalents	Note 6	500.5	212.8
<b>Total current assets</b>		<b>2,239.7</b>	<b>1,940.9</b>
<b>Total assets</b>		<b>6,875.9</b>	<b>6,358.1</b>

### Liabilities and shareholders' equity

(In € million)		As at December 31, 2019	As at December 31, 2018
Common stock		124.3	124.1
Additional paid-in capital		2,542.8	2,538.4
Consolidated retained earnings		244.0	904.1
Translation adjustments		-1.1	-67.9
Net income attributable to the owners of the parent		311.2	100.5
Equity attributable to the owners of the parent		3,221.1	3,599.3
Non-controlling interests	Note 12	0.0	208.9
<b>Total shareholders' equity</b>		<b>3,221.1</b>	<b>3,808.2</b>
Provisions for pensions and similar benefits	Note 10	159.9	125.5
Non-current provisions	Note 11	37.8	17.4
Borrowings	Note 6	1,054.2	120.3
Deferred tax liabilities	Note 7	206.5	191.7
Non-current lease liabilities	Note 9	169.4	-
<b>Total non-current liabilities</b>		<b>1,627.7</b>	<b>455.0</b>
Trade accounts and notes payables	Note 3	318.4	363.8
Current taxes		73.9	43.7
Current provisions	Note 11	21.9	20.7
Current portion of borrowings	Note 6	87.7	127.5
Liabilities linked to intermediation activities	Note 4	1,053.4	1,151.4
Current lease liabilities	Note 9	32.3	-
Other current liabilities	Note 4	439.4	387.9
<b>Total current liabilities</b>		<b>2,027.1</b>	<b>2,094.9</b>
<b>Total liabilities and shareholders' equity</b>		<b>6,875.9</b>	<b>6,358.1</b>

## E.5.5 Consolidated cash flow statement

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Profit before tax</b>	<b>416.0</b>	<b>185.5</b>
Depreciation of assets	103.7	94.9
Depreciation of right-of-use	39.1	
Net charge/(release) to operating provisions	9.4	-0.8
Net charge/(release) to financial provisions	2.8	1.9
Net charge/(release) to other operating provisions	-1.5	7.4
Customer relationships & Patent amortization	75.9	20.9
Losses/(gains) on disposals of fixed assets	3.8	4.0
Net charge for equity-based compensation	14.0	16.2
Losses/(gains) on financial instruments	-138.3	16.9
Net cost of financial debt	5.5	0.8
<b>Cash from operating activities before change in working capital requirement, financial interest and taxes</b>	<b>530.5</b>	<b>347.6</b>
Taxes paid	-57.4	-49.9
Change in working capital requirement	-46.3	15.7
<b>Net cash from/(used in) operating activities</b>	<b>426.8</b>	<b>313.5</b>
Payment for tangible and intangible assets	-113.9	-105.5
Proceeds from disposals of tangible and intangible assets	3.6	0.2
<b>Net operating investments</b>	<b>-110.3</b>	<b>-105.4</b>
Amounts paid for acquisitions and long-term investments	-9.5	-421.4
Cash and cash equivalents of companies purchased/sold during the period	-14.4	36.4
Proceeds from disposals of financial investments	14.9	0.0
<b>Net long-term investments</b>	<b>-9.0</b>	<b>-385.0</b>
<b>Net cash from/(used in) investing activities</b>	<b>-119.3</b>	<b>-490.4</b>
Common stock issues on the exercise of equity-based compensation	10.9	8.3
Portion of convertible bonds:		
• in equity	82.0	
• in financial liability	554.8	
Purchase and sale of treasury stock	0.0	-45.1
Dividends paid to minority shareholders of subsidiaries	-11.8	-6.8
Payment for acquisition of non controlling interests	-1,070.9	
New borrowings	559.2	0.6
New finance lease		2.4
Lease Payments & Interests	-41.6	
Repayment of long and medium-term borrowings	-9.2	-15.8
Net cost of financial debt paid	-5.5	-0.8
Other flows related to financing activities	3.3	-2.7
<b>Net cash from/(used in) financing activities</b>	<b>71.3</b>	<b>-59.8</b>
<b>Increase/(decrease) in net cash and cash equivalents</b>	<b>378.8</b>	<b>-236.7</b>
<b>Opening net cash and cash equivalents</b>	<b>95.1</b>	<b>334.2</b>
Increase/(decrease) in net cash and cash equivalents	378.8	-236.7
Impact of exchange rate fluctuations on cash and cash equivalents	2.1	-2.4
<b>Closing net cash and cash equivalents</b>	<b>476.0</b>	<b>95.1</b>

## E.5.6 Consolidated statement of changes in shareholder's equity

(In € million)	Number of shares at period-end (in thousands)	Common Stock	Additional paid-in capital	Retained earnings	Translation adjustments	Net income	Equity attributable to the owners of the parent	Non controlling interests	Total shareholders' equity
<b>At January 1, 2018</b>	<b>132,898.8</b>	<b>90.4</b>	<b>259.2</b>	<b>843.6</b>	<b>-47.3</b>	<b>105.5</b>	<b>1,251.4</b>	<b>175.0</b>	<b>1,426.4</b>
• Common stock issued	589.1	0.4	7.8				8.2		8.2
• Capital increase for the Six PS transaction	49,066.9	33.4	2,271.3				2,304.7		2,304.7
• Appropriation of prior period net income				105.5		-105.5			
• Dividends paid to the shareholders								-6.7	-6.7
• Equity-based compensation				10.9			10.9	1.1	12.0
• Changes in Treasury stock				-44.6			-44.6		-44.6
<b>Transactions with owners</b>	<b>49,656.0</b>	<b>33.8</b>	<b>2,279.1</b>	<b>71.7</b>		<b>-105.5</b>	<b>2,279.1</b>	<b>-5.6</b>	<b>2,273.6</b>
• Net income						100.5	100.5	38.9	139.4
• Other comprehensive income				-11.3	-20.6		-31.8	0.5	-31.3
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-11.3</b>	<b>-20.6</b>	<b>100.5</b>	<b>68.7</b>	<b>39.4</b>	<b>108.2</b>
<b>At December 31, 2018</b>	<b>182,554.7</b>	<b>124.1</b>	<b>2,538.4</b>	<b>904.1</b>	<b>-67.9</b>	<b>100.5</b>	<b>3,599.2</b>	<b>208.9</b>	<b>3,808.2</b>
Common stock issued	209.7	0.1	4.4				4.6		4.6
Appropriation of prior period net income				100.5		-100.5			
Dividends paid to the shareholders								-9.9	-9.9
Equity-based compensation				14.0			14.0		14.0
Convertible bonds equity split accounting				59.4			59.4		59.4
Equens Worldline non-controlling interests purchase				-846.8			-846.8	-225.9	-1,072.7
Changes in Treasury stock				23.4			23.4		23.4
Other									
<b>Transactions with owners</b>	<b>209.7</b>	<b>0.1</b>	<b>4.4</b>	<b>-649.5</b>		<b>-100.5</b>	<b>-745.4</b>	<b>-235.8</b>	<b>-981.2</b>
Net income						311.2	311.2	26.8	338.0
Other comprehensive income				-10.6	66.8		56.1		56.1
<b>Total comprehensive income for the period</b>				<b>-10.6</b>	<b>66.8</b>	<b>311.2</b>	<b>367.3</b>	<b>26.8</b>	<b>394.1</b>
<b>At December 31, 2019</b>	<b>182,764.5</b>	<b>124.3</b>	<b>2,542.8</b>	<b>244.0</b>	<b>-1.1</b>	<b>311.2</b>	<b>3,221.2</b>		<b>3,221.1</b>

## E.5.7 Appendices to the consolidated financial statements

### E.5.7.1 General information

Worldline SA, the Worldline Group's parent company, is a public limited company under French law whose registered office is located at 80, Quai Voltaire, 95870 Bezons, France. The Company is registered with the Registry of Commerce and Companies of Pontoise under the reference 378,901,946 RCS Pontoise. Worldline SA shares are traded on the Euronext Paris market under ISIN code FR0011981968. The shares are not listed on any other stock exchange and Worldline SA is the only listed company in the Group. The Company is administrated by a Board of Directors.

Worldline is a European leader and a global market player in the electronic payment and transactional services sector. Worldline activities are organized around three Business Lines: Merchant Services, Financial Services and Mobility & e-Transactional Services.

These consolidated financial statements were approved by the Board of Directors on February 18, 2020. The consolidated financial statements will then be submitted to the approval of the 2020 Annual General Meeting.

### E.5.7.2 Accounting rules and policies

#### Basis of preparation of consolidated financial statements

Pursuant to European Regulation No. 1606/2002 of July 19, 2002, the consolidated financial statements for the twelve months ended December 31, 2019 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31, 2019. The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC). Accounting policies applied by the Group comply with those standards and interpretations.

As of December 31, 2019, the accounting standards and interpretations endorsed by the European Union are similar to the compulsory standards and interpretations published by the International Accounting Standards Board (IASB). Consequently, the Group's consolidated financial statements are prepared in accordance with the IFRS standards and interpretations, as published by the IASB. Except the impacts of IFRS 16 whose implementation is separately disclosed, the other new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1, 2019 had no material impact on the consolidated financial statements:

- IFRIC 23 – Uncertainty over income tax treatment;
- Amendments to IFRS 9 – Prepayment Features with Negative Compensation;
- Amendments to IAS 28 – Long-term Interests in Associates and Joint Ventures;

- Amendments to IAS 19 – Plan Amendment, Curtailment or Settlement;
- Annual Improvements to IFRS Standards 2015–2017.

This is the first set of Group's consolidated financial statements where IFRS 16 has been applied.

#### Changes in accounting policies

Except for new standards and amendments effective for the periods beginning as of January 1, 2019, the accounting policies applied in these consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended December 31, 2018.

The Company has implemented the new standard IFRS 16 "Leases" and the new interpretation IFRIC 23 "Uncertainty over Income tax treatment" on January 1, 2019. As a result, the Company has changed its accounting policy for leases accounting and for the classification of certain liabilities linked to uncertainties over income tax.

#### IFRS 16

IFRS 16, Leases, introduces a single on-balance sheet lease accounting model for lessees requiring them to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make future lease payments.

IFRS 16, Leases, replaces existing IAS 17, Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Group applied IFRS 16 as of January 1, 2019 using the modified retrospective approach under which the comparative period is not restated. Instead, the cumulative impact of the application of the new standard is recognized in retained earnings at the transition date. Impact on equity is nil as of January 1, 2019.

The Group also used the below simplification & exemptions for the application of IFRS 16:

- The Group applied the practical expedient to grandfather the definition of a lease on transition. This means that as of January 1, 2019, the Group applied IFRS 16 to all existing contracts entered before this date and identified as leases in accordance with IAS 17 and IFRIC 4. For contracts entered into after January 1, 2019, the Group assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration;
- The Group also applied exemptions allowed by IFRS 16.5 to not recognize short term leases (less than 12 months) and leases for which the underlying asset is of a low value. Payments under such contracts are registered in the profit and loss statement, on a straight-line basis, over the duration of the contract.

For the Group, the new standard does not trigger any adjustments on transition. For leases in which it acts as a lessor, IFRS 16 does not trigger any change on the existing accounting treatment under IAS 17.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. Those rates have been determined for all the currencies and geographies of the Group and by maturity. The incremental borrowing rates were calculated by taking for each currency a reference in debt quotation by maturity (bullet rate) and adding up a spread corresponding to the entity's cost of financing.

The lease liability is re-measured when there is a change in the future lease payments arising from a change in an index or rate, a change in estimate of the amount expected to be payable under a residual value guarantee, or changes in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain to be exercised.

The Group has applied its judgment to determine the lease term for some real estate lease contracts in which it is a lessee and that include renewal or early termination options analysing whether those sites, mainly offices, were strategic or not. In most cases, the Group retained the contractual end date.

On November 26, 2019 the IFRS Interpretations Committee (IFRS IC) has issued an opinion related to lease term and useful life of leasehold improvements. The analysis performed by the

Group doesn't any major deviation between the lease term and the residual useful life of the underlying leasehold.

The Group elected to account the net deferred taxes resulting from IFRS 16 standard. At transition date assets and liabilities resulting from IFRS 16 have the same value, therefore no temporary differences are recognized.

The weighted-average incremental borrowing rate applied as of January 1, 2019 amounted to 1.8%.

### Impacts on financial statements

The Group elected to present the lease liability and the right of use the assets on dedicated lines in the Balance Sheet. Amortization of the right of use is part of the operating margin, interest costs is part of the financial result of the Group. The impact of IFRS 16 implementation on Operating Margin and Group net result is not material as of December 31, 2019. The Group elected to exclude the lease liabilities from the Group net debt definition. Therefore, Free Cash Flow as per Group definition will remain comparable with prior years.

IFRS 16 led to the recognition of an opening lease liability for € 215.7 million. This liability relates mainly to Real Estate, IT equipment's and cars used by employees. Reconciliation of operating leases commitments as of December 31, 2018 and opening lease liability is as follows:

(In € million)	As at January 1, 2019
Operating lease commitment at December 31, 2018 as disclosed in the Group's consolidated financial statements	210.5
Service contracts (out of IFRS 16 scope)	-27.3
Short-term and low value leases recognised on a straight-line basis as expenses & others	26.4
Discounted effect using the incremental borrowing rate at January 1, 2019	-20.9
Bezons Headquarters premises*	24.0
Finance lease liabilities recognised as at December 31, 2018	3.0
<b>Lease liabilities recognised at January 1, 2019</b>	<b>215.7</b>

\* Contract with effect starting at January 2019.

2019 impacts are included in Note 9 Right-of-use assets & leases liabilities.

### IFRIC 23

The Group applied IFRIC 23 on the accounting for income tax when there is uncertainty over tax treatments by using the retrospective approach. The Group reviewed its income tax treatment and concluded that no material impact was to be considered, so no adjustment on retained earnings were made. A liability is recognized in the consolidated statement of financial position when a tax risk arising from positions taken by the Group, or one of its subsidiaries, is considered as probable, assuming that the tax authorities have full knowledge of all relevant information when making their examination. The Group determines the level, which is the more relevant, to assess a tax risk considering the specific facts and circumstances and the nature of the risk considered.

### Other standards

The Group does not apply IFRS standards and interpretations that have not been yet approved by the European Union at the closing date. A number of new standards are effective for annual periods beginning after January 1, 2020 and an earlier application is permitted. The Worldline Group has not early applied those amended standards in preparing these consolidated statements. Worldline Group does not anticipate any significant impact from the implementation of those new standards:

- Amendments to References to Conceptual Framework in IFRS Standards;
- Amendments to IFRS 3 – Definition of a business;
- IFRS 17 – Insurance Contracts.

### Transaction of entities under common control

In order to better reflect the economics of those transactions between entities under common control the Group has elected to account for the assets and liabilities, of acquired companies under common control, at their historical value in the IFRS consolidated account of Worldline. Difference between the purchase price and the net assets is recognized directly in retained earnings.

### Accounting estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date. The estimates, assumptions and judgments that may result in significant adjustments to the carrying amounts of assets and liabilities are essentially related to:

- Goodwill impairment tests (see Note 8);
- Revenue recognition and associated costs on long-term contracts (see Note 3);
- Capitalization of development costs (see Note 8);
- Valuation of asset acquired and liability assumed in a business combination (see Note 1);
- Convertible bond's valuation (see Note 6).

### Consolidation methods

#### Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. Control is defined by the ability to govern the financial and operating policies generally, but not systematically, consolidated with a shareholding of more than 50 percent of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, the power to appoint the majority of the members of the governing bodies and the existence of veto rights are considered when assessing whether the Group controls another entity. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are excluded from the consolidation from the date on which control ceases.

#### Associates

Associates are entities over which the Group has significant influence but not control or joint control, generally, but not systematically, accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for by the equity method.

### Translation of financial statements denominated in foreign currencies

The balance sheets of companies based outside the euro zone are translated at closing exchange rates. Income statement items are translated based on average exchange rate for the period. Balance sheet and income statement translation adjustments arising from a change in exchange rates are recognized as a separate component of equity under "Translation adjustments".

Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of that foreign entity and translated into euro at the closing date.

The Group does not consolidate any entity operating in a hyperinflationary economy except in Argentina. Argentina is a hyperinflationary Economy since July 1, 2018. As such, Profit & Loss items from Argentinian entity have been restated from inflation in accordance with IAS 29. Correction has been calculated month by month applying inflation since January 1 to end of each month until the end of year. This led to a gross up of Profit and Loss items in pesos. Those flows have been converted at the € vs. pesos rate as end of December 2019. Impact of this restatement on the Group net result is not material.

### Translation of transactions denominated in foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement under the heading "Other financial income and expenses", except where hedging accounting is applied.

### Operating margin and Operating Margin before Depreciation and Amortization (OMDA)

The underlying operating performance on the Group ongoing business is presented within operating margin, while unusual operating income/expenses are separately itemized and presented below the operating margin, in line with the ANC (*Autorité des Normes Comptables*) recommendation No. 2013-03 (issued on November 7, 2013) regarding the financial statements presentation.

The Operating Margin before Depreciation and Amortization is based on Operating margin minus items without impact on the cash flows from operations and excluding amortization and depreciation.

### Rounding

These consolidated financial statements are presented in euro, which is the Group's functional currency.

All figures are presented in € million with one decimal. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables.

The policies set out above have been applied in consistency with all years presented.

## E.5.7.3 Notes to the consolidated financial statements

<b>Note 1</b>	Main changes in the scope of consolidation	250	<b>Note 11</b>	Provisions	280
<b>Note 2</b>	Other significant events of the year	251	<b>Note 12</b>	Shareholder equity	281
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<b>Note 4</b>	Operating items	257	<b>Note 14</b>	Related parties	283
<b>Note 5</b>	Other operating income and expenses	260	<b>Note 15</b>	Market risk	285
<b>Note 6</b>	Financial items	264	<b>Note 16</b>	Operating entities part of scope of consolidation as of December 31, 2019	286
<b>Note 7</b>	Income tax	268	<b>Note 17</b>	Auditors' Fees	288
<b>Note 8</b>	Goodwill and fixed assets	271	<b>Note 18</b>	Subsequent events	289
<b>Note 9</b>	Right-of-use assets & lease liabilities	276			
<b>Note 10</b>	Pensions and similar benefits	277			

## Note 1 Main changes in the scope of consolidation

### Accounting policies/principles

#### Business combination and goodwill

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or significantly improve its competitive position within a business or a geographical sector are accounted for as business combinations when fulfilling the definition of a business under IFRS 3.

#### Valuation of assets acquired and liabilities assumed of newly acquired subsidiaries

Business combinations are accounted for according to the acquisition method. The consideration transferred in exchange for control of the target is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the target and the equity interests issued by the Group in exchange for control of the target.

Direct transaction costs related to a business combination are charged to the income statement when incurred and presented as part of the Other Operating Income.

During the first consolidation, all the assets, liabilities and contingent liabilities of the subsidiary acquired are measured at their fair value.

#### Purchase of non-controlling interests and sale of interests in a controlled subsidiary

Purchase of non-controlling interests and sale transactions of interests in a controlled subsidiary that do not change the status of control are recorded through shareholders' equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in net income. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in net income.

### Exercise of Worldline call option to acquire the 36.4% minority stake and take full ownership of equensWorldline

The exercise, by Worldline, of the call option to acquire the 36.4% remaining minority stakes in equensWorldline constitutes the final step of the Equens acquisition initiated in 2016. The call exercise price was c. €1,070 million for the remaining 36.4% stake.

Worldline Group now owns 100% of equensWorldline. (Please refer to the consolidated statement of changes in shareholder's equity).

The transaction has been supported by a newly issued BBB/stable investment grade rating received from Standard & Poor's and has been financed by:

- A 7-year c. € 600 million convertible bond dated July 30, 2019 (60% conversion premium, zero coupon and yield to maturity of -0.96%); and
- A 5-year € 500 million bond dated September 18, 2019 (0.25% coupon; 0.35% yield, BBB rating from Standard & Poor's).

Cf to Note 6.4 Borrowings.

The impacts of the acquisition are presented in the table below:

(In € million)	12 months ended December 31, 2019
<b>Purchase price</b>	<b>1,070.8</b>
Acquisition costs net of tax	1.8
<b>Total consideration paid</b>	<b>1,072.6</b>
<b>Non controlling interest acquired</b>	<b>225.9</b>
<b>Net impact on equity group share</b>	<b>-846.7</b>

### SIX Payment Services

After Worldline Extraordinary General Meeting that had approved the issuance of new Worldline shares in exchange for the contribution of SIX Payment Services to Worldline and

the completion of the regulatory process, the transaction with SIX Group AG was finalized on November 30, 2018.

Worldline acquired 100% of SIX Payment Services which is fully consolidated since December 1, 2018.



## Consideration transferred

(In € million)	Consideration transferred
Equity instruments (49,066,878 ordinary shares of Worldline SA)	2,308.1
Cash	418.5
Contingent consideration arrangement	99.5
<b>Total Consideration transferred</b>	<b>2,826.1</b>

As part of the transaction, Worldline issued 49.1 million new ordinary shares representing 26.9% of the share capital of Worldline, fully paid up. The fair value of the shares issued was measured using the opening market price of Worldline SA's ordinary shares on the acquisition date.

The cash transferred was denominated in Swiss francs (CHF). To hedge potential currency fluctuations, Worldline has set up a foreign currency hedge to partly freeze the exchange rate for the completion of the Contribution.

The contingent consideration arrangement required Worldline to pay the former owner of SIX Payment Services if the conditions based on the Worldline stock price at end of March 2020 are completed. Fair value was estimated using the usual valuation method based on Worldline share price at the acquisition date. The fair value was €99.5 million at the acquisition date, was reassessed at end of December 2018 to €117.6 million. Further to the announcement by SIX Group AG of the entry into a collar transaction on Worldline shares, the agreement regarding the Contingent Consideration of CHF 166 million is terminated with no payment to be made by Worldline to SIX Group AG in that respect.

## Preliminary Goodwill & reconciliation with final Goodwill

(In € million)	Goodwill	
Total consideration transferred 31/12/2018	2,826.1	
<b>Total Consideration</b>	<b>2,826.1</b>	<b>a</b>
Equity acquired	158.7	
Fair value adjustments net of deferred tax	589.0	
<b>Fair Value of net assets</b>	<b>747.7</b>	<b>b</b>
<b>Total 31/12/2018 – Preliminary Goodwill</b>	<b>2,078.5</b>	<b>c = a - b</b>
<b>Price adjustment</b>	<b>-47.0</b>	<b>d</b>
<b>Opening Balance sheet adjustments</b>	<b>95.0</b>	<b>e</b>
<b>Final Goodwill</b>	<b>2,126.5</b>	<b>f = c + d + e</b>

New information was obtained till the end of November 2019 (12 months after acquisition date) about facts and circumstances that existed at the acquisition date and led to adjustments to opening balance sheet.

The final amount has been allocated between Merchant Services and Financial Services Global Business Lines (GBL)

and also to the Countries (Switzerland, Luxembourg, Germany and Austria), the two indicators chosen for the allocation are the operating margin before depreciation and amortization of 2019 for each organization and the amount of run rate synergies contained in the business plan for each GBL as measuring the value created by the deal.

## Note 2 Other significant events of the year

### Exceptional distribution in kind by Atos of 23.5% of the shares making up Worldline's share capital in May 2019

During its Annual Meeting on April 30, 2019, Atos SE shareholders have approved the exceptional distribution in kind of circa 23.5% of the shares making up Worldline's share capital. Following this distribution, Atos SE retained around

27.3% of Worldline's share capital. The distribution of Worldline shares occurred on May 7, 2019 and as a result Worldline is no longer fully consolidated within the Atos group as of that date.

## Note 3 Revenue, segment information and trade accounts

### Accounting policies/principles

Revenue is recognized if a contract exists between Worldline and its customer. A contract exists if collection of consideration is probable, rights to goods or services and payment terms can be identified, and parties are committed to their obligations. Revenue from contracts with customers is recognized either against a contract asset or receivable, before effective payment occurs.

#### Multiple arrangements services contracts

The Group may enter into multiple-element arrangements, which may include combinations of different goods or services. Revenue is recognized for each distinct performance obligation which is separately identifiable from other items in the arrangement and if the customer can benefit from it.

When a single contract contains multiple distinct performance obligations, the total transaction price is allocated between the different performance obligations based on their stand-alone selling prices. The stand-alone selling prices including usual discounts granted are determined based on the list prices at which the Group sells the goods or services separately. Otherwise, the Group estimates stand-alone selling prices using a cost-plus margin approach and/or the residual approach.

#### Principal versus agent

When the Group resells telecommunication embedded and IT services purchased from third-party suppliers, it performs an analysis of the nature of its relationship with its customers to determine if it is acting as principal or as agent in the delivery of the good or service. The Group is a principal if it controls the specified good or service before it is transferred to the customer. In such case, revenue is recognized on a gross basis. If the Group is an agent, revenue is recognized on a net basis (net of suppliers costs), corresponding to any fee or commission to which the Group is entitled. When the Group is providing a significant service of integrating the specified good or service, it is acting as a principal in the process of resale. If the specified good or service is distinct from the other services promised to its customer, the Group is acting as a principal notably if it is primarily responsible for the good or service meeting the customer specifications or assumes inventory or delivery risks.

Revenue generated by acquiring activities is recognized net of interchange fees charged by issuing banks. The Group does not provide a service of integrating the service performed by the issuing bank and is not responsible for the execution of this service. These fees are transferred to the merchant in a pass-through arrangement and are not part of the consideration to which the Group is entitled in exchange for the service it provides to the merchant. In contrast, scheme fees paid to the payment schemes (Visa, MasterCard, Bancontact...) are accounted for in expenses as fulfilment costs and recognized as revenue when invoiced to merchants. The Group provides commercial acquiring services by integrating the services purchased from the payment schemes.

#### Segmenting versus combining obligations of contracts including build phases

Worldline applies the practical expedient of IFRS 15 and recognize revenue when invoiced as invoicing is phased with delivery to the customer. In some specific contracts, invoicing of the run embeds performance obligation which are not fully phased with the invoicing flow. In that case, revenue allocated to this dedicated performance obligation is recognized as soon as the performance obligation is achieved.

As Worldline is providing stand-alone value to its customers as part of the build phases, build phases will be considered as a separate obligation under IFRS 15 and revenue will be recognized with respect to contract costs.

#### At a point of time versus over time recognition

Revenue is recognized when the Group transfers the control of a good or service to the customer, either at a point in time or over time.

Revenue from contracts concluded by the Group with customers for the sale of payment terminals is recognized when control of the asset is transferred to the customer, which is generally when the equipment is delivered.

For recurring services, the revenue is recognized over time as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs. If the Group has a right to invoice a customer at an amount that corresponds directly with its performance to date, the revenue is recognized at that amount. Otherwise, revenue is recognized on a straight-line basis or based on the costs incurred if the entity's efforts are not expensed evenly throughout the period covered by the service.

Revenue from contracts concluded by the Group with customers for the lease of payment terminals is recognized over time.

When the Group builds an asset or provides specific developments, revenue is recognized over time, generally based on costs incurred, when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or when the performance does not create an asset with an alternative use and the Group has an enforceable right to payment for the performance completed to date by the contract and local regulations. Otherwise, revenue is recognized at a point in time.

**Contract costs – Costs to obtain and fulfil a contract**

Incremental costs to acquire a multi-year service contracts are capitalized and amortized over the life of the contract.

Transition & Transformation costs that do not represent a separate performance obligation of a contract are capitalized as contract costs if they create a resource that will be used to perform other performance obligations embedded in the contract. Other costs incurred to obtain or fulfil a contract are expensed when incurred.

**Balance sheet presentation**

Contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date. When the rights to consideration are unconditional, they are classified as trade receivables.

Contract liabilities relate to upfront payments received from customers in advance of the performance obligation. Capitalized contract costs are presented separately from contract assets.

Certain service arrangements might qualify for treatment as lease contracts under IFRIC 4 if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers.

**Revenue recognition and associated costs on long-term contracts**

Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs that have a direct influence on the level of revenue and possible forecast losses on completion that are recognized. A provision for onerous contract is booked if the future costs to fulfil a contract are higher than its related benefits.

**Financing component**

When Worldline expects the period between customer payment and the transfer of goods and services to be greater than 12 months, it assesses whether the contract is embedding a financing component granted or received. When significant, interests generated by this financing component are booked separately from Revenue.

**3.1 Segment information****Accounting policies/principles**

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company Chairman and Chief Executive Officer who makes strategic decisions.

The internal management reporting is designed based on Global Business Lines (Merchant Services, Financial Services and Mobility & e-Transactional Services). Global Business Lines have been determined by the Group as key indicators by the Chief operating decision maker. As a result, and for IFRS 8 requirements, the Group discloses Global Business Lines (GBL) as operating segments. Each GBL is managed by a dedicated member of the Executive Committee.

The P&L indicators as well as the assets have been allocated according to these GBL segments. On OMDA, a part of the cost related to Global Structures has not been allocated by GBL. Regarding Group Assets, the shared assets not allocated by GBL primarily relate to shared infrastructure delivering mutualized services to those three GBL.

The geographical scope and the activities covered by each operating segment are as follows:

Operating segments	Business divisions	Geographical areas
Merchant Services	Commercial Acquiring, Terminal Services, Omnichannel Payment Acceptance, Private label Card & Loyalty Services, Digital Retail	Argentina, Austria, Belgium, Brazil, Czech Republic, France, Germany, India, Luxembourg, Malaysia, Poland, Spain, Sweden, Switzerland, the Netherlands, the United Kingdom, USA
Financial Services	<i>Issuing Processing, Acquiring Processing, Digital Banking, Account Payments</i>	Austria, Belgium, China, Estonia, Finland, France, Germany, Hong Kong, Indonesia, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Singapore, Spain, Switzerland, Taiwan, the Netherlands and the United Kingdom.
Mobility & e-Transactional Services	<i>Trusted Digitization, e-Ticketing, Contact &amp; consumer cloud, Connected Living &amp; Mobility</i>	Argentina, Austria, Belgium, Chile, China, France, Germany, Spain, the Netherlands and the United Kingdom.

Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

No external customer generates more than 10% of total Group sales.

The operating segment information for the period was the following:

(In € million)	Merchant Services	Financial Services	Mobility & e-Transactional Services	Total Group
<b>12 months ended December 31, 2019</b>				
<b>Revenue by Global Business Lines</b>	<b>1,119.4</b>	<b>918.4</b>	<b>343.8</b>	<b>2,381.6</b>
% of Group revenue	47.0%	38.6%	14.4%	100.0%
<b>December 31, 2018</b>				
<b>Revenue by Global Business Lines</b>	<b>624.3</b>	<b>777.0</b>	<b>319.0</b>	<b>1,720.2</b>
% of Group revenue	36.3%	45.2%	18.5%	100.0%

The "Merchant Services" external revenue is presented net of interchange bank commissions received on behalf credit card companies.

(In € million)	Merchant Services	Financial Services	Mobility & e-Transactional Services	Global structures	Total Group
<b>12 months ended December 31, 2019</b>					
<b>Operating Margin before Depreciation and Amortization (OMDA)*</b>	<b>265.3</b>	<b>307.2</b>	<b>53.4</b>	<b>-23.7</b>	<b>602.1</b>
<b>% revenue</b>	<b>23.7%</b>	<b>33.4%</b>	<b>15.5%</b>	<b>-1.0%</b>	<b>25.3%</b>
<b>December 31, 2018</b>					
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>132.3</b>	<b>237.1</b>	<b>38.8</b>	<b>-17.1</b>	<b>391.1</b>
% revenue	21.2%	30.5%	12.2%	-1.0%	22.7%
* Of which IFRS 16 impact	19.2	15.1	6.4	0.0	40.6

Operating margin before depreciation and amortization (OMDA) represents the underlying operational performance of the current business and is determined as follows:

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018	Variation
<b>Operating margin</b>	<b>442.6</b>	<b>292.9</b>	<b>149.7</b>
+ Depreciation of fixed assets	142.9	94.9	48.0
+ Net book value of assets sold/written off	7.3	4.2	3.2
+/- Net charge/(release) of pension provisions	9.1	4.8	4.3
+/- Net charge/(release) of provisions	0.2	-5.6	5.8
<b>OMDA</b>	<b>602.1</b>	<b>391.1</b>	<b>211.0</b>

The assets detailed above by Global Business Lines are reconciled to total assets as follows:

(In € million)	Merchant Services	Financial Services	Mobility & e-transactional services	Shared (not allocated) <sup>1</sup>	Total Group
<b>As at December 31, 2019</b>					
<b>Total fixed assets by Global Business Lines</b>	<b>2,690.3</b>	<b>1,646.1</b>	<b>100.7</b>	<b>70.3</b>	<b>4,507.6</b>
<b>Goodwill</b>	<b>1,873.0</b>	<b>1,215.4</b>	<b>26.1</b>	<b>0.0</b>	<b>3,114.5</b>
% of Group goodwill	60.1%	39.0%	0.8%	-	100.0%
<b>Other intangible assets</b>	<b>674.8</b>	<b>324.8</b>	<b>27.1</b>	<b>20.2</b>	<b>1,047.1</b>
<b>Tangible assets</b>	<b>55.2</b>	<b>36.7</b>	<b>1.9</b>	<b>50.1</b>	<b>143.9</b>
<b>Right-of-Use<sup>2</sup></b>	<b>87.3</b>	<b>69.2</b>	<b>45.6</b>	<b>0.0</b>	<b>202.1</b>

<sup>1</sup> Part of intangible and tangible assets are not directly attributable to one single Global Business Line as they are mutualized assets usable and shared between the three GBL.

<sup>2</sup> Linked to the first application of IFRS 16.

(In € million)	Merchant Services	Financial Services	Mobility & e-transactional services	Shared (not allocated) <sup>1</sup>	Total Group
<b>As at December 31, 2018</b>					
<b>Total fixed assets by Global Business Lines</b>	<b>2,821.2</b>	<b>1,316.0</b>	<b>53.8</b>	<b>62.6</b>	<b>4,253.6</b>
<b>Goodwill</b>	<b>2,050.2</b>	<b>936.9</b>	<b>25.8</b>	<b>0.0</b>	<b>3,013.0</b>
% of Group goodwill	68.0%	31.1%	0.9%	-	100.0%
<b>Other intangible assets</b>	<b>714.7</b>	<b>342.7</b>	<b>25.8</b>	<b>11.4</b>	<b>1,094.6</b>
<b>Tangible assets</b>	<b>56.3</b>	<b>36.4</b>	<b>2.2</b>	<b>51.2</b>	<b>146.0</b>
<b>Right-of-Use</b>	-	-	-	-	-

<sup>1</sup> Part of intangible and tangible assets are not directly attributable to one single Global Business Line as they are mutualized assets usable and shared between the three GBL.

The geographical segment information for the period was the following:

(In € million)	France	Luxembourg & Netherlands	Belgium	Germany and CEE	Switzer- land	North & South Europe	Emerging markets	Total Group
<b>12 months ended December 31, 2019</b>								
<b>External revenue by geographical area</b>	<b>451.4</b>	<b>400.8</b>	<b>367.8</b>	<b>365.8</b>	<b>354.3</b>	<b>282.3</b>	<b>159.3</b>	<b>2,381.6</b>
% of Group revenue	19.0%	16.8%	15.4%	15.4%	14.9%	11.9%	6.7%	100.0%
<b>12 months ended December 31, 2018</b>								
<b>External revenue by geographical area</b>	<b>396.7</b>	<b>210.8</b>	<b>356.7</b>	<b>274.4</b>	<b>29.5</b>	<b>285.8</b>	<b>166.4</b>	<b>1,720.2</b>
% of Group revenue	23.1%	12.3%	20.7%	16.0%	1.7%	16.6%	9.7%	100.0%

The non-current assets are mainly comprised of goodwill and capitalized development expenses which are non-attributable by geographical area because they are allocated to several areas. The rest is composed of tangible assets which are not significant.

Therefore, it is not relevant to present the non-current assets by geographical area.

### 3.2 Trade accounts and notes receivables

#### Accounting policies/principles

##### Trade accounts and notes receivable

Trade accounts and notes receivable are recorded initially at their fair value and subsequently at their amortized value. The nominal value represents usually the initial fair value for trade accounts and notes receivable. In case of deferred payment over one year, where the effect is significant on fair value, trade accounts and notes receivables are discounted. Where appropriate, a provision is raised on an individual basis to take likely recovery problems into account.

Certain service arrangements might qualify for treatment as lease contracts if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the asset to its customers, the Group recognizes assets held under finance lease and presents them as "Trade accounts and notes receivable" for the amount that will be settled within 12 months, and "Non-current financial assets" for the amount to be settled beyond 12 months.

(In € million)	As at December 31, 2019	As at December 31, 2018
Contract assets	172.0	152.8
Trade receivables	252.4	216.4
Expected credit losses allowance	-10.9	-8.1
<b>Net asset value</b>	<b>413.5</b>	<b>361.1</b>
Contract liabilities	-148.9	-128.7
<b>Net accounts receivable</b>	<b>264.7</b>	<b>232.4</b>
<b>Number of days sales outstanding (DSO)</b>	<b>31</b>	<b>33</b>

Net accounts receivable represents 11.1% of total revenue at end of 2019 (13.5% at end of 2018), corresponding to a similar evolution of contract assets and contract liabilities.

For balances outstanding for more than 60 days, the Group considers the need for depreciation on a case-by-case basis through a quarterly review of its balances.

## AGEING OF PAST DUE NET RECEIVABLES

(In € million)	As at December 31, 2019	As at December 31, 2018
0-30 days overdue	21.7	16.4
30-60 days overdue	7.4	10.6
60-90 days overdue	4.3	4.0
Beyond 90 days overdue	15.7	15.0
<b>Total</b>	<b>49.1</b>	<b>46.0</b>

## Note 4 Operating items

## 4.1 Personnel expenses

(In € million)	12 months ended December 31, 2019	% Revenue	12 months ended December 31, 2018	% Revenue
Wages, salaries & social security charges	-850.5	35.7%	-684.0	39.8%
Tax, training, profit-sharing	-10.7	0.4%	-4.0	0.2%
Net (charge)/release to provisions for staff expenses	0.0	0.0%	0.2	0.0%
Net (charge)/release to provisions for pensions and similar Benefits	-9.1	0.4%	-4.8	0.3%
<b>Total</b>	<b>-870.3</b>	<b>36.5%</b>	<b>-692.6</b>	<b>40.3%</b>

## 4.2 Non-personnel operating expenses

## Glossary

## Subcontracting costs direct

Subcontracting costs consist of the cost for subcontracted services, roughly half of which is typically IT subcontracting, mostly on a time & materials basis. The other half comes from other outsourced services, which mainly include non-IT services such as printing, mailing and other statement preparation activity and ATM services. The level of these expenses in any given period is mainly driven by the number of projects in the project phase, some aspects of which the Group may decide to outsource rather than handle in-house, and customer volumes, which drive costs that are dependent on volume, such as printing, mailing and statement activity.

## Scheme fees

Include the fees paid to Visa, MasterCard, Bancontact (Belgium debit card scheme) and other local card schemes as part of the Group's Commercial Acquiring activities.

## Capitalized production costs

Operating expenses are reported net of capitalized production costs. Costs of specific application development for clients or technology solutions made available to a group of clients with a useful life of the underlying asset greater than one year are capitalized. Their aggregate amount is offset in the profit and loss statement through this line item.

(In € million)	12 months ended December 31, 2019	% Revenue	12 months ended December 31, 2018	% Revenue
Operating costs	-406.2	-17.1%	-324.2	-18.8%
Subcontracting costs direct	-371.0	-15.6%	-290.4	-16.9%
Scheme fees	-181.4	-7.6%	-65.4	-3.8%
<b>Subtotal expenses</b>	<b>-958.6</b>	<b>-40.3%</b>	<b>-680.0</b>	<b>-39.5%</b>
Depreciation of assets	-142.9	-6.0%	-94.9	-5.5%
Net (charge)/release to provisions	-0.2	0.0%	5.3	0.3%
Gains/(Losses) on disposal of assets	-3.8	-0.2%	-4.0	-0.2%
Trade Receivables write-off	-5.4	-0.2%	-4.4	-0.3%
Capitalized Production	42.1	1.8%	43.1	2.5%
<b>Subtotal other expenses</b>	<b>-110.2</b>	<b>-4.6%</b>	<b>-54.8</b>	<b>-3.2%</b>
<b>Total</b>	<b>-1,068.8</b>	<b>-44.9%</b>	<b>-734.8</b>	<b>-42.7%</b>

The 2019 depreciation of fixed assets includes € 39.1 million of Right-of-use amortization (Cf to Note 9 Right-of-use assets & lease liabilities).

#### 4.3 Trade payables and note payables

(In € million)	As at December 31, 2019	As at December 31, 2018
Trade payables and note payables	318.4	363.8
<b>Trade payables and note payables</b>	<b>318.4</b>	<b>363.8</b>
Advance payments	-11.9	-1.6
Prepaid expenses	-50.6	-60.6
<b>Net accounts payable</b>	<b>255.9</b>	<b>301.6</b>
<b>Number of days payable outstanding (DPO)</b>	<b>73</b>	<b>87</b>

Trade payables and note payables are expected to be paid within one year.

#### 4.4 Other current assets and other current liabilities

##### Accounting policies/principles

##### Currents assets and current Liabilities – presentation rules

Assets and liabilities classified as current are expected to be realized, used or settled during the normal cycle of operations, which can extend beyond 12 months following period-end. All other assets and liabilities are classified as non-current. Current assets and liabilities, excluding the current portion of borrowings, financial receivables and provisions represent the Group's working capital requirement.

##### Inventory

Inventory recognized under "Other current assets", which mainly consists in payment Terminals, are assessed at the lower cost or net realizable value. The net realizable value is the estimated selling price in the normal course of business, less estimated costs deemed necessary to sell. Inventory cost is determined according to the weighted average method and include the acquisition costs and incidental expenses.



## OTHER CURRENT ASSETS

<i>(In € million)</i>	As at December 31, 2019	As at December 31, 2018
Inventories	41.2	35.0
State – VAT receivables	22.8	43.9
Prepaid expenses	Note 4.3	60.6
Other receivables & current assets	115.8	43.2
Advance payment	Note 4.3	1.6
<b>Total</b>	<b>242.3</b>	<b>184.2</b>

Other receivables include € 46.3 million with SIX related to post-closing adjustments of SIX Payment Services acquisition.

## OTHER CURRENT LIABILITIES

<i>(In € million)</i>	As at December 31, 2019	As at December 31, 2018
Contract liability	148.9	128.7
Employee-related liabilities	106.6	99.2
Social security and other employee welfare liabilities	48.9	46.2
VAT payable	59.6	61.1
Other operating liabilities	75.4	52.6
<b>Total</b>	<b>439.4</b>	<b>387.8</b>

Other current liabilities are expected to be settled within one year, except for contract liability that is released over the particular arrangement of the corresponding contract.

## 4.5 Intermediation activities

### Accounting policies/principles

Acquiring is part of the business of Worldline consisting in contracting with merchants for payment card acceptance. The key role of an acquirer is to transfer to the merchant's bank account the funds received in a card transaction from the cardholder's issuing bank.

Through this intermediation activity, Worldline and its affiliates are facing cash fluctuations due to the lag that may exist between the payment to the merchants and the receipt of the funds from the payment schemes (Visa, MasterCard or other schemes). Payment Schemes also define interchange fees that apply except if there is a bilateral agreement between the Acquirer and the Issuer. Worldline has no such bilateral agreement with the Issuers. Interchange fees are consequently completely driven by the rates defined by the card issuing banks.

The Group isolated in dedicated lines assets and current liabilities related to its intermediation activities (including interchange fees)

(In € million)	As at December 31, 2019	As at December 31, 2018
Receivables linked to intermediation activities	789.7	786.4
Funds related to intermediation activities	263.7	365.1
<b>Total assets linked to intermediation activities</b>	<b>1,053.4</b>	<b>1,151.4</b>
Payables linked to intermediation activities	1,053.4	1,151.4
<b>Total liabilities linked to intermediation activities</b>	<b>1,053.4</b>	<b>1,151.4</b>

## Note 5 Other operating income and expenses

### Accounting policies/principles

"Other operating income and expenses" covers income or expense items that are unusual and infrequent. They are presented below the operating margin.

Classification of charges to (or release from) restructuring and rationalization and associated costs provisions in the income statement depends on the nature of the plan:

- Plans directly in relation with operations are classified within the "Operating margin";
- Plans related to business combinations or qualified as unusual, abnormal and infrequent are classified in the "Other operating expenses";
- If a restructuring plan qualifies for "Other operating expenses", the related real estate rationalization & associated costs expenses regarding premises and buildings are also presented in "Other operating expenses".

"Other operating income and expenses" also include major litigations, and capital gains and losses on the disposal of tangible and intangible assets, significant impairment losses on assets other than financial assets, the amortization of the Customer Relationships, the cost of equity based compensation plans or any other item that is infrequent and unusual.

### Equity-based compensation

Stocks options and performance shares are granted to management and certain employees at regular intervals. These equity-based compensations are measured at fair value at the grant date using the Black and Scholes option-pricing model. Changes in the fair value of options – taking into account assumptions such as personnel turnover and fulfilment of performance conditions – after the grant date have no impact on the initial valuation. The fair value of the instrument is recognized in "Other Operating Income", on a straight-line basis over the period during which those rights vest, using the straight-line method, with the offsetting credit recognized directly in equity.

Employee Share Purchase Plans offer employees the opportunity to invest in Group's shares at a discounted price. Shares are subject to a lock-up period. Fair values of such plans are measured taking into account:

- The exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant;
- The percent discount granted to employees;
- The number of free shares granted linked to the individual subscriptions;
- The consideration of a lock-up restriction to the extent it affects the price that a knowledgeable, willing market participant would pay for that share; and
- The grant date: date on which the plan and its term and conditions, including the exercise price, is announced to employees.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Staff reorganization	-3.8	-3.6
Rationalization and associated costs	-3.3	-3.9
Integration and acquisition costs	-39.6	-39.8
Equity based compensation & associated costs	-19.9	-16.2
Customer relationships and patents amortization	-75.9	-20.9
Other items	-5.7	-2.5
<b>Total</b>	<b>-148.3</b>	<b>-86.9</b>

**Staff reorganization** expenses of € 3.8 million increased by € 0.2 million compared to last year and correspond mainly to the restructuring costs induced by the recent acquisitions.

The € 3.3 million of **rationalization and associated costs** resulted mainly from costs linked to the acceleration of the TEAM<sup>2</sup> program, including administrative back office transformation. Those costs have decreased by € 0.6 million compared to 2018.

**Integration and acquisition costs** reached € 39.6 million which represents a decrease of € 0.2 million compared to the prior period. SIX Payment Services integration costs represent a large part of this amount.

The 2019 **customer relationships amortization** of € 75.9 million corresponds mainly to:

- € 59.0 million of SIX Payment Services customer relationships, technologies and patents;

- € 10.0 million of Equens and Paysquare customer relationships;
- € 2.3 million of MRL Posnet customer relationships and technologies;
- € 2.2 million of Cataps (KB Smartpay) customer relationships.

### Equity-based compensation

The € 19.9 million expenses recorded within "Others Operation Income" for equity-based compensation (€ 16.2 million in 2018) is mainly related to 2016, 2017, 2018 & 2019 free share plans, the 2018 & 2019 stock option plans, previous Atos free share plans and some social charges linked to those plans.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Free share plans Worldline	12.8	14.9
Stock option plans	0.8	0.4
Employee share purchase plans	0.4	0.0
Others	5.9	0.9
<b>Total</b>	<b>19.9</b>	<b>16.2</b>

### Performance share plans

Rules governing the performance shares plans are as follows:

- To receive the share, the grantee must generally be an employee or a corporate officer of the Group or a company employee related to Worldline at the time of grant and vesting;
- Vesting is also conditional on both the continued employment condition and the achievement of performance criteria, financial and non-financial;
- The financial performance criteria relates to the following indicators:
  - Group Organic Revenue Growth, and
  - Group Operating Margin before Depreciation and Amortization (OMDA), and
  - Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (FCF);
- The vesting period varies according to the plans rules but never exceeds 3.5 years;

- For the 2016 and 2017 Performance Shares Plans, the number of shares to be delivered is subject to a multiplier varying from 85% to 115% according to an under/over performance;
- For the 2018 and 2019 Performance Shares Plans, the number of shares to be delivered is subject to the achievement of internal and external performance conditions. In the situation where one of the internal performance criteria would not be met during the course of the last year of the plan, the latter would be considered as achieved if it reaches at least 85% of the target; however the vesting of performance shares will be lowered to 75% of the initially granted aggregate number;
- The lock-up period is 0 to 1 year;
- Performance shares plans give the right to issue Worldline shares.

The Group has implemented two new performance shares plans in 2019, one on January 2, 2019 and one on July 24, 2019.

The plans impacting the 2019 charge for € 12.8 million are detailed as follows:

July 25, 2016							
Grant Date	French plan	Foreign plan	January 2, 2017	July 24, 2017	July 21, 2018	January 2, 2019	July 24, 2019
Number of shares granted	229,250	133,000	229,500	441,000	336,685	93,700	326,965
Share price at grant date (in €)	26.87	26.87	26.78	33.24	51.10	41.62	65.65
February 1, 2019							
Vesting Date(s)	July 25, 2018	July 25, 2019	September 1, 2019	July 24, 2020	July 20, 2021	March 31, 2022	July 24, 2022
April 1, 2019							
Expected Life	2 years	3 years	2.0/2.65/3.25 years	3 years	3 years	3 years	3 years
Lock-up period	1 year	-	-	-	-	-	-
Risk free interest rate	-0.047%	-	-	-	-	-	-
Borrowing-lending spread	4.0%	-	-	-	-	-	-
Expected dividend yield	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
<b>Fair value of shares granted (in €)</b>	<b>26.28</b>	<b>25.99</b>	<b>26,17/26,00/25,84</b>	<b>32.16</b>	<b>49.44</b>	<b>40.16</b>	<b>63.52</b>
<b>Expense recognized in 2019 (in € million)</b>		<b>0.7</b>	<b>0.8</b>	<b>4.8</b>	<b>4.5</b>	<b>0.7</b>	<b>1.4</b>

### Stock option plans

Rules governing the stock options plans are as follows:

- To exercise the option, the grantee must generally be an employee or corporate officer of the Group or a company employee related to Worldline at the time of grant and vesting;
- Vesting is conditional on the achievement of performance criteria, financial and non-financial;
- The financial performance criteria are the following:
  - Group Organic Revenue Growth, and
  - Group Operating Margin before Depreciation and Amortization (OMDA), and
  - Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (FCF);
- The vesting period varies according to the plans rules but never exceeds 3.5 years;
- The option expiration date never exceeds 10 years after the grant date;
- The exercise of the option is equity-settled.

The Group recognized a total expense of € 0.8 million on stock options detailed as follows:

Grant Date	2019 Expense (in € million)	Number of options initially granted	Vesting Date	Number of options vested
May 25, 2016	0.0	196,000	May 25, 2018	179,000
August 16, 2016	0.0	45,000	May 25, 2018	45,000
July 21, 2018	0.6	262,000	July 20, 2021	-
January 2, 2019	0.2	130,550	March 31, 2022	-
July 24, 2019	0.1	98,600	July 24, 2022	-
<b>Total</b>	<b>0.8</b>	<b>732,150</b>		

The characteristics of each current stock option plans are detailed as follows:

Grant Date	July 21, 2018	January 2, 2019	July 24, 2019
Number of options granted	262,000	130,550	98,600
Share price at grant date (in €)	51.1	41.6	65.7
Strike price (in €)	52.9	46.7	66.8
Vesting date	July 20, 2021	March 31, 2022	July 24, 2022
Expected volatility	21%	25%	26%
Expected maturity of the plan	5 years	5 years	5 years
Risk free interest rate	0.019%	-0.003%	-0.158%
Expected dividend yield	1.10%	1.10%	1.10%
<b>Fair value of options granted (in €)</b>	<b>7.3</b>	<b>6.2</b>	<b>12.4</b>
<b>Expense recognized in 2019 (in € million)</b>	<b>0.6</b>	<b>0.2</b>	<b>0.1</b>

The change of outstanding share options for Worldline SA during the period was as the following:

	12 months ended December 31, 2019		12 months ended December 31, 2018	
	Number of shares	Weighted average strike price (in €)	Number of shares	Weighted average strike price (in €)
<b>Outstanding at the beginning of the year</b>	<b>2,125,477</b>	<b>24.8</b>	<b>2,270,174</b>	<b>21.2</b>
Granted during the year	229,150	55.3	262,000	52.9
Forfeited during the year	0	0.0	-14,500	26.8
Exercised during the year	-408,916	21.1	-392,197	22.4
<b>Outstanding at the end of the year</b>	<b>1,945,711</b>	<b>29.4</b>	<b>2,125,477</b>	<b>24.8</b>
Exercisable at the end of the year, below year-end stock price*	1,454,561	21.1	1,863,477	20.9

\* Year-End stock price: €63,45 at December 31, 2019 and €42,20 at December 2018.

## Note 6 Financial items

### 6.1 Net Financial Result

Net financial income amounted to € 121.7 million for the period (compared to an expense of € 20.4 million in 2018) and was made up of:

- A net cost of financial debt of € 5.5 million (€ 0.8 million in 2018); and
- A non-operational financial income of € 127.2 million (€ -19.6 million in 2018)

Net cost of financial debt of € 5.5 million is made up of:

- € 6.3 million of cost of gross debt of the Group's subsidiaries representing an average interest rate of 0.6%. Those costs include interest linked to convertible bonds for € 2.6 million and bond for € 0.6 million; and
- € 0.8 million of remuneration of gross cash of the Group's subsidiaries representing an average interest rate of 0.1%.

The non-operational financial income was mainly composed of:

- The cancelation of contingent liability linked to the acquisition of SIX Payment Services representing an income of € 117.6 million (cf. Note 1 Main changes in the scope of consolidation);
- The recognition in the consolidated income statement of the variation of the fair value of the Visa preferred shares for a profit of € 24.2 million;
- Foreign exchange losses for € 9.7 million;
- IFRS 16 impacts for an expense of € 3.6 million; and
- Pension financial costs for € 2.3 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded (cf. Note 10 Pensions and similar benefits).

### 6.2 Cash and cash equivalents

#### Accounting policies/principles

Cash and cash equivalents include cash at bank and financial instruments such as money market securities. Such financial instruments are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. They are held for the purpose of meeting short-term cash commitments and have a short maturity, in general three months or less from the date of acquisition. Some instruments, such as term deposits, that have at inception a longer maturity but provide for early withdrawal and a capital guarantee may also be classified as cash equivalents under certain circumstances. Money market securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Cash and cash equivalents are measured at their fair value through profit and loss.

For entities having subscribed to the Group cash pooling agreement, the cash/debt balance sheet positions which are linked to this agreement are mutualized and only the net position is presented in the consolidated balance sheet, it is a notional cash pool.

The cash and cash equivalents are held with bank and financial institutions counterparties, majority of which are rated A- to AA-. Impairment on cash and cash equivalent is calculated based on S&P default probability.

(In € million)	As at December 31, 2019	As at December 31, 2018
Cash and cash equivalents	499.8	214.8
Current accounts with Atos entities – Assets	0.0	-2.6
Money market funds	0.8	0.5
<b>Total cash and cash equivalents</b>	<b>500.6</b>	<b>212.8</b>
Overdrafts	-24.5	-98.4
Current accounts with Atos entities – Liabilities	0.0	-19.2
<b>Total overdrafts and equivalents</b>	<b>-24.5</b>	<b>-117.6</b>
<b>Total net cash and cash equivalents</b>	<b>476.0</b>	<b>95.2</b>

## 6.3 Non current financial Assets

### Accounting policies/principles

#### Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are recognized at their fair value. For listed shares, fair value corresponds to the share price at the closing date.

#### Visa preferred shares

Under IFRS 9, the analysis applied is the approach for debt instrument. The accounting treatment of debt instruments is determined by the business model of the financial instrument and the contractual characteristics of the incoming cash flows of the financial instruments. The understanding is that Visa's Convertible preferred stock does not pass the SPPI (Solely Payment of Principal and Interests) test because the cash flows generated by those stock include an indexation to the value of the Visa shares, and such equity indexation gives rise to a variability that do not solely represent a payment of principal and interests. In this situation, the accounting treatment of the debt instruments is fair value through P&L.

(In € million)		As at December 31, 2019	As at December 31, 2018
Pension prepayments	Note 10	16.4	8.9
Fair value of non-consolidated investments		76.6	78.1
Investments in associates		4.5	2.9
Other		4.6	22.1
<b>Total</b>		<b>102.1</b>	<b>112.0</b>

\* "Other" include loans, deposits and guarantees.

Fair value variation of non-consolidated investments is mainly linked to:

- The Visa preferred shares for € 24.2 million;
- The Twint shares depreciation for € -26.5 million.

The decrease in other is mainly due to the deferred payment related to the disposal of Visa Europe share formerly owned by Worldline that had been paid during the 2019 first semester.

Investments in associates relates to the investment in In-touch.

## 6.4 Borrowings

### Accounting policies/principles

#### Borrowings

Borrowings are recognized initially at fair value, net of directly attributable debt issuance costs. Borrowings are subsequently measured at amortized cost. The calculation of the effective interest rate takes into account interest payments and the amortization of the debt issuance costs.

Debt issuance costs are amortized in financial expenses over the life of the loan through the use of amortized method with the effective interest method. The residual value of issuance costs for loans derecognized is fully expensed as soon as it is probable that the loan maturity is reduced, with respect to the intention to exercise the anticipated refund clause.

Bank overdrafts are recorded in the current portion of borrowings.

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(In € million)	As at December 31, 2019			As at December 31, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Finance leases				0.6	2.7	3.3
Overdrafts	24.5		24.5	98.4	-	98.4
Current accounts with Atos entities				19.2	-	19.2
Other borrowings	63.1		63.1	9.3	117.6	126.9
Convertible bonds		557.4	557.4			
Bonds		496.7	496.7			
<b>Total borrowings</b>	<b>87.7</b>	<b>1,054.2</b>	<b>1,141.8</b>	<b>127.5</b>	<b>120.3</b>	<b>247.8</b>

Current accounts with a short-term maturity – less than one month – have no remuneration.

The decrease of “Other current Borrowings” is due to the cancellation of the contingent liability recognized for the SIX

Payment Services transaction (cf. Note 1 Main changes in the scope of consolidation). Balance at the end of 2019 is linked to commercial papers.

## BORROWINGS IN CURRENCIES

(In € million)	CHF	EUR	SGD	Other currencies	Total
<b>December 31, 2019</b>	<b>-</b>	<b>1,141.8</b>	<b>-</b>	<b>-</b>	<b>1,141.8</b>
December 31, 2018	202.3	33.3	8.8	3.5	247.8

## NON-CURRENT BORROWINGS MATURITY

(In € million)	2021	2022	2023	2024	>2024	Total
Convertible bonds	-	-	-	-	557.4	557.4
Bonds	-	-	-	496.7	-	496.7
<b>As at December 31, 2019 long-term debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>496.7</b>	<b>557.4</b>	<b>1,054.2</b>

(In € million)	2020	2021	2022	2023	>2023	Total
Finance leases	0.6	0.6	0.6	0.4	0.5	2.7
Other borrowings	117.6	-	-	-	-	117.6
<b>As at December 31, 2018 long-term debt</b>	<b>118.2</b>	<b>0.6</b>	<b>0.6</b>	<b>0.4</b>	<b>0.5</b>	<b>120.3</b>

## Convertible bonds issuance

On July 30, 2019 the Group completed a new issue of convertible bonds, which are convertible into and/or exchangeable for new or existing Worldline shares, maturing on July 30, 2026. The par value of the bond was c. € 600 million, or 5,813,953 bonds with a nominal value of € 103.20 each. This convertible bond is classified as a compound financial instrument and, as such, falls within the scope of IAS 32, which requires separate accounting in the balance sheet of the equity component (the holder's call option to convert the bonds into shares) and of the liability component (the contractual arrangement to deliver cash).

The fair value of the debt and the portion allocated to equity is calculated as of the convertible bonds' issue date, July 30, 2019. The fair value of the recognized liability classified as long-term debt is calculated using the average market rate for a straight bond.

The difference between the nominal value and the fair value of the bond was recognized in equity under “Retained earnings and other reserves”, net of deferred tax. The convertible bonds is a zero-coupon bond. The average market rate for a bond of equivalent maturity at issuance would have been 0.9%. The fair value of the liability component was € 554.8 million upon issuance and the fair value of the equity component amounted to € 82.0 million, after deduction of the issuer's call option and issuance costs (€ 5.2 million prorated between the liability and equity components). After deduction of issuance costs and reclassification of the equity component of the bonds, the effective interest rate is 1.13%. At December 31, 2019, the conversion rate was 1 bond for one share.



## CONVERTIBLE BONDS

Settlement date	30/07/2019
Maturity date	30/07/2026
Issue size	€ 600 M
Issue price	107%
Redemption price	100%
Number of bonds	5,813,953
Coupon (in %)	0%
Nominal value per bond	€ 103.2
Issue price	€ 110.424
Initial conversion/exchange ratio	One share per bond
Gross proceeds	€ 642 M

## Bond issuance

On September 18, 2019, the Group issued a bond maturing on September 18, 2024. The par value of the bond was € 500 million, or 5,000 bonds with a nominal value of € 100,000 each. The bonds carry an annual coupon of 0.25%. The debt was recognized at amortized cost. Issuance costs are amortized in profit or loss over the life of the bond.

## BOND

Settlement date	18/09/2019
Maturity date	18/09/2024
Issue size	€ 500 M
Issue price (in %)	99.5%
Redemption price	100%
Number of bonds	5,000
Coupon (in %)	0.25%
Nominal value per bond	€ 100,000
Issue price	€ 99,500
Gross proceeds	€ 497.5 M

Comparison between carrying value and fair value of borrowings are presented below:

(In € million)	Carrying value	Fair value	Effective interest rate
Convertible bonds*	557.4	655.6	1.13%
Straight bond	496.7	497.4	0.41%
<b>Total borrowings</b>	<b>1,054.2</b>	<b>1,153.0</b>	

\* Fair value of the convertible bond includes both the liability component and the equity component.

## CHANGE IN NET CASH/(DEBT) OVER THE PERIOD

(In € million)	As at December 31, 2019	As at December 31, 2018
<b>Opening net cash/(debt)</b>	<b>-35.0</b>	<b>309.1</b>
New borrowings: convertibles bonds & bonds	-1,050.9	-0.6
Other borrowings	-63.0	
Contingent liability	117.6	-117.6
Repayment of long and medium-term borrowings	9.2	15.8
Variance in net cash and cash equivalents	378.8	-236.7
New finance leases	0.0	-2.4
Impact of exchange rate fluctuations on net long and medium-term debt	2.1	-2.4
<b>Closing net cash/(debt)</b>	<b>-641.3</b>	<b>-35.0</b>

## NET CASH/(DEBT)

(In € million)	As at December 31, 2019	As at December 31, 2018
Cash and cash equivalents	500.6	212.8
Borrowings	-1,054.2	-120.3
Current portion of borrowings	-87.7	-127.5
<b>Total</b>	<b>-641.3</b>	<b>-35.0</b>

## Note 7 Income tax

## Accounting policies/principles

## Current and deferred taxes

The income tax charge includes current and deferred tax expenses. Deferred tax is calculated wherever temporary differences occur between the tax base and the consolidated base of assets and liabilities, using the liability method. The deferred tax is valued using the enacted tax rate at the closing date that will be in force when the temporary differences reverse.

In case of change in tax rate, the deferred tax assets and liabilities are adjusted counterpart the income statement except if those change related to items recognized in other comprehensive income or in equity.

The deferred tax assets and liabilities are netted off at the taxable entity, when there is a legal right to offset. Deferred tax assets corresponding to temporary differences and tax losses carried over forward are recognized when they are considered to be recoverable during their validity period, based on historical and forecast information.

Deferred tax liabilities for taxable temporary differences relating to goodwill are recognized, to the extent they do not arise from the initial recognition of goodwill.

Deferred tax assets are tested for impairment at least annually at the closing date, based on December actuals, business plans and impairment test data.

## Measurement of recognized tax loss carry-forwards

Deferred tax assets are recognized on tax loss carry-forwards when it is probable that taxable profit will be available against which the tax loss carry-forwards can be utilized. Estimates of taxable profits and utilizations of tax loss carry-forwards were prepared on the basis of profit and loss forecasts as included in the 3-year business plans (other durations may apply due to local specificities).

## IFRIC 23

The Group applied IFRIC 23 on the accounting for income tax when there is uncertainty over tax treatments by using the retrospective approach. The Group reviewed its income tax treatment and concluded that no material impact was to be considered, so no adjustment on retained earnings were made. A liability is recognized in the consolidated statement of financial position when a tax risk arising from positions taken by the Group, or one of its subsidiaries, is considered as probable, assuming that the tax authorities have full knowledge of all relevant information when making their examination.

## 7.1 Current and deferred taxes

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Current taxes	-87.4	-56.0
Deferred taxes	12.4	10.7
<b>Total</b>	<b>-75.0</b>	<b>-45.3</b>

## 7.2 Effective tax rate

The difference between the French standard tax rate and the Group Effective tax rate is explained as follows:

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Profit before tax	416.0	185.5
French standard tax rate	34.4%	34.4%
<b>Theoretical tax charge at French standard rate</b>	<b>-143.2</b>	<b>-63.9</b>
Impact of permanent differences	52.6	11.0
Differences in foreign tax rates	30.2	17.6
Movement on recognition of deferred tax assets	-2.0	-6.4
Equity-based compensation	-4.6	-3.4
Change in deferred tax rates	5.4	0.8
Withholding taxes	-1.8	-1.2
CVAE net of tax	-3.5	-3.0
French Tax credit	0.7	1.9
Other	-8.7	1.3
<b>Group tax expense</b>	<b>-75.0</b>	<b>-45.3</b>
<b>Effective tax rate</b>	<b>18.0%</b>	<b>24.4%</b>

## 7.3 Deferred taxes

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Deferred tax assets	26.5	51.5
Deferred tax liabilities	206.5	191.7
<b>Net deferred tax</b>	<b>-180.0</b>	<b>-140.2</b>

## 7.4 Breakdown of deferred tax assets and liabilities by nature

(In € million)	Tax losses carry forward	Intangible assets recognized as part of PPA	Fixed assets	Pensions	Other	Total
<b>As at December 31, 2017</b>	<b>24.8</b>	<b>-33.0</b>	<b>-54.9</b>	<b>31.7</b>	<b>26.5</b>	<b>-5.0</b>
Charge to profit or loss for the year	8.2	5.6	2.5	2.8	-8.5	10.6
Change of scope	0.6	-161.3	-1.7	1.0	11.3	-150.1
Charge to equity	-	-	-0.1	2.3	1.5	3.8
Reclassification	-	-0.2	4.3	-	-3.0	1.2
Exchange differences	-0.1	0.6	-0.4	-	-1.1	-0.8
<b>As at December 31, 2018</b>	<b>33.6</b>	<b>-188.2</b>	<b>-50.2</b>	<b>37.8</b>	<b>26.8</b>	<b>-140.2</b>
Charge to profit or loss for the year	-2.4	9.6	-1.1	2.0	4.3	12.4
Change of scope	-	-13.8	-	-3.6	-13.9	-31.3
Charge to equity	-	-	-	4.1	-19.7	-15.6
Reclassification	-6.7	-3.7	5.3	-0.2	5.3	-
Exchange differences	-	-3.8	-	-0.6	-0.8	-5.2
<b>As at December 31, 2019</b>	<b>24.5</b>	<b>-199.9</b>	<b>-46.0</b>	<b>39.5</b>	<b>2.0</b>	<b>-180.0</b>

## 7.5 Tax losses carry forward schedule (basis)

(In € million)	12 months ended December 31, 2019			12 months ended December 31, 2018		
	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2021	0.0	8.7	8.7	0.3	8.9	9.2
2022	0.0	0.0	-	-	-	-
Tax losses available for carry forward for 5 years and more	10.3	3.3	13.6	0.0	0.9	0.9
<b>Ordinary tax losses carry forward</b>	<b>10.3</b>	<b>12.0</b>	<b>22.3</b>	<b>0.3</b>	<b>9.8</b>	<b>10.1</b>
<b>Evergreen tax losses carry forward</b>	<b>86.7</b>	<b>112.0</b>	<b>198.7</b>	<b>116.4</b>	<b>84.3</b>	<b>200.7</b>
<b>Total tax losses carry forward</b>	<b>97.0</b>	<b>124.0</b>	<b>221.0</b>	<b>116.7</b>	<b>94.1</b>	<b>210.8</b>

Countries with the largest tax losses available for carry forward were Luxembourg (€ 92.2 million), France (€ 82.6 million), Spain (€ 16.7 million), Germany (€ 12.2 million) and Poland (€ 12.0 million).

## 7.6 Deferred tax assets not recognized by the Group

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
Tax losses carry forward	31.8	25.3
Temporary differences	20.4	24.0
<b>Total</b>	<b>52.2</b>	<b>49.3</b>

## Note 8 Goodwill and fixed assets

### 8.1 Goodwill

#### Accounting policies/principles

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, of the amount of any non-controlling interests in the acquiree and of the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is allocated to Cash Generating Units (CGU) for the purpose of impairment testing. Goodwill is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. CGUs correspond to Global Business Lines defined by IFRS 8.

The recoverable value of a CGU is based on the higher of its fair value less costs to sell and its value in use determined using the discounted cash-flows method. When this value is less than its carrying amount, an impairment loss is recognized in the operating income.

The impairment loss is first recorded as an adjustment of the carrying amount of the goodwill allocated to the CGU and remainder of the loss, if any, is allocated *pro rata* to the other long-term asset of the unit.

Goodwill is not amortized and is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on December actuals and latest 3-year plan, or more often whenever events or circumstances indicate that the carrying amount could not be recoverable.

Such events and circumstances include but are not limited to:

- Significant deviance of economic performance of the asset when compared with budget;
- Significant worsening of the asset's economic environment;
- Loss of a major client;
- Significant increase in interest rates.

#### Impairment tests

The Group tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policies. The recoverable amounts of Cash Generating Units are determined based on value-in-use calculations or on their fair value reduced by the costs of sales. These calculations require the use of estimates.

(In € million)	As at December 31, 2018	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	As at December 31, 2019
Gross value	3,013.6	-	47.9	53.5	3,115.1
Impairment loss	-0.6	-	-	-	-0.6
<b>Carrying amount</b>	<b>3,013.0</b>	<b>-</b>	<b>47.9</b>	<b>53.5</b>	<b>3,114.5</b>

(In € million)	As at December 31, 2017	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	As at December 31, 2018
Gross value	934.4	-	2,087.4	-8.2	3,013.6
Impairment loss	-0.6	-	-	-	-0.6
<b>Carrying amount</b>	<b>933.8</b>	<b>-</b>	<b>2,087.4</b>	<b>-8.2</b>	<b>3,013.0</b>

As of December 31, 2019, goodwill mainly corresponds to:

- € 2,178.4 million related to acquisitions of SIX Payment Services (see Note 1 for more details);
- € 437.9 million related to acquisitions of Equens/Paysquare and Cataps;
- € 243.3 million related to Banksys acquisition;
- € 50.2 million related to the acquisition of MRL Posnet;
- € 41.3 million related to the acquisition of First Data Baltics;
- € 33.2 million related to the acquisition of Digital River World Payment.

Goodwill is allocated to Cash Generating Units (CGUs) which correspond to the three operating segments disclosed in Note 3.1 Segment information.

(In € million)	As at December 31, 2019	As at December 31, 2018
Merchant Services	1,873.0	2,050.2
Financial Services	1,215.4	936.9
Mobility & e-Transactional Services	26.1	25.8
<b>Total</b>	<b>3,114.5</b>	<b>3,013.0</b>

The recoverable amount of a CGU is based on the following assumptions:

- Terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.5%. This rate reflects specific perspectives of the payment sector, and;
- Discount rates are applied by CGU based on the Group's weighted average cost of capital and adjusted to take into account specific tax rates. The Group considers that the weighted average cost of capital should be determined based on a historical equity risk premium of 9.3%, in order

to reflect the long-term assumptions factored in the impairment tests.

The discount rate of 7.5% is used for all the CGUs (Merchant Services, Financial Services and Mobility & e-Transactional Services).

On the basis of impairment tests carried at year end, no loss of value has been identified as at December 31, 2019.

A varying plus or minus 50 basis points of the key parameters (operating margin, discount rates and perpetual growth rate) did not reveal the existence of any risk on the Group's CGUs.

## 8.2 Intangible assets

### Accounting policies/principles

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, internally developed IT solutions as well as software and customer relationships and technologies acquired in relation with a business combination.

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the generation of the asset into a research phase and a development phase. Under IAS 38, no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Such expenditure is therefore recognized as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognized if, and only if, an entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and to use or sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development; and
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development expenses correspond to assets developed for the own use of the Group, to specific implementation projects for some customers or innovative technical solutions made available to a group of customers. These projects are subject to a case-by-case analysis to ensure they meet the appropriate criteria for capitalization. Are capitalized as development costs only those directly attributable to create produce and prepare the asset to be capable of operating in the manner intended by management.

Capitalized development expenditure is accounted for at cost less accumulated depreciation and any impairment losses. It is amortized on a straight-line basis over a useful life between 3 and 12 years, for which two categories can be identified:

- For internal software development with fast technology serving activities with shorter business cycle and contract duration, the period of amortization will be between 3 and 7 years;
- For internal software development with slow technology obsolescence serving activities with long business cycle and contract duration, the period of amortization will be between 5 and 12 years with a standard scenario at 7 years. It is typically the case for large mutualized payment platforms.

An intangible asset related to the customer relationships and backlog brought during a business combination is recognized as customer relationships. The value of this asset is based on assumptions of renewal conditions of contract and on the discounted flows of these contracts. This asset is amortized on an estimation of its average life.

The value of the developed technology acquired is derived from an income approach based on the relief from royalty method. This method relies on (i) assumptions on the obsolescence curve of the technology and (ii) the theoretical royalty rate applicable to similar technologies, to determine the discounted cash flows expected to be generated by this technology over their expected remaining useful life. The developed technology is amortized on an estimation of its average life. The cost approach may also be implemented as a secondary approach to derive an indicative value for consistency purposes. This method relies on assumptions of the costs that should be engaged to reproduce a similar new item having the nearest equivalent utility as the asset being valued. On the contrary, if technology is believed to be the most important driver for the business, an Excess Earning method could also be implemented.

Intangible assets are amortized on a straight-line basis over their expected useful life, for internally developed IT solutions in operating margin. Customer relationships, patents, technologies and trademarks acquired as part of a business combination are amortized on a straight-line basis over their expected useful life, generally not exceeding 19 years; any related depreciation is recorded in other operating expenses.

#### Impairment of assets other than goodwill

At the end of each reporting period of the financial information, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. This is also applied to R&D costs capitalized.

If it is not possible to assess the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If a reasonable and consistent method of allocation can be identified, corporate assets are also allocated to cash-generating units individually; otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation method can be determined.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the estimated recoverable amount (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
<b>Gross value</b>				
<b>At January 1, 2019</b>	<b>767.9</b>	<b>608.5</b>	<b>23.2</b>	<b>1,399.6</b>
Additions	24.6	0.5	0.0	25.2
R&D capitalized	42.1			42.1
Impact of business combination	-16.8	7.2	7.5	-2.1
Disposals	-23.2	-0.9	-0.1	-24.1
Exchange differences	3.9	11.0	9.1	24.0
<b>At December 31, 2019</b>	<b>798.6</b>	<b>626.3</b>	<b>39.7</b>	<b>1,464.7</b>
<b>Accumulated depreciation</b>				
<b>At January 1, 2019</b>	<b>-217.8</b>	<b>-66.7</b>	<b>-20.7</b>	<b>-305.2</b>
Depreciation charge for the year	-53.3	-75.9		-129.3
Impact of business combination	14.0	-6.6	-7.4	0.0
Disposals/reversals	21.3	0.9		22.2
Exchange differences	-3.4	-0.5	-1.3	-5.2
<b>At December 31, 2019</b>	<b>-239.3</b>	<b>-148.8</b>	<b>-29.4</b>	<b>-417.5</b>
<b>Net value</b>				
<b>At January 1, 2019</b>	<b>550.0</b>	<b>541.8</b>	<b>2.5</b>	<b>1,094.3</b>
<b>At December 31, 2019</b>	<b>559.3</b>	<b>477.5</b>	<b>10.3</b>	<b>1,047.1</b>

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
<b>Gross value</b>				
<b>As at January 1, 2018</b>	<b>377.5</b>	<b>192.8</b>	<b>24.1</b>	<b>594.3</b>
Additions	10.9		0.8	11.7
R&D capitalized	43.1			43.1
Impact of business combination	339.8	417.9		757.7
Disposals	-5.9			-5.9
Exchange differences	-0.8	-2.2	-0.7	-3.7
Other	3.2		-0.9	2.4
<b>As at December 31, 2018</b>	<b>767.9</b>	<b>608.5</b>	<b>23.2</b>	<b>1,399.6</b>
<b>Accumulated depreciation</b>				
<b>As at January 1, 2018</b>	<b>-175.1</b>	<b>-45.7</b>	<b>-21.0</b>	<b>-241.7</b>
Depreciation charge for the year	-49.1	-21.0		-70.1
Disposals/reversals*	5.5			5.5
Exchange differences	0.6		0.3	0.8
Other	0.2		0.0	0.2
<b>As at December 31, 2018</b>	<b>-217.8</b>	<b>-66.7</b>	<b>-20.7</b>	<b>-305.2</b>
<b>Net value</b>				
<b>As at January 1, 2018</b>	<b>202.4</b>	<b>147.1</b>	<b>3.1</b>	<b>352.6</b>
<b>As at December 31, 2018</b>	<b>550.0</b>	<b>541.8</b>	<b>2.5</b>	<b>1,094.3</b>

Development capitalized cost is related to the modernization of proprietary technological platforms for € 42.1 million. At December 31, 2019, the net book value of those capitalized projects amounted to € 185.3 million.

### 8.3 Tangible assets

#### Accounting policies/principles

Tangible assets are recorded at acquisition cost. They are depreciated on a straight-line basis over the following expected useful lives:

- Buildings: 20 years;
- Fixtures and fittings: 5 to 20 years;
- Computer hardware: 3 to 5 years;
- Vehicles: 4 years;
- Office furniture and equipment: 5 to 10 years.



(In € million)	Land and buildings	IT equipments	Other assets	Total
<b>Gross value</b>				
<b>As at January 1, 2019</b>	<b>62.8</b>	<b>277.4</b>	<b>38.9</b>	<b>379.0</b>
Additions	5.7	51.6	2.4	59.7
Impact of business combination	0.0	-0.2	0.0	-0.2
Disposals	0.0	-30.5	-0.8	-31.3
Exchange differences	0.1	1.7	-0.5	1.3
IAS 17 reclass to right-of-use*	-1.8	-5.6	0.0	-7.5
Other	0.4	9.3	-11.3	-1.7
<b>At December 31, 2019</b>	<b>67.1</b>	<b>303.6</b>	<b>28.7</b>	<b>399.4</b>
<b>Accumulated depreciation</b>				
<b>As at January 1, 2019</b>	<b>-44.8</b>	<b>-168.3</b>	<b>-19.9</b>	<b>-233.0</b>
Depreciation charge for the year	-4.5	-43.7	-2.0	-50.3
Disposals/Reversals	0.0	24.3	0.3	24.6
Exchange differences	-0.1	-1.2	0.2	-1.1
IAS 17 reclass to right-of-Use*	1.5	3.5	0.0	5.0
Other	-0.1	-1.9	1.3	-0.7
<b>At December 31, 2019</b>	<b>-48.1</b>	<b>-187.2</b>	<b>-20.2</b>	<b>-255.5</b>
<b>Net value</b>				
<b>As at January 1, 2019</b>	<b>18.0</b>	<b>109.1</b>	<b>19.0</b>	<b>146.0</b>
<b>At December 31, 2019</b>	<b>19.0</b>	<b>116.4</b>	<b>8.5</b>	<b>143.9</b>

\* Linked to IFRS 16 first application (cf. note Accounting rules & policies).

(In € million)	Land and buildings	IT equipments	Other assets	Total
<b>Gross value</b>				
<b>As at January 1, 2018</b>	<b>60.8</b>	<b>268.5</b>	<b>31.2</b>	<b>360.5</b>
Additions	4.0	32.1	12.4	48.5
Impact of business combination	0.0	22.8	1.9	24.7
Disposals	-1.5	-44.4	-1.3	-47.2
Exchange differences	-0.1	-2.6	-2.2	-4.9
Other	-0.5	1.0	-3.1	-2.6
<b>As at December 31, 2018</b>	<b>62.8</b>	<b>277.4</b>	<b>38.9</b>	<b>379.0</b>
<b>Accumulated depreciation</b>				
<b>As at January 1, 2018</b>	<b>-40.3</b>	<b>-171.6</b>	<b>-19.4</b>	<b>-231.4</b>
Depreciation charge for the year	-4.8	-38.2	-2.9	-45.8
Disposals/Reversals	1.4	40.5	1.3	43.1
Exchange differences	0.0	1.3	1.2	2.5
Other	-1.2	-0.2	-0.1	-1.4
<b>As at December 31, 2018</b>	<b>-44.8</b>	<b>-168.3</b>	<b>-19.9</b>	<b>-233.0</b>
<b>Net value</b>				
<b>As at January 1, 2018</b>	<b>20.5</b>	<b>96.9</b>	<b>11.8</b>	<b>129.2</b>
<b>As at December 31, 2018</b>	<b>18.0</b>	<b>109.1</b>	<b>19.0</b>	<b>146.0</b>

Tangible capital assets of the Group mainly include computer equipment used in the production centers, particularly in the processing datacenters, and Terminals rented to merchants. Land and buildings are mostly composed of technical infrastructures of datacenters.

## Note 9 Right-of-use assets & lease liabilities

### 9.1 Right-of-use assets

Right-of-use assets break down as follows, by type of underlying asset:

(In € million)	Land and buildings	IT equipments	Other assets	Total
<b>Gross value</b>				
<b>As at January 1, 2019</b>	<b>202.0</b>	<b>4.1</b>	<b>13.1</b>	<b>219.2</b>
Additions	14.8	0.0	5.6	20.3
Disposals	-1.0	-1.0	-1.1	-3.1
Exchange differences	1.1	0.0	0.0	1.1
Other	0.8	5.1	0.0	6.0
<b>As at December 31, 2019</b>	<b>217.6</b>	<b>8.2</b>	<b>17.7</b>	<b>243.5</b>
<b>Accumulated depreciation</b>				
<b>As at January 1, 2019</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Depreciation charge for the year	-30.4	-2.2	-6.5	-39.1
Disposals/Reversals	1.0	1.0	0.9	2.9
Exchange differences	-0.1	0.0	0.0	-0.1
Other	-1.5	-3.5	0.0	-5.0
<b>As at December 31, 2019</b>	<b>-31.0</b>	<b>-4.7</b>	<b>-5.6</b>	<b>-41.4</b>
<b>Net value</b>				
<b>As at January 1, 2019</b>	<b>202.0</b>	<b>4.1</b>	<b>13.1</b>	<b>219.2</b>
<b>As at December 31, 2019</b>	<b>186.6</b>	<b>3.5</b>	<b>12.1</b>	<b>202.1</b>

### 9.2 Lease liabilities

Lease liabilities breakdown as follows:

(In € million)	Land and buildings	IT equipments	Other assets	Total
<b>Gross value</b>				
<b>As at January 1, 2019</b>	<b>198.6</b>	<b>4.2</b>	<b>12.9</b>	<b>215.7</b>
Additions	14.7	0.0	5.5	20.2
Reimbursement	-29.2	-2.1	-6.5	-37.8
Exchange differences	0.9	0.0	0.0	0.9
Other	1.2	1.5	0.0	2.7
<b>As at December 31, 2019</b>	<b>186.1</b>	<b>3.6</b>	<b>11.9</b>	<b>201.7</b>

## Note 10 Pensions and similar benefits

### Accounting policies/principles

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution costs are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been accomplished by beneficiaries.

The valuation of Group defined benefit obligation is based on a single actuarial method known as the “projected unit credit method”. This method includes the formulation of specific assumptions which are periodically updated, in close liaison with external actuaries of the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing. The fair value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate.

From one accounting period to the other, any difference between the projected and actual pension plan obligation and their related assets is actuarial differences. These actuarial differences may result either from changes in actuarial assumptions used, or from experience adjustments generated by actual developments differing, in the accounting period, from assumptions determined at the end of the previous accounting period. All actuarial gains and losses generated on post-employment benefit plans on the period are recognized in “other comprehensive income”.

Benefit plans costs are recognized in the Group’s “Operating Margin”, except for interest costs on net obligations which are recognized in “other financial income and expenses”.

The total amount recognized in the Worldline balance sheet in respect of pension plans and associated benefits was € 143.5 million at December 31, 2019. It was € 116.7 million at December 31, 2018.

Worldline’s obligations are located predominantly in Switzerland (41% of total obligations), Belgium (19%), Germany (17%), the United Kingdom (13%), and France (8%).

### Characteristics of significant plans and associated risks

In Switzerland, the obligations flow from a legacy defined benefit plans, exceeding the minimum mandatory pension benefit required by the Swiss law (BVG). Pension contributions are paid by both the employees and the employer and are calculated as a percentage of the covered salary. The rate of contribution depends on the age of the employee. At retirement, the employees’ individual savings capital is multiplied by the conversion rate, as defined by the pension fund regulations, and can be paid out as either a lifetime annuity or a lump-sum payment. In the event of disability, the pension plan pays a disability pension until ordinary retirement age. In the event of death before retirement, the pension plan pays a spouse pension for life.

In Belgium, the majority of obligations flow from a defined benefit pension plan which is closed to new entrants and a Defined Contribution plan with a minimum investment return guaranteed by the Company on both employer and employee contributions, which is open to new entrants.

The Defined Benefit plan is subject to the Belgian regulatory framework where funding requirements are based on a 6.0% discount rate and prescribed mortality statistics. In case of underfunding, a deficit must be supplemented immediately. The plan is insured with a professional insurance company. The investment strategy is set by the insurance company.

The Defined Contribution plan with guaranteed return is subject to the Belgian regulatory framework. In case of

underfunding when the employee leaves for retirement, a deficit must be supplemented. The plan is insured with a technical return (which is now set by the insurers below the legal minimum guaranteed return) as well as a possible profit share provided by the insurance company. The investment strategy is set by the insurance company.

In Germany, the majority of obligations flow from a defined benefit pension plan which is closed to new entrants. The plan is subject to the German regulatory framework, which has no funding requirements, but does include compulsory insolvency insurance (PSV). The plan is partially funded *via* an insurance company. The investment strategy is set by the insurance company.

Worldline’s obligations are also generated by legacy defined benefit plans in the UK and in France (closed to new entrants) and, to a lesser extent, by legal or collectively bargained end of service benefit plans and other long-term benefits such as jubilee plans.

These plans do not expose Worldline to any specific risks that are unusual for these types of benefit plans. Typical risks include, increase in inflation, longevity and a decrease in discount rates and adverse investment returns.

Worldline recognized all actuarial gains and losses and asset ceiling effects generated in the period in other comprehensive income.

### Events in 2019

In the first half of 2019, Worldline SA set up a Defined Benefit pension plan, which complies with the article L. 137-11 of the Social Security Act.

As a result of the transposition into the French law of the European Directive 2014/50/EU *via* the Ordinance of July 3, 2019, the plan is closed to new entrants starting on July 4, 2019 and will also no longer allow additional rights from January 1, 2020 onwards.

These combined events led to an increase in pension liabilities of about € 3.5 million, recorded under the Profit and Loss account.

Worldline set up an independent collective foundation in Switzerland through Valitas for the management of the risks of old age, death and disability benefits for employees of SIX Payment Services, with full implementation in 2020.

### Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31, 2019 rely on the following components, determined at each benefit plan's level:

(In € million)	As at December 31, 2019	As at December 31, 2018
<b>Amounts recognized in financial statements consist of:</b>		
Prepaid pension asset – post employment plans	16.4	8.9
Accrued liability – post employment plans	-153.0	-119.1
Accrued liability – other long term benefits	-6.9	-6.5
<b>Net amounts recognized – Total</b>	<b>-143.5</b>	<b>-116.7</b>
<b>Components of net periodic cost</b>		
Service cost (net of employees contributions)	21.7	9.5
Past service cost, Settlements	3.5	0.0
Actuarial (gain)/loss in other long term benefits	0.5	-0.1
<b>Operating expense</b>	<b>25.7</b>	<b>9.4</b>
Interest cost	8.3	4.7
Interest income	-6.0	-2.8
<b>Financial expense</b>	<b>2.3</b>	<b>1.9</b>
<b>Net periodic pension cost – Total expense/(profit)</b>	<b>28.0</b>	<b>11.3</b>
<i>Of which, net periodic pension cost – post employment plans</i>	<i>27.1</i>	<i>11.0</i>
<i>Of which, net periodic pension cost – other long term benefits</i>	<i>0.8</i>	<i>0.3</i>
<b>Change in defined benefit obligation</b>		
Defined benefit obligation – post employment plans at January 1	536.1	251.9
Defined benefit obligation – other long term benefits at January 1	6.5	3.5
<b>Total Defined Benefit Obligation at January 1</b>	<b>542.6</b>	<b>255.4</b>
Exchange rate impact	13.4	3.7
Service cost (net of employees contributions)	21.2	9.2
Interest cost	8.3	4.7
Employees contributions	6.8	1.0
Past service cost, Settlements	3.5	0.0
Business combinations/(disposals)	-0.4	273.4
Benefits paid	-11.0	-8.7
Actuarial (gain)/loss – change in financial assumptions	53.7	-1.4
Actuarial (gain)/loss – change in demographic assumptions	-0.4	-1.8
Actuarial (gain)/loss – experience results	-2.3	7.0
Other movements	0.1	0.1
<b>Defined benefit obligation at December 31</b>	<b>635.5</b>	<b>542.6</b>

The weighted average duration of the liability is 16.1 years.

(In € million)	As at December 31, 2019	As at December 31, 2018
<b>Change in plan assets</b>		
<b>Fair value of plan assets at January 1</b>	<b>426.3</b>	<b>141.5</b>
Exchange rate impact	13.5	3.8
Actual return on plan assets	39.7	-7.6
Employer contributions	14.2	6.1
Employees contributions	6.8	1.0
Benefits paid by the fund	-8.5	-6.2
Business combinations/(disposals)	0.0	287.7
<b>Fair value of plan assets at December 31</b>	<b>492.0</b>	<b>426.3</b>
<b>Reconciliation of prepaid/(accrued) Benefit cost (all plans)</b>		
Funded status-post employment plans	-136.6	-109.8
Funded status-other long term benefit plans	-6.9	-6.5
Asset ceiling limitation at December 31	0.0	-0.4
<b>Prepaid/(accrued) pension cost</b>	<b>-143.5</b>	<b>-116.7</b>
<b>Reconciliation of net amount recognized (all plans)</b>		
<b>Net amount recognized at beginning of year</b>	<b>-116.7</b>	<b>-114.0</b>
Net periodic pension cost	-28.0	-11.3
Benefits paid by the employer	2.5	2.5
Employer contributions	14.2	6.1
Business combinations/(disposals)	0.4	13.9
Amounts recognized in Other Comprehensive Income	-16.0	-14.0
Exchange rate	0.1	0.1
<b>Net amount recognized at end of year</b>	<b>-143.5</b>	<b>-116.7</b>

### Actuarial assumptions

Worldline obligations are valued by independent actuaries, based on assumptions that are periodically updated. These assumptions are set out in the table below:

	United Kingdom		Eurozone		Switzerland	
	2019	2018	2019	2018	2019	2018
Discount rate as at December 31	2.10%	2.90%	0.80% ~ 1.30%	1.60% ~ 2.05%	0.30%	0.80%
Inflation assumption as at December 31	2.95%	3.20%	1.45%	1.45%	n/a	n/a

The inflation assumption is used for estimating the impact of indexation of pensions in payment or salary inflation based on the various rules of each plan.

Sensitivity of the defined benefit obligations of the significant plans to the discount rate and inflation rate assumptions is as follows:

	Discount rate +25bp	Inflation rate +25bp
United Kingdom main pension plan	-4.9%	+3.9%
Swiss main pension plan	-4.0%	0.0%
German main pension plan	-5.3%	0.0%
Belgian main pension plan	-2.8%	0.0%

These sensitivities are based on calculations made by independent actuaries and do not include cross effects of the various assumptions, they do however include effects that the inflation assumption would have on salary increase

assumptions for the United Kingdom. The defined benefit obligations of the plans in Switzerland, Belgium and Germany are not sensitive to the inflation assumption.

## Plan assets

Plan assets were invested as follows:

	As at December 31, 2019	As at December 31, 2018
Equity	29%	26%
Bonds	28%	29%
Other*	44%	45%

\* Of which 31% of insurance contracts in 2019 et 32% in 2018.

Of these assets the equity and bonds are valued at market value. Of the other assets a small proportion relates to illiquid investments where valuations are based on the information provided by the investment managers and the majority relates to insurance contracts.

## Summary net impacts on profit and loss and cash

The net impact of defined benefits plans on Worldline financial statements can be summarized as follows:

### Profit and loss

(In € million)	As at December 31, 2019			As at December 31, 2018		
	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total
Operating margin	-24.9	-0.8	-25.7	-9.1	-0.3	-9.4
Financial result	-2.3	0.0	-2.3	-1.9	0.0	-1.9
<b>Total (expense)/profit</b>	<b>-27.2</b>	<b>-0.8</b>	<b>-28.0</b>	<b>-11.0</b>	<b>-0.3</b>	<b>-11.3</b>

### Cash impacts of pensions

The cash impact of pensions in 2019 was mainly composed of cash contributions to pension or insurance funds for € 14.2 million, the remaining part of € 2.5 million being benefit payments directly made by the Group to the beneficiaries. Contributions in 2020 are expected to be of € 14.4 million.

## Note 11 Provisions

### Accounting policies/principles

The Group uses actuarial assumptions and methods to measure provisions. Provisions are recognized when:

- The Group has a present legal, regulatory, contractual or constructive obligation as a result of past events; and
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The amount has been reliably quantified.

Provisions are discounted when the time value effect is material. Changes in discounting effects at each accounting period are recognized in financial expenses.

(In € million)	As at December 31, 2018	Charge	Release used	Release unused	Business combination	Other*	As at December 31, 2019	Current	Non-current
Project commitments	2.7	0.2	-0.4	-0.1	0.0	-0.2	2.1	1.3	0.8
Litigations and contingencies	30.7	2.9	-0.5	-3.9	24.5	0.7	54.5	18.2	36.3
Reorganization	4.7	1.7	-2.7	-1.7	1.3	-0.2	3.1	2.4	0.7
Others	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
<b>Total provisions</b>	<b>38.1</b>	<b>4.8</b>	<b>-3.7</b>	<b>-5.8</b>	<b>25.9</b>	<b>0.4</b>	<b>59.7</b>	<b>21.9</b>	<b>37.8</b>

\* Other movements mainly consist of currency translation adjustments.

(In € million)	As at December 31, 2017	Charge	Release used	Release unused	Business combina- tion	Other*	As at December 31, 2018	Current	Non- current
Project commitments	3.0	0.5	-0.6	-0.1	-	-0.1	2.7	1.6	1.0
Litigations and contingencies	21.3	2.0	-1.3	-6.0	15.0	-0.3	30.7	14.8	16.0
Reorganization	1.9	1.8	-1.7	-0.3	3.0	-	4.7	4.3	0.3
Rationalization	0.0	-	-	-	-	-	0.0	-	-
<b>Total provisions</b>	<b>26.2</b>	<b>4.3</b>	<b>-3.6</b>	<b>-6.4</b>	<b>18.0</b>	<b>-0.4</b>	<b>38.1</b>	<b>20.7</b>	<b>17.4</b>

\* Other movements mainly consist of currency translation adjustments.

The closing position of contingency provisions of € 54.5 million included a number of litigation issues, such as tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers.

The Legal department and the lawyers of the Group closely monitor these situations with a view to minimize the ultimate liability.

## Note 12 Shareholder equity

### 12.1 Equity attributable to the owners of the parent

#### Accounting policies/principles

##### Treasury stock

Worldline shares held by the parent company are recorded at their acquired cost as a deduction from consolidated shareholders' equity. In the event of a disposal, the gain or loss and the related tax impacts are recorded as a change in consolidated shareholders' equity.

In February, in July, in September and in December 2019, 209,540 new shares were created following the exercise of:

- The stock-options plan from the September 2014, September 2015 and September 2016 plans;
- The free shares plan;

- The employee share purchase plan.

At the end of December 2019, the total of shares reached at 182,764,457 with a nominal value of € 0.68. Common stock was increased from € 124,137,343.56 as of January 1, 2019 to € 124,279,830.76 at the end of December 2019.

### 12.2 Non-controlling Interests

(In € million)	As at December 31, 2018	2019 Income	Capital Increase	Dividends	Other	As at December 31, 2019
equensWorldline	208.9	26.8	-	-	-235.8	-
<b>Total</b>	<b>208.9</b>	<b>26.8</b>	<b>-</b>	<b>-</b>	<b>-235.8</b>	<b>-</b>

### 12.3 Earnings per Share

#### Accounting policies/principles

Basic earnings per share are calculated by dividing the net income (attributable to owners of the parent), by the weighted average number of ordinary shares outstanding during the period. Treasury shares are not taken into account in the calculation in the basic or diluted earnings per share.

Diluted earnings per share are calculated by dividing the net income (attributable to owners of the parent), adjusted for the financial cost (net of tax) of dilutive debt instruments, by the weighted average number of ordinary shares outstanding during the period, plus the average number of shares which, according to the share buyback method, would have been outstanding had all the issued dilutive instruments been converted.

(In € million and shares)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Net income – Attributable to owners of the parent [a]</b>	<b>311.2</b>	<b>100.5</b>
Impact of dilutive instruments	1.7	-
<b>Net income restated of dilutive instruments – Attributable to owners of the parent [b]</b>	<b>312.9</b>	<b>100.5</b>
Average number of shares outstanding [c]	182,025,225	137,263,059
Impact of dilutive instruments [d]	3,362,300	1,016,824
Diluted average number of shares [e]=[c]+[d]	185,387,525	138,279,882
<b>Earnings per share in EUR [a]/[c]</b>	<b>1.71</b>	<b>0.73</b>
Diluted earnings per share in EUR [b]/[e]	1.69	0.73

Basic and diluted earnings per share are reconciled in the table above. Potential dilutive instruments comprise stock options, which do not generate any restatement of net income used for the diluted EPS calculation and convertible bonds interest

expenses net of tax for €1.7 million. As of end of December 2019, potential dilutive instruments comprised stock options for 909,289 options and convertible bonds effect for 2,453,010 options.

## Note 13 Off-balance sheet commitments

### CONTRACTUAL COMMITMENTS

The table below illustrates the minimum future payments for firm obligations and commitments over the coming years. Amounts indicated under the finance leases caption are recorded in the Group statement of financial position.

(In € million)	As at December 31, 2019	Maturing			As at December 31, 2018
		Up to 1 year	1 to 5 years	Over 5 years	
<b>Finance</b>	<b>0.0</b>				<b>3.3</b>
<b>Recorded on the balance sheet</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.3</b>
Operating leases: land, buildings, fittings	0.0				171.0
Operating leases: IT equipment	26.7	9.1	17.6	0.0	27.3
Operating leases: other fixed assets	0.0				12.1
Non-cancellable purchase obligations (>5 years)	308.3	37.0	137.0	134.2	357.3
<b>Commitments</b>	<b>334.9</b>	<b>46.1</b>	<b>154.6</b>	<b>134.2</b>	<b>567.7</b>
<b>Total</b>	<b>334.9</b>	<b>46.1</b>	<b>154.6</b>	<b>134.2</b>	<b>571.0</b>

Non-cancellable purchase obligations mainly relate to contractual engagements toward SIX Group AG (Cf to Note 14).

### COMMERCIAL COMMITMENTS

(In € million)	As at December 31, 2019	As at December 31, 2018
<b>Bank guarantees</b>	<b>39.6</b>	<b>39.1</b>
• Operational – Performance	5.5	8.2
• Operational – Bid	0.5	0.6
• Operational – Advance Payment	13.5	2.9
• Financial or Other	20.2	27.4
<b>Parental guarantees</b>	<b>435.6</b>	<b>439.9</b>
• Operational – Performance	435.6	439.9
<b>Pledges</b>	<b>0.0</b>	<b>0.1</b>
<b>Total</b>	<b>475.2</b>	<b>479.1</b>

For various large long-term contracts, the Group provides parental guarantees to its clients. These guarantees amount to € 435.6 million as of December 31, 2019, compared to € 439.9 million at the end of December 2018.



## Note 14 Related parties

### Accounting policies/principles

The related parties include:

- Worldline's reference shareholders (Atos SE) and its subsidiaries which are not part of the Worldline's consolidation scope;
- Worldline's reference shareholders (SIX Group AG) and its subsidiaries which are not part of the Worldline's consolidation scope;
- The entities that are controlled or jointly controlled by the Group, the entities that are a post-employment defined benefit plan for the benefit of the employees of the Group or the entities that are controlled or jointly controlled by a member of the key management personnel of the Group; and
- The key management personnel of the Group, defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, namely members of the Board of Directors as well as the Chairman & Chief Executive Officer and Deputy Chief Executive Officer.

### Transactions between the related parties

The main transactions between the related entities are composed of:

- The re-invoicing of the premises;
- The invoicing of delivery services such as personnel costs or use of delivery infrastructure;

- The invoicing of administrative services; and
- The interest expenses related to the financial items.

These transactions are entered into at market conditions.

The related party transactions are detailed as follows:

### WITH ATOS

(In € million)	12 months ended, 2019	12 months ended, 2018
Revenue	60.3	45.9
Operating income/expenses	-109.2	-100.2
Other operating expenses	-0.7	-2.1
Net cost of financial debt	-	-0.7

The receivables and liabilities included in the statement of financial position linked to the related parties are detailed as follows:

(In € million)	As at December 31, 2019	As at December 31, 2018
Trade accounts and notes receivables	22.9	15.6
Other current assets	18.3	22.9
Current accounts & cash agreement – Assets	-	-2.8
Trade accounts and notes payables	7.4	28.0
Other current liabilities	2.3	6.2
Current accounts & cash agreement with Atos entities – Liabilities	-	19.3

In addition the Group received € 15.6 million from Atos to cover IT separation costs in the frame of the separation agreement authorized by the Board of Directors on April 30, 2019.

The off-balance sheet commitments regarding the related parties are detailed as follows:

(In € million)	As at December 31, 2019	Maturing			As at December 31, 2018
		Up to 1 year	1 to 5 years	Over 5 years	
Operating leases: land, buildings, fittings	-				45.0
<b>Commitments</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>45.0</b>
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>45.0</b>

## WITH SIX

(In € million)	12 months ended, 2019	1 month ended December 31, 2018*
Revenue	38.1	2.3
Operating income/expenses	-58.8	-4.0
Other operating expenses	0.0	0.0
Net cost of financial debt	0.0	0.0

\* One month as SIX is a Wordline's shareholder since the acquisition of SIX Payment Services.

The receivables and liabilities included in the statement of financial position linked to the related parties are detailed as follows:

(In € million)	As at December 31, 2019	As at December 31, 2018
Trade accounts and notes receivables	109.3	105.5
Other current assets	46.3	-
Current accounts & cash agreement - Assets	-	-
Financial liabilities	-	117.6
Trade accounts and notes payables	12.4	0.3
Other current liabilities	0.1	0.1

The off-balance sheet commitments regarding the related parties are detailed as follows:

(In € million)	As at December 31, 2019	Maturing			As at December 31, 2018
		Up to 1 year	1 to 5 years	Over 5 years	
Operating leases: land, buildings, fittings	0.0				53.2
Contractual engagements	308.3	37.0	137.0	134.2	348.4
<b>Commitments</b>	<b>308.3</b>	<b>37.0</b>	<b>137.0</b>	<b>134.2</b>	<b>401.6</b>
<b>Total</b>	<b>308.3</b>	<b>37.0</b>	<b>137.0</b>	<b>134.2</b>	<b>401.6</b>

## Cost of key management personnel of the Group

In 2019, the expenses related to key management personnel included:

- Those related to the Worldline Chief Executive Officer in accordance with the agreement entered into with Atos in relation to his dedication and remuneration until January 31, 2019 and for the entire part as from February 1, 2019;

- The expenses related to the Deputy Chief Executive Officer;
- The cost of the members of the Board (Director's fees expensed in 2019).

No cost was recorded in relation to the Chairman of the Board of Directors.

The distribution of the expense recorded in the consolidated financial statements for key management of the Group is as follows:

(In € million)	12 months ended, 2019	12 months ended, 2018
Short-term benefits	2.4	1.6
Employer contributions <sup>1</sup>	0.8	1.4
Performance share plans & stock options <sup>2</sup>	1.6	1.5
<b>Total</b>	<b>4.8</b>	<b>4.5</b>

1 Employer contributions due on fixed salary and variable of the key management personnel of Worldline as well as on the grant of the Worldline stock-options plan to key management personnel of Worldline on July 24, 2019.

2 IFRS 2 2019 accounted for the Worldline performance share plans granted to key management personnel of Worldline on July 24, 2017, July 21, 2018 and July 24, 2019 and for the Worldline stock-options plans granted to key management personnel of Worldline on July 21, 2018 and July 24, 2019.

Short-term benefits include salaries, bonuses and fringe benefits as well as Director's fees paid to Board of Director's members. On performance shares and stock options, the cost includes the IFRS 2 charge on the *prorata temporis* since the grant date.

Bonuses correspond to the total charge reflected in the income statement including the accruals related to current year. No post-employment compensation has been paid to the key management personnel during the year.

## Note 15 Market risk

### Foreign exchange risk

Majority of the Group's revenues, expenses and obligations are denominated in euro. In 2019, 72.1% of the Group's revenues were generated in euro-zone countries whereas 27.9% were generated in non-euro zone countries, including 14.9% in Swiss Franc and 3.9% in pounds sterling.

Since the Group's financial statements are denominated in euro, its revenues are affected by the relative value of the euro versus the currency of the non-euro zone countries in which it generates revenues (currency translation exposure).

In terms of currency transaction exposure (*i.e.*, a mismatch between the currencies in which revenues are generated and costs are incurred), the Group considers its exposure to be limited as its costs in the euro zone are generally incurred in euros and its revenues are generated in euros and in non-eurozone countries it generally makes its sales and incurs the majority of its operating expenses in the local currency.

The Group maintains a policy for managing its foreign exchange position if and to the extent it enters into commercial or financial transactions denominated in currencies that differ from the relevant local currencies. Pursuant to this policy, any material foreign exchange rate exposure must be hedged as soon as it occurs using various financial instruments, including, principally, spot or forward contracts and foreign currency swaps. As of December 31, 2019, the Group did not have any material foreign exchange rate exposure.

### Interest rate risk

The vast majority of Group Borrowings are fixed rate Bonds. The Group considers that its exposure to interest rate fluctuations is not material. Net debt (Borrowings net of cash and cash equivalents) of the Group as of December 31, 2019 was € 641.3 million.

### Liquidity risk

Liquidity risk management involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

Worldline's policy is to cover fully its expected liquidity requirements by a long-term committed line of credit. Terms and conditions of the loans include maturity leaving sufficient flexibility for the Group to finance its operations and expected developments.

On December 20, 2018, Worldline SA (as Borrower) signed a five-year Revolving Credit Facility (the "Facility") for an amount of € 600 million, maturing in December 2023 with an option for Worldline to request the extension of the Facility maturity date until December 2025. In October 2019, first extension has been requested and approved by the banks. The revolving credit facility maturity date is now December 2024.

Under the terms of the initial agreement, the Facility included one financial covenant, which was the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) that should not be greater than 2.5 times. In December 2019, the cancellation of the financial covenant was obtained and the Facility does not include any more this financial covenant.

This Revolving Credit Facility remained unused at the end of December 2019.

### Credit and/or Counterparty Risk

Credit and/or counterparty risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group believes that it has limited exposure to concentrations of credit risk due to its large and diverse customer base. The Group's greatest credit risk position is borne with respect to its financial institution customers.

The Group manages this credit risk by consistently selecting leading financial institutions as clients and by using several banking partners.

The Group is also exposed to some credit risk in connection with its Commercial Acquiring. For each transaction, the Group provides a performance guarantee to the merchant in respect the cardholder's payment. Therefore, the Group is exposed to a credit risk in the event of non-payment by the cardholder. Additionally, the Group offers a guarantee of "service rendered" to the cardholder. Accordingly, in the event a merchant goes bankrupt (or ceases to operate) before delivering the product or rendering the service purchased by a cardholder, the cardholder can require the Group to reimburse it for the amount of the transaction. This credit risk exposure is especially significant where services are purchased through e-Commerce well in advance of the time that they are actually rendered (*e.g.*, ticket purchases through travel agencies). The Group monitors these risks by selecting financially sound clients, requesting guarantees (collateral build up, delegation of insurance, etc.) and checking daily transaction flows to avoid excessive exposure to these risks.

**Note 16** Operating entities part of scope of consolidation as of December 31, 2019

	% of Interest	Consolidation method	% of Control	Address
<b>France</b>				
Worldline SA	100	FC	100	80, quai Voltaire – 95870 Bezons
Mantis SAS	100	FC	100	55 rue de Rivoli – 75001 Paris
Worldline Participation 1	100	FC	100	80, quai Voltaire – 95870 Bezons
Santeos	100	FC	100	80, quai Voltaire – 95870 Bezons
Worldline Bourgogne	100	FC	100	80, quai Voltaire – 95870 Bezons
Similo SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Worldline Ré	100	FC	100	80, quai Voltaire – 95870 Bezons
In Touch SAS	31.6	MEE	31.6	9-11 Allée de l'Arche, Tour Egée, 92671 Courbevoie
<b>Germany</b>				
Worldline Germany GmbH	100	FC	100	Hahnstraße 25 – 60528 Frankfurt – Germany
DZ Service GmbH	100	FC	100	Dieselstrasse 1 – 76227 Karlsruhe – Germany
BD-POS GmbH	100	FC	100	Hörselbergblick 1 – 99820 Hörselberg-Hainich – Germany
SIX Payment Services (Germany) GmbH	100	FC	100	Langenhorner Chaussee 92-94 – 22415 Hamburg – Germany
<b>The Netherlands</b>				
Worldline BV	100	FC	100	Wolweverstraat 18 – 2980 CD Ridderkerk – The Netherlands
equensWorldline SE	100	FC	100	Eendrachtlaan 315 – 3526 LB Utrecht – The Netherlands
InterEGI BV	100	FC	100	Eendrachtlaan 315 – 3526 LB Utrecht – The Netherlands
PaySquare SE	100	FC	100	Eendrachtlaan 315 – 3526 LB Utrecht – The Netherlands
<b>Belgium</b>				
Worldline NV/SA	100	FC	100	Chaussée de Haecht 1442 – 1130 Brussels – Belgium
Worldline PropCo SA	100	FC	100	Chaussée de Haecht 1442 – 1130 Brussels – Belgium
<b>Other Europe – Middle East – Africa</b>				
<b>Austria</b>				
Worldline Austria GmbH	100	FC	100	Marxergasse 1B – 1030 Vienna – Austria
SIX Austria Holding GmbH	100	FC	100	Marxergasse 1B – 1030 Vienna – Austria
<b>Czech Republic</b>				
Worldline Czech Republic s.r.o.	100	FC	100	Rohanské nábřeží 670/17 – Karlín – 120 000 Praha 2 – Czech Republic
<b>Luxembourg</b>				
Worldline Luxembourg SA	100	FC	100	10 Rue Gabriel Lippmann – 5365 Munsbach – Luxembourg
Worldline Europe SA	100	FC	100	10 Rue Gabriel Lippmann – 5365 Munsbach – Luxembourg
Cetrel Securities SA	100	FC	100	10 Rue Gabriel Lippmann – 5365 Munsbach – Luxembourg
SIX Payment Services (Europe) SA	100	FC	100	10 Rue Gabriel Lippmann – 5365 Munsbach – Luxembourg
Worldline Investissement Sàrl	100	FC	100	10 Rue Gabriel Lippmann – 5365 Munsbach – Luxembourg

	% of Interest	Consolidation method	% of Control	Address
<b>Estonia</b>				
OÜ Worldline Payment Estonia	100	FC	100	Lõõtsa tn 2a – 11415 Tallinn – Estonia
<b>Lietuva</b>				
UAB Worldline Lietuva	100	FC	100	Ukmergės g. 220 – 07157 Vilnius – Lietuva
<b>Latvia</b>				
SIA Worldline Latvia	100	FC	100	Dzirnavu iela 37 – Riga – LV 1010 – Latvia
<b>Spain</b>				
Worldline Iberia SA	100	FC	100	Calle de Albasanz 16 – 28037 Madrid – Spain
	% of Interest	Consolidation method	% of Control	Address
<b>Other Europe – Middle East – Africa</b>				
<b>Sweden</b>				
Worldline Sweden AB	100	FC	100.0	Textilgatan 31 – 120 30 Stockholm – Sweden
<b>Switzerland</b>				
SIX Payment Services AG	100	FC	100.0	Hardturmstrasse 201 – 8005 Zurich – Switzerland
<b>The United Kingdom</b>				
Worldline IT Services UK Limited	100	FC	100.0	Mid City Place – 71 High Holburn – London WC1V 6EA – United Kingdom
<b>Asia Pacific</b>				
<b>China</b>				
Worldline (China) Co Ltd	100	FC	100.0	Room 01.111, Floor 1, Building 17, No. 7 – Zhonghuan Nanlu – Wangjing – Chaoyang District – Beijing – People Republic of China
<b>Hong Kong</b>				
Worldline International (Hong Kong) Co Limited	100	FC	100.0	8/F Octa Tower – 8 Lam Chak Street – Kowloon Bay – Kowloon – Hong Kong
<b>India</b>				
Worldline India Private Ltd	100	FC	100.0	Raiaskaran Tech park, 2 <sup>nd</sup> Floor of Tower I, Phase II, Sakinaka, M.V. Road, Andheri (East), Mumbai 400072 – India
MRL Posnet Limited	100	FC	100.0	Sunny Side, Central Block – 8/17 Shafee Mohammed Road – B Block – Nungambakkam – Chennai 600034 – Tamil Nadu – India
<b>Indonesia</b>				
PT Worldline International Indonesia	100	FC	100.0	Plaza Sentral, 19 <sup>th</sup> Floor – Jl. Jend. Sudirman No. 47 – Jakarta 12930 – Indonesia
<b>Malaysia</b>				
Worldline International (Malaysia) Sdn. Bhd	100	FC	100.0	16-A (1 <sup>st</sup> Floor) – Jalan Tun Sambanthan 3 – Brickfields – 50470 Kuala Lumpur – Malaysia
<b>Singapore</b>				
Worldline IT and Payment Services (Singapore) Pte Ltd	100	FC	100.0	Blk 988 Toa Payoh North – #07-02/03 – Singapore 319002 – Republic of Singapore
<b>Taiwan</b>				
Worldline (Taiwan)	100	FC	100.0	5F, No. 100, Sec. 3, Min Sheng E. Road – Taipei 105 -Taiwan – R.O.C.
<b>Americas</b>				
<b>Argentina</b>				
Worldline Argentina SA	100	FC	100.0	25 de Mayo 168 – 6 <sup>th</sup> Floor – Buenos Aires City – Argentina

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Consolidated financial statements

	% of Interest	Consolidation method	% of Control	Address
<b>Brazil</b>				
Worldline Brazil Serviços Ltda.	100	FC	100	Av Das Nações Unidas 12551 – 17 Andar – 04578-000 City of Sao Paulo – Brasil
<b>Chile</b>				
Worldline Chile SA	100	FC	100.0	Av. Andres Bello 2115, piso 7 – Providencia. Santiago de Chile – 7510094 Santiago de Chile – Chile
<b>USA</b>				
Worldline Holdings US, LLC	100	FC	100.0	4851 Regent Boulevard – Irving – Texas 75063 – USA
Worldline US, Inc.	100	FC	100.0	1460 Mission Street – San Francisco – California 94103 – USA

FC: Full consolidation

EM: Equity method

## Note 17 Auditors' Fees

	Deloitte				Grant Thornton			
	Deloitte & Associés		Network		Grant Thornton		Network	
	Fees	%	Fees	%	Fees	%	Fees	%
(In € thousands and%)								
<b>Audit and limited review of individual and consolidated financial statements</b>								
Parent company	330.0	66%	-	-	250.0	92%	-	-
Subsidiaries	98.0	20%	1,062.0	65%	21.0	8%	795.0	100%
<b>Sub-total Audit</b>	<b>428.0</b>	<b>86%</b>	<b>1,062.0</b>	<b>65%</b>	<b>271.0</b>	<b>100%</b>	<b>795.0</b>	<b>100%</b>
<b>Non audit services</b>								
Parent company	72.0	14%	477.0	-	-	-	-	-
Subsidiaries	-	-	104.0	6%	-	-	-	-
<b>Sub-total Non Audit</b>	<b>72.0</b>	<b>14%</b>	<b>581.0</b>	<b>35%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total fees 2019</b>	<b>500.0</b>	<b>100%</b>	<b>1,643.0</b>	<b>100%</b>	<b>271.0</b>	<b>100%</b>	<b>795.0</b>	<b>100%</b>

In 2019, non-audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the human resources, environmental and social information pursuant to

article of the French Commercial Code, (ii) due diligences, and (iii) tax services, authorized by local legislation, in some foreign subsidiaries.

	Deloitte				Grant Thornton			
	Deloitte & Associés		Network		Grant Thornton		Network	
(In € thousands and%)	Fees	%	Fees	%	Fees	%	Fees	%
<b>Audit and limited review of individual and consolidated financial statements</b>								
Parent company	206.5	28%	-	-	340.0	67%	-	-
Subsidiaries	71.0	10%	785.6	79%	21.0	4%	224.0	100%
<b>Sub-total Audit</b>	<b>277.5</b>	<b>38%</b>	<b>785.6</b>	<b>79%</b>	<b>361.0</b>	<b>71%</b>	<b>224.0</b>	<b>100%</b>
<b>Non audit services</b>								
Parent company	447.9	62%	-	-	148.0	29%	-	-
Subsidiaries	-	-	209.8	21%	-	-	-	-
<b>Sub-total Non Audit</b>	<b>447.9</b>	<b>62%</b>	<b>209.8</b>	<b>21%</b>	<b>148.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total fees 2018</b>	<b>725.4</b>	<b>100%</b>	<b>995.4</b>	<b>100%</b>	<b>509.0</b>	<b>100%</b>	<b>224.0</b>	<b>100%</b>

In 2018, non-audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the human resources, environmental and social information pursuant to

article of the French Commercial Code, (ii) due diligences, and (iii) tax services, authorized by local legislation, in some foreign subsidiaries.

## Note 18 Subsequent events

### Creation of a new world-class leader in payment services: Worldline to acquire Ingenico

Worldline and Ingenico Group SA have announced on February 3, 2020 that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares, consisting of a 81% share and 19% cash transaction, as of last closing prices, as well as outstanding OCEANES.

Upon closing, former Worldline shareholders would own c.65% of the combined entity and former Ingenico shareholders would own c.35%.

This transaction would combine two premier companies to create the world's number four player in payment services with

circa 20,000 employees in approximately 50 countries with physical presence. Upon closing, the new combined group would offer best-in-class payment services to nearly 1 million merchants and 1,200 financial institutions.

The transaction will be subject to customary closing conditions, including regulatory, merger control clearances and information and/or consultation with employee representative bodies, as well as Worldline shareholders' approval.

It is expected that the tender offer will be filed with the AMF in June or July 2020, once regulatory and merger control clearances processes are in progress.

For more information, in particular related to the terms of the offer, please refer to the press release available at [worldline.com](http://worldline.com) in the Investors section.

## E.6 Parent company financial statements

### E.6.1 Statutory Auditors' report on the financial statements for the year ended December 31, 2019

*This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This Statutory Auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the General Meeting of Shareholders of Worldline,

#### Opinion

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying financial statements of Worldline for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

#### Basis for Opinion

##### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

#### Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics for statutory auditors (*Code de déontologie de la profession de commissaire aux comptes*).

#### Justification of Assessments – Key Audit Matters

In accordance with the requirements of articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.



**Valuation of participating interests****Note Rules and accounting methods – Financial assets of statutory financial statements and Note 3 Financial fixed assets****Key Audit Matter**

As of December 31, 2019, Participating interests are recorded on the balance sheet at a net book value of € 4,168 million, or 94% of total assets. Participating interests are initially booked at their acquisition cost.

An impairment loss is recognized when a participating interest's net book value exceeds its value-in-use.

Value-in-use is determined based on the Group's share in the participating interest's net assets and earnings outlooks.

The profitability prospects are determined based on the cash flow forecasts derived from the Global Business Line's (GBL) business plans over 3 years as approved by Management; and on a terminal value which requires Management to use its judgement especially relating to cash flow forecasts.

Given the weight of the participating interests on the balance sheet and the sensitivity of the valuation models to the assumptions used in determining cash flows, we considered the valuation of participating interests as a key audit matter.

**Our audit approach**

Our assessment of the net book value of the participating interests is based on the procedures implemented by the Company to determine the value-in-use of the participating interests.

Our procedures mainly consisted in assessing the reasonableness of the cash-flows forecasts considered for the valuation of participating interests and in particular:

- Obtaining the cash flow forecasts of the related entities and assess their consistency with the business plans for each GBL (Global Business Line) approved by Management;
- Verifying the consistency of the assumptions used with the historical performance of the Group, the GBL and the entities, and confirm through interviews with management, the future expected growth;
- Reviewing the consistency of the terminal value and the underlying assumptions.

**Revenue recognition related to development projects and/or migration of platform with customers****Note Rules and accounting methods – Revenue and Note 13 Revenue****Key Audit Matter**

Regarding fixed-price contracts performed over the course of several years, particularly related to development projects and/or migration of platform with customers, revenues are recognized, based on the costs incurred to date as a percentage of the total estimated costs to fulfil the contract. For multi-element service contracts, which may be a combination of different services revenue is recognized separately for each of the service when it is separately identifiable.

Total contract costs and expected remaining costs (mainly related to men/hours by project) are subject to regular monitoring and estimates to determine the contract's stage of completion and the margin to be recognized. If these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for onerous contract.

We have considered revenue recognition and the estimate of the associated margin as a key audit matter as they are based on operational assumptions as mentioned above.

**Our audit approach**

We have assessed the internal control environment relating fixed-price services, and the estimation of costs and margin over the duration of the contract.

Furthermore, for a number of contracts that were selected based upon quantitative and qualitative criteria (including contracts that are experiencing technical difficulties or low profitability), we performed the following procedures:

- For new contracts:
  - The initial expected budget margin to the financial data included within the signed contract and the associated estimated costs,
  - The Company's analysis and accounting treatment with the contractual terms and our understanding of the services provided, when they include multiple elements;
- For contracts in progress:
  - We reconciled the financial data (revenue, billing and costs incurred to date) included in the project spreadsheet updated monthly by the financial controller to the accounting records,
  - We corroborated the costs incurred, particularly the hours incurred by project with the corresponding underlying data from the timesheet application system,
  - We analysed standard hourly rates' calculation methodology,
  - We performed interviews with financial controllers and/or operational managers to assess the contract's percentage of completion, which is the basis on which revenue and margin are accounted for. We have furthermore analysed the appropriateness of these estimates by comparing the forecasted data with the actual performance of the contract and by reconciling, if necessary, with all the other information obtained since the contract had been signed.

## Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

## Information given in the management report and in the other documents provided to Shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and consistency with the financial statements of the information given in the management report and in the other documents provided to Shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in article D. 441-4 of the French Commercial Code (*Code de commerce*).

## Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of article L. 225-37-3 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the Directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlling and controlled companies. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a public purchase or exchange offer, provided pursuant to article L. 225-37-5 of the French Commercial Code, we have verified their compliance with the source documents communicated to us. Based on our work, we have no observations to make on this information.

## Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

## Report on Other Legal and Regulatory Requirements

### Appointment of statutory auditors

We have been appointed as statutory auditors of the Company by your General Meetings of June 30, 1997 for Deloitte & Associés, and April 30, 2014 for Grant Thornton.

As at December 31, 2019, Deloitte & Associés and Grant Thornton were respectively in their 23<sup>rd</sup> year and 6<sup>th</sup> year of total uninterrupted engagement, which represent the 6<sup>th</sup> year of engagement for both statutory auditors since the Company securities had been admitted to trading on a regulated market.

## Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

## Statutory auditors' Responsibilities for the Audit of the financial statements

### Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

### Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements for the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for statutory auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris – La Défense and Neuilly-sur-Seine, February 28, 2020

The Statutory Auditors

*French original signed by*

**Deloitte & Associés**

Véronique Laurent

**Grant Thornton**

Virginie Palethorpe

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## E.6.2 Statutory auditors' special report on related-party agreements – Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2019

*This is a free translation into English of the statutory auditors' special report on regulated agreements that is issued in the French language and is provided solely for the convenience of English speaking users. This report on regulated agreements should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity of statutory auditors of your company, we hereby present our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms, the conditions and the reasons for the Company's interest in those agreements brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (Code de Commerce), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements and commitments, already authorized by the Shareholders' Meeting and having continuing effect during the year, if any.

We have performed the procedures we considered necessary in accordance with the professional standards applicable in France (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in verifying that the information provided to us is consistent with the source documents from which it was extracted.

### Agreements submitted to the General Meeting of Shareholders for approval

#### Agreements authorized and entered into during the past fiscal year

In accordance with Article L. 225-40 of the French Commercial Code, we have been advised of the following agreement entered into during the year ended December 31<sup>st</sup>, 2019 which was authorized by your Board of Directors.

#### Separation agreement between Worldline and Atos SE

Persons concerned:

- Atos SE, shareholder with more than 10% of the voting rights until February 4<sup>th</sup>, 2020;
- Mr Thierry Breton, Chairman of the Board of Directors of your company until October 24<sup>th</sup>, 2019 and Chairman and CEO of Atos SE until October 31<sup>st</sup>, 2019;
- Mr Gilles Arditti, Director of your company until March 16<sup>th</sup>, 2020 and Executive Director, Internal Audit & Investor Relations of Atos SE;
- Mrs Ursula Morgenstern, Director of your company until March 3<sup>rd</sup>, 2020 and Executive Director of the German business unit of Atos Group;

- Mr. Pierre Barnabé, Director and Censor of the Board of Directors of your company until March 3<sup>rd</sup>, 2020, and Managing Director of the Big Data & Cyber Security activities of the Atos Group.

Your Board of Directors, meeting on April 30<sup>th</sup>, 2019, authorised the conclusion of the separation agreement between Worldline and Atos SE ("Atos"), considering that it was in the interest of your company to cooperate in order to optimise and eliminate, as much as possible, the additional costs, mainly related to IT, resulting from the loss of control of Atos over Worldline, following the distribution in kind by Atos to its shareholders of 23.5% of the shares comprising the share capital of Worldline.

This agreement, concluded on May 6<sup>th</sup>, 2019, clarifies the roles of each of the two companies, and allows the identification and definition of the various costs that the demerger transaction entails for each of the companies. This agreement determines a fair and balanced allocation based on the profit that each of the companies derives from each of the budget items concerned. Lastly, it allows certain technical and commercial cooperation agreements between the two companies to continue and ensures a high level of operational continuity for both companies, including through the retention of employees benefiting from long-term profit-sharing instruments issued by the other party, provided that the initial performance conditions are met.

This agreement stipulates the various items relating to the allocation of the various costs associated with the distribution of Worldline shares by Atos Origin to its shareholders and allocates in a coordinated manner their separation activities in particular in the areas of intellectual property rights, purchasing, group processes and procedures, IT systems migration and integration, security, offshore resources, insurance, real estate sub-leasing, parent company guarantees and data protection. This agreement also provides principles governing the method of allocating any additional costs for the identified activities.

Out of the total initially estimated at approximately EUR 29.1 million of separation costs, of which mainly relate to IT separation costs, it was agreed that Atos would bear EUR 18.2 million in 2019 and Worldline would bear EUR 10.9 million in 2020. At the end of 2019, these separation costs have been reassessed in particular regarding the IT planning and amount to EUR 37.8 million still mainly related to IT costs. As a full and final settlement of the agreed split of the separation costs, as referred to in the separation agreement, Atos incurred in 2019 a total of EUR 22.5 million, part of which was paid directly to Worldline; the balance of the re-estimated separation costs will be borne by your company.

In addition, the agreement provides, for the few Worldline employees who have benefited from Atos performance shares, that Atos undertakes to change the condition of presence within the Atos Group to a condition of presence within the Worldline Group, if Atos comes to hold less than 10% of the

share capital and voting rights of Worldline. Indeed, below this threshold provided for by the French Commercial Code, the condition of presence "within the Atos Group" would no longer be satisfied. The final allocation remains of course subject to the satisfaction of the performance conditions. A comparable commitment is made by Worldline to the benefit of Atos employees who have benefited from Worldline performance shares.

### Agreements authorized and entered into since the date of year-end closing

We have been advised of the following agreements, authorized and entered into since the end of the financial year, which were previously authorized by your Board of Directors.

#### Agreements with SIX Group AG

Persons concerned:

- SIX Group AG, shareholder with more than 10% of the voting rights;
- Mr. Jos Dijsselhof, non-voting member of the Board of Directors since March 19<sup>th</sup>, 2020, and Chief Executive Officer of SIX Group AG ;
- Mrs. Giulia Fitzpatrick, a member of the Board of Directors of your company appointed on the proposal of SIX Group AG;
- Mr. Lorenz von Habsburg Lothringen, director of your company and of SIX Group AG;
- Mr. Daniel Schmucki, non-voting member of the Board of Directors until March 19<sup>th</sup>, 2020, then director of your company and CFO of SIX Group AG.

#### **(i) Commitment by SIX Group AG to vote in favour of the resolutions submitted to the Annual General Meeting of Worldline**

Worldline announced on February 3<sup>rd</sup>, 2020 the proposed acquisition of Ingenico (the "Operation") through a public tender offer that Worldline intends to launch for all of Ingenico's shares and convertible bonds (OCEANEs).

In this context, SIX Group AG has sent to your company a voting commitment letter on January 31<sup>st</sup>, 2020, in which SIX Group AG irrevocably undertook to vote in favour of the resolutions to be presented at the Annual General Meeting to implement the Transaction.

The Board of Directors, at its meeting of February 2<sup>nd</sup>, 2020, authorized the conclusion of this voting commitment. Worldline countersigned the voting commitment at the end of this Board meeting.

Your Board of Directors considered that it is in the interest of your company to have the full support of SIX Group AG, one of its reference shareholders, in order to complete the merger project between Worldline and Ingenico.

#### **(ii) Letter of agreement regarding SIX Group AG's participation in Worldline**

In connection with the contemplated Transaction, SIX Group AG has sent to your company a letter of agreement on

January 31<sup>st</sup>, 2020, regarding SIX Group AG's participation in Worldline and the representation of SIX Group AG at the level of the Board of Directors, in order to reflect the medium- and long-term strategic significance of SIX Group AG's participation in Worldline.

The Board of Directors met on February 2<sup>nd</sup>, 2020 and authorized the conclusion of this letter-agreement. Worldline countersigned the voting commitment at the end of this Board meeting.

This includes a public declaration by SIX Group AG that Worldline is a highly strategic investment for SIX Group AG and that SIX Group AG intends to commit, subject to the decisions of its governing bodies, to a new lock-up period for its shares from the completion of the Transaction until the end of the first half of 2021. It was also agreed that SIX Group AG would have the right to propose the appointment of an additional member of the Board of Directors of Worldline to reflect the medium to long-term strategic significance of SIX Group AG's stake in Worldline and as long as SIX Group AG holds at least 15% of the voting rights of the Company and the combined entity as of the completion of the Transaction.

Taking into account in particular:

- the recent reduction by Atos Origin of its shareholding in Worldline to below 4% of the share capital;
- the status of SIX Group AG as the main shareholder of Worldline, having reaffirmed the highly strategic value of its investment in Worldline and its intention to remain a shareholder in the medium and long term;
- the publicly announced intention of SIX Group AG to commit in 2020, subject to the decisions of its governing bodies, to a further period of lock-up on its Worldline shares until the end of the first half of 2021, as proof of its full support for the envisaged strategic acquisition of Ingenico and in line with its position as a reference shareholder in the medium and long term,

Your Board of Directors decided on March 19<sup>th</sup>, 2020, upon proposal of SIX Group AG and recommendation of the Nomination and Remuneration Committee, to anticipate the appointment of the third member of the Board to be appointed upon proposal of SIX Group AG by co-opting Mr. Daniel Schmucki in replacement of Ms. Ursula Morgenstern (director appointed upon proposal of Atos SE and having resigned), without any condition relating to the completion of the public offer (provided however that SIX Group AG holds more than 15% of the voting rights of Worldline). The Board of Directors met on the same day and authorised the amendment of the letter agreement of February 2<sup>nd</sup>, which the parties must finish to formalise.

The ratification of the co-optation of Mr. Daniel Schmucki as director is submitted to the vote of the Annual General Meeting 2020.

Your Board of Directors also considered that it is in the interest of your company to have the full support of SIX Group AG, one of its reference shareholders, in order to complete the merger project between Worldline and Ingenico.

## Conventions already approved by the general assembly

### Agreements approved in prior years that remained in force during the year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the execution of the following agreement, already approved by the General Meeting in previous years, continued during the year just ended.

#### Employment contract suspension agreement concluded with Mr. Marc-Henri Desportes, Chief Operating Officer of your company

Your Board of Directors, meeting on July 21<sup>st</sup>, 2018, previously authorized the conclusion of the agreement suspending the employment contract of Mr. Marc-Henri Desportes, Deputy Chief Executive Officer of your Company as of August 1<sup>st</sup>, 2018, and for the duration of his duties as Deputy Chief Executive Officer. This agreement was signed on July 23<sup>rd</sup>, 2018.

The employment contract of Mr. Marc-Henri Desportes was suspended during his term of office and will be automatically reactivated as soon as his corporate office ceases, regardless of the cause of such termination (including in the event of dismissal for any reason whatsoever).

This agreement includes a clause on the resumption of seniority acquired by virtue of his corporate office and a clause relating to remuneration and individual and collective benefits upon resumption of the employment contract.

### Agreements approved during the past fiscal year

In addition, we have been informed of the execution, during the past fiscal year, of the following agreements, already approved by the General Meeting of April 30<sup>th</sup>, 2019 on the basis of the Special report of the auditors of April 5<sup>th</sup>, 2019.

#### Transfer agreement of Mr. Gilles Grapinet, Chief Executive Officer and then Chairman and Chief Executive Officer of your Company as of October 24<sup>th</sup>, 2019

Following the announcement by Atos, on January 29<sup>th</sup>, 2019, of the distribution in kind of approximately 23.5% of the share capital of your company, Mr Gilles Grapinet no longer holds any position within Atos since February 1<sup>st</sup>, 2019 and has dedicated since that date all of his duties to the exercise of his office as Chief Executive Officer and then Chairman and Chief Executive Officer of Worldline as from October 24<sup>th</sup>, 2019.

In this context, your Board of Directors, meeting on February 18<sup>th</sup>, 2019, authorised the conclusion of a transfer agreement between Atos International, Worldline and Mr Gilles Grapinet, which relates solely to the change of function and status of the latter, and thus terminated his permanent employment contract with Atos International. The agreement does not contain any financial commitment on the part of your company.

#### Agreement relating to the application of the health expenses and "Disability, Invalidity, Death" plans in force within your company for all employees, for the benefit of Mr. Gilles Grapinet

In addition, in this same context, your Board of Directors, meeting on February 18<sup>th</sup>, 2019, authorized the conclusion of an agreement designed to authorize Mr. Gilles Grapinet to benefit, under the same conditions as employees, from the health expense reimbursement plan and the "Disability, Invalidity, Death" plan, as well as the employer's contributions to these plans, in force within your Company for all employees.

The amount of the contributions paid by your company in this respect amounts to 2,240.04 euros for the financial year 2019.

#### Amendment to the agreement concluded between Worldline and SIX Group AG on October 18<sup>th</sup>, 2018

Persons concerned:

- SIX Group AG, shareholder with more than 10% of the voting rights;
- Dr. Romeo Lacher, Director of your company until April 30<sup>th</sup>, 2019 and Chairman of the Board of Directors of SIX Group AG;
- Mrs. Giulia Fitzpatrick, director of your company appointed upon proposal of SIX Group AG;
- Mr. Lorenz von Habsburg Lothringen, director of your company as of April 30<sup>th</sup>, 2019 and director of SIX Group AG;
- Mr. Daniel Schmucki, non-voting member of the Board of Directors until March 19<sup>th</sup>, 2020, then director of your company and CFO of SIX Group AG.

In connection with the acquisition of SIX Payment Services, SIX Group AG and Atos SE entered into a shareholders' agreement on October 18<sup>th</sup>, 2018 to structure the new governance of Worldline in connection with the contribution of SIX Group AG's payment services division and providing for obligations and rights of SIX Group AG to protect its financial interests (the "Shareholders' Agreement"). Furthermore, an agreement was concluded between SIX Group AG and your company on the same day (the "Worldline-SIX Agreement").

In connection with the distribution by Atos SE of 23.5% of the share capital of your company, Atos SE and SIX Group AG have renegotiated their Shareholders' Agreement and invited your company to amend the Worldline-SIX Agreement (the "Amendment") accordingly.

This Amendment, which main provisions are as follows, was authorized by your Board of Directors at its meeting held on March 15<sup>th</sup>, 2019 and signed on March 18<sup>th</sup>, 2019:

- The Addendum provides for the extension of your company's commitment to use reasonable efforts to implement, if necessary, a possible request by SIX Group AG for a secondary listing of the Worldline shares on the SIX Swiss Stock Exchange (in addition to the listing of the Worldline shares on the regulated market of Euronext Paris), for a period of one year following the date of signature of the Addendum, instead of one year from November 30<sup>th</sup>, 2018 (date of completion of the acquisition of SIX Payment Services);



- In addition, the veto rights of SIX Group AG (as described in the 2018 Reference Document, section G.1.4) will only apply to the extent that (i) SIX Group AG holds a number of shares of your company representing more than 8% of the share capital and voting rights and (ii) Atos SE holds a number of shares representing more than 8% of the share capital and voting rights of your company;
- Worldline's commitment under the agreements entered into with a company of the Atos Group has also been modified: it is agreed that the Board's internal rules should specify that the principles governing the procedure relating to such agreements entered into between a Worldline Group company and an Atos Group company (including, where applicable in case of termination of the Shareholders' Agreement) apply as long as (i) SIX Group AG holds a number of shares of your company representing more than 8% of the share capital or voting rights and (ii) (a) Atos SE holds a number of shares of your company representing more than 10% of the voting rights or (b) at least one director is also a member of the Board or executive officer, within the meaning of Article L. 225-38 of the French Commercial Code, Atos SE or an Atos Group company.

#### Global alliance agreement between Worldline and Atos SE

Persons concerned:

- Atos SE, shareholder with more than 10% of the voting rights until February 4<sup>th</sup>, 2020;
- Mr Thierry Breton, Chairman of the Board of Directors of your company until October 24<sup>th</sup>, 2019 and Chairman and CEO of Atos SE until October 31<sup>st</sup>, 2019;
- Mr Gilles Arditti, Director of your company until March 16<sup>th</sup>, 2020 and Executive Director, Internal Audit & Investor Relations of Atos SE;
- Mrs Ursula Morgenstern, Director of your company until March 3<sup>rd</sup>, 2020 and Executive Director of the German business unit of Atos Group;
- Mr. Pierre Barnabé, Director and Censor of the Board of Directors of your company until March 3<sup>rd</sup>, 2020 and Managing Director of the Big Data & Cyber Security activities of the Atos Group.

Your Board of Directors, meeting on March 15<sup>th</sup>, 2019, authorised the conclusion of the Global alliance agreement between your Company and Atos SE (the "Global Alliance Agreement"), following the announcement of the proposed distribution to its shareholders, by Atos SE, of 23.5% of the shares of your company, considering that it was in the interest of your company to maintain a strong industrial and commercial partnership with Atos SE and a mutually beneficial cooperation in specific areas (i.e. sales, research and development (R&D), human resources and purchasing) in order to preserve synergies, in particular in the areas of innovation in digital and payment services, and to foster the development of the talents of the employees of both companies. This partnership also facilitates Worldline's transition to the status of an independent company, a leading player in payment services in Europe, thus maximizing its potential for value creation.

The Global Alliance Agreement includes a mutual cooperation clause, a liability limitation clause, a confidentiality clause and a clause under which each party bears its own costs. The Global Alliance Agreement came into force on May 7<sup>th</sup>, 2019 (the date of completion of the distribution) for a period of five years (renewable twice tacitly for a period of three years, unless terminated by either party upon six months' notice), it being specified, however, that Worldline and Atos SE have the option to terminate the Global Alliance Agreement, in particular in the event of a change of control of the other party.

This Global Alliance Convention covers four main areas: sales, research and development (R&D), human resources and purchasing. It includes a general reciprocal cooperation clause, as well as governance stipulations relating to the establishment of a Global Alliance Council and specific Alliance Councils for each of the four areas, and a dispute resolution method including an escalation and prior negotiation procedure.

#### a) In the area of sales

The Global Alliance Agreement provides in particular for:

- the setting up of a network to search for sales opportunities;
- principles governing resale agreements for identified offers and services (including reciprocal commitments);
- principles of privileged partnership in order to allow the maintenance of the current mode of cooperation within a defined legal framework and in compliance with the applicable rules, in particular with respect to competition (no exclusivity clause);
- on a case-by-case basis, the possibility of responding jointly to calls for tenders (a standard partnership agreement will be annexed to the Global Alliance Agreement which will be tailored to each situation);
- cooperation is ensured by the specific "sales" council of the alliance, which meets regularly. This council makes documented decisions concerning the validation of quotations and joint offers and ensures compliance with competition law and confidentiality obligations;
- the principles governing the use of the other party's references (pre-approved in the case of a resale agreement relating to a specific offer and subject to prior authorisation in other cases).

The Global Alliance Convention also governs (i) the terms and conditions of use of the Business Technology & Innovation Centers ("BTIC") which, in particular, allows demonstrations of Worldline products in a specific location, (ii) access to Worldline customer sessions, (iii) co-presentation rules, as well as (iv) joint participation in trade shows and events.

#### b) In the field of research and development (R&D)

The Global Alliance Convention organises Worldline's participation in Atos Scientific Community and Experts Community meetings and more specifically:

- Worldline's contribution to both communities in the form of predefined annual amounts calculated on a man-day basis;

- the absence of organisation costs;
- the joint intellectual property rights on the documents resulting from the meetings of these communities;
- protection in the form of patents, in the case of joint intellectual property rights, for the benefit of the depositary of the patent and a license for the other party;
- the contribution, on request, of experts to the "pre-sale" activities of the other Party in return for the payment of predefined annual amounts calculated on a man-day basis as well as travel expenses invoiced in euro;
- principles governing potential future joint investments.

#### c) In the area of human resources

The Global Alliance Agreement provides for simplified mobility between the companies of the Worldline Group and the Atos Group (in compliance with applicable legal provisions). In this respect, it is noted that job offers will be published by Worldline and Atos. Mobility is subject to compliance with a specific procedure agreed between the two groups. The mobility of key employees will be subject to formal approval by the management of each of the two groups.

In addition, the Global Alliance Agreement provides for the possibility for each partner to involve its employees in certain development programs of the other partner and to organize networking activities for talents and experts.

#### d) In the area of procurement

The Global Alliance Convention organizes the implementation of transitional agreements in order to avoid as much as possible desynergies.

It also governs joint purchasing arrangements, in compliance with competition law and subject to each supplier's own policies, through the implementation of appropriate structures (resale agreement, partnership agreement, joint venture, etc.).

### Commitments approved in prior years

In addition, further to the information provided to us by the Chairman of your Board of Directors, we bring to your attention the following commitments made in favour of Mr. Gilles Grapinet, Chief Executive Officer and then Chairman and Chief Executive Officer of your company as of October 24<sup>th</sup>, 2019, which corresponded to regulated commitments governed by Articles L.225-42-1 of the French Commercial Code in force prior to Order no. 2019-1234 of November 27<sup>th</sup>, 2019 and which have already been approved by the Shareholders' Meeting.

Your Board of Directors, meeting on March 15<sup>th</sup>, 2019, authorized the commitments made in favour of Mr. Gilles Grapinet relating, on the one hand, to the implementation of the supplementary defined-benefit pension plan from which he previously benefited and, on the other hand, to the implementation of a compensatory guarantee in the event of his forced departure.

#### (i) On the implementation of a defined benefit pension plan

Gilles Grapinet was eligible for the defined benefit pension plan applicable, under certain conditions, to the members of the Executive Committee of the Atos Group.

Your Company had undertaken to assume the acquisition of the Atos supplementary pension rights corresponding to the period of exercise of Mr. Gilles Grapinet's functions as Chief Executive Officer of your Company, taken into account within the limit of two thirds corresponding to the allocation of the portion of his activity dedicated to the general management of your Company, pursuant to an agreement dated July 29<sup>th</sup>, 2014.

Your Company has agreed to maintain the benefit of such a plan for the benefit of Mr. Gilles Grapinet.

The acquisition of rights under the supplementary pension plan is subject to performance conditions determined annually by the Board of Directors, which may in particular refer to the performance conditions contained in the stock option or performance share plans or to any other condition that it deems more relevant.

Your Board of Directors verifies annually, prior to the ordinary general meeting called to approve the financial statements for the last financial year ended, compliance with the conditions provided for and determines the increase, in respect of said financial year, of the conditional rights benefiting Mr. Gilles Grapinet.

Full calendar quarters will only be taken into account in determining the amount of the supplementary pension if they relate to a year in which the performance conditions determined by the Board of Directors have been met.

Only the seniority acquired in respect of the rights that your Company has undertaken to assume is taken into account in the determination of Mr. Gilles Grapinet's supplementary pension benefit (i.e. 12.67 quarters as at February 1<sup>st</sup>, 2019).

In addition, the allocation of a supplementary pension assumes that at least two thirds of the years have been validated in terms of performance conditions during the period of Mr. Gilles Grapinet's membership in the Executive Committee of your Company in the exercise of his various offices (i.e., since 2014).

The annual amount of the supplementary pension amounts, subject to the conditions mentioned above, to 0.625% of the reference salary per full calendar quarter of seniority recognized within the plan, as in the plan from which the person concerned previously benefited. The reference salary is the average of the last sixty monthly salaries multiplied by twelve.

For the determination of this reference remuneration, only the following are taken into account:

- the basic salary of the executive director;
- the annual target bonus actually paid to the executive director, to the exclusion of any other form of variable compensation. This annual bonus is taken into account within the limit of 130% of the basic salary.



The annual amount of the supplementary pension paid under this plan to Mr. Gilles Grapinet may not exceed the difference between:

- 33% of the reference compensation mentioned above;
- the annual amount of his basic, supplementary and additional pensions.

Finally, it should be noted that the benefit of the plan is subject to a condition of a minimum presence of five years on the Executive Committee of your company (i.e. since 2014 in the particular case of Mr. Gilles Grapinet). The minimum age to benefit from the plan is equal to the legal retirement age provided for in Article L.161-17-2 of the French Social Security Code. Likewise, the liquidation age of the supplementary pension is the age at which the person is able to liquidate his or her old-age pension under the general scheme at a full rate, it being specified that this age may not, in any event, be lower than that referred to in Article L.161-17-2 of the Social Security Code.

It is indicated that pursuant to Law No. 2019-486 of May 22<sup>nd</sup>, 2019 relating to the growth and transformation of companies (the "Pacte Law"), your Board of Directors, at its meeting of December 18<sup>th</sup>, 2019, on the recommendation of the Appointments and Compensation Committee, decided to freeze the rights acquired on December 31<sup>st</sup>, 2019, by Mr. Gilles Grapinet under the afore-mentioned plan.

**(ii) On the establishment of a compensatory guarantee in case of forced departure**

As a result of his change of status, Mr. Gilles Grapinet has lost rights previously validated, under performance conditions, during his 10 years of presence within the Atos Group, under the Atos pension plan.

In order to minimize the negative impacts affecting Mr. Gilles Grapinet due to his change of status in the context of the distribution in kind by Atos SE to its shareholders of 23.5% of the share capital of Worldline, your Company wished to implement a compensatory guarantee in the event of the forced departure of Mr. Gilles Grapinet.

This compensatory guarantee is equal to the difference between the net amount of charges and social contributions:

- the pension due to Mr. Gilles Grapinet at December 31<sup>st</sup>, 2018 pursuant to the pension plan in force within Atos SE and Atos International (i.e. EUR 291,000 gross), and
- the amount actually received by Mr. Gilles Grapinet pursuant to all of the supplementary pension plans in force within your Company.

This guarantee will take, at the discretion of your Board of Directors, the form of an indemnity paid in one lump sum or a life annuity not covered by Article L.137-11 of the Social Security Code.

The benefit of this commitment is subject to the fulfillment of performance conditions assessed over all of Mr. Gilles Grapinet's terms of office as Chief Executive Officer of your Company since 2014: fulfillment for more than two thirds of the years of the performance conditions allowing him to benefit from the long-term incentive plans in shares as determined by the Board of Directors (or any other conditions that it deems more relevant).

No guarantee will be paid in the event of the resignation of Mr. Gilles Grapinet (except in the event of classification as a 2<sup>nd</sup> or 3<sup>rd</sup> category disability or death). Thus, Mr. Gilles Grapinet will not receive this guarantee if he voluntarily leaves your company to exercise his retirement rights.

Paris-La Défense et Neuilly-sur-Seine, April 28<sup>th</sup>, 2020

Statutory Auditors

**Deloitte & Associés**

Véronique Laurent

**Grant Thornton**

*Membre français de Grant Thornton International*

Virginie Palethorpe

## E.6.3 Worldline SA financial statements

### E.6.3.1 Balance sheet

#### ASSETS

(In € thousand)	Notes	December 31, 2019			December 31, 2018
		Gross Value	Amortization	Net Value	Net Value
Intangible fixed assets	Note 1	44,943	-26,692	18,251	15,553
Tangible fixed assets	Note 2	173,276	-132,499	40,776	37,609
Participating interests	Note 3	4,172,811	-4,793	4,168,018	3,090,145
Other financial investments	Note 3	419		419	1,363
<b>Total fixed assets</b>		<b>4,391,449</b>	<b>-163,985</b>	<b>4,227,465</b>	<b>3,144,670</b>
Inventory					
Advances paid on orders in progress		10,455		10,455	455
Trade accounts and notes receivable	Note 4	142,830	-902	141,927	140,015
Other receivables	Note 5	25,806		25,806	26,953
Cash and securities	Note 6	18,074		18,074	39,575
<b>Total current assets</b>		<b>197,165</b>	<b>-902</b>	<b>196,262</b>	<b>206,998</b>
Prepaid expenses	Note 7	15,169		15,169	28,842
Redemption Premiums on Bonds	Note 7	2,358		2,358	
Deferred charges	Note 7	7,781		7,781	
<b>Total assets</b>		<b>4,613,921</b>	<b>-164,887</b>	<b>4,449,034</b>	<b>3,380,510</b>

#### LIABILITIES AND SHAREHOLDERS' EQUITY

(In € thousand)	Notes	December 31, 2019	December 31, 2018
Common stock		124,280	124,137
Additional paid-in capital		2,297,309	2,292,861
Legal reserves		12,420	12,414
Other reserves and retained earnings		182,969	217,570
Net income for the period		-9,387	-34,561
<b>Shareholders' equity</b>	<b>Note 8</b>	<b>2,607,591</b>	<b>2,612,421</b>
<b>Provisions for contingencies and losses</b>	<b>Note 9</b>	<b>28,250</b>	<b>18,046</b>
Borrowings	Note 10	1,609,208	419,519
Payments on account		1,571	2,458
Trade payables & associated accounts	Note 11	67,670	104,157
Tax and social security	Note 11	77,951	65,431
Debts on fixed assets and associated accounts	Note 11	322	336
Other liabilities	Note 11	40,292	122,767
<b>Total liabilities</b>		<b>1,797,014</b>	<b>714,669</b>
Deferred income	Note 12	16,180	35,374
<b>Total liabilities and shareholders' equity</b>		<b>4,449,034</b>	<b>3,380,510</b>

### E.6.3.2 Income statement

(In € thousand)	Notes	December 31, 2019	December 31, 2018
Sales of goods		14,247	42,354
Sales of services		397,362	333,797
<b>Revenue</b>	<b>Note 13</b>	<b>411,609</b>	<b>376,151</b>
Operating subsidies		644	
Reversals of depreciations and provisions; transfers of costs		3,407	7,282
Other income		9,592	9,148
<b>Total operating income</b>		<b>425,252</b>	<b>392,582</b>
Cost of sales		-21,732	-22,288
Other purchases and external charges		-152,312	-136,678
Taxes (other than corporation tax)		-7,913	-7,793
Wages & salaries		-141,056	-126,620
Social security costs		-62,411	-57,289
Depreciation amortisation and provisions		-16,072	-15,160
Other expenses		-31,723	-39,405
<b>Total operating expenses</b>		<b>-433,220</b>	<b>-405,235</b>
<b>Operating result</b>		<b>-7,968</b>	<b>-12,652</b>
Financial income		17,127	8,414
Financial expenses		-7,490	-8,901
<b>Net financial result</b>	<b>Note 14</b>	<b>9,638</b>	<b>-488</b>
Non-recurring items income		38,581	16,247
Non-recurring items expenses		-47,417	-36,032
<b>Non-recurring items result</b>	<b>Note 15</b>	<b>-8,836</b>	<b>-19,785</b>
Employee profit sharing		-3,605	-1,422
Corporate income tax	Note 16	1,385	-214
<b>Net income for the period</b>		<b>-9,387</b>	<b>-34,561</b>

## E.6.4 Notes to Worldline statutory financial statements

### E.6.4.1 Worldline Activity

Worldline's operations are organized in three Global Business Lines:

- Mobility & e-Transactional Services (2019 revenue: € 228.3 million, 55.5% of total revenue). Worldline's Mobility & e-Transactional Services Global Business Line goes beyond its traditional client base of merchants, banks and financial institutions to address the needs of private and public sector clients by proposing new digital solutions and business models that take advantage of the digitization of the physical world. This Global Business Line has three business divisions: *e-Ticketing*, *Trusted Digitization* and *e-Consumer & Mobility*;
- Merchant Services (2019 revenue: € 77.2 million, 18.8% of total revenue). Worldline's Merchant Services Global Business Line offers merchants an extensive range of solutions and services, allowing them to accompany their customers across the entire sales cycle, while optimizing payment-related activities, whatever the sales channel used. This Global Business Line has three business divisions: Omni-channel payment acceptance, Private Label Card and Loyalty Programs;
- Financial Services (2019 revenue: € 8.5 million, 2.1% of total revenue). This Business Line came from the acquisition of Diamis. Diamis is notably the editor of the Cristal software that is used by many European banks in order to manage SEPA and domestic mass payments, through the module "Mass Payment Highway" as well as the intra-day liquidity for interbank payments and securities trading (modules "Proactive Liquidity Manager" and "Target2-Securities").

2019 revenue was to € 411.6 million, increasing by +9.4% compared with last year. All three Global Business Lines contributed to this growth:

- Revenue in Mobility & e-Transactional Services grew double digit thanks to recently awarded contracts (Nouvelle Solution Billettique d'Ile de France, Contact solution for a large French bank) and to contracts now in run mode (Tobacco Product Directive's Tracking Platform, Electronic bracelets);

- Merchant Services revenue grew thanks to very good on-line payment acceptance volumes (SIPS) and to new projects (Accor, Boulanger);
- Financial Services revenue is generated from former Diamis activities, merged with Worldline SA in 2018. Revenue growth benefitted from more business with Banco Popolare and Credito Emiliano.

Growth in revenue enabled a better absorption of fixed and central costs compared to 2018, leading to an improvement of the operating result of €+4.7 million. Nevertheless, Worldline's operating result remained nevertheless a loss of €-8.0 million.

Worldline SA is the parent company of the Worldline Group and holds directly or indirectly investments in the Group's subsidiary. Consequently, Worldline publishes consolidated financial statements.

Worldline as such supports a significant share of the costs related to overhead, corporate and central functions. The Company has therefore set up financial flows with its subsidiaries to reflect the services rendered by the parent company to the companies of the Group.

### E.6.4.2 Highlights

#### Deconsolidation from Atos group

During its Annual Meeting on April 30, 2019, Atos SE shareholders have approved the exceptional distribution in kind of circa 23.5% of the shares making up Worldline's share capital. The distribution of Worldline shares occurred on May 7, 2019 and as a result Worldline is no longer fully consolidated within the Atos group as of that date.

#### Acquisition of equensWorldline minority interests

The acquisition of the 36.4% minority stake in equensWorldline has been finalized on September 30, 2019. Worldline had indeed exercised on July 24, 2019 its call option on the 36.4% minority stake in equensWorldline, representing the final step of the Equens acquisition initiated in 2016 and allowing full ownership of equensWorldline, one of the leading European payment transaction processors.

The call exercise price was circa €1,070 million for the remaining 36.4% stake. The transaction has been supported by a newly issued BBB/stable investment grade rating received from Standard & Poor's and has been financed by:

- A 7-year c. € 600 million convertible bond "OCEANE" dated July 30, 2019 (60% conversion premium, zero coupon and yield to maturity of -0.96%); and

- A 5-year € 500 million bond dated September 18, 2019 (0.25% coupon; 0.35% yield, BBB rating from Standard & Poor's) (the "Bond").

Thanks to the very attractive terms of these two issuances, the overall financing of the acquisition has a negative cost for Worldline.

### Others highlights

Other significant events of the year 2019 include the following:

- A new liquidity contract was signed with Rothschild Martin Maurel. It became effective on January 1, 2019 and replaced the last liquidity contract signed on July 28, 2014. The new contract is established following changes in liquidity contracts regulations, and is compliant with AMF decision n° 2018-01 of July 2, 2018, effective since January 1, 2019;
- Implementation of the "NEU CP" (Commercial Paper) financing program in June 2019;
- Creation of an internal reinsurance company ("Worldline Ré").

### E.6.4.3 Rules and accounting methods

The financial statements of Worldline have been prepared in accordance with generally accepted accounting principles in France and with the provisions of the French General Accounting Plan (*plan comptable général – règlement 2014.03*, and its following updates). General conventions were applied, and notably:

- Principle of prudence;
- Principle of going concern;
- Permanence of the accounting methods from one exercise to another;
- Cut off principle.

As a principle, items are booked based on historical cost. The annual accounts are established and presented in thousands of euros.

#### Intangible assets

Intangible assets are booked at their acquisition cost and consist mainly of software, licenses, merger deficit and goodwill.

Software created for an internal use and development costs of application used for operational needs are recognized as an expense.

Software is amortized on a straight-line basis over their expected useful life, not exceeding 3 years.

If needed, a provision on goodwill can be booked based on the value in use.

## Tangible assets

The tangible fixed assets are evaluated at their acquisition value excluding any financial expenses.

The depreciation calculation is based on a straight-line method over the useful life of the assets, as follows:

- Buildings: 20 years;
- Fixtures and fittings: 5 to 20 years;
- Computer hardware: 3 to 5 years;
- Vehicles: 4 years;
- Office furniture and equipment: 5 to 10 years.

## Financial assets

Financial assets consist of participating interests and other financial investments (security deposit, loans).

Financial assets are initially booked at their acquisition cost. Fees related to the acquired financial assets are expensed.

The value-in-use takes in account net assets and earnings outlooks. An impairment loss is recognized when the acquisition cost exceeds the value-in-use.

Profitability prospects are based on cash flow expectations which are established on Global Business Line Plans for three years approved by management, and a terminal value.

## Trade accounts and notes receivable

Trade accounts and notes receivable are recorded at their nominal value. They are individually analysed and, if necessary, are subject to an impairment loss.

In the balance sheet they are recorded under "trade accounts and notes receivables". When invoicing exceeds the revenue recognition, this excess is presented under "deferred income".

## Securities

Securities are recorded at their acquisition cost. They are depreciated when the carrying amount is lower than the book value.

## Provisions

Provisions are recognized when:

- Worldline has a present legal, regulatory, contractual or constructive obligation as a result of past events;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The amount has been reliably quantified.

## Pensions

Long-term staff benefits provisions are recognized in accordance with the ANC recommendation 2013-02.

Provision is accrued under the "corridor" method. Worldline only recognizes in its income statement, the cumulative actuarial gains and losses exceeding a normal fluctuation margin of 10% at year end. This amortization is made on the remaining working lives of the beneficiaries of each plan.

## Loans

The Company has taken the option of spreading its debt issuance costs over the term of the loan as authorized by section 212-11 of the PCG.

## Revenue

Services constitute the major part of the Group revenue.

Revenues arising from transactional activities, particularly in the area of payments are recognized over the period during which the transaction has been completed.

The proceeds from subscriptions are recognized on a straight line basis over the term of the contract.

Revenues for development projects and/or migration of platform with customers are recognized as and when the service is performed, based on the stage of completion when the outcome can be determined reliably. The percentage of completion is determined by comparing the cumulative costs incurred, on a given date, with the expected total costs of the contract. Benefits from these contracts are recorded in the balance sheet under "trade accounts and notes receivables" for the share of proceeds to be received and under "other current liabilities" for the portion of deferred revenue. When the outcome of a fixed price contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred probably recoverable.

Income relating to other services performed on behalf of clients is recognized at the completion of the service.

The Group may sign in some cases service contracts with multiple elements, which may include a combination of different services. Revenue is recognized separately for each of the elements when they are separately identifiable. A set of contracts is combined and treated as a single contract when the group of contracts is negotiated as a single package, the contracts are so closely interrelated that they are, in fact, part of a single project with an overall margin and that the contracts are performed concurrently or following one another without interruption.

The Group performs regularly and in special circumstances, profitability studies on service contracts to determine whether the latest estimates of revenue, costs and percentage of completion need to be revised. If these estimates indicate that the contract will be unprofitable, a provision for loss is recorded immediately covering the loss in its entirety.

## Other operating income and expenses

"Other operating income and expenses" include exceptional items coming from ordinary activities and extraordinary items.

Exceptional items from ordinary activities are those whose achievement is not related to the current operation of the business either because they are unusual in amount or impact or because they rarely occur.

### Tax consolidation agreement

As per article 223-a of the French Fiscal Code, Worldline signed a group tax consolidation agreement with its French subsidiaries with effect as of January 1, 2015. Subsidiaries that are part of this tax consolidation are:

- Worldline Participation 1;
- Similo;

- Santeos;
- Worldline Bourgogne.

Worldline, as the parent company of the Group, is designated as the only entity liable for the corporate tax of the group tax consolidation.

The agreement respects the neutrality principle to the extent that, during the integration period within the Group, each entity has to report in its account a tax income or expense equal to what it would report if it was not integrated in the Group.

The group tax consolidation benefits from ever green carry forward of the tax losses.

### E.6.4.4 Identity of Worldline parent company

As at December 31, 2019, Worldline SA is consolidated by Atos SE under the equity method, following the sale by Atos SE of circa 34% of Worldline shares during the year 2019.

At the beginning of February 2020, Atos reduced its participation to 4% of the share capital, leading to the exit of Worldline from the Atos consolidation scope.

### E.6.4.5 Notes to the financial statements

<b>Note 1</b>	Intangible assets	305	<b>Note 11</b>	Trade accounts, notes payable and other liabilities	312
<b>Note 2</b>	Tangible fixed assets	305	<b>Note 12</b>	Deferred income	312
<b>Note 3</b>	Financial fixed assets	306	<b>Note 13</b>	Revenue	313
<b>Note 4</b>	Trade accounts and note receivable	307	<b>Note 14</b>	Financial results	313
<b>Note 5</b>	Other receivables	308	<b>Note 15</b>	Non recurring items	314
<b>Note 6</b>	Cash and securities	308	<b>Note 16</b>	Taxes	314
<b>Note 7</b>	Prepaid expenses	309	<b>Note 17</b>	Off-balance sheet commitments	314
<b>Note 8</b>	Shareholders' equity	310	<b>Note 18</b>	Related parties	315
<b>Note 9</b>	Provisions	310	<b>Note 19</b>	Other information	316
<b>Note 10</b>	Financial borrowings	311	<b>Note 20</b>	Subsequent events	316

## Note 1 Intangible assets

### INTANGIBLE FIXED ASSETS EVOLUTION TABLE

(In € thousand)	December 31, 2018	Increase	Decrease	December 31, 2019
Software	25,627	5,567	-	31,194
Concessions and similar rights	1,034	-	-	1,034
Goodwill	12,715	-	-	12,715
<b>Gross value of intangible assets</b>	<b>39,376</b>	<b>5,567</b>	<b>0</b>	<b>44,943</b>
Software	-22,067	-2,869	-	-24,936
Concessions and similar rights	-1,034	-	-	-1,034
Goodwill	-722	-	-	-722
<b>Total of amortisation &amp; depreciation</b>	<b>-23,823</b>	<b>-2,869</b>	<b>0</b>	<b>-26,692</b>
Software	3,560	2,699	0	6,259
Concessions and similar rights	0	0	0	0
Goodwill	11,993	0	0	11,993
<b>Net value of intangible assets</b>	<b>15,553</b>	<b>2,699</b>	<b>0</b>	<b>18,251</b>

The business assets are essentially composed of:

- Universal Asset Transfer (*Transmission Universelle de Patrimoine*) of Atos Worldline Financial Markets in 2013 for a net value of € 0.8 million;
- Universal Asset Transfer of Diamis and the acquisition of the Sirius business in 2018 for a net value of € 11 million.

## Note 2 Tangible fixed assets

### TANGIBLE FIXED ASSETS EVOLUTION TABLE

(In € thousand)	December 31, 2018	Increase	Decrease	December 31, 2019
Land	869	-	-	869
Buildings	1,589	-	-	1,589
Fixtures and fittings	95,845	13,893	-427	109,311
Other tangible assets	56,939	3,210	-	60,149
Tangible assets in progress	4,284	494	-3,420	1,358
<b>Gross value of tangible fixed assets</b>	<b>159,525</b>	<b>17,597</b>	<b>-3,847</b>	<b>173,276</b>
Land	-65	-	-	-65
Buildings	-565	-117	-	-682
Fixtures and fittings	-77,581	-7,415	-	-84,996
Other tangible assets	-43,706	-3,051	-	-46,757
Tangible assets in progress	-	-	-	0
<b>Total of depreciation &amp; amortization</b>	<b>-121,917</b>	<b>-10,583</b>	<b>0</b>	<b>-132,499</b>
Land	804	0	0	804
Buildings	1,024	-117	0	907
Fixtures and fittings	18,264	6,478	-427	24,315
Other tangible assets	13,233	159	0	13,392
Tangible assets in progress	4,284	494	-3,420	1,358
<b>Net value of tangible fixed assets</b>	<b>37,609</b>	<b>7,014</b>	<b>-3,847</b>	<b>40,776</b>

### Note 3 Financial fixed assets

#### FINANCIAL ASSETS EVOLUTION TABLE

(In € thousand)	December 31, 2018	Increase	Decrease	December 31, 2019
Investments in associates	3,092,572	1,080,260	-20	4,172,811
Loans and accrued interests	77	-	-21	56
Deposits	1,285	113	-1,036	362
<b>Financial assets</b>	<b>3,093,934</b>	<b>1,080,373</b>	<b>-1,077</b>	<b>4,173,230</b>
Investments in associates	-2,426	-2,367	-	-4,793
Loans and accrued interests	0	-	-	0
Deposits	0	-	-	0
<b>Total of depreciation &amp; amortization</b>	<b>-2,426</b>	<b>-2,367</b>	<b>0</b>	<b>-4,793</b>
Investments in associates	3,090,146	1,077,893	-20	4,168,018
Loans and accrued interests	77	0	-21	56
Deposits	1,285	113	-1,036	362
<b>Net value of financial assets</b>	<b>3,091,508</b>	<b>1,078,006</b>	<b>-1,077</b>	<b>4,168,437</b>

The increase in investments in associates for € 1,080 million mainly corresponds to the acquisition of equensWorldline minority interest (€ 1,071 million).

Other variations come from the following:

- Share capital increase of Worldline Argentina (€ 2 million);

- Share capital increase of InTouch (€ 4 million);
- Creation of Worldline Ré (€ 3 million).

The depreciation in investments relates to the depreciation of Worldline Argentina Shares.

#### MATURITY OF LOANS AND OTHER FINANCIAL FIXED ASSETS

(In € thousand)	Gross amount December 31, 2019	Up to 1 year	1 to 5 years
Loans and accrued interests	56	-	56
Deposits	362	-	362
<b>Total loans and other financial fixed assets</b>	<b>418</b>	<b>0</b>	<b>418</b>



## MAIN SUBSIDIARIES AND INVESTMENTS

(In € thousand)	Gross value at December 31, 2019	Net value at December 31, 2019	% interest	Revenue	Share capital	Dividend paid	Net Income at December 31, 2019	Share-holders' equity
<b>A – Subsidiaries (50% or more)</b>								
<b>France</b>								
Santeos	4,294	4,294	100%	3,763	1,500	50	80	1,730
Worldline Bourgogne	373	373	100%	1,828	38	578	363	406
Similo SAS	600	600	100%	5,879	322	0	412	778
Worldline participation 1 SA	2,426	-	100%	0	37	0	-4	10
Wordline Ré SA	3,000	3,000	100%	0	37	0	0	37
<b>Benelux</b>								
Worldline SA (Luxembourg)	33,900	33,900	100%	41,078	33,819	0	42,372	156,750
Worldline NV/SA	324,466	324,466	100%	432,785	136,012	0	20,197	566,628
Equens SE*	1,324,934	1,324,934	100%	749,102	366,274	6,296	72,615	981,624
<b>Suisse</b>								
Six Payment Services AG	1,393,987	1,393,987	100%	540,031	5,980	0	45,339	80,898
Six Payment Services (Europe) SA	1,040,799	1,040,799	100%	455,210	1,820	0	4,589	118,388
Six Payment Services (Luxembourg)	23,214	23,214	100%	1,147	255	0	385	935
<b>Asie</b>								
Worldline (Taiwan)	900	900	100%	1,251	889	0	-7	1,118
<b>B – Others (Less than 50%)</b>								
Atos Intégration	620	620	5%	749,229	8,542	0	-11,227	715
Atos IT Solutions and Services SA (Argentina)	11,304	8,937	24%	18,955	1,637	0	-2,150	2,496
In Touch	7,994	7,994	32%	6,079	15,706	0	-6,642	-2,643
Other participations								
<b>Total main investments</b>	<b>4,172,811</b>	<b>4,168,018</b>						

\* See E.6.4.2 "Highlights" for detail regarding the acquisition of minority interests in equensWorldline SE.

## Note 4 Trade accounts and note receivable

(In € thousand)	Gross amount at December 31, 2019	Depreciation	Net value December 31, 2019	Net value December 31, 2018
Trade accounts and notes receivable	69,624	-	69,624	76,007
Doubtful debtors	1,084	-902	182	135
Invoices to be issued	72,122	-	72,122	63,873
<b>Total trade accounts and notes receivable</b>	<b>142,830</b>	<b>-902</b>	<b>141,928</b>	<b>140,015</b>

## Note 5 Other receivables

(In € thousand)	December 31, 2019	December 31, 2018
Debtor suppliers	7,653	5,745
Staff	45	94
Social-security receivables	238	75
Tax (Corporation tax, VAT, R&D tax credit...)	16,800	17,851
Group current accounts	330	2,382
Other	740	808
<b>Total other receivable</b>	<b>25,806</b>	<b>26,954</b>

### MATURITY OF TRADE ACCOUNTS AND OTHER RECEIVABLES

(In € thousand)	December 31, 2019	Up to 1 year	> 1 year
Doubtful debtors	182	182	
Trade accounts	141,746	141,746	
Staff	45	45	
Social-security receivables	238	238	
Tax (Corporation tax, VAT, R&D tax credit...)	16,800	16,800	
Group current accounts	330	330	
Other	8,393	8,393	
<b>Total</b>	<b>167,734</b>	<b>167,734</b>	

### ACCRUED INCOME

(In € thousand)	December 31, 2019	December 31, 2018
Trade accounts, notes receivable and other receivables	72,122	63,873
Other receivables	7,688	5,745
<b>Total accrued income</b>	<b>79,810</b>	<b>69,618</b>

## Note 6 Cash and securities

(In € thousand)	Gross amount at December 31, 2019	Depreciation	Net value December 31, 2019	Net value December 31, 2018
Securities	17,191	0	17,191	38,593
Cash at bank	883	-	883	981
<b>Total cash and securities</b>	<b>18,074</b>	<b>0</b>	<b>18,074</b>	<b>39,575</b>

Securities are Worldline treasury stock. These shares are intended to be delivered to beneficiaries of performance shares plans, share purchase plans or stock-option plans.

During fiscal year 2019, no Worldline shares were purchased and 545,653 treasury shares were sold. The number of treasury shares held at December 31, 2019 amounted to 368,877.

At an average price of € 46.60, the gross amount of the portfolio is valued at € 17,291,255.26 as at December 31, 2019. For information, Worldline share price was € 63.15 as at December 31, 2019.

The € 5.2 million impairment loss recognized in 2018 following the decrease of the share price was therefore fully reversed in 2019.

**Note 7** Prepaid expenses

(In € thousand)	December 31, 2019	December 31, 2018
Prepaid expenses	15,169	26,372
Deferred charges	7,781	2,470
Redemption Premiums on Bonds	2,357	0
<b>Total prepaid</b>	<b>25,307</b>	<b>28,842</b>

**PREPAID EXPENSES**

(In € thousand)	December 31, 2019	December 31, 2018
Support fonctions services	4,165	12,055
Maintenance	403	673
Rentals	0	4,766
Insurance	134	21
Other external expenses	10,467	8,857
<b>Total operational prepaid expenses</b>	<b>15,169</b>	<b>26,372</b>

**DEFERRED CHARGES**

(In € thousand)	December 31, 2018	Increase	Decrease	December 31, 2019
OCEANE	0	5,177	312	4,865
BOND	0	1,000	57	943
RCF	2,470	0	497	1,973
<b>Total Deferred Charges</b>	<b>2,470</b>	<b>6,177</b>	<b>866</b>	<b>7,781</b>

Deferred charges mainly concern costs linked to the issuance in 201 of the OCEANE (€ 4.9 million) and BOND (€ 0.9 million) borrowings.

Those deferred charges are spread on the maturity of borrowings. As such, the 2019 expense is € 0.9 million.

Remaining costs correspond to bank fees on the € 2 million Revolving Credit Facility ("RCF") subscribed at the end of December 2018.

**REDEMPTION PREMIUM ON BONDS**

(In € thousand)	December 31, 2018	Increase	Decrease	December 31, 2019
BOND	0	2,500	143	2,357
<b>Total Redemption Premiums on Bonds</b>	<b>0</b>	<b>2,500</b>	<b>143</b>	<b>2,357</b>

The BOND issued on September 18, 2019 for € 500 million led to book a redemption premium of € 2.5 million to be spread on its maturity (5 years). As such, the 2019 expense amounts to € 0.1 million.

## Note 8 Shareholders' equity

### COMMON STOCK

(In € thousand)

	December 31, 2019	December 31, 2018
Number of shares	182,764,457	182,554,917
Nominal value (in EUR)	0.68	0.68
<b>Common stock (in € thousand)</b>	<b>124,279</b>	<b>124,137</b>

Since December 31, 2018, capital was increased by:

- € 61,954.48 through the issue of 89,786 new shares created under the Employee Share Purchase Plan "Boost";
- € 41,140.00 from the exercise of 60,500 stock-option rights;

- € 40,292.72 following the grant of 59,254 performance shares.

In total, the increase of share capital amounts to € 142,487.20 (209,540 shares) in 2019.

### CHANGES IN SHAREHOLDERS' EQUITY

(In € thousand)

	December 31, 2018	Dividends	Appropriation of result	Capital increase	Others	Net Income 2019	December 31, 2019
Common stock	124,137			142			124,280
Additional paid-in capital	2,292,861			4,448			2,297,310
Legal reserve	12,414			6			12,420
Retained earnings	217,570		-34,561		-40		182,968
Net income for the period	-34,561		34,561			-9,387	-9,387
<b>Total of the shareholders' equity</b>	<b>2,612,421</b>	<b>0</b>	<b>0</b>	<b>4,597</b>	<b>-40</b>	<b>-9,387</b>	<b>2,607,590</b>

## Note 9 Provisions

(In € thousand)

	December 31, 2018	Charges	Release used	Release unused	Scope	December 31, 2019
Pensions	16,782	2,631			0	19,413
Litigations and contingencies	1,049	7,886	-99			8,836
Other provisions	214			-214		0
<b>Total provisions</b>	<b>18,045</b>	<b>10,517</b>	<b>-99</b>	<b>-214</b>	<b>0</b>	<b>28,249</b>

### Pensions

In 2019, the Group has set up a supplementary defined benefits pension plan. Commitments related to this plan amount to € 3.5 million as at December 31, 2019 (out of which € 3.3 million disclosed as off balance sheet commitment in Note 17).

Evolution of the pension and of the supplementary defined benefits pension plan provision in 2019 is presented below:

(In € thousand)

	Pension	Others	Total
<b>Pensions at January 1, 2019</b>	<b>16,782</b>		<b>16,782</b>
Service cost	2,162	198	2,360
Interest costs	469		469
Contributions paid	-35		-35
<b>Pensions at December 31, 2019</b>	<b>19,378</b>	<b>198</b>	<b>19,576</b>
Unrecognized gain and loss	15,354	3,302	18,656
<b>Pensions at December 31, IFRS</b>	<b>34,732</b>	<b>3,500</b>	<b>38,232</b>

Reconciliation between pension commitments and computed provision is presented below:

(In € thousand)	Pensions
<b>Commitment at January 1, 2019</b>	<b>26,791</b>
Service cost	2,162
Interest costs	469
Contributions paid	-35
Actuarial gain and loss generated during the period	5,345
<b>Commitment at December 31, 2019</b>	<b>34,732</b>
Unrecognized actuarial gain and loss	-15,354
<b>Pensions provision at December 31, 2019</b>	<b>19,378</b>

Evaluation is carried out on an individual basis and main parameters of the calculation are described below:

- Discount rate: 0.8%;
- Wages inflation: 1.6%;
- Estimated turnover rate:
- Executives (i.e. "cadres"): decreasing according to age (from 7.80% at the age of 20 years old to zero as from 56 years old),
- Non executives (i.e. "non-cadres"): decreasing according to age (from 5.46% at the age of 20 years old to zero as from 56 years old).

## Note 10 Financial borrowings

### CLOSING NET DEBT

(In € thousand)	Up to 1 year	1 to 5 years	>5 years	Gross value December 31, 2019	Gross value December 31, 2018
Bank overdraft	404,806			404,806	419,223
Bonds	356	500,000	600,000	1,100,356	
Redemption Premiums on Bonds (Oceane)	6,000	24,000	9,468	39,468	
Other borrowings	64,577			64,577	297
Group current accounts				0	
<b>Total Borrowings</b>	<b>475,739</b>	<b>524,000</b>	<b>609,468</b>	<b>1,609,208</b>	<b>419,519</b>
Group current accounts	-24,120			-24,120	-116,315
Securities	Note 6 17,191			17,191	38,593
Cash at bank	Note 6 883			883	981
<b>Closing net debt</b>	<b>-481,785</b>	<b>-524,000</b>	<b>-609,468</b>	<b>-1,615,253</b>	<b>-496,260</b>

Bonds are composed of:

- € 500 million of BOND dated September 18, 2019 (coupon 0.25%). Deferred interest amounts to € 0.4 million at the end of 2019;
- € c. 600 million of OCEANE dated July 30, 2019. As there is no coupon, no deferred interest was booked. Moreover, OCEANE was issued at 107%. A redemption premium is booked in financial debt for € 39.5 million. This premium is spread on the OCEANE maturity (7 years).

Other financial debts include € 63 million for the new "commercial paper" financial program, implemented since June 13, 2019.

On December 20, 2018, Worldline signed a € 600 million revolving credit facility for 5 years, maturing on December 2023 with extensible maturity to December 2025 (depending on Worldline's request). In October 2019, a first extension was requested and approved by banks. As a consequence, the facility comes to maturity in December 2024.

Under the terms of the initial agreement, this facility included one financial covenant, which was the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) that should not be greater than 2.5 times. In December 2019, the cancellation of the financial covenant was obtained and this facility does not include any more this financial covenant.

At the end of December 2019, the Facility is not used.

## Note 11 Trade accounts, notes payable and other liabilities

(In € thousand)	Gross amount December 31, 2019	Gross amount December 31, 2018
Accounts payable	67,670	104,157
Staff	26,878	22,810
Social security and other employee welfare liabilities	29,915	27,264
VAT payable	21,158	15,357
Intercompany current account liabilities	24,450	118,698
Other liabilities	16,163	4,405
<b>Total payables</b>	<b>186,235</b>	<b>292,691</b>

### MATURITY OF TRADE ACCOUNTS AND OTHER LIABILITIES

(In € thousand)	Gross amount December 31, 2019	<1 year	1 to 5 years	>5 years
Accounts payable	67,670	67,670	-	-
Staff	26,878	26,878	-	-
Social security and other employee welfare liabilities	29,915	29,915	-	-
Tax payables	21,158	21,158	-	-
Debt on fixed assets	322	322	-	-
Intercompany current account liabilities	24,450	24,450	-	-
Other liabilities	15,842	15,842	-	-
<b>Total payables</b>	<b>186,235</b>	<b>186,235</b>	<b>-</b>	<b>-</b>

### ACCRUED LIABILITIES

(In € thousand)	December 31, 2019	December 31, 2018
Invoices to be received	56,813	65,631
State and employee related liabilities	45,432	38,224
Other accrued liabilities	16,086	4,069
<b>Total accrued liabilities</b>	<b>118,331</b>	<b>107,924</b>

## Note 12 Deferred income

(In € thousand)	December 31, 2019	December 31, 2018
Deferred Income	16,180	35,374
<b>Total Deferred Income</b>	<b>16,180</b>	<b>35,374</b>

At the end of 2019, deferred incomes reach € 16.2 million and mainly relates to timing difference on contract revenue booked under the completion method, for which invoicing exceeds completion status.

## Note 13 Revenue

### REVENUE SPLIT BY GLOBAL BUSINESS LINES

	December 31, 2019		December 31, 2018	
(In € thousand)		%		%
Merchant Services	77,221	18.8%	73,184	19.5%
Financial Services	8,511	2.1%	7,199	1.9%
Mobility & e-Transactional Services	228,334	55.5%	204,971	54.5%
Other revenue from Group services	97,544	23.7%	90,797	24.1%
<b>Total revenue by Global Business Lines</b>	<b>411,609</b>	<b>100%</b>	<b>376,151</b>	<b>100%</b>
France	325,997	79.2%	307,319	81.7%
Foreign countries	85,612	20.8%	68,832	18.3%
<b>Total revenue by geographical area</b>	<b>411,609</b>	<b>100%</b>	<b>376,151</b>	<b>100%</b>

2019 revenue was to € 411.6 million, increasing by +9.4% compared with last year. All three Global Business Lines contributed to this growth.

- Revenue in Mobility & e-Transactional Services grew double digit thanks to recently awarded contracts (*Nouvelle Solution Billetique d'Ile de France*, Contact solution for a large French bank) and to contracts now in run mode (Tobacco Product Directive's Tracking Platform, Electronic bracelets);
- Merchant Services revenue grew thanks to very good on-line payment acceptance volumes (SIPS) and to new projects (Accor, Boulanger);
- Financial Services revenue is generated from former Diamis activities, merged with Worldline SA in 2018. Revenue growth benefitted from more business with Banco Populare and Credito Emiliano.

## Note 14 Financial results

(In € thousand)	December 31, 2019	December 31, 2018
Dividends received	6,924	5,878
Income from cash pool	774	1,263
Exchange gains	869	814
Reversal of provision on treasury stock	5,522	
Redemption Premium on Bond	2,532	
Other financial income	507	459
<b>Total of the financial income</b>	<b>17,127</b>	<b>8,414</b>
Interests on borrowings	-2,470	
Depreciation of investments	-2,367	
Other financial provisions	-1,108	-5,959
Foreign exchange losses	-1,544	-1,044
Other financial expenses		-1,899
<b>Total of the financial expenses</b>	<b>-7,490</b>	<b>-8,901</b>
<b>Net financial result</b>	<b>9,638</b>	<b>-488</b>

Dividends received in 2019 were paid by Worldline Bourgogne, Santeos, Similo and EquensWorldline.

## Note 15 Non recurring items

(In € thousand)	December 31, 2019	December 31, 2018
Proceed from disposal of financial investments	-	182
Reversal of provision for trade accounts receivable	99	6,437
Other income	38,482	9,628
<b>Total of non recurring income</b>	<b>38,581</b>	<b>16,247</b>
Net book value of financial investments sold	-	-
Provisions for liabilities and charges	-134	-6,812
Other expenses	-47,283	-29,219
<b>Total of non recurring expenses</b>	<b>-47,417</b>	<b>-36,032</b>
<b>Non recurring items</b>	<b>-8,836</b>	<b>-19,785</b>

In 2019, other extraordinary income and expenses mainly relate to the costs related to the separation between Atos and Worldline, to SIX Payment Services acquisition costs, and to the deployment of internal IT systems. A major part of these costs is echarged to the subsidiaries.

## Note 16 Taxes

### Tax consolidation agreement

Worldline fiscal tax group presents indefinably usable loss carry forward which reach € 71 million at 2019 year-end.

### Decrease and increase of the future tax charge of Worldline taxed separately.

At year end, decreases and increases of the future tax charge were broken down as follows:

(In € thousand)	Basis Decrease	Basis Increase
Temporary differences	19,965	-
<b>Total temporary differences</b>	<b>19,965</b>	<b>-</b>

No deferred tax assets or liabilities had been recognized.

### BREAKDOWN BETWEEN NET INCOME ON ORDINARY ACTIVITIES AND NON-RECURRING ITEMS

(In € thousand)	Before tax	Computed tax	Net amount
Net income on ordinary activities	1,670	-	1,670
Non recurring items, tax credit and employee participation	-12,442	1,385	-11,057
<b>Total corporate tax</b>	<b>-10,772</b>	<b>1,385</b>	<b>-9,387</b>

During the year 2019, Worldline has recognized a tax credit related to a research tax credit received for € 1.4 million, a tax consolidation bonus of € 0.3 million and withholding taxes of € 0.4 million.

## Note 17 Off-balance sheet commitments

### COMMITMENTS GIVEN

(In € thousand)	December 31, 2019	December 31, 2018
Parantal guarantees	1,000	2,900
SIX Payment Services (SPS) Additional price	0	117,600
<b>Total commitments given</b>	<b>1,000</b>	<b>120,500</b>



## COMMITMENTS RECEIVED

(In € thousand)

	December 31, 2019	December 31, 2018
Bank guarantees	18,108	7,186
<b>Total commitments received</b>	<b>18,108</b>	<b>7,186</b>

As a reminder and in the context of the acquisition of SIX Payment Services finalized in November 30, 2018, Worldline and SIX Group AG had agreed that a contingent additional consideration of a maximum amount of CHF166 million may have to be paid in cash by Worldline to SIX Group AG in Q2 2020:

- The compensation would be payable if Worldline share price in March 2020 is below € 50.17;
- No compensation would be due if this share price exceeds € 53.00;
- If this share price was between € 50.17 and € 53.00, Worldline would pay to SIX Group AG an amount calculated on a linear basis (from CHF 166 million to zero).

This commitment has been valued at € 117.6 million and booked as off-balance sheet commitment at 2018 year-end.

Further to the announcement on October 30, 2019 by SIX Group AG of the entry into a collar transaction on Worldline shares, the agreement regarding the Contingent Consideration of CHF 166 million is terminated with no payment to be made by Worldline to SIX Group AG in that respect, in accordance with the agreements between SIX Group AG and Worldline.

Worldline implemented a supplementary defined benefit pension plan (refer to Note 9). Off-balance sheet commitment related to this plan amounts to € 3.3 million as at December 31, 2019.

## Note 18 Related parties

The following tables present transactions between Worldline SA and its controlled subsidiaries:

## INCOME STATEMENT

(In € thousand)

	December 31, 2019	December 31, 2018
Financial expenses	-	-723
Financial income	7,297	5,878
Other operating expenses	-8,106	-6,227
Other operating income	12,462	9,628
<b>Total</b>	<b>11,653</b>	<b>8,556</b>

## ASSETS

(In € thousand)

	December 31, 2019	December 31, 2018
Trade accounts and notes receivables	53,813	75,169
Group current accounts	330	2,382
Other current assets	-5,215	218
<b>Total</b>	<b>48,928</b>	<b>77,769</b>

## LIABILITIES

(In € thousand)

	December 31, 2019	December 31, 2018
Trade accounts and note payable	7,832	23,545
Group current accounts	24,450	118,698
Tax and social security	-	615
Other current liabilities	-12,190	188
<b>Total</b>	<b>20,092</b>	<b>143,046</b>

## Note 19 Other information

### AVERAGE WORKFORCE PER CATEGORY

	December 31, 2019	December 31, 2018
Engineers and managerial staff	2,202	2,046
Employees, technicians and supervisory staff	478	410
<b>Total average workforce</b>	<b>2,680</b>	<b>2,456</b>

### Cost of Key management personnel of the Group

In 2019, the expenses related to key management personnel included:

- Those related to the Worldline Chief Executive Officer in accordance with the agreement entered into with Atos in relation to his dedication and remuneration until January 31, 2019 and for the entire part as from February 1, 2019;
- The expense related to the Deputy Chief Executive Officer;

No cost was recorded in relation to the remuneration of the Chairman of the Board of Directors.

These expenses amounted to € 3.2 million.

Directors' fees expense amounted to € 0.1 million.

## Note 20 Subsequent events

### Creation of a new world-class leader in payment services: Worldline to acquire Ingenico

Worldline and Ingenico Group SA have announced on February 3, 2020 that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares, consisting of a 81% share and 19% cash transaction, as of last closing prices, as well as outstanding OCEANES.

Upon closing, former Worldline shareholders would own c.65% of the combined entity and former Ingenico shareholders would own c.35%.

This transaction would combine two premier companies to create the world's number four player in payment services with

circa 20,000 employees in approximately 50 countries with physical presence. Upon closing, the new combined group would offer best-in-class payment services to nearly 1 million merchants and 1,200 financial institutions.

The transaction will be subject to customary closing conditions, including regulatory, merger control clearances and information and/or consultation with employee representative bodies, as well as Worldline shareholders' approval.

It is expected that the tender offer will be filed with the AMF in June or July 2020, once regulatory and merger control clearances processes are in progress.

For more information, in particular related to the terms of the offer, please refer to the press release available at [worldline.com](http://worldline.com) in the Investors section.

## E.7 Worldline SA five years financial summary (from parent company financial statements)

### E.7.1 Worldline SA five years financial summary (from parent company financial statements)

Accounting year end	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Duration (in months)	12	12	12	12	12
<b>Share capital at year end</b>					
Share capital	124,279,830.76	124,137,343.56	90,371,294.84	89,995,957.28	89,710,079.84
Number of common shares outstanding					
• ordinary	182,764,457	182,554,917	132,898,963	132,346,996	131,926,588
Maximum number of future shares to be created:					
• through conversion of convertible bonds					
• through exercise of equity warrants					
<b>Operations and results of the current year</b>					
Operating revenue	411,609,404.94	376,151,440.06	346,732,218.28	434,778,843.00	460,935,677.12
Income before taxes, profit sharing, amortization and provisions	14,581,033.15	-12,635,864.99	-13,296,606.95	249,316,554.70	14,120,685.48
Income taxes	-1,384,794.20	214,269.58	2,147,387.36	2,010,426.95	3,268,301.65
Profit sharing	-3,605,195.67	-1,421,748.66	-2,793,095.65	-5,688,900.30	-5,645,502.58
Amortization and provisions	-18,977,791.87	-20,717,692.38	-10,449,665.85	-8,504,696.88	-14,364,944.20
Net income/(losses)	-9,386,748.59	-34,561,036.45	-24,391,981.09	237,133,384.47	-2,621,459.65
Distributed income					
<b>Earnings per share</b>					
but before amortization and provisions	0.05	-0.08	-0.10	1.86	0.09
Net earning	-0.05	-0.19	-0.18	1.79	-0.02
Dividend per share					
<b>Employee data</b>					
Average number of employee during the year	2,680	2,456	2,283	2,859	3,013
<b>Total payroll</b>	<b>141,056,332.38</b>	<b>126,620,274.46</b>	<b>114,595,338.95</b>	<b>139,668,169.06</b>	<b>148,434,264.07</b>
Total benefits	62,411,022.86	57,289,332.12	49,601,786.47	63,445,419.20	66,255,079.11

## FINANCIALS

Worldline SA five years financial summary (from parent company financial statements)

## E.7.2 Statement used to present information on supplier and customer payment terms mentioned in article D. 441-4 of the French Commercial Code

Article D. 441 I. - 1° of the French Commercial Code : Invoices received not paid as of the closing date and where the term of payment is due							Article D. 441 I. - 2° of the French Commercial Code : Invoices sent not paid as of the closing date and where the term of payment is due					
0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 days and more)		0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 days and more)
<b>(A) Late payment tranche</b>												
Number of concerned invoices	1,128	107	46	28	23	204	3,104					912
Total amount of invoices concerned including tax	17,825 € 822.61	2,611 € 954.42	791 € 302.29	416 € 923.35	-241 € 102.90	3,579 € 077.16	38,258 € 592.27	4,217 € 542.85	1,608 € 765.83	339 € 973.14	1,963 € 471.73	8,129 € 753.55
Percentage of the total amount of purchases for the fiscal year including tax	5.88%	0.86%	0.26%	0.14%	-0.08%	1.18%						
Percentage of turnover for the fiscal year including tax							8.01%	0.88%	0.34%	0.07%	0.41%	1.70%
<b>(B) Excluded invoices of (A) related to disputes or unrecognized debts and receivables *</b>												
Number of excluded invoices	25	14	3	3	204	224	0					
Total amount of excluded invoices including VAT	533 € 227.77	68 € 024.46	23 € 409.61	457 € 135.66	2,433 € 026.34	2,981 € 596.07	€ 0.00					
<b>(C) Reference payment terms used (contractual or legal deadline - article L. 441-6 or article L. 443-1 of the French Commercial Code)</b>												
Payment terms used to calculate late payments	<ul style="list-style-type: none"> <li>Contractual deadlines: 30 and 60 Days</li> <li>Legal deadlines (specify)</li> </ul>						<ul style="list-style-type: none"> <li>Contractual deadlines: 30 and 60 Days</li> <li>Legal deadlines (specify)</li> </ul>					

\* We have excluded disputed supplier invoices for which we are awaiting credit note

## E.8 Related Party Transactions

### E.8.1 Agreements entered into with Atos group

#### E.8.1.1 Agreements in relation with the Reorganization Transactions

It is reminded that, between July and December 2013, all the payment services and transactional activities of the Atos group have been separated from the rest of the activities of Atos group and its subsidiaries. Such activities have been regrouped within Worldline and/or its subsidiaries to create the Worldline Group (thereafter the "Reorganization Transactions"). At the time of such transactions, it was agreed that the Company and its subsidiaries would continue to receive the services provided by the Atos group pursuant to the same terms as previously. Accordingly, a services agreement covering operational services and support function services (the "Reorganization Group Services Agreement") and a specific group services agreement covering specific services that may be provided (the "Specific Services Agreement") were entered into between Atos International SAS, on behalf of the Atos group's entities party to that contracts, and the Company.

The Reorganization Group Services Agreement terminated on May 6, 2019 (see Section E.8.1.2) as a consequence of the separation from Atos group.

In 2019, the Company incurred towards Atos a total of € 8 million in connection with the agreements in relation with the Reorganization Transactions.

In addition, services agreements (the "Local Services Agreements") were entered into directly between an Atos group entity and a Worldline Group entity in most countries in which, prior to the implementation of the Reorganization Transactions, Worldline activities and Atos activities had been conducted by the same entity, and in which the Reorganization Transactions had the effect of separating the historical Atos group business from the payment and transaction services activities being retained by or transferred to the local Worldline Group entity. The Local Services Agreements establish the terms pursuant to which the local Atos group subsidiaries provide the local Worldline Group subsidiaries (and vice versa) with certain services that are necessary in order to conduct their activities following the implementation of the Reorganization Transactions.

The Specific Services Agreement and the Local Services Agreements were terminated on December 31, 2019 as a consequence of the separation from the Atos group.

#### E.8.1.2 Agreements in relation with the separation from the Atos group

In the context of the distribution of Worldline shares by Atos SE completed on May 7, 2019, contractual relations between the Worldline Group and the Atos group have been reviewed.

In this context, Atos International and Worldline entered into a Group Services Agreement as of May 6, 2019 superseding the Reorganization Group Services Agreement. This Group Services Agreement enabled the Worldline Group to continue benefiting from some services provided by Atos group under the same conditions than in the past, until the end of the year 2019. The services fees were invoiced by Atos International SAS, on behalf of the entities party to the Group Services Agreement. The calculation basis of the services rendered was determined by reference to the external revenue and the headcount of the concerned Atos group Services Companies, on the basis of the costs engaged with a profit margin. The Group Services Agreement mainly covered operational services and support functions services. The operational services covered by the Group Services Agreement comprise the following range of services: Global IT Services, Global Security Services, Global Purchasing Services, Global Communication & Talents Services, Global Strategic Sales Engagement Services and Global Markets. The support functions services covered by the Group Services Agreement notably comprise the following range of services: General Management Services, Global Sales Services, Alliances and partnerships, Mergers and Acquisitions Services, Finance Services, Legal and Compliance Services, Internal Audit Services, Human Resources Services and Global Innovation Services. The provision of the services came within the scope of confidentiality commitments and specific governance rules.

In 2019, the Company incurred towards Atos a total of € 15 million in connection with the Group Services Agreement in relation with the separation from the Atos group.

On December 31, 2019, all ongoing contractual relationships between Atos and Worldline regarding support functions and IT services not related with subcontracting of commercial obligations discontinued. In a limited number of instances, where specific continued support were necessary in 2020, such relationships were entered into between Atos entities and Worldline entities on the basis of specific transitional services agreements or service agreements on standard terms.

Besides, Worldline entities and Atos entities had and maintain contractual relationships amongst each other on the basis of underlying commercial relationships (e.g. subcontracting, co-contracting).

In addition, Worldline and Atos SE entered into a Global Alliance Agreement (the "Alliance") so as to maintain a mutually beneficial strong industrial and commercial partnership. This Alliance covers four main domains: sales, research and development (R&D), human resources and procurement. It notably provides for a general mutual cooperation provision, as well as a governance provision establishing an Alliance Board and specific subcommittees to cover the four areas of collaboration. This Alliance facilitates the transition of Worldline towards the status of independent company, leader of payment services in Europe with a view to maximize its value creation potential.

The Alliance was entered into as of May 7, 2019 for an initial term of five years (with possible extensions). Furthermore, either party may terminate this Alliance in specific cases, especially following the occurrence of a change of control over the other party. The Alliance was authorized by the Board of Directors and approved by the General Meeting on April 30, 2019.

Finally, Atos SE and Worldline entered into a separation agreement (the "Separation Agreement") dated May 6, 2019, in order to optimize so far as possible additional costs, related in particular to IT, resulting from the separation. Such Separation Agreement clarifies the roles of each company and allows for the identification of various costs that the separation activities triggers for each party. It provides for a balanced allocation of such separation costs in proportion with the benefit that each company has out of such costs. It finally allows durable technical and commercial cooperation for both companies and ensures a high level of operational continuity in particular by retaining employees that were granted long term incentives issued by the other company to the extent the performance conditions are met.

This agreement contractually sets forth the various elements concerning the allocation of the various costs associated with the distribution of Worldline shares by Atos SE to its shareholders and splits, in a coordinated manner, their separation activities in particular in the areas of intellectual property rights, purchasing, processes and procedures, migration and integration of IT systems, security, offshore resources, insurance, real estate sublease, parent company guarantees and data protection. This agreement also provides principles governing the method of splitting additional costs for the identified activities.

Out of an initial total estimated at around € 29.1 million of separation costs, mainly IT-related, it was agreed that Atos SE would bear € 18.2 million in 2019 and that the Company would bear 10.9 million in 2020. At the end of 2019, these separation costs were reassessed in particular with regard to the IT planning and represented € 37.8 million, still mainly IT-related. As part of the implementation of the Separation Agreement, Atos SE supported a total of € 22.5 million in 2019, part of which by direct payment to the Company as full and final settlement of the conventional separation costs as referred to in the Separation Agreement; the balance of the separation costs thus reassessed remain borne by the Company.

In addition, for the few Worldline employees who have benefited from Atos SE performance shares, the Separation Agreement provides that Atos SE undertakes to transform the condition of presence within the Atos group into the condition of presence within the Worldline Group if Atos SE comes to hold less than 10% of the capital and voting rights of Worldline. Indeed, below this threshold provided for by the French Commercial Code, the condition of presence "within the Atos group" would no longer be satisfied. The final allocation remains of course subject to the satisfaction of the performance conditions. A comparable commitment is made by Worldline for the benefit of Atos employees who have benefited from Worldline performance shares.

Upon recommendation of the Audit Committee, the Board of Directors of Worldline authorized the signature of this Separation Agreement, during its meeting following the General Meeting held on April 30, 2019. This agreement will be submitted for the approval of the 2020 Annual General Meeting.

## E.8.2 Agreements entered into with SIX Group

### E.8.2.1 Agreements in relation with the acquisition of SIX Payment Services

As a reminder, in the context of the acquisition of SIX Payment Services on November 30, 2018, the Group entered into a series of agreements with the SIX Group. Such agreements relate to commercial, IT infrastructure services, transitional services, trademarks, real estate agreements and governance-related agreements. Besides, The Group and SIX Group AG are still in the course of finalization of certain post-closing actions regarding, in particular, purchase price adjustment.

#### 1) Commercial agreement relating to services to the Swiss banking ecosystem (SBSA)

A Group entity (as service provider) entered into, with a SIX Group company (as service recipient), a ten-year commercial relationship – Swiss banks services agreement governed by Swiss law (the "SBSA") – regarding the provision by SIX Payment Services AG to Swisskey AG of certain services including services such as debit card processing, ATM (Automated Teller Machine) processing and TWINT finance processing to the Swiss banking ecosystem, long-term oriented quality of services and best in-class innovation.

The SBSA provides for termination provisions which may, in particular, be triggered in the event of a direct or indirect change of control of SIX Payment Services AG (including, *inter alia*, where the legal or beneficial ownership of over 50% of its capital or similar is acquired by another entity, where it is merged with or into another unaffiliated entity, where all or substantially all of its assets are transferred, or where the power to direct or cause the direction of the management and policies of SIX Payment Services AG or the power to elect the majority of its Board members is acquired by another entity).

In 2019, SIX Payment Services AG received from Swisskey AG approximately € 33.2 million in connection with the SBSA.

It also received € 1 million from SwissKey AG in connection with the re-invoicing of operational cost incurred to deliver services.

#### 2) IT infrastructure services agreement (LTIA)

A Group entity (as service recipient) entered into, with a SIX Group company (as service provider) a ten-year IT infrastructure services agreement whereby SIX Payment Services AG (and its affiliates) would receive, or continue to receive as applicable, certain services including system services, network services, security and compliance services, IT operations services and service desk services from SIX Group Services AG necessary for the continuation of the payment services business without interruption (the "LTIA").

In 2019, SIX Payment Services AG paid to SIX Group Services AG a total of € 36.1 million in connection with the LTIA.

### 3) Transitional services agreements

A Group entity (as service recipient) and a SIX Group entity (as service provider) entered into a corporate transitional services agreement (the "CTSA") relating to the provision by SIX Group Services AG of certain transitional services to SIX Payment Services AG whose duration varies between 6 to 21 months depending on the service, it being specified that certain services may be extended subject to the payment of a price complement.

In 2019, SIX Payment Services AG paid to SIX Group Services AG a total of € 13.7 million in connection with the CTSA.

Conversely, a Group entity (as service provider) and a SIX group entity (as service recipient) entered into a reverse corporate transitional services agreement (the "RTSA") relating to the provision, by SIX Payment Services AG of certain transitional services to SIX Group AG whose duration varies between 6 to 21 months depending on the service, it being specified that certain services may be extended subject to the payment of a price complement.

In 2019, the amount of fees received by SIX Payment Services AG from SIX Group AG in connection with the RTSA is negligible.

### 4) Real-estate agreements

Facilities management agreements have been entered into between SIX management AG (as service provider and part of SIX group) and SIX Payment Services AG (as service recipient and part of the Group), relating to certain facilities services in respect of properties in Zurich, Olten and in Biel, Switzerland.

In addition, sub-lease or lease agreements have been entered into with certain entities of the SIX group pursuant to which such SIX Group entities, acting as proprietors or main tenants, lease or sublease business-related property in Central and Eastern Europe to entities of the Group.

In 2019, the Group paid to the SIX Group a total of € 9 million in connection with the foregoing real-estate agreements.

### 5) Trademark agreement

A trademark license agreement has been entered into between SIX Group AG as licensor and various Group entities, as licensees, pursuant to which certain trademarks of SIX Group AG are licensed to these entities for use for the purpose of continuing the payment services business without interruption.

### 6) Other agreements

Certain Worldline Group companies (which were part of SIX Payment Services) provide services to certain SIX Group companies, *inter alia*, for the purposes of monitoring services, pricing solutions, data integration and sub-contracting of certain customer agreements.

In 2019, the SIX Group paid to the Group a total of € 3.3 million in connection with the foregoing agreements.

## E.8.2.2 Amendment to the Shareholders' agreements in relation with the separation with the Atos group

On the occasion of the acquisition, by the Company, of SIX Group AG's payment services division, SIX Group AG and Atos SE entered into a shareholders' agreement containing in particular governance provisions, reserved matters and various provisions regarding the transfer of shares. This shareholders' agreement has been amended on March 18, 2019 in the context of the distribution, by Atos SE, of around 23.5% of the share capital of Worldline. This shareholders' agreement was terminated as a consequence of the disposals of Worldline's shares completed by Atos SE until February 4, 2020 and the subsequent decrease of Atos' shareholding in Worldline below 4% of the share capital.

In the context of the acquisition of SIX Group AG's payment services division, Worldline and SIX Group AG also entered into a SIX Group AG Agreement (for additional details, refer to Section G.1.4). As a consequence of the distribution, by Atos, of Worldline shares on May 7, 2019, Worldline entered into, with SIX Group AG, an amendment to the SIX Group AG Agreement. This amendment was authorized by the Board of Directors and approved by the General Meeting on April 30, 2019.



### E.8.3 Agreements entered into in relation with the contemplated acquisition of Ingenico Group

In the context of the contemplated acquisition of Ingenico Group, Worldline and SIX Group AG entered into, after Board's approval on February 2, 2020 (to be submitted to 2020 Annual General Meeting):

1. SIX Group AG has subscribed to a voting undertaking dated January 31, 2020 (agreed by Worldline on February 2, 2020 following prior authorization of the Board of Directors) whereby SIX Group AG undertook to vote in favor of the resolutions presented at the shareholders' meeting necessary to implement the transaction; and
2. SIX Group AG signed a letter-agreement on January 31, 2020 which has been accepted by Worldline after the meeting of the Board dated February 2, 2020 having authorized the foregoing, regarding SIX Group AG's shareholding in Worldline as well as SIX Group AG's representation at Board level, with a view to reflect the medium to long term strategic ownership of SIX Group AG in Worldline. Such letter-agreement (as further amended as mentioned in Section G.2.3) notably provides for a public statement from SIX Group AG that Worldline is a highly strategic investment for SIX Group AG and that it intends to commit, subject to the decisions of its corporate governance bodies later this year, to a new lock-up effective upon closing of the acquisition until the end of H1 2021. It was also agreed that SIX Group AG shall be entitled to appoint an additional third member of

the Board of Directors of Worldline to reflect the medium to long term strategic ownership of SIX Group AG in Worldline and as long as SIX Group AG holds at least 15% of the voting rights within Worldline and the combined entity from closing of the contemplated acquisition of Ingenico Group. On March 19, 2020, following the disposals of Worldline's shares completed by Atos SE until February 4, 2020 and the subsequent decrease of Atos SE' shareholding in Worldline below 4% of the share capital, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided to anticipate the appointment, upon proposal of SIX Group AG, of such additional Director and decided the interim appointment of Mr. Daniel Schmucki as Director in replacement of Ms. Ursula Morgenstern (additional information regarding such appointment, the ratification of which is subject to the 2020 Annual General Meeting, is set forth in Section G.2.3.1).

In the same context, Atos SE communicated to Worldline and publicly announced its support to the contemplated transaction. It also confirmed that it will vote in favor of the corresponding resolutions regarding the implementation of the contemplated transaction during the relevant General Meeting of Worldline, with all the Worldline shares it will hold at that time.

### E.8.4 Agreements entered into within the Worldline Group

The operational services provided to Worldline Group entities are materialized by Worldline Group Services Agreements covering the following areas: IT and telecommunications services, procurement services, global communication and talent management services, services relating to global sales strategy, services relating to global marketing strategy and product, client and partnership development services.

Support function services provided under these agreements cover services relating to management, sales, mergers and acquisitions, as well as financial, legal, compliance, internal control, human resources and innovation services.

The terms pursuant to which these services are rendered and the means of invoicing them depend on the service being provided.

The Worldline Group Services Agreements are renewable automatically for successive 12-month terms. They may be terminated at any time by the Company, with respect to its local operational subsidiaries by providing two months' prior notice.

The Worldline Group Services Agreements provides for automatic termination without prior notice in the event that the

Company ceases to hold, directly or indirectly, more than 50% of the relevant Worldline Group subsidiary.

In 2019, Worldline received a total of € 46.3 million in connection with the Worldline Group Services Agreements.

#### E.8.4.1 Worldline Specific Services Agreements

The Worldline Specific Services Agreements relate to the implementation of particular projects and the terms for re-invoicing the services provided in that context by external providers.

The Worldline Specific Services Agreements were entered into for an initial term of twelve months as from January 1, 2013 and are renewable automatically for successive twelve-month terms. They may be terminated at any time by the Company, with respect to its local subsidiaries by providing two months' prior notice. The Worldline Specific Services Agreements provide for automatic termination without prior notice in the event that the Company ceases to hold, directly or indirectly, more than 50% of the relevant Worldline subsidiary.



In 2019, Worldline invoiced a total of € 7.8 million in connection with the Worldline Specific Services Agreements.

#### E.8.4.2 Local Services Agreements

Following the acquisition of Equens and the carve out of some Worldline businesses into equensWorldline Group, the Company entered into the service agreements with equensWorldline essentially in France, Belgium and Germany but also in the Netherlands.

These agreements relate to global services and local services.

Global services are essentially global service agreements covering in particular global support functions and corporate services and trademark fees that are invoiced to equensWorldline.

Local services relate, on the one hand, to local services rendered to equensWorldline mainly with respect to the delivery and production (hosting, infrastructure services and resources support) but also to support functions (finance, human resources, legal, communication and marketing, purchasing, etc...). equensWorldline's services also pass through services like terminals or telecom services that are passed on to equensWorldline external clients. On the other

side, equensWorldline renders services to the Company, notably in *Acquiring Processing* activities essentially in Belgium, Germany and in the Netherlands.

As initially planned and contractually materialized between the Company and equensWorldline, services are priced at arm's length and according to Group transfer pricing rules. The services are invoiced and paid on a monthly basis. Prices are revised annually at budget period.

In certain cases, agreements are entered into between Company's subsidiaries for the provision of specific services.

#### E.8.4.3 Tax consolidation agreements

Since the listing of the Company's shares on Euronext Paris, a consolidated tax group is in place in France between the Company and its French subsidiaries in which it holds at least 95% of the share capital, as from January 1, 2015. Upon creation of this group, the Company entered into tax consolidation agreements with each of the member companies of its consolidated tax group to govern the subsidiaries' contribution to the Group's taxes, for which the Company is the sole taxpayer in its capacity as the new parent company.

## E.9 Non-IFRS financial measures

### E.9.1 OMDA

In addition to IFRS measures, the Group uses an additional performance measure, operating margin before depreciation and amortization (OMDA), which excludes from operating margin the impact of depreciation and certain other expenses detailed in the table below. The following table provides a reconciliation of OMDA to operating margin. OMDA is a non-IFRS measure and has no standard definition. As a result,

the definition used by the Group may not correspond to the definitions given to the same term by other companies. OMDA should not be used in lieu of IFRS measures.

The following table provides a reconciliation of OMDA to Operating Margin, on a consolidated basis.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018	Variation
<b>Operating margin</b>	<b>442.6</b>	<b>292.9</b>	<b>149.7</b>
+ Depreciation of fixed assets	142.9	94.9	48.0
+ Net book value of assets sold/written off	7.3	4.2	3.2
+/- Net charge/(release) of pension provisions	9.1	4.8	4.3
+/- Net charge/(release) of provisions	0.2	-5.6	5.8
<b>OMDA</b>	<b>602.1</b>	<b>391.1</b>	<b>211.0</b>

### E.9.2 Free Cash Flow

In addition to cash flow calculated in accordance with IFRS, the Group presents the non-IFRS indicators "Operating Cash Flow" and "Free Cash Flow". These indicators are calculated based on OMDA, which is calculated as described above.

The following table sets forth a reconciliation of OMDA to Cash Flow from Operation, and then from Cash Flow from Operation to Free Cash Flow, for the periods indicated.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>602.1</b>	<b>391.1</b>
Capital expenditures	-113.9	-105.5
Lease expenditures (Lease under IFRS16)	-41.6	
Change in working capital requirement	-46.3	21.1
<b>Cash from operation</b>	<b>400.3</b>	<b>306.7</b>
Taxes paid	-57.4	-49.9
Net cost of financial debt paid	-2.8	-0.8
Reorganization in other operating income	-5.4	-3.5
Rationalization & associated costs in other operating income	-3.3	-3.9
Integration and acquisition costs	-39.6	-36.1
Net Long term financial investments	14.9	-1.9
Other changes*	-19.2	-3.1
<b>Free Cash Flow</b>	<b>287.6</b>	<b>207.5</b>

\* "Other changes" include other operating income and expense with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), and other financial items with cash impact, net long term financial investments excluding acquisitions and disposals.

The following table sets forth a reconciliation of "Cash from operations" calculated on the basis set forth above to "Net cash flow from operating activities" on an IFRS basis.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Cash from operation</b>	<b>400.3</b>	<b>306.7</b>
• Operating Investments	113.9	105.5
• Lease expenditures (Lease under IFRS 16)	41.6	
Income tax paid	-57.4	-49.9
Reorganization (from other operating income and expense)	-5.4	-3.5
Rationalization and associated costs (from other operating income and expense)	-3.3	-3.9
Integration and acquisition costs	-39.6	-36.1
Other operating income and expense	-11.3	-2.7
Other financial income and expense	-12.0	-2.6
<b>Net cash flow from operating activities</b>	<b>426.8</b>	<b>313.5</b>

### E.9.3 EBITDA

In addition to operating margin calculated in accordance with IFRS, the Group presents "EBITDA" calculated beginning with OMDA, which is calculated as described above. The Group uses this indicator primarily for purposes of calculating the ratio of net debt to EBITDA.

The following table provides a reconciliation of OMDA to EBITDA for the periods indicated.

(In € million)	12 months ended December 31, 2019	12 months ended December 31, 2018
<b>Operating Margin Before Depreciation and Amortization (OMDA)</b>	<b>602.1</b>	<b>391.1</b>
Reorganization (from other operating income and expense)	-5.4	-3.5
Rationalization and associated costs (from other operating income and expense)	-3.3	-3.9
Integration and acquisition costs	-39.6	-36.1
Other operating income and expense	-11.3	-2.7
<b>EBITDA</b>	<b>542.5</b>	<b>344.9</b>





# RISK ANALYSIS

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The Group operates in a constantly evolving environment and is exposed to risks that, if materialized, may have a material adverse effect on its business, prospects, customers, partners, reputation, financial condition including operating results and cash flows. The Group relies on a continuous process of identification and analysis of risks, their impact and probability of occurrence in order to identify those likely to affect the achievement of its objectives.

Risk assessment and management is an integral part of the Group's operational and strategic management. Risks are assessed and monitored through business lines and functions. Internal Audit, risk management, Compliance, Legal, Insurance, Security and Finance departments can be cited as Functions playing a key role in identifying and controlling the main risks, among other.

Risk assessment and management is based on a multi-level organization, which is detailed below. Risks are also appraised through the Internal Control initiatives and Internal Audit assignments (see Section F.5 "Internal Control" of this Universal Registration Document). In addition to integrated process of risk management, dedicated activities are also deployed for transversal internal risk management (see Section F.1 "Risk management activities" of this Universal Registration Document).

Investors should carefully consider all the information set forth in this Universal Registration Document, including the risk factors set forth in this chapter. Risks described in Sections F.2 are, as of the date of this Universal Registration Document, the risks that the Group believes, were they to occur, could have a material adverse effect on its business, results of operations, financial condition or prospects. Investors should note that there may be other risks that have not yet been identified as of the date of this Universal Registration Document, or whose occurrence as of the date hereof is not considered likely to have a material adverse effect on the Group's business, results of operations, reputation, financial condition or prospects.

The extra-financial performance analysis assesses on a yearly basis, risks related to the four top areas underlined through the Corporate Responsibility and Sustainability program highlighted in Section D.1.1. This materiality assessment is aligned with the Enterprise risk management exercise described in Section F.1.1. The main extra-financial risks identified are "Building customer trust" (i.e. Cyber-attack, security of systems and data protection, innovative portfolio; competitors landscape; service delivery quality and business continuity), "Being a Responsible employer" (i.e. People). Other risks relate to mergers & acquisitions, expansion to new markets, regulatory and legal risks, clients, suppliers, intellectual property, commercial acquiring business, macro-economic changes and country risks and financial risks. Their magnitude varies in terms of impact on the Group's business or results and/or likelihood to occur. Please refer to the mapping tables in Section F.2. for a description of those risks and the mitigation actions.

## F.1 Risk management activities

Risk assessment and management is an integral part of the Group's operational and strategic management and is described in the paragraphs below. In addition to managing the

risks embedded in each process, dedicated activities are also deployed for a transversal management of risks.

### F.1.1 Enterprise risk management (ERM)

A risk mapping is revised each year under the sponsorship of general management. The selected methodology involves the most senior managers of the Group through workshops and questionnaires, to collect their perception of the main risks, their relative importance (inherent risk) and mitigation effectiveness (residual risk).

This assessment covers potential risks related to:

- External (external events, stakeholders' eco system, market environment);

- The organization & business development (organization alignment, ability to innovate, go-to-market);
- Services and product delivery (people, internal system performance, delivery); and
- Compliance and information used for decision making (Laws & Regulations, Corporate Social Responsibility, financial performance).

This recurring process allows identifying evolutions from one year to another. Improvement plans for the main residual risks are designed at local and Group levels, with assigned owners and milestones/timelines for follow-up and completion.

Results are shared with Group Executive Committee and local management, to ensure that appropriate measures are deployed to manage the main risks, and are presented to the Audit Committee and the Board of Directors.

## **F.1.2 Business & Operational risk assessment and management**

Regarding business & operational risk assessment and management, the Group has deployed the approach based on the following specific processes.

### **F.1.2.1 Operational Risk Management (ORM)**

Risk management, focusing on operational risks, is relevant to, and is executed in operations (for sites, services and practices) across the whole organization.

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It is more broadly the risk that affects Worldline's ability to execute its business plan.

Operational Risk Management is a bottom-up approach based on following principles:

- Regular Operational Risks Assessment;
- Performed through workshops with the local management and experts;
- Allows identifying risks and associated action plans;
- Consolidated at Group level twice a year and presented to senior management.

All employees regardless of their role within Operational Risk Management (ORM) will receive a minimum level of information to ensure embedding of ORM into day-to-day operations and management processes.

### **F.1.2.2 Projects, Bids & Contracts risk management**

Risk management, focusing on business risks, is relevant to, and is executed in bids, in contracts (from handover to expiry) and in internal projects across the whole organization.

Worldline ARROW is a set of procedures and tools that provides a formal and standard approach to bid execution. Worldline operates a risk management system that facilitates the analysis and treatment of business risks throughout the life cycle of a project. This process is integrated with the control and approval process when entering into new contracts. The objective is to ensure that Worldline can effectively deliver and to provide an early warning system for any project that encounters difficulties or otherwise diverges from its original targets.

Product development and internal projects are governed by the RAPID process, which also provides the approach and tools for risk management in this area.

RAPID process validates the level of investment required, the alignment with market target and the Group's commitment on internal project or product development. Worldline operates equally a risk management system that facilitates the analysis and treatment of risks throughout the life cycle of the internal project or product.

### **F.1.2.3 Risk management organization**

The Group Risk Manager is part of second line of defense, is responsible that risks in bids, contracts, projects, operations and support functions are identified, assessed, mitigated and monitored within the organization. He is also responsible for maintenance of risk framework and methodology and escalates of material risk matters to risk management Committee and Audit Committee.

Risk Managers of each managerial unit, as part of second line of defense and at their respective level are owning the risk management process, including the process objectives, process description and the related tools. They are promoting risk management's importance through the organization, are providing the necessary training to staff and management, are challenging the relevance, meaningfulness and completeness of risk registers and are advising management on treatment of risks and are escalating risks not appropriately addressed.

The Group ARROW manager reports directly to the Group Chief Financial Officer.

### **F.1.2.4 Group risk management Committee**

A Group risk management Committee convenes on a monthly basis to review the most critical contracts, internal projects or services at risks and review periodically major operational risks. The Committee is chaired by the Group Deputy Chief Executive Officer. Permanent members of the Committee include the Group Financial Officer, the Group Chief Operations Officer, the Group Head of Legal and each Head of Global Business Line. On a quarterly basis, the Audit Committee conducts a thorough review of all the major critical contracts. The Global Business Lines and the Risk Managers perform the continuous monitoring of areas in deviation of their initial business case.

### F.1.2.5 Specific risk management activities

#### Card data security

The Group as an issuer processor has, to its knowledge, taken all required actions (e.g. PCI certification, card scheme rules) to minimize the risk of data breaches. In its role as commercial acquirer, the Group must ensure compliance with payment scheme rules established by the organizations that issue PCI certifications. The Group's Fraud Risk management department has implemented various policies and procedures to address these risks.

#### Fraud risk management

The Group has developed a Fraud Detection & Reaction (FD&R) application that allows the detection of fraud in near-real-time based on a data analysis application.

The Group's risk mitigation process has been enhanced with additional features to further address the residual risks, such as geo-blocking, real-time blocking, fall back de-activation and back-up systems.

#### Service Not Rendered (Credit) risk management

The Group has developed a Services Not Rendered exposure assessment process to manage and limit acquiring exposure through risks-based collaterals and guarantees. The process allows for risk reward decision routine and includes an ongoing review of the financial exposure and the client's financial quality.

#### Anti-Money Laundering and Counter Terrorist Financing Policy

The Group has an anti-money laundering (AML) and Counter Terrorist Financing (CTF) policy in place. This policy applies, as the case may be, to the companies acquired by the Group. It sets out the general principles of AML and CTF, the 'Know Your Customer' (KYC) principle and the allocation of responsibility between the Sales and Marketing and the Customer Services Divisions.

#### The Group security risk management

The Group has put in place a specific function to manage security risk, covering security awareness, access and security management (e.g. review of access to production systems, data and functions, access to cardholder data by the banks and cryptographic key management) and security architecture & policies.

Security risk management measures relate, in particular, but not exclusively, to physical measures, network, system security, protection of person payment data, security patches, logical access, intrusion detection, logging and monitoring.

The Group's operational risk management process, supervised by the Quality Security Risk & Compliance (QSRC) division, analyzes security-related threats and vulnerabilities in order to avoid any unwanted increase in risk exposure.

A formal security awareness program is maintained to ensure that all personnel are aware of the importance of security. On a yearly basis, all employees of the Group have to attend this program and to acknowledge that they have read and understood the security policy and procedures of the Group.

Incident response plans are developed and deployed in order to be prepared to respond immediately in the event of a system breach.

#### Environmental risk management

Environmental risks are identified at several levels in the Group.

At global level, inherent environmental risks are identified as part of the Group's extra-financial analysis (refer to Section D.5.1.1). More specifically, Worldline's climate risks have been detailed in 2019 according to the framework of the Carbon Disclosure Project (CDP) questionnaire (refer to Section D.5.2.1.1). Based on a series of workshops that have been organized with key transversal functions and on the Company's data (site locations, etc.) a climate-scenarios analysis was conducted and allowed to identify the most materials risks and opportunities. The methodology used also aligns with the TCFD framework and is based on Worldline existing Enterprise Risk Management framework.

At local level, environmental risks are identified through the ISO 14001 environmental management system (refer to Section D.5.1.2.1). A number of artifacts, like interested parties (stakeholders) requirements environmental analysis and legal compliance, allow identifying environmental risks.

#### Compliance Risk

The Group has in place various policies, ranging from the compliance charter to the Anti-Bribery and Anti-Corruption policy designed to tackle any noncompliance risk.

Compliance risk is defined as the exposure to fines or penalties, financial impacts, material losses, reputational damage or the inability to operate in key markets, Worldline may face as a result of its failure to comply with specific laws, regulations and ethical principles (as outlined in the Code of Ethics).



In the Compliance area, Worldline is subject to a wide array of stringent regulations, particularly in the following fields: competition law, corruption, controls on exports of dual-use goods, data protection, human rights, international sanctions, fraud, harassment and discrimination, money laundering and terrorist financing.

Worldline has established a specific Compliance risk mapping which is performed by the Global Business Lines and Management Units Compliance Coordinators, leading to a Compliance Risk Heat Map allowing the Compliance function to identify clearly the main compliance risks and define related mitigation actions to be put in place.

### F.1.3 Insurance

Worldline Group identifies the principal insurable risks and quantifies their potential consequences for Worldline, and defines the policy with respect to insurances.

The Worldline Group entities are covered by the master insurance policies maintained by Worldline, under which they are insured parties and which are centrally negotiated by the Worldline Group. The policies offer coverage for risks regarding property damage and business interruption, general and commercial liability and professional indemnity, cyber, crime, Directors & Officers liability, and others.

As such, Worldline has set up a property damage and business interruption policy, valid until December 31, 2020, with a coverage limit of €180 million. Also, Worldline is covered for General and Commercial Liability and Professional Indemnity insurance with a coverage limit of €80 million.

The Group is insured under certain other policies covering other insurable risks for an amount adequate for the risks incurred, taking into account the size of, and risks incurred by the Worldline Group. Deductibles are set at a level intended to encourage good risk management and to control premium costs.

The Group also maintains policies required for regulatory reasons.

Worldline Group formed in 2019 a dedicated reinsurance company which it wholly owns, Worldline Ré. This reinsurance company covers the Worldline Group's entities in respect of certain portions of the General and Commercial Liability and Professional Indemnity policy. The insured risks of the dedicated reinsurance company, are also monitored by the subscription committee of the reinsurance company, which ensures that capital and technical reserves are sufficient for the risks incurred and seeks a satisfactory level of diversity in reinsurers.

## F.2 Risk factors

The above-mentioned risk management activities allowed the Group management to select, and rank in priority order, the risk factors specific to the Group which are the most material. They are classified by importance (decreasing in magnitude after taking into account the mitigating measures taken by the Group).

The Sections F.2.1 to F.2.4 describe the Group's major risks i.e. which could have a material adverse impact on its business or results (or its ability to achieve its objectives) and/or a

significant likelihood to occur. The materiality of the risks has been assessed based on the probability of their occurrence and the expected magnitude of their negative impact. In addition, the Section F.2.5 describes the other risks that, if materialized, would affect the Group in its business, or results. However, their impact has been assessed as less significant compared to the risks described in Sections F.2.1 to F.2.4. The table below provides a summarized overview of the main risk categories:

Challenges	Main Risks	Worldline action plans & KPIs
Build customer trust	F.2.1 Cyber-attack, security of systems and data protection.	Refer to Section D.2.3.
Being a responsible employer	F.2.2 People	Refer to Section D.3.
Build customer trust	F.2.2 Market challenges including: <ul style="list-style-type: none"> <li>F.2.2.1 Innovative portfolio</li> <li>F.2.2.2 Competitors' landscape</li> </ul>	Refer to Section D.2.2.
Build customer trust	F.2.4 Service delivery quality and business continuity	Refer to Section D.2.3

## F.2.1 Cyber-attack, security of systems and data protection [extra-financial risks – Build customer trust]

The Group's visibility, or the visibility of the brands for which it processes data, in the global payment and digital services industry may attract hackers to conduct cyber-attacks on its systems that could compromise the security of its data or could cause interruptions in the operations of its businesses and expose the Group to increased costs, litigation and other liabilities. The sensitivity of activities, geopolitical tensions and increasing sophistication of cyber-crime contribute to intensify this risk.

As part of its business, the Group operates various services that involve the collection, accounting and management of cash inflows and outflows for different parties operating across the payment services chain. The Group electronically receives, processes, stores and transmits sensitive business information of its clients. In addition, depending on the services offered, the Group collects and processes a significant amount of sensitive personal consumer data, including names and addresses, bank account data, payment history records, personal medical data and tax information, among other consumer data. The confidentiality and integrity of the client and consumer information that resides on the Group's infrastructure and information systems is critical to the successful operation of its business.

An information breach in the system and loss of confidential information such as credit card and bank account numbers and related information could have a longer and more significant impact on the Group's business operations than a hardware failure and could result in claims against the Group for misuse of personal information, such as identity theft. The loss of confidential information could result in the payment of damages and reputational harm and therefore have a material adverse effect on the Group's business, results of operations or financial condition.

As a result, risks related to cyber-attack, security of systems and data protection are highly important for the Group in terms of impact and likelihood and are therefore proactively and closely monitored. The Group security organization has defined a set of Global Security and Safety policies, standards, guidelines and mitigating measures to address the security and cyber-attack risks. Those measures are further detailed in Section D.2.3 "Ensure system security, reliability & continuity".

## F.2.2 People [extra-financial risks – Responsible employer challenges]

All of the Group's businesses functions are at the intersection of rapidly changing technological, social, economic and regulatory developments that requires a wide-ranging set of expertise and intellectual capital. For the Group to successfully compete and grow, it must retain, recruit and develop the necessary personnel who can provide the needed expertise across the entire spectrum of the Group's intellectual capital needs.

The market for qualified personnel, particularly in the area of information and payment technology, is highly competitive and is a factor contributing to increase the risk related to people retention and acquisition.

As part of its acquisition strategy, the Group's ability to retain employees and key competences in the acquired companies is essential.

Failing in those domains might impact the Company as it may limit the organization's ability to provide high quality services as contractually agreed followed by penalties/claims, win opportunities or loss of customers and reputation damage.

The Group has defined a set of programs and mitigating measures to address these people risks. Those measures are further detailed in Section D.3 "Being a responsible employer".

## F.2.3 Market challenges

The global payment and digital services industry as well as the e-consumer and mobility services area in which the Group operates is subject to rapid and significant technological

change, new product and service introductions, evolving industry standards, changing customer needs and preferences and the entrance of non-traditional competitors.

### F.2.3.1 Innovative portfolio [extra-financial risks – Build customer trust/Spur sustainable innovation]

The global payment and digital services market in which the Group competes is subject to rapid and significant technological change, new product and service introductions, evolving industry standards, changing customer needs and preferences and the entrance of non-traditional competitors. In order to remain competitive, the Group must anticipate and respond to the fast-changing market environment, which requires significant investment in research and development. The Group must also optimize its technological infrastructure, including its payment processing and other IT platforms to best position it to profit from market growth and new services.

While the Group expects innovative solutions developed to address the ongoing digital transformation of retailers and other businesses to comprise an important and increasing component of the Group's services portfolio going forward, the Group may fail to keep pace with these changes, to continue to develop and introduce attractive and innovative services or re-align and rationalize offerings after acquisitions. Any delay in offering new or updated services, failure to differentiate the Group's services or to accurately predict and address market demand could render the Group's services less desirable to its clients or even obsolete, which, in turn, could have a material adverse effect on the Group's business, financial condition or results of operations.

Moreover, the projects that the Group undertakes to enhance its technological infrastructure in response to evolving market trends require significant investment and no assurance can be given that the trends, products or services such enhancements are designed to address will develop as expected or whether such efforts will be successful. If the Group invests significantly in research and development efforts targeting new services and solutions for which a market does not develop as anticipated or at all, it could have difficulty recovering the costs it has incurred in developing these new services and solutions and, to the extent that such investments have been capitalized, incur significant write-offs.

The Group is also continuously adapting its portfolio to accommodate the emerging new payment methods. Sales transformation streams are creating and extending networks between sales of various countries and organizations, which support cross fertilization and cross GBL value proposition.

The Group has defined a set of programs and mitigating measures to address these innovation risks. Those measures are further detailed in Section D.2.2 "Spur sustainable innovation".

### F.2.3.2 Competitors' landscape

The Group is exposed to significant competition in the various markets in which it operates. Given the diversity of the Group's product and services portfolio, the Group's primary competitors vary depending on business line and product or service type.

With respect to its innovative digital and *e-Consumer & Mobility* services offered through its Mobility & e-Transactional Services global business line, the Group competes with a particularly broad spectrum of strong market participants that extends beyond its typical payment industry competitors, ranging from traditional information technology companies to specialist players and innovative startups. The Group also faces particularly intense competition in its Merchant Terminals business from actors who maintain a dominant position within the merchant Terminals market. The Group also faces heightened competition in its online and mobile payments businesses, as a wide range of payment platforms offered by an increasing range of players, including banks and telecommunication companies, co-exist in the various markets in which the Group operates.

The electronic payment industry is also facing new competition emerging from non-traditional competitors, such as GAFAs or FINTeCHs, which offer alternative peer-to-peer and "closed loop" payment methods that generally bypass the traditional interchange-based payment processing systems on which much of the industry's current business model is largely based. Moreover, these non-traditional competitors have considerable financial resources and robust networks and are highly regarded by consumers. Although many of the Group's services are designed to accommodate these new payment methods, the Group's role in processing these payments is less extensive and may be less profitable than its role in traditional card processing.

If the Group is unable to effectively respond and adapt to competition, demand for its services may materially decrease, which could have an adverse effect on its business, financial condition, results of operations or prospects. Moreover, given the level of competition the Group contends with across the markets in which it operates, the Group faces significant price pressure on its products and services, which could also materially and adversely affect its business, financial condition, results of operations or prospects.

In order to remain competitive, the Group anticipates and responds to these changes, while investing in competitive intelligence to spot market evolution and services that are expected to be a source of future growth. The Group will continue to increase efforts to leverage its relationship with Partners.

## F.2.4 Service delivery quality and business continuity [extra-financial risks – Build Customer Trust/A robust and reliable IT Infrastructure]

The Group depends heavily on the efficient and uninterrupted operation of core systems, including its computer systems, software, servers and data centers. The services the Group delivers are designed to continuously, securely and reliably process very complex transactions-very often in real-time-and provide reports and other information on those transactions, all at very high volumes and processing speeds. Any failure to deliver an effective and secure service or any performance issue that result in significant processing or reporting errors or service outages could have a material adverse effect on a potentially large number of users, the Group's business and, ultimately, its reputation.

In addition, the Group's business entails, especially for fixed-fee contracts, the risk that development costs and expenses may prove to be much higher than initially

anticipated, whether as a result of incorrect initial estimates, the emergence of new and unexpected challenges during the course of the project, or errors in the operational management of the project. In such cases, the Group may not be able to secure an upward revision to the fixed fee, either at all or sufficient to compensate for the increased cost. In such cases, the Group would record a provision, which could have a material adverse effect on its business, financial condition or results of operation.

The Group has defined a set of programs and mitigating measures to address these continuity risks. Those measures are further detailed in Section D.2.3.2 "A robust and reliable IT Infrastructure" and Section D.2.3.3 "Worldline business continuity strategy".

## F.2.5 Other risks

### F.2.5.1 Impact of the Coronavirus pandemic (Covid-19)

The risk relating to the Coronavirus (Covid-19) pandemic is regularly monitored by management at Group and local entity level.

The recent evolution of the risk relating to the Coronavirus (Covid-19) pandemic has necessitated a reassessment of its impact at Group level. This pandemic constitutes a health, operational and financial risk. Initially appearing only in Asia-Pacific in December 2019, this virus spread rapidly and virulently in Europe and the rest of the world, leading to significant measures, in particular restrictions and containment measures taken by the governments in various countries in a context that is highly changing and uncertain in terms of duration, thus generating significant consequences on the global economy that were not initially anticipated. The spread of this virus and its consequences, in particular the measures taken by governments or stakeholders in response, is likely to affect the health of employees and service providers, the Group's operations and projects, as well as its financial situation. Although the impacts are difficult to quantify at this stage, the main risk factors of this pandemic have been identified. Without being exhaustive, they can be summarized as follows.

- Health impacts on the health and activities of the Group's employees and service providers, which could lead to restrictions and/or disruptions in the conduct of operations or the loss of employees in critical positions (see Section F.2.4 "Service delivery quality and business continuity");
- Operational impacts due to the disruption of industrial supply chains for products or equipment from countries affected by this pandemic (see Section F.2.5.6 "Suppliers"); and

- Financial impacts resulting from the global slowdown in economic activity involving lower transactions volumes and non on-payment in sectors specifically affected by the health crisis or on the availability or cost of financial resources (see Section F.2.5.9 "Macro-economic changes and country risks").

### F.2.5.2 Mergers & Acquisition risk

As part of its growth strategy, the Group actively explores acquisition opportunities and alliance relationships with other businesses that will allow the Group to increase its market penetration, technological capabilities, product offerings and distribution capabilities. The Group's strategy of expanding through acquisitions exposes it to a number of risks associated with valuation and potential undisclosed liabilities (negotiating a fair price for the business based on inherently limited diligence) and integration of businesses (managing the complex process of integrating the acquired company's workforce, products, technology and other assets so as to realize the projected value of the acquired company and the synergies projected to be realized in connection with the acquisition).

The process of integrating operations could also cause an interruption of, or loss of momentum in, the activities of one or more of the Group's consolidated businesses and the possible loss of key personnel. The diversion of management's attention and any delays in the delivery of the Group's services or difficulties encountered in connection with acquisitions and the integration of the two companies' operations could have an adverse effect on the Group's business, results of operations, financial condition or prospects.

On February 3, 2020, the Group announced the signing of a Business Combination Agreement with Ingenico, with a view to creating a European leader in the payment industry through a friendly tender offer expected to be completed in Q3 2020. This transaction remains subject to certain conditions precedent, including approval by Worldline shareholders, a sufficient tender rate by Ingenico shareholders in the tender offer, as well as a number of regulatory approvals, including pursuant to applicable merger control regulations. While the Groupe is actively seeking such approvals, failure to obtain such approvals or a delay in securing them may result in abandoning or delaying the closing of the transaction. This transaction also subjects the Group to the risks generally applicable to acquisitions noted above.

In addition, as of December 31, 2019, €3,114.5 million of goodwill was recorded on the Group's balance sheet. Goodwill represents the excess of the amounts the Group paid to acquire subsidiaries and other businesses over the fair value of their net assets at the date of acquisition. Goodwill has been allocated at the level of the Group operating segments set forth in the Appendices to the consolidated financial statements. Goodwill is tested for impairment at least annually, or more frequently when changes in the circumstances indicate that the carrying amount may not be recoverable.

The recoverable amounts of the Cash Generating Units are determined on the basis of value in use calculations, which depend on certain key assumptions, including assumptions regarding growth rates, discount rates, and weighted average costs of capital during the period. If management's estimates change, the estimate of the recoverable amount of goodwill could fall significantly and result in impairment. While impairment does not affect reported cash flows, the decrease of the estimated recoverable amount and the related non-cash charge in the income statement could have a material adverse effect on the Group's results of operations. Although no goodwill impairments were recorded in 2018 and 2019, no assurance can be given as to the absence of significant impairment charges in the future (see Note 8 to the consolidated financial statements).

### F.2.5.3 Expansion to new markets

One of the core elements of the Group's strategy is to expand the geographic footprint for its services including by expanding services that have experienced success in one or more of the Group's markets to other markets served by the Group. This strategy involves a number of significant risks including: the

regulatory frameworks or consumer preferences in the new markets entered may make the Group's products less attractive, potential less favorable payment terms and increased difficulty in collecting accounts receivable and developing payment histories that support collectability of accounts receivable and revenue recognition, obstacles to its use of, and access to, property and data centers important for its operations, especially in emerging countries.

There can be no assurances that these markets will develop as expected or that the Group will fully recover the investments it has made to develop such products and services.

Similarly, there can be no assurances that the Group's efforts to expand its services into new markets will be successful, particularly in light of the competition it faces from incumbent providers of such services in these new countries. If the Group is not able to successfully expand its existing service to new markets, the Group's growth strategy may not be successful, which, in turn could have a material adverse effect on its business, financial condition, results of operation or prospects.

### F.2.5.4 Regulatory and Legal risks [extra-financial risks – D.4 Business ethics & value chain]

#### F.2.5.4.1 Change in laws and regulations

The Group is subject to a wide array of stringent regulations, particularly in the following fields: competition law, payment regulations, corruption, controls on exports of dual-use goods, data protection, labor laws, human rights, international sanctions, money laundering and terrorist financing, fraud, harassment and discrimination and, to a lesser extent, tariffs and trade barriers, restrictions on the repatriation of funds.

Failure to comply with laws, rules and regulations or standards to which the Group is subject in different countries it is operating in, Europe and internationally, in particular the regulations applicable to payment institutions and systemic processors, which are considered critical to the local economy, may result, among other things, in the suspension or revocation of a license or registration, forced replacement of existing management, the limitation, suspension or termination of service, and the imposition of fines, sanctions or other penalties, any of which could have a material adverse effect on the Group's business, financial condition or results of operations, as well as damage the Group's reputation.

Regulation of the payments industry has increased significantly in recent years and continues to increase. For instance, the growing enthusiasm for Internet, mobile and IP-based communication networks have led to new laws and regulations regarding confidentiality, data protection, pricing, content and quality of products and services. Similarly, the Payment Services Directive Revised (the "PSD2") has entered into force on January 13, 2018 and enlarges the scope of the existing regulation and set forth extra regulatory requirements such as additional regulatory filing as to ensure keeping the payment institution licenses, the obligation to register agents with supervisory authorities and to establish local contact points towards regulators in countries where licenses are passported via group companies or via agents, additional reporting (e.g. fraud, incidents, etc.). In addition, the Group must adapt the solutions in accordance with the Regulatory and Technical Standards on Strong customer authentication and secure communication under PSD2 that set up the deadline to December, 31, 2020 for the migration to Strong customer authentication for e-commerce card-based payment transactions.

In order to comply with regulations applicable to its business, and in particular to the activities of payment institutions and subcontractors of credit institutions, the Group is required to adhere to a broad number of requirements in the countries in which it operates, especially as pertains to its IT infrastructure, internal controls and reporting rules. Compliance with these evolving standards, and the corresponding costs could have a material adverse effect on the Group's financial condition or results of operations. In particular, the Group could be subject to audits by the regulatory authorities of the countries in which it owns a license (Belgian regulatory authority - the Banque Nationale de Belgique, the Dutch regulatory authority - the De Nederlandsche Bank, the Swedish regulatory authority - Finansinspektionen - and the Luxembourg regulatory authority - the Commission de Surveillance du Secteur Financier) in respect of the effectiveness of its internal controls and audit systems and risk management. In the event that such audit reveals that the Group is not in compliance with the relevant regulatory requirements, the Group's efforts to remedy such instances of non-compliance could have a material adverse effect on the Group's financial condition and results of operations.

Due to its core business, the Group can be positioned both as data processor (i.e. the party who processes personal data on behalf of the controller based on documented instructions from the controller) and as data controller when handling personal data of its employees and business contacts. European Regulation 2016/679 of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "General Data Protection Regulation" or "GDPR") enlarge the scope of existing regulations by attributing additional rights to data subjects and imposing stringent compliance requirements. The compliance with GDPR, and free flow regulation for non-personal data may have material adverse effects both direct and indirect on the way the Group operates or the costs to operate the Group's business and is one of the focus areas of the Group management.

#### F.2.5.4.2 Card scheme registration

In order to provide its transaction processing services, the Group must be a member (commercial acquirer), and be registered as a processor, of payment schemes in the territories where the Group provides such services. If the Group is unable to maintain its membership as a commercial acquirer or registration as processor of such payment schemes, which may be due to non-compliance with the payment schemes' rules or guidelines (including major security or fraud incidents) resulting in the suspension or cancellation of the Group's registration, the Group may no longer be able to provide acquiring or processing services to the affected customers, which would have a material effect on the Group's business, financial condition or results of operations.

#### F.2.5.4.3 Card Scheme Regulations and Fees and Interchange fees

**Interchange fees** correspond to the processing fees charged by the card issuers to the acquirers. Such fees have been limited to 0.2% of the transaction value for consumer debit cards and at 0.3% for consumer credit cards by European Regulation Nr.2015/735 of April 29, 2015.

**Card Scheme Regulations and Fees** correspond to the fee that the Group pays to be registered with card networks as members or service providers for member institutions. Card networks set the rules and standards that must be complied with. The relationship with these card networks, the termination of member registration or status as a certified service provider, or any changes in network rules or standards, including interpretation and implementation of the rules or standards, that increase the cost of doing business or limit the Group's ability to provide transaction processing services to or through its merchants or partners, could adversely affect its business, financial condition or results of operations. As such, the Group and its customers are subject to card network rules that could subject it or its customers to a variety of fines or penalties that may be levied by card networks for certain acts or omissions.

In addition, from time to time, card networks increase the fees that they charge to their members and their processors. With respect to increased costs charged by the schemes (e.g. increased network & processing fees...), the Group could be led to attempt to pass all or part of these increases along to its merchants, which could result in the loss of some of such clients to competitors if those latter competitors pursue a different strategy. If the Group was to absorb all or a portion of such fees, it could lead to an increase in the operating costs and reduce the earnings of the Group.

#### F.2.5.4.4 Tax laws

As an international group doing business in many countries, the Group is subject to multiple tax laws and must, accordingly, ensure that its global operations at once comply with the various regulatory requirements while all the while achieving their commercial, financial and tax objectives.



Because tax laws and regulations in effect in the various countries where the Group does business do not always provide clear or definitive guidelines, the Group's structure, the conduct of its business and the relevant tax regime are based on the Group's interpretation of applicable tax laws and regulations. More generally, any violation of tax laws and regulations in the countries where the Group or its subsidiaries are located or do business could lead to tax assessments or the payment of late fees, interest, fines and penalties. This could have a negative impact on the Group's effective tax rate, cash flow or results of operations.

Furthermore, the Group records deferred tax assets on its balance sheet to account for future tax savings resulting from differences between the tax values and accounting values of its assets and liabilities or tax loss carry forwards of its entities. The effective use of these assets in future years depends on tax laws and regulations, the outcome of current or future audits and litigation and the expected future results of operations of the entities in question.

Besides, changes in accounting policies can significantly affect how the Group calculates expenses and earnings.

#### F.2.5.5 Clients – [extra-financial risks – Build customer trust]

The Group's overall revenue is spread among a relatively large number of customers, although one customer represents more than 3.7% of the Group's total revenue in 2019. Within certain of the Group's Global Business Lines, business divisions and key geographic areas in which the Group operates, a significant percentage of revenue is nevertheless attributable to a limited number of customers. For example, in Financial Services, the Group's five largest customers, accounted for 33% of total revenue for that global business line in 2019, while in Mobility & e-Transactional Services, the Group's five largest customers accounted for 30.4% of total revenue for that global business line in 2019. In France, the five largest customers accounted for 35.9% of total revenue in 2019. Given these concentrations, the loss of a customer could have a significant impact on the Group's business, particularly if the Group loses key customers for its smaller or newer business lines.

The Group's client contracts typically vary in length from three to five years, while certain of its contracts with public sector clients in Latin America have terms of up to 10 years. At the end of a contract's term, the Group's clients have a choice to either renegotiate their contract with the Group, increase or decrease its scope, seek out the Group's competitors to provide the same or similar services or cease outsourcing the relevant activity. Failure to renew client contracts could negatively impact the Group's business. In addition, customers may seek price reductions from the Group when seeking to renew or extend contracts, or when the clients' business experiences significant volume changes. Further, certain clients may seek to lower prices previously agreed with the Group due to pricing competition or other economic needs or pressures being experienced by the customer. If the Group is unsuccessful in retaining high renewal rates and contract terms that are favorable to it, the Group's business, results of operations or financial condition may be adversely affected.

In addition, there have been a number of mergers and consolidations in the banking and Financial Services industry in recent years. Mergers and consolidations of financial institutions reduce the number of the Group's clients and potential clients, which could adversely affect its revenue or lead to the non-renewal of existing contracts.

#### F.2.5.6 Suppliers [extra-financial risks – D.4 Business ethics & value chain]

The Group utilizes a limited number of third party suppliers and service providers to supply certain of the IT hardware, software and other components, including chips, used in the development and operation of the Group's services and products. The Group relies upon these suppliers and on rare occasions a single supplier, to produce and deliver products on a timely basis and at an acceptable cost or to otherwise meet the Group's product demands. Additionally, the Group depends upon various financial institutions for clearing services in connection with its commercial acquiring business (namely, the transmission and processing of authorization requests and processing of clearing and settlement instructions).

As a consequence, there is always the possibility of failure of those suppliers' businesses and/or products and/or services, the difficulty finding alternative suppliers, or the inability to renew agreements on acceptable terms, which may have an impact on operations.

#### F.2.5.7 Intellectual Property

The Group's intellectual property may be challenged or infringed, and the Group may be subject to infringement claims, cross license agreement requests or license requirements under open source especially in areas such as China, India and Latin America.

While the Group strives to ensure that its intellectual property is sufficient to permit it to conduct its business independently, others, including the Group's competitors, may develop similar technology, duplicate the Group's services or design around the Group's intellectual property. In such cases the Group could not assert its intellectual property rights against such parties or the Group may have to obtain licenses from these third parties (including in the context of cross license agreements, pursuant to which the Group would also grant a license under its intellectual property). The Group may have to litigate to enforce or determine the scope and enforceability of its intellectual property rights, trade secrets and know-how, which is expensive, could cause a diversion of resources and may not prove successful. The loss of intellectual property protection or the inability to obtain third party intellectual property could harm the Group's business and ability to operate freely.

### F.2.5.8 Commercial acquiring business – chargeback risk

In the event of a dispute between a cardholder and a merchant that is not resolved in favor of the merchant, the transaction is normally “charged back” to the merchant and the purchase price is credited or otherwise refunded to the cardholder. In the context of the Group’s commercial acquiring business, if the Group is unable to collect such amounts from the merchant’s account or reserve account (if applicable), or if the merchant refuses or is unable, due to closure, bankruptcy or any other reason, to reimburse the Group for a chargeback, the Group bears the loss for the amount of the refund paid to the cardholder. Additionally, the Group has potential liability for fraudulent electronic payment transactions or credits initiated by merchants or others. Any increase in chargebacks not paid by the Group’s merchants could have a material adverse effect on the Group’s business, financial condition, results of operations or prospects.

### F.2.5.9 Macro-economic changes and country risks

The Merchant Services, electronic payments, payment processing, and digital services industries are influenced by the overall level of individual consumer, business, and government spending, and, with a significant retail and government client base, the Group’s business is particularly dependent on these factors. The Group is exposed to general economic conditions that affect consumer confidence, consumer and government spending, consumer discretionary income or changes in consumer purchasing habits. A renewed deterioration in macro-economic conditions in key countries where the Group operates, particularly in Europe, may adversely affect the Group’s financial performance by reducing the number or average size of transactions made using card and electronic payments. Moreover, during economic downturns, existing and prospective clients may be more reluctant to renew their IT hardware and software. Possible governmental austerity measures or changes in government policies may be imposed and could prompt decreases in government spending, which, given that a significant portion of the Group’s revenue is derived from government clients (in France and the United Kingdom, in particular), could have a material adverse effect on the Group’s business, results of operations and financial condition.

In the event of a closure of a merchant due to adverse economic conditions, the Group is unlikely to receive its fees for any transactions processed by that merchant in its final months of operation, which would negatively impact the Group’s business, financial condition or results of operations.

The Group’s merchant clients and the other participants in the electronic payment system, including payment service providers, are liable for any fines or penalties that may be assessed by the card payment networks. Card payment network standards could require the Group to compensate consumers for services and products purchased but not provided following a merchant’s bankruptcy. In the event that the Group is not able to collect such amounts from payment service providers and other agents, due to fraud, breach of contract, insolvency, bankruptcy or any other reason, the Group may find itself liable for any such charges.

The Worldline Group is limitedly exposed to the Brexit situation as for the year 2019, the Group has 3.9% of its sales in the United-Kingdom, mostly from recurring contracts. The business in the UK is composed primarily of local delivery around a core of local solutions.

As a potential No Deal Brexit would impact relationships between UK-based entities and entities based in the remaining EU states (e.g. PIN entry devices with Worldline SA/NV, passported services for several EU based Worldline entities, transfer of data) mitigation actions are on-going.

The Group’s exposure to GBP fluctuation is limited, as revenue in GBP have corresponding costs in GBP and Indian Rupee. Though the exposure of GBP/Euro fluctuations is limited, it is increasing through enlarged cooperation between UK-based entities and entities based in the remaining EU states.

### F.2.5.10 Organizational structure risk

As at the date of publication of this Universal Registration Document, no company holds the exclusive control of the Group. Nevertheless, SIX Group AG directly holds a significant proportion of the share capital and voting rights of the Group and, therefore, retains a significant influence over the Group’s operations and nomination of members of management as well as the Group’s dividend policy.

Indeed, depending on shareholder’s attendance at any given shareholders’ meeting of Worldline, SIX Group AG stake and the rights it is entitled to, allow it to exercise significant influence on decisions that are submitted for shareholder’s votes, particularly so with respect to extraordinary decisions requiring a two third-majority of the votes of the shareholders present or represented such as those relating to the modification of the by-laws and share capital increases. In consideration of the above, SIX Group AG’s stake may possibly have the effect of delaying, deferring or preventing a future change in the control of Worldline and may discourage future takeover bids for Worldline shares, unless undertaken with its support.



Worldline Group and SIX Group entered into various agreements a description of which is set forth in Section E.8. Certain services provided by or to SIX Group AG or its affiliates under those agreements are important for the conduct of the Group's business. Certain of these agreements (such as, for instance, the LTIA and the SBSA) have long-term durations, making it difficult to fully anticipate their proper performance over time and their impact on the Group's business and operations. Certain agreements (such as, for instance, the SBSA) could be terminated in the event of a change of a control of Worldline SA. Similarly, if the relations between the Group and SIX Group AG were to deteriorate, if SIX Group AG or its affiliates decides in the future to terminate or not to renew such agreements or more generally if the obligations under such agreements are not performed as anticipated, it could potentially lead to the termination of a significant portion of the services provided to the Group or provided thereby to SIX Group AG or its affiliates and thus have an adverse impact on the Group's business, results of operations, or financial position which are dependent thereon, as well as to additional remedial costs (including replacement costs).

The Group maintains many relationships with and is dependant to a certain extent on its historical controlling company Atos SE which currently owns 3,8% of the share capital. Both groups maintain industrial and commercial partnership in particular under the Alliance (described under Section E.8) combining innovation in digital and payment services as well as talent pools and networks. Atos group and Worldline also maintain commercial relationships as provided and as customers. For additional information regarding the contractual relationships between Atos group and Worldline Group, please refer to Section E.8.

## F.2.5.11. Financial risks

### F.2.5.11.1 Exchange Rate Risk

The bulk of the Group's revenue, expenses and obligations are denominated in euro. In 2019, 72.1% of the Group's revenue was generated in euro-zone countries whereas 27.9% was generated in non-euro zone countries, including 3.9% in pounds sterling. Since the Group's financial statements are denominated in euros, its revenue is affected by the relative value of the euro versus the currency of the non-euro zone countries in which it generates revenue (currency translation exposure). In terms of currency transaction exposure (i.e., a mismatch between the currencies in which revenue is generated and costs are incurred), the Group considers its exposure to be limited as its costs in the euro zone are generally incurred in euros and its revenue is generated in euros and in non-eurozone countries it generally makes its sales and incurs the majority of its operating expenses in the local currency.

The intercompany re-invoicing of central costs is labeled in euros. The variation of the balances linked to exchange rate fluctuations are booked in financial statements of each subsidiary and may impact positively or negatively the financial result of the Group.

Since the acquisition of SIX Payment Services on November 30, 2018, the Group has a 14.9% portion of its revenue generated in Swiss francs. The results and financial ratios of the Group could be subject to euro/Swiss franc exchange rate fluctuations. A negative variation of such exchange rate could have an adverse impact on the results or the financial ratios for the Group.

### F.2.5.11.2 Interest Rate risk

On December 20, 2018, Worldline (as Borrower) signed a five-year Revolving Credit Facility (the "Facility") for an amount of € 600 million, maturing in December 2023 with an option for Worldline to request the extension of the Facility maturity date until December 2025. In October 2019, first extension has been requested and approved by the banks. The Facility maturity date is now December 2024.

At December 31, 2019, there were no drawings on such Facility. If the Facility were to be drawn down, the Group would be subject to interest rate risk since the interest rate on drawings under the Facility are based on Euribor. In addition, the Group could also face higher interest rate in the event Worldline's rating assigned by Standard & Poor's would deteriorate.

Worldline has entered into a "Negotiable European Commercial Papers" program (NEU CP) on April 12, 2019 to optimize its financial charges and improve Group's cash for a maximum initial amount of €600 million. On December 31, 2019, the outstanding amount of the program was €63 million.

On March 30, 2020 Worldline entered into a mandate letter providing the terms and conditions under which a pool of banks commit to enter into a Bridge Facility Agreement upon Company's request for an amount of €2.6 billion and for a one-year maturity (with options for extension) in order to finance the contemplated acquisition of Ingenico as announced on February 3, 2020.

The Group is subject to fluctuations in interest rates on commercial paper issuance.

### F.2.5.11.3 Financing and Liquidity risk

As at December 31, 2019, the Group's net debt (amounting to €641.3 million as of December 31, 2019) consists mostly of long-term financing borrowings (for €1,141.8 million) and cash and cash equivalents (for €500.5 million). The banking and financial indebtedness of the Group is described in Section E.4.3, as well as in Note 6.4 to the consolidated financial statements.

Although the Group has a demonstrated capacity to generate significant levels of free cash flow (amounting to €287.6 million in 2019), its ability to repay its borrowings in the manner provided for therein will depend on its future operating performance and could be affected by other factors (economic environment, conditions in the debt market, compliance with legislation, regulatory changes, etc.). In addition, the Group could have to devote a significant part of its cash flow to the payment of principal and interest on its debt, and this could consequently reduce the funds available to finance its day-to-day operations, investments, acquisitions or dividend payments.

The Group has an investment grade credit rating from Standard & Poor's Global Ratings (BBB with stable outlook), a testament to the strength of the Group's business model and its balance sheet.

The Group considers that managing liquidity risk depends primarily on having access to diversified sources of financing in terms of origin and maturity. This approach represents the basis of the Group's financing policy.

#### F.2.5.11.4 Credit and/or counterparty risk

Credit and/or counterparty risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group believes that it has limited exposure to concentrations of credit risk due to its large and diverse customer base. The Group's greatest credit risk position is borne with respect to its financial institution customers.

The Group is also exposed to some credit risk in connection with its Commercial Acquiring. For each transaction, the Group provides a performance guarantee to the merchant in respect of the cardholder's payment. Therefore, the Group is exposed to a credit risk in the event of non-payment by the cardholder. Additionally, the Group offers a guarantee of "service rendered" to the cardholder. Accordingly, in the event a merchant goes bankrupt (or ceases to operate) before delivering the product or rendering the service purchased by a cardholder, the cardholder can require the Group to reimburse it for the amount of the transaction. This credit risk exposure is especially significant where services are purchased through e-Commerce well in advance of the time that they are actually rendered (e.g., ticket purchases through travel agencies).

#### F.2.5.12 Risk on shares

The risk on shares is limited to treasury shares.

#### F.2.5.13 Environmental risks [extra-Financial risks – Reducing Worldline's environmental footprint]

The Group main global external environmental risks relate to climate change (adaptation, energy and carbon) and to circular economy. More details on environmental risks are contained in Section D.5 "Reducing Worldline's environmental footprint".

## F.3 Mitigation measures

### F.3.1 Other risks

#### F.3.1.1 Coronavirus pandemic

Pandemic is one of the risk traditionally addressed by the Group Business Continuity Plan. This plan, which was activated as early as February 2020, resulted in a ramp up of the Group's remote working rate as the crisis developed, and in the full compliance with the local regulatory requirements. These measures meet both priority objectives of protecting the health of the Group's employees and ensuring a continuous delivery of the Group's services. In addition, Worldline's sales force remained in constant dialogue with its customers and in particular supported retailers for their need for click & collect capacity upgrades, offered support to merchants to quickly set up their online business, promoted contactless payments as well as mobile POS systems.

Strong actions to adapt the cost base to COVID-19 consequences were also taken, and among others:

- A freeze on new hirings was put in place;
- Salary increase were postponed;
- Holidays & other measures policy were implemented;
- Key supplier contracts were adapted;
- Project reviews were conducted, and
- All discretionary expenses, including travel costs, were stopped.

The monitoring of merchant risks was also reinforced. In that respect, new members joined Worldline's high quality risk management teams and new tools were implemented. Lastly, Worldline has been cooperating with its partners (banks and payments brands) in numerous countries throughout Europe (Belgium, The Netherlands, Germany, Switzerland, etc.) to facilitate and implement higher contactless payment authorization limits, in light of the World Health Organization recommendations for fostering ePayments and limit the risk of transmitting the COVID-19 virus through bills and coins.

#### F.3.1.2 Mergers & Acquisition risk

In the context of regular and significant acquisitions such as the acquisition of SIX Payment Services on November 30, 2018, the Group rolls out an integration program closely monitored by general management through a weekly "Integration Committee". This program is built around dedicated streams to ensure complete and adequate integrations and aimed at improving the global efficiency. It

includes notably an in-depth review of contracts at risk in all countries in order to assess properly the fair value of contracts and implement corrective actions when needed.

#### F.3.1.3 Regulatory and Legal Risks [extra-financial risks – Ethics & value chain challenges]

The Group has created internal rules, processes and policies that aim to ensure compliance with national and international laws and regulations, in support of the Code of Ethics principles relating to business integrity. They are continuously reviewed to ensure adherence to laws and regulations, as well as relevance and usefulness in guiding the behaviors of its employees and key stakeholders.

For details of those ethics and compliance policies, please refer to Section D.4.1 "Ethical excellence within Worldline".

#### F.3.1.4 Clients [extra-financial risks – business challenges]

In order to attract new clients and decrease the concentration of clients in some geographic areas and business lines, the Group is exploiting the market evolution and promotes the diversity of its portfolio. The Group also increases efforts to leverage its relationship with the Atos group having a broader range of clients.

For details refer to Section D.2.1 "Meet customer expectations".

#### F.3.1.5 Suppliers [extra-financial risks – Ethics & value chain challenges]

Risks associated to vendors are jointly managed by the Procurement department and the Business Lines. The Procurement function is responsible for managing the cost base and for managing the commercial relationship with the vendors including their identification and selection, input into customer bids, contract negotiation and signature, cost savings actions and innovation ideas. The Business Lines are responsible for defining the specification of goods and/or services required and for managing the operational delivery to the right quality, cost and delivery indices.

To mitigate risks, the procurement process integrates the quality, cost, delivery, innovation, management and sustainability criteria. To assist in this risk mitigation, the Group receives regular assessments of its suppliers on corporate social responsibility risks from EcoVadis.

For details, please refer to Section D.4.2 “Ethics in the supply chain”.

### F.3.1.6 Intellectual Property

The Group relies on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect the Group's proprietary technology. Third parties may challenge, invalidate, circumvent, infringe or misappropriate the Group's intellectual property.

In order to mitigate the intellectual property risk, the Group has rolled out a specific intellectual property governance and is providing dedicated resources which are entrusted with the implementation of appropriate policies and processes, and a strong worldwide patent applications filings campaign. This governance is headed by an intellectual property Steering Committee which convenes on a quarterly basis and gathers top management representatives and internal stakeholders and ramifies deeply into operations.

### F.3.1.7 Commercial acquiring business – chargeback risk

In order to mitigate this risk, the Group has put in place policies to manage merchant-related credit risk by establishing reserve accounts, requesting collateral and setting caps for monthly processing insurance coverage are also in place (further details in Section F.1.3 “Insurance” of this Universal Registration Document) to protect against such losses.

### F.3.1.8 Macro-economic changes and country risks

To mitigate the risks related to macro-economic changes and country instability, the Group enlarges its worldwide presence, however, as some countries are more exposed than others to political or economic risks, the Group is focusing on “stable” and non-sanctioned countries.

A country compliance process is in place in order to secure operations in identified risk zones. A compliance dashboard is periodically updated for each country by the Quality Security Risk & Compliance (QSRC) division and the Legal & Compliance department with the support of Risk, Finance, Insurance and Security departments to monitor the specific risks of each country regarding regulations and compliance matters.

The Group makes also a periodic strategic operational review of its activities in order to fully revisit all options in respect of

portions of the business which would not have the critical size on their market, as well as activities considered as being non-core business.

### F.3.1.9 Organizational structure risk

Please refer to Section G.5.6.8 “Control Structure”.

### F.3.1.10 Financial risks

The Group proceeds to a specific review of its financial risks. The Group maintains a policy for managing its foreign exchange position if and to the extent it enters into commercial or financial transactions denominated in currencies that differ from the relevant local currencies. Pursuant to this policy, any material foreign exchange rate exposure must be hedged as soon as it occurs using various financial instruments, including, principally, spot and forward contracts and foreign currency swaps. As of December 31, 2019, the Group did not have any material foreign exchange rate exposure and did not have any such hedging instruments in place.

In addition, the Group manages the credit risk by consistently selecting leading financial institutions as clients and by using several banking partners. Regarding credit risk in connection with its Commercial Acquiring, the Group monitors these risks by selecting financially sound clients, requesting guarantees (collateral build up, delegation of insurance, etc.) and checking daily transaction flows to avoid excessive exposure to these risks.

Besides, the debt repayment schedule and the Group's financial headroom is regularly monitored.

### F.3.1.11 Environmental risks [extra-financial risks – Environmental challenges]

Energy, carbon and electronic waste are the main environmental challenges for the Group. The Company is therefore conducting specific assessments and actions, in these areas of concern according to place of consumption and impact (offices, data centers, and terminals, travels) in order to reduce its environmental footprint. Please refer to Section D.5.2 for details.

Regarding circular economy, Worldline SA/NV adopts an exemplary approach for electrical and electronic equipment regarding the production of its terminals all along the value process creation (collected, disassembled and recycled by certified companies). Please refer to Section D.5.2 “Concrete actions to reduce our environmental footprint” for further details.

## F.4 Legal Proceedings

The Group is involved in legal, administrative and regulatory proceedings in the ordinary course of business. The Group records a provision in cases that it considers likely to result in financial loss to the Company or one of its subsidiaries, where the amount of such loss can reasonably be estimated.

The low level of claims and litigation is attributable in part to self-insurance incentives and the vigorous promotion of the quality of the services performed by the Group and the intervention of a fully dedicated risk management department,

which effectively monitors contract management from offering through delivery and provides early warnings on potential issues. All potential and active significant claims and disputes are carefully monitored, reported and managed in an appropriate manner and are subject to legal reviews by the Group Legal department.

Group management considers that sufficient provisions have been made.

### F.4.1 Labor claims

There are approximately 11,900 employees in the Group and relatively few labor claims. In almost every jurisdiction there are no or very few claims.

The Group is a respondent in very few labor claims and in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

The labor claims have been provisioned for an overall amount of €1.04 million as inscribed in the consolidated financial statements as at December 31, 2019.

### F.4.2 Commercial claims

There are a small number of commercial claims across the Group.

The Group is also facing a small number of IP or unfair practice cases (including inherited from the SIX Payment Services acquisition) most of which are, in the Group's opinion,

considered as claims of a speculative nature in which the claims are considered as inflated and not founded.

The total amount of the provisions for commercial litigation risks in the consolidated accounts closed as of December 31, 2019, to cover for the identified commercial claims and litigations, added up to €32.4 million.

### F.4.3 Tax claims

The Group is involved in a number of routine tax claims, audits and litigations. Such claims are usually solved through administrative non-contentious proceedings. These claims have no material effect on the financial condition or results the Company or the Group and are provisioned appropriately.

As of December 31, 2019 €12.6 million were recorded by the Group concerning tax litigation.

### F.4.4 Other legal proceedings

#### Argentina Investigations

The Group offers contactless "smart card" fare collection schemes for multi-modal transit platforms that, among other things, allow passengers to use travel cards, payment cards and mobile wallets to "touch in" and "touch out" at the start and finish of their journeys and automatically calculate and process fare prices. The Group currently operates several contactless smartcard schemes for municipal transportation networks in Argentina through its subsidiary Atos IT Solutions

and Services SA ("Worldline Argentina"), including for the cities of Cordoba, Mendoza, Salta, Tucuman and La Rioja, as well as for the SUBE system in Buenos Aires. This business was originally started and conducted by Siemens and was included in the businesses acquired by Atos in mid-2011.

In respect of some of the fare collection schemes that Worldline Argentina operates, customers purchase or recharge cards with cash, which is then collected from the various points of sale and deposited in accounts of the municipalities with which Worldline Argentina has contracted to operate the

schemes. Worldline Argentina outsources the cash collection and transportation function to subcontractors. Between mid-2011 and September 2012, Worldline Argentina subcontracted such services with respect to its fare collection scheme in Cordoba (the "Red Bus" scheme) to a local association of companies, UTE Ribelux Cordubensis, which included CBI Cordubensis SA ("CBI"). In September 2012, Worldline Argentina replaced CBI with another subcontractor, Logistica y Distribucion Cuyo Card SA ("LyD"), due to dissatisfaction with CBI's service and in particular the inclusion in the funds flow of third party cheques in lieu of cash collected.

In late 2013, the Group's management became aware of potential irregularities in connection with the Red Bus scheme upon receipt of anonymous e-mails, apparently from an internal source, which contained allegations about suspicious and possibly illicit behavior on the part of LyD. The Group promptly commenced an internal investigation into the allegations. In early 2014, the Group's internal investigation was expanded following the emergence of reports in the Argentina press relaying further allegations of irregularities and possible illegal activities, including money laundering and corruption, in the functioning of the Red Bus scheme.

On March 28, 2014, Worldline Argentina received a request from the Office of the Prosecutor for Economic Crime and Money Laundering (PROCELAC) of the Argentine National Public Prosecutor's Office to provide specified information and documentation relating to the Red Bus scheme. Worldline Argentina promptly provided the information requested. PROCELAC has since then opened a case file to investigate further the possible involvement of various parties in acts of "criminal association" (*asociación ilícita*) and tax evasion.

The Group's internal investigation into this matter, which has been conducted through its Internal Audit and Finance departments assisted by external advisors, has not found any proof that Worldline Argentina or any of its employees violated Argentina anti-corruption laws.

On June 30, 2017 the Chief Executive Officer and the Director of operations of Worldline Argentina were formally accused by the judge of the Tribunal of Cordoba of money laundering. On July 5, 2017, they filed an appeal against this decision and asked the Appeal Court of Cordoba to dismiss the charges. Should the Appeal Court not dismiss the charges as requested, the criminal proceeding will continue. There's no risk of involvement for the Company given the current stage of the case.

## F.4.5 Miscellaneous

The Group is only involved in a small number of proceedings relating to competition law inherited from the SIX Payment Services acquisition. The total amount of the associated provisions in the consolidated accounts closed as of December 31, 2019 is 2.2 million euros.

In addition, SIX Payment Services is involved in legal proceeding before the Swiss Federal Administrative Court ("FAC") that is mentioned in Section F.4.5 of the 2018 Registration Document and detailed in Section 5.2.5 "Material disputes" of the Document E issued in the context of the acquisition of SIX Payment Services and registered by the AMF under number E-18-070 on October 31, 2018 (the "Document E"). On May 21, 2019 Worldline has been informed that the FAC's judgment

dated December 18, 2018 confirmed the sanction imposed by the Swiss Competition Commission. An appeal has been filed on June 20, 2019 and, until the new judgement is rendered, the decision of the FAC is not enforceable. As indicated in the Document E, the penalty amount was backed in the reserves of SIX Payment Services before the acquisition and is factored into the purchase price of SIX Payment Services.

As of the date of this Universal Registration Document, other than the matters described above, the Group is not aware of any governmental, legal, judicial or arbitration proceedings likely to have, or which has had over the past 12 months, a material effect on the financial condition or results of operations of the Company or the Group.

## F.5 Internal Control [GRI 102-16] [GRI 102-17] [GRI 102-25] [GRI 102-33] [GRI 102-34] [GRI 103-3 Social economic compliance]

The internal control system whose definition is stated in Section F.5.1 below relies on the internal control reference framework prescribed by the AMF (*Autorité des Marchés Financiers*).

The “general principles” section of the AMF framework has been used to describe in a structured manner the components of the internal control system – Section F.5.3 “Components of

the internal control system”. Specific attention has been given to the internal control system relating to accounting and financial information, in compliance with the application guide of the AMF - see Section F.5.4 “Systems related to accounting and financial information”.

Internal control players are described in Section F.5.2 “Internal control system players”.

### F.5.1 Internal control definition and objectives

Internal control system put in place by the Company aims to ensure:

- Compliance with applicable laws and regulations;
- Application of instructions, policies and guidelines approved by general management;
- Correct functioning of Company's internal processes in order to establish the operational effectiveness efficiency, the safeguarding of its assets; and

- Reliability of financial information.

One of the objectives of internal control procedures is to prevent and control risks of error and fraud. As for any internal control system, this mechanism can only provide reasonable assurance and not an absolute guarantee against these risks.

### F.5.2 Internal control system players

The main bodies involved in the implementation of internal control procedures are as follows:

#### Board of Directors supported by Audit Committee

The Board of Directors prepares governance rules detailing the Board's role supported by its Committees. Those Committees enlighten the Board as to the quality of the internal control system. The Audit Committee, in particular, is informed of the content and the implementation of internal control procedures used to ensure the reliability and accuracy of financial information and operations and stays informed about the proper implementation of the Internal Control System.

#### General management and Management Committees

General management is responsible for the management of the Group's business and focuses on strategic aspects to develop the Group as well as the operational management.

Management Committees, at different levels, are responsible for implementing and monitoring the internal control system within their respective areas of responsibility.

#### Audit, Risk and Compliance (ARC) Committee

The Audit, Risks and Compliance Committee has been setup under the supervision of Group Internal Audit, in order to strengthen the local supervision of Internal Control topics. Its purpose is to share the main audit conclusions with local management, and to review action plans related to identified weaknesses or potential risks.

#### Group Internal Control

The Group Internal Control function ensures the development, coordination, implementation and maintenance of the internal control system, throughout the Group.

This includes the definition of processes, tools and methodologies for Internal Control, the ownership of the Group Control Framework (Book of Internal Controls) and driving the monitoring of Internal Control activities. Group Internal Control relies on local Internal Control Process Coordinators in managerial units.

#### Internal Audit

The Group Internal Audit department consists of mutualized teams consisting of Worldline and EquensWorldline auditors. The team operates in accordance to the same consistent methodology and approach. In addition, single point of contacts are foreseen for regulated entities.



The Audit Committee receives regular reports on the execution of the audit plan, the mission objectives and the results and recommendations resulting therefrom. Internal Audit remains in contact with the statutory auditors to ensure effective coordination between internal and external audit.

In 2019, the Internal Audit department of Worldline maintained/renewed the French Institute for Internal Audit's (IFACI) certification. This accreditation attests to the quality of the Internal Audit (IA) function, the level of compliance with international standards and IA's degree of control over key challenges.

## F.5.3 Components of the internal control system

### F.5.3.1 Organization/control environment

The control environment refers to the internal culture, the control consciousness, the management style, integrity, ethics, organization, assignment of authority and responsibility, competencies, systems and policies (methods, procedures and practices) that contribute to the implementation of a context favorable to the control of the risks. It represents the ground layer of the internal control system. The main components are presented hereafter.

The Code of Ethics defines acceptable behavior (leading by example, tone at the top), in line with Worldline's commitment to corporate social responsibility.

The Company is based on a matrix organization that combines operations (Regional Business Units (Geographies)/Global Business Lines) and functional management (Support Functions). This matrix structure allows a view from different angles on operations.

In order to ensure efficient and effective management control from the country level to general management level, a formal policy sets out the authorization of officers of subsidiaries to incur legal commitments on behalf of the Group with clients, suppliers and other third parties. The delegation of authority guidelines are being rolled-out under the supervision of the Group Legal & Compliance department.

The Group Human Resource management relies on the Global Capability Model (GCM) which is a standard for categorizing jobs by experience and expertise across the Group. It provides an overview of the wide variety of positions in the organization as well as on the different levels of experience and expertise required in each position.

A worldwide Performance Management system (My Career) is in use to support individual development and coaching. Moreover, Balanced Score Cards are used to cascade business objectives. Through performance reviews, objectives are set and progress is measured to ensure continuous improvement for every individual in the organization.

Through the global quality organization, Worldline has defined and implemented policies and processes for service delivery and support functions. Within the defined processes across the business, performance indicators, roles and responsibilities and internal controls are specified. These are part of and published in the Worldline Management System and contribute to an appropriate control environment.

**Information Systems:** Group Internal IT department is in place at Group level to provide common internal IT infrastructures and applications for Worldline staff worldwide. It supports functions like Finance (accounting and reporting applications), Human Resources (resourcing tool, global directory), Communication (Group website and intranet) or Procurement.

Security and access to these infrastructures and applications as well as their reliability and performance are managed by this department and benefit from the core expertise and resources from the Group.

### F.5.3.2 System for risk management

The Group operates a risk management system that facilitates the analysis and treatment of business risks throughout the life cycle of a product or service. Risk management is embedded in the Group's decision-making and operating processes and is managed according to the risk management model as described in the risk management chapters of this document Section F.1.

Those risk processes allow to identify and analyze main risks that may, as one of the risk mitigating solutions, call for focus and/or implementation of improved internal control, as described in the following Section F.5.3.4 "Control activities".

### F.5.3.3 Control activities

Key control activities of the Group are described in the risk and control matrix: "Book of Internal Controls" (BIC). This document not only covers the financial processes, but also various other areas such as delivery, procurement, human resources and risk and compliance activities (e.g. security, legal, sustainability).

The updated Book of Internal Control is released and distributed throughout the Group every year, taking into account new or changed services or processes and related control activities. This document evolves along with the processes evolution and the emerging risks (update at least once a year).



Some controls are part of specific frameworks, for specific purposes (e.g. certifications, client assurance reports) and should be considered as sub-parts of the BIC (e.g. Closing file, ISAE 3402, etc.).

#### F.5.3.4 Monitoring

Monitoring of the internal control system is the responsibility of the different levels of management and is also supported by Internal Audit missions.

Monitoring is performed through the follow up of indicators (KPI's), control self-assessment campaigns (through questionnaires) and control testing that might measure directly or indirectly the effectiveness of the process implementation and related controls.

Group Internal Control specifically summarizes on a yearly basis the overview and results of control assessments on a consolidated level and the main actions defined to improve the internal control system. Results are presented in the Control Board meetings and QSRC committees.

On top of the control monitoring activities driven by Group Internal Control, assessments are performed by "independent auditors" including:

- ISO Auditors: following an audit plan covering ISO standards for quality (ISO 9001), Security (ISO 27001); Environment (ISO14001) and IT service (ISO 20000);
- Financial Legal External Auditors are focused on the reliability of financial information;
- Service auditors (performing ISAE 3402audits) are focused key controls implemented to ensure the effectiveness of processes that support the services in scope of the ISAE3402 (for Worldline clients);

Group Internal Audit (GIA): following a risk based annual audit plan, GIA assesses both Support Functions and Operations. Internal Audit is ensuring, that the internal control procedures are properly applied and supports the development of internal control procedures.

In 2019, Internal Audit carried out a total of 34 audit assignments (including investigations at the request of general management) assessing the functioning of internal control system: in the domain of support functions (Finance, Human Resources, Purchasing, Sales) and related to Operations/core business. All assignments have been finalized by the issuance of an audit report including action plans to be implemented by the related managerial unit.

Furthermore, twice a year, a full review of open recommendations is performed by Internal Audit with concerned owners and reported up to the Group Executive Committee and to the Audit Committee. In 2019, 93% of audit recommendations have been implemented in due time.

Internal audit also actively contributes to help the business meeting the compliance requirements to maintain the "payments institution" status for concerned entities. An annual assessment of the Group's control environment has therefore been included in the audit plan.

#### F.5.3.5 Communication of relevant and reliable information

The Company's processes, meetings and governance structures (Worldline Governance Framework) ensure that relevant and reliable information is effectively communicated in a timely manner to relevant players within the Company, thereby enabling them to exercise their responsibilities.

Top-down and bottom-up communication channels are defined within each function, to cascade instructions and get feedback on their execution.

Worldline distributes information throughout the organization, including management's messages on objectives and quality of service, through a number of media, including but not limited to:

- Regular management communication;
- Internal newsletters;
- Group intranet (Source);
- Knowledge Management tool (SharePoint).

Information is distributed on a need to know basis, and policies for information classification and information security have been developed.

Formal reporting lines have been defined, following the operational and the functional structures. This formal reporting, based on standard formats, concerns both financial and non-financial information as well as operational performance. Dedicated committees are setup for sharing and reporting information (e.g. Quality, Security, Risk & Compliance Committees, Control Board meetings, Audit, Risk & Compliance Committees, Quality Review Meetings, Local Executive Committee, Local Management Committees, etc.).

External communication with clients is organized through operational meetings, agreed service reporting, customer satisfaction surveys and workshops.

## F.5.4 Systems related to accounting and financial information

The financial governance of the Group relies on a set of global financial processes, that are part of the Internal Control system of the Group and for which a specific attention is paid due to their sensitivity:

- Finance processes: general accounting, budgeting and forecasting, consolidation and reporting, treasury management, credit risk management...;
- "Expert" functions processes: taxes, insurance, pensions and the like, real estate transactions;
- Operational processes: bidding, contract execution, financial business model.

### F.5.4.1 Local and Group financial organization

The management of the Finance function is performed through the Group Finance Committee (FICO) chaired by the Group CFO.

This Committee is held on a bi-weekly basis gathering the managers of the main functions within the Finance organization, CFOs of the Global Business Lines ("GBL") and CFOs from the Regional Business Units ("RBU"). This Committee deals with transversal topics critical for the Group and with operational topics and RBU specific issues.

This organization is cascaded down at country level.

Direct reporting to Group Function, as for the other support functions, reinforces the integration of the financial function and contributes to the full alignment of key processes and provides an appropriate support to operational entities of the Group.

Group Finance department is in charge of piloting the financial processes, especially through the financial consolidation, the monitoring of financial compliance matters, the supply of expertise and the control of the reported financial information. It reviews accounting options, significant accounting items, as well as potential internal control weaknesses and initiates required corrective actions when needed.

### F.5.4.2 Group finance policies & procedures

Group Finance has drawn up a number of Group policies and procedures to control how financial information is recorded

and processed in the subsidiaries. These policies and procedures were discussed with the statutory auditors before issuance and included the following main elements:

- Financial accounting policies cover Group reporting and accounting principles, guidelines on how financial information must be prepared, with common presentation and valuation standards. They also specify the accounting principles in order to prepare budgets, forecasts and submit actual financial reporting required for Group consolidation purposes. Group Reporting Definitions (GRDs), internal guidelines for IFRS and accounting rules applicable in the Operations, are regularly updated;
- Training and information sessions are organized regularly in order to circulate these policies and procedures within the Group. A dedicated intranet site is accessible to all accounting staff, which facilitates the sharing of knowledge and issues raised by members of the financial community;
- Instructions and timetable: Financial reporting including budget of the entities, revised budget and annual and half-yearly financial statements by subsidiary is carried out in a standard format and within a timetable defined by specific instructions and procedures. Group Finance liaised with statutory auditors to coordinate the annual and half-year closing processes.

### F.5.4.3 Information systems

Information systems play a key role in the establishment and maintenance of the internal control system related to the accounting and financial information, enabling automated preventive controls, but also monitoring and analysis capabilities.

An integrated ERP system supports the production of accounting and financial information in almost all the subsidiaries within the Group except for those recently acquired.

A unified reporting and consolidation tool is used for financial information (operational reporting and statutory figures). Each subsidiary reports its financial statements on a standalone basis in order to be consolidated at Group level. There is no intermediary consolidation level and all accounting entries linked to the consolidation remain under the direct control of Group Finance. Off balance sheet commitments are reported as part of the mainstream financial information and are reviewed by Group Finance.

#### F.5.4.4 Monitoring and control

In addition to the financial processes defined, monitoring and control processes aims to ensure that accounting and financial information complies with all the defined policies, rules and instructions.

The Closing File (which is integrated in the Book of Internal Controls) is updated periodically and has been deployed at local level. It requires the main subsidiaries to complete a standard electronic closing file on a quarterly basis in order to formalize key internal controls performed over financial cycles and provide appropriate back up to support closing positions. Templates created by Group Finance illustrate the expected level of control for the main items.

Functional reviews are performed by Group Central Finance and Controlling on significant matters relating to financial reporting, such as tax issues, pensions, litigations, off balance sheet items or operational performance.

Operational and financial reviews: Group Central Finance and Controlling supports operations and general management in the decision-making process through monthly reviews and by establishing a strong link with country management in terms of financial analysis & monitoring, enhancing control &

predictability of operations and improving the accuracy & reliability of information reported to the Group;

Representation letters: During the annual and half-year accounts preparation, the management and head of finance of each subsidiary are required to certify in writing:

- They have complied with the Group's accounting rules and policies;
- They are not aware of any cases of proven or potential fraud that may have an impact on the financial statements;
- The estimated amounts resulting from the assumptions made by management enable the Company to execute the corresponding actions; and
- That, to the best of their knowledge, there has been no major dysfunctions in the control systems in place within their respective subsidiaries.

Internal Audit department: The review of the internal control procedures linked to the processing of financial information is a component of the reviews conducted by the Group Internal Audit department. The Group Internal Audit department works together with Group Finance to identify the main risks and to focus its audit plan accordingly.

### F.5.5 Outlook and related new procedures to be implemented

In 2019, financial, commercial and social performance improvement programs, as well as other transformation initiatives, will continue their effects to improve and streamline processes, with resulting benefits for the Internal Control System. In particular, entities recently acquired will be fully integrated within the Internal Control System.

Initiatives identified through the updated risk mapping will be controlled and monitored to ensure that proper attention is given to those topics.

The Internal Audit department will pursue the internal review program updated following the risk assessment performed in 2019 and will monitor the implementation of its recommendations.





# CORPORATE GOVERNANCE AND CAPITAL

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## G.1 Legal Information

### G.1.1 Corporate form [GRI 102-5]

Worldline was initially formed as a limited liability company (*société à responsabilité limitée*) in 1990. It was converted into a limited liability corporation (*société anonyme*) in 1992, into a simplified stock company (*société par actions simplifiée*) on September 29, 2000, and then again into a limited liability corporation on April 30, 2014. Today Worldline is a limited liability corporation with a Board of Directors, governed by French law, including, in particular, Book II of the French Commercial Code.

### G.1.2 Corporate purpose and other information [GRI 102-5]

- **Corporate purpose:** pursuant to article 2 of its bylaws, the Company's purpose, in France and in any other country, is to:

- Conduct research, study, development and production of all materials, software, systems or devices that use new techniques or new information technology (as well as the provision of related services), namely in the payment services, transactional services, digital services and telecommunications sectors,
- Perform customer service functions for telecommunications operators and service providers, in particular by creating and managing telephone call centers,
- Manage telecommunications network and services subscription agreements, including providing information to subscribers and processing their claims, as well as related service offers,
- Provide services to businesses, including marketing studies, direct marketing, data processing and training, as well as the provision of services and solutions to financial establishments,
- Provide advice, assistance and operational support by any means, with respect to all banking and financial documentation, especially the processing, entering, postmarking, encoding, micro-filming, archiving and any existing or future type of handling of cheques or other banking or financial instruments,
- Develop software for its own needs or third-party needs,
- Use and market licenses, patents, trade secrets, formulas and any other similar intellectual property rights,
- Provide technical support and maintenance for all devices and installations completed or marketed under the Company's purpose,
- Represent any company, French or foreign, whose services, materials, software, systems or devices are directly or indirectly related to the purposes defined above,
- Acquire interests and shareholdings in any French or foreign company with a similar purpose as that of the Company, or one likely to develop its own business,
- The foregoing, directly or indirectly on its own account or for the account of third parties, either on its own or with

third parties, or through the creation of new companies, contributions to limited partnerships, mergers, alliances, joint ventures or taking of ownership rights through leasing or lease management of any property or rights, or otherwise,

- And, generally, undertake all financial, commercial and industrial transactions on real or other property relating directly or indirectly to the above purposes or any similar or related purposes likely to further the Company's development or expansion.

The Board of Directors proposed to the 2020 Annual General Meeting to amend the bylaws of the Company so as to provide the following "*raison d'être*":

*"We design and operate leading digital payment and transactional solutions that enable sustainable economic growth and reinforce trust and security in our societies.*

*We make them environmentally friendly, widely accessible and support social transformation."*

- **Corporate name:** the corporate name of the Company is "Worldline".
- **Nationality:** French.
- **Registered Office:** Worldline's registered office is located at:  
80 quai Voltaire, Immeuble River Ouest, 95870 Bezons, France (Tel.: +33 (0)1 73 26 00 00).
- **Place of registration, registration number and share trading information:** the Company is registered with the Pontoise Trade and Companies Register under number 378 901 946.
- **Worldline SA shares** are traded on the Euronext Paris market under ISIN code FR0011981968. The shares are not listed on any other stock exchange.
- **Business identification Code (APE code):** 6311Z.
- **LEI number:** 549300CJMQNCA0U4TS33.
- **Date of incorporation and duration:** the Company was incorporated on July 31, 1990, for a period of 99 years from the date of its registration with the trade and companies register, except in the event of early dissolution or extension.

## G.1.3 Main Provisions of the bylaws

The Company's bylaws were prepared in accordance with the laws and regulations applicable to French limited liability corporations (*sociétés anonymes*) with a Board of Directors. Below are the main provisions of the Company's bylaws.

### G.1.3.1 Governance, related party agreements

#### Fiscal year (article 36 of the bylaws)

[GRI 102-50] [GRI 102-52]

The Company has a fiscal year of twelve months, beginning on January 1, and ending on December 31 of each year.

#### Members of the Board of Directors (articles 13, 14 and 15 of the bylaws)

The Company is governed by a Board of Directors composed of at least three members and at most eighteen members elected by the Ordinary Shareholders' Meeting. The Board of Directors is renewed each year on a rolling basis, such that one-third of the members are renewed each year. Directors are usually appointed for a three-year term. Employee Director(s)' term of office is three years, renewable once. A maximum of one-third of the members of the Board of Directors may be more than 70 years old.

#### Chairman (articles 19 and 21 of the bylaws)

The Board of Directors elects a Chairman from among the members who are natural persons. He organizes and manages its work, and reports on such work to the General Shareholders' Meeting. He oversees the proper functioning of the Company's governing bodies and ensures, in particular, that the Directors are able to carry out their duties. In case of a tie vote, he shall cast the deciding vote.

#### Chief Executive Officer (article 23 of the bylaws)

At the option of the Board of Directors, the Company may be managed either by the Chairman or by a person appointed by the Board of Directors and given the title of Chief Executive Officer (CEO). The Chief Executive Officer is granted the broadest powers to act in all circumstances in the Company's name. He exercises these powers within the limits of the Company's purpose and subject to the powers that the law and the bylaws grant expressly to the Shareholders' Meeting or the Board of Directors. The Chief Executive Officer represents the Company in its relations with third parties.

#### Deputy Chief Executive Officers (article 24 of the bylaws)

Based on a proposal of the Chief Executive Officer, the Board of Directors can appoint up to three individuals who will have the title of Deputy Chief Executive Officer, to assist the Chief Executive Officer. The Board of Directors determines the extent and the duration of the powers granted to the Deputy Chief Executive Officers, but vis-à-vis third parties, the Deputy

Chief Executive Officer has the same powers as the Chief Executive Officer.

#### Convening and Holding of Board of Directors' Meetings (article 18 of the bylaws)

The Board of Directors meets as often as necessary in the Company's interest, but at least every three months. The Chairman convenes these meetings. If the Board of Directors has not met in more than two months, at least one-third of its members may request that the Chairman convene it to discuss a particular agenda. The Chief Executive Officer may also request that the Chairman convene the Board of Directors to discuss a particular agenda. Decisions are taken by a majority of members present or represented. In the event of a tie, the vote of the Chairman of the Board of Directors prevails.

#### Powers of the Board of Directors (article 17 of the bylaws)

The Board of Directors determines the direction of the Company's business and ensures its implementation. Subject to the powers expressly granted to the Shareholders' Meeting and within the limits of the Company's purpose, the Board of Directors decides any question concerning the proper functioning of the Company and, through its decisions, settles matters concerning it.

The Board of Directors determines the limits to the Chief Executive Officer's authority, as the case may be, pursuant to its internal rules, by establishing the transactions for which Board authorization is required.

#### Related-Party Agreements (article 25 of the bylaws)

Any agreement entered into either directly or through an intermediary party by the Company and its Chief Executive Officer, any Deputy Chief Executive Officer, any Director, any shareholder holding more than 10% of the Company's voting rights or, in the case of shares held by a company, its controlling Company within the meaning of article L. 233-3 of the French Commercial Code is subject to the procedure provided for in articles L. 225-38 to L. 225-43 of the French Commercial Code.

#### Compensation of Directors (article 20 of the bylaws)

Members of the Board of Directors may receive compensation for their office, the aggregate amount of which is set by the Shareholders' Meeting and allocated freely by the Board of Directors among its members. The Board of Directors may grant an additional compensation to those Directors serving on Committees or having specific function or duty.

### **G.1.3.2 Rights, Privileges and Restrictions Attached to Shares**

#### **Voting rights (articles 11 and 33 of the bylaws)**

Each share gives the right to one vote. The Company's bylaws confer double voting rights on fully paid-up registered shares held by the same person for at least two years.

#### **Preferential subscription rights**

The Company's shares have a preferential right to subscribe for capital increases in accordance with the French Commercial Code.

#### **Limitation on voting rights**

The bylaws do not contain any provisions restricting the voting rights attached to the shares.

#### **Participation in General Shareholders' Meetings (article 28 of the bylaws)**

Every shareholder has the right to attend Shareholders' Meetings and to participate in its votes, either personally or by proxy. Every shareholder may be represented by his spouse, by another shareholder, or by his partner under a civil solidarity pact. Moreover, a shareholder may be represented by any other natural person or legal entity of his choice. The representative must show proof of his appointment.

Each shareholder's right to participate in Shareholders' Meetings is subject to his shares being registered in his name or in the name of the intermediary registered on his behalf in the conditions set forth by law. An owner of bearer shares may participate in the Shareholders' Meeting only if the approved intermediary holding his account provides a certificate of ownership (*attestation de participation*).

Upon decision of the Company's Board of Directors, shareholders may participate in Shareholders' Meetings by videoconference or other means of telecommunication, including Internet, in particular through an electronic voting form available on the Company's website.

#### **Identifiable Bearer Shares (article 9 of the bylaws)**

The Company may, at any time, identify the holders of bearer shares in accordance with applicable laws and regulations.

If a person who has been asked for information fails to provide such information within the time period required by applicable laws and regulations, or provides incomplete or inaccurate information either as to his capacity or as to the owners of the shares or the number of shares held by each of them, the shares or other securities giving immediate or future access to the share capital and for which such person is registered shall be stripped of their voting rights for any Shareholders' Meeting occurring before the information is corrected and payment of the corresponding dividend shall be deferred until such date.

#### **Modifications of the rights of shareholders**

The rights of shareholders may be modified in accordance with applicable laws and regulations. The bylaws do not contain any particular provisions with respect to modification of the rights of shareholders that are more stringent than the law.

#### **Convening and Holding of Ordinary Shareholders' Meetings and Extraordinary Shareholders' Meetings (articles 34 and 35 of the bylaws)**

Shareholders' Meetings are called "Extraordinary" when their purpose is to modify the Company's bylaws or nationality, or when the law so provides. All other Shareholders' Meetings are "Ordinary". Decisions at Extraordinary Shareholders' Meetings are made by a two-thirds vote of the shares present or represented, and decisions at Ordinary Shareholders' Meetings are made by a simple majority of shares present or represented.

Shareholders' Meetings are convened and held in accordance with the rules and conditions provided for under French law.

#### **Crossing of bylaws Thresholds (article 10 of the bylaws)**

In addition to the thresholds provided for by applicable laws and regulations, any natural person or legal entity who, acting alone or in concert, comes to hold, directly or indirectly, a number of shares representing at least 2% of the share capital or voting rights, or any multiple of 1% thereafter, including beyond the reporting thresholds provided for by laws and regulations, must inform the Company of the total number of shares, voting rights, or securities giving access to the share capital or voting rights of the Company that such person holds, as well as of any securities giving access to the share capital or to voting rights potentially attached thereto, by registered letter with return receipt requested sent to the Company's registered office within four trading days after crossing such threshold(s).

In the event of a failure to comply with the above provisions, the legal penalties for breach of the obligation to report crossing a legal threshold shall apply to thresholds provided for in the bylaws only upon the request, recorded in the minutes of the Shareholders' Meeting, of one or more shareholders holding at least 2% of the Company's share capital or voting rights.

Subject to the above provisions, this obligation under the bylaws is governed by the same provisions as those governing the legal obligation, including with respect to shares deemed to be held.

The Company reserves the right to report the information provided or a breach of the above obligation by the person in question to the public and to the Company's shareholders in accordance with applicable laws and regulations.

The same reporting obligation, with the same deadline and terms, applies each time the proportion of the share capital or voting rights held by a shareholder decreases to below any of the thresholds referred to above.



## Control of the issuer

There are no provisions either in the Company's bylaws or in any internal charter or internal rules that could have the effect of delaying, postponing or preventing a change of control of the Company.

### G.1.3.3 Financial Statements (articles 37, 38 and 39 of the bylaws)

#### Legal Reserve

Five percent of each fiscal year's profit, after deduction of losses carried forward from previous years, if any, is allocated to a legal reserve fund whenever the amount in such fund is less than 10% of the share capital.

## Approval of dividends

The General Shareholders' Meeting votes on the payment of dividends in accordance with articles L. 232-12 to L. 232-18 of the French Commercial Code. The General Shareholders' Meeting may give shareholders the option to receive payment in cash or in new shares of the Company, pursuant to legal conditions.

The General Shareholders' Meeting may also decide, upon the proposal of the Board of Directors, to distribute any profit or reserves in kind in the form of assets or securities. In the event of the distribution of securities that are not listed on a regulated market or traded on an organized multilateral trading facility, or whose admission to such a market or trading facility will not occur in connection with such distribution, the shareholders have the right to choose between payment in cash and the delivery of such securities.

## G.1.4 Provisions of the agreements with SIX Group AG

On the occasion of the acquisition, by the Company, of SIX Group AG's payment services division, SIX Group AG and Atos SE entered into a shareholders' agreement containing in particular governance provisions, reserved matters and various provisions regarding the transfer of shares. This shareholders' agreement has been amended on March 18, 2019 in the context of the distribution, by Atos SE, of around 23.5% of the share capital of Worldline. This shareholders' agreement was terminated as a consequence of the disposals of Worldline's shares completed by Atos until February 4, 2020 and the subsequent decrease of Atos' shareholding in Worldline below 4% of the share capital.

Worldline and SIX Group AG also entered into an agreement (the "**SIX Group AG Agreement**") which shall remain in force until the earlier of (i) the tenth anniversary of its entry into force (November 30, 2018), unless SIX Group AG requests a ten-year period renewal and (ii) its termination by mutual agreement of Worldline and SIX Group AG. This SIX Group AG Agreement also provides the termination of the rights and obligations of Worldline and SIX Group AG should SIX Group AG come to hold a number of Worldline Shares representing less than 4% of the capital or voting rights of Worldline.

The main provisions of such SIX Group AG Agreement are the following:

- **Orderly sale:** Worldline undertakes to cooperate with SIX Group AG to facilitate any transfer of any shares or other securities of the Company carried out by SIX Group AG in a

manner that does not disrupt the orderly trading of the shares or other securities of the Company and shall at the request of SIX Group AG cooperate in organizing one or more off-market block trades, private placements or public offerings of SIX Group AG shares, including by assisting in the preparation of the documentation needed to effect such transactions and provided that costs relating to such cooperation shall be borne by SIX Group AG;

- **Secondary listing:** in the event where SIX Group AG would request a secondary listing of the shares of Worldline on the SIX Swiss Exchange (in addition to the listing of the shares on Euronext Paris) within a period expiring one year after May 7, 2019 (the payment date of the distribution of Worldline's shares capital by Atos SE), instead of a period expiring one year after November 30, 2018 (date of acquisition of SIX Payment Services), and provided it fully owns more than sixteen percent of the share capital and voting rights of Worldline at the time of its request, Worldline shall use its reasonable endeavours to effect this request.

It is also recalled that, in the context of the contemplated acquisition of Ingenico, Worldline and SIX Group AG concluded two agreements: an agreement related to the voting undertaking of SIX Group AG and one agreement related to SIX Group AG's shareholding in Worldline and its representation at Board level (For more information on the two agreements, refer to section E.8.3).

## G.2 Corporate Governance [GRI 102-10] [GRI 102-18] [GRI 102-22] [GRI 102-24] [GRI 102-26]

This report contains, in particular, information relating to the compensation of Corporate Officers, various aspects of the practices of the Company's administrative and management bodies and factors likely to have an impact in the event of a public offering.

Information on internal control and risk management procedures is included in the management report which now contains information about the financial risks associated with climate change and presents the measures being taken by the Company to reduce said risks by implementing a low-carbon strategy in all aspects of its business activity.

### G.2.1 Compliance with the AFEP-MEDEF Code – Frame of reference on corporate governance

Since the listing of the Company's shares on Euronext Paris, Worldline complies with the recommendations of the AFEP-MEDEF Corporate Governance Code for Listed Companies (the "AFEP-MEDEF Code", revised version of January 2020), in particular in connection with the preparation of the Board of Directors' report on corporate governance.

In that respect, Worldline's Board of Directors performed on February 18, 2020 an annual review of the implementation by the Company of these governance principles.

The detail of the Board's assessment items on the implementation of the AFEP-MEDEF Code will be available in its entirety on Worldline's website [www.worldline.com](http://www.worldline.com). The AFEP-MEDEF Code is available in the Governance section of the AFEP website: [www.afep.com](http://www.afep.com).

As at the date of publication of this Universal Registration Document, and in accordance with the rule "Comply or Explain", the following recommendations are not applied for the reasons indicated below.

AFEP-MEDEF Code recommendation	Explain
<b>Independence of the Chairman of the Remuneration Committee (article 18.1)</b> It is recommended that the Chairman of the Compensation Committee be independent.	As part of the acquisition of SIX Payment Services, the shareholders' agreement entered into between SIX Group and Atos SE mentioned that the chairperson of the Nomination and Remuneration Committee should be designated upon the proposal of SIX Group AG. Mr. Lorenz von Habsburg Lothringen has been appointed Chairman of the Nomination and Remuneration Committee on October 24, 2019 according to this shareholders' agreement. Mr. Lorenz von Habsburg Lothringen shows full dedication in this role and his prior experience as member of this Nomination and Remuneration Committee is highly valuable for the Board and his Chairmanship ensures continuity in this domain. It is important to note that only non-executive directors ( <i>administrateurs n'ayant pas de fonctions exécutives</i> ) are members of the Nomination and Remuneration Committee (including as regards the chairperson) and its composition includes a majority of independent Directors as recommended by the AFEP-MEDEF Code.
<b>Presence of a Director representing employees at the Nomination and Remuneration Committee (article 18.1)</b> It is recommended that an employee-director be a member of the Nomination and Remuneration Committee.	Ms. Marie-Christine Lebert has been designated as Director representing the employees on May 17, 2019 and participates in the meetings of the Board since then. During its review of the composition of the various Committees in October 24, 2019, the Board, upon recommendation of the Nomination and Remuneration Committee, took into account, in particular, the necessary induction period to adapt to how the Company's governance operates, understand its specific characteristics, familiarize herself or himself with the challenges and broad outlines of the Board's mission, and finally did not appoint the Director representing the employees to the Nomination and Remuneration Committee at this stage. However, it was decided by the Board, upon recommendation of the Nomination and Remuneration Committee, to appoint the Director representing the employees to the Social and Environmental Responsibility Committee, which is, in particular, responsible for overseeing the impacts of the Group's social responsibility strategy and the rollout of the related initiatives as well as the Group's social policies. In addition, all the works of the Nomination and Remuneration Committee are presented and discussed during Board meetings that the Director representing the employees attends and takes part to the discussions and votes related thereto.

AFEP-MEDEF Code recommendation	Explain
<b>Cap on severance compensation (article 25.5.1)</b> The indemnity shall not exceed, as the case may be, two years of the compensation (fix and variable).	<p>Further to the announcement by Atos SE in 2019 of its project to distribute in kind circa 23.5% of the share capital of Worldline to its shareholders and as from February 1, 2019, Mr. Gilles Grapinet does not retain duties nor activities within Atos and is fully assigned to Worldline as Chief Executive Officer of Worldline in 2019. It has been decided by the Board of Directors, according to the recommendations of the Nomination and Remuneration Committee, that such assignment shall not affect the Chief Executive Officer's previously acquired rights within Atos, when Worldline was controlled and consolidated by Atos SE. However, it is reminded that, as a result of his change of status, Mr. Grapinet will lose the benefit of the supplementary pension rights that he previously validated under the performance conditions set in the Atos supplementary pension plan. Consequently, Worldline undertook to pay, to the Chief Executive Officer and subject to performance conditions, a compensatory allowance in case of forced departure (except for cause), provided no professional activity is exercised upon retirement, in order to compensate the loss of the rights previously acquired by Mr. Grapinet during his 10 years presence within the Atos group under the Atos supplementary pension plan. It is reminded that no allowance will be paid to Mr. Grapinet in the event of resignation (except in case of 2<sup>nd</sup> or 3<sup>rd</sup> class invalidity). Thus, Mr. Grapinet will not benefit from this allowance if he voluntarily leaves the Company to claim his pension rights. In case such allowance would be paid, the aggregated amount of (i) such allowance, (ii) the amount of rights perceived under the supplementary pension regime 2019 now frozen ("loi Pacte") and (iii) the amount of rights perceived under the future supplementary pension regime, might by no means exceed the equivalent of the annuity provided in the Atos supplementary pension plan, i.e. € 291,000 per year when the Chief Executive Officer will have claim his pension rights (basis regime). Such indemnity might, depending on the date of departure of Mr. Grapinet and in case such allowance is paid in one instalment, exceed or be lower than two year remuneration (fixed and variable). The conditions governing the payment of this allowance (could be paid in one instalment or a life-time pension under discretionary decision to be made by the Board of Directors) are described in Section G.3.2.1 of this Universal Registration Document. The compensatory allowance remains in full force and effect after the supplementary benefits pension plan benefiting Mr. Grapinet having been brought into line with the "loi Pacte".</p>

## G.2.2 Management Mode [GRI 102-22] [GRI 102-24] [GRI 102-25] [GRI 102-26]

Until the resignation of Mr. Thierry Breton as Chairman of the Board on October 24, 2019, the roles of Chairman and Chief Executive Officer were dissociated. In order to ensure continuity in the successful management of the Company, guarantee smooth transition following Worldline deconsolidation from the Atos group, secure targets achievement, in particular in the context of the three-year plan 2019-21 (including the integration of SIX Payment Services and the ongoing synergy plans), carry-out major external growth projects, and pursue delivering value to investors, the Board of Directors, following the recommendation of the Nomination and Remuneration Committee, has decided with immediate effects that the Chairmanship of the Board be, for a limited period of time, assumed by Mr. Gilles Grapinet, thus uniting the functions of Chairman of the Board of Directors and of Chief Executive Officer of the Company.

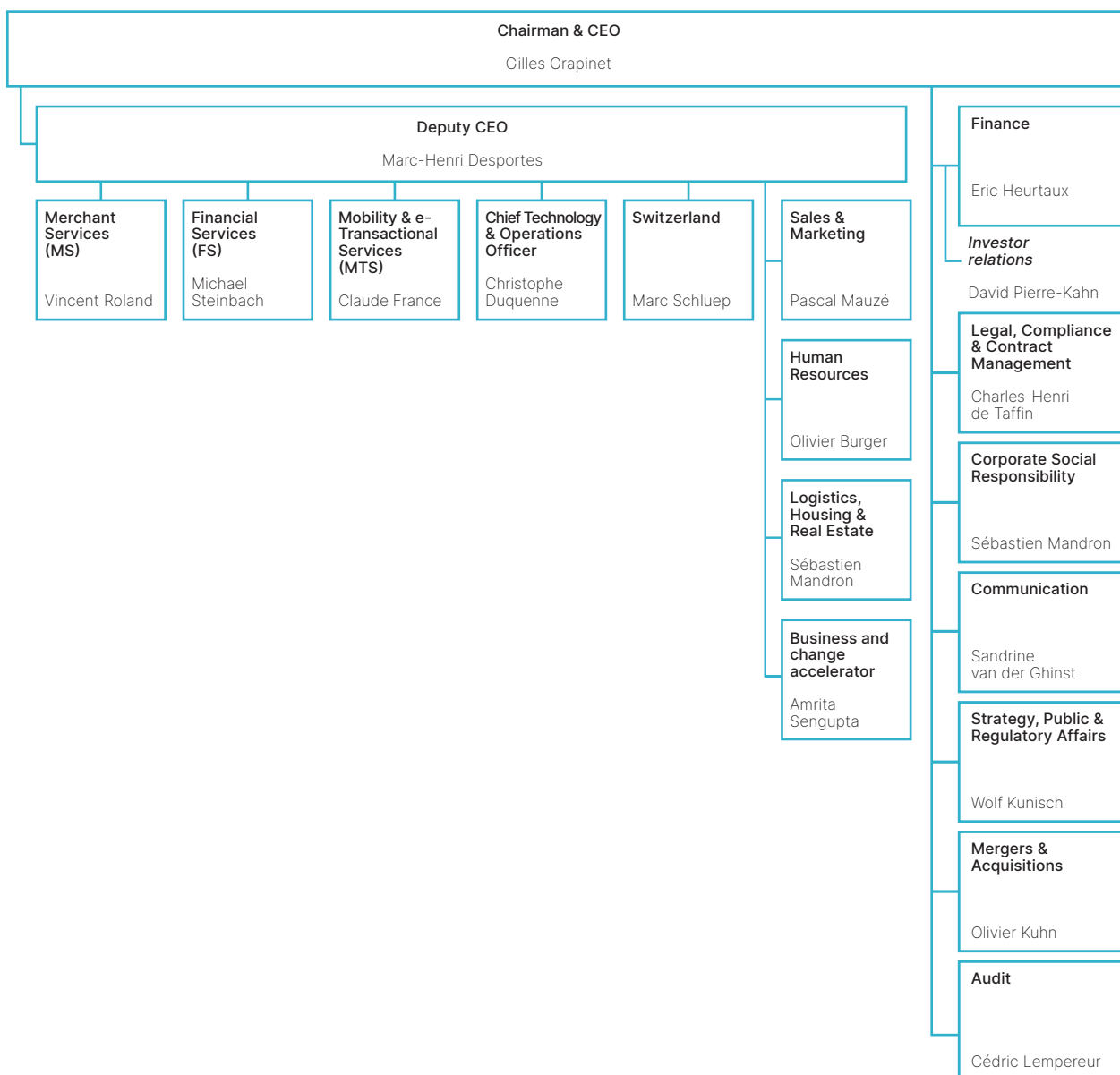
The Board of Directors indicated, upon recommendation of the Nomination and Remuneration Committee, that the unification of the functions of Chairman and Chief Executive Officer was expected to be made on a temporary basis as it was contemplated that such functions would be dissociated again in particular in order to facilitate governance discussions in the context of a future strategic partnership expected in the short term. It was decided to monitor closely and regularly this topic in the best interest of the Company in particular depending on the strategic opportunities' status.

Indeed, in the context of the contemplated acquisition of Ingenico Group by Worldline announced on February 3, 2020, it has been agreed that the functions of Chairman and the functions of Chief Executive Officer be separated with Mr. Bernard Bourigeaud (current Chairman of the Board of Directors of Ingenico) expected to take over the position of non-executive Chairman of the Board of Directors of Worldline at closing while Mr. Gilles Grapinet would remain Chief Executive Officer.

In the meantime, and in application of the highest corporate governance standards, given the temporary combination of the functions, the Board of Directors upon recommendation of the Nomination and Remuneration Committee, decided to appoint a Lead independent Director on March 19, 2020.

Mr. Marc-Henri Desportes is the Deputy Chief Executive Officer since August 1, 2018. In his functions, Mr. Marc-Henri Desportes assists the Chief Executive Officer and supervises the operational activities (operations, business lines, sales & marketing, transformation & PMO) as well as the human resources, allowing the Chief Executive Officer to focus on the strategic development of the Company, including new acquisitions and partnerships with banks.

As of April 1, 2020, the management functions are organized as described in the following chart:



The duties of the Chairman of the Board of Directors are, in particular, to supervise the works of the Board of Directors on external growth, the changes in the Company's governance, including with regard to the integration of SIX Payment Services and to facilitate and oversee the Board's works in implementing Worldline's new 3-year strategic plan 2019-2021.

### Senior Executive Officers Succession plan

At least once a year, the Directors hold an informal meeting outside the presence of the Senior Executive Officers during which they discuss the Company's affairs and performance and address, among other subjects, the Senior Executive Officers' succession plan.

Besides, the Nomination and Remuneration Committee and the Board also discussed the succession plan for the Senior Executive Officers in particular on the occasion of the departure of Mr. Thierry Breton and the entry into office of Mr. Gilles Grapinet as Chairman of the Board of Directors.

### Limits to the powers of the Chief Executive Officer and of the Deputy Chief Executive Officer

The Chief Executive Officer and the Deputy Chief Executive Officer must submit the following decisions to the Board of Directors' prior approval:

- Purchase or sale of shareholdings exceeding €10 million;
- Purchase or sale of assets exceeding €10 million;
- Purchase of assets or shareholdings beyond the Group's usual activities;
- Purchase or sale of real estate assets exceeding €10 million;

- Strategic alliances or partnerships which could have a structural impact for the Group;
- Parental company guarantees exceeding the limit of the delegation granted to the Chief Executive Officer;
- Entry of a third party as a shareholder of a material subsidiary of the Group;
- Financing and borrowing in excess of €10 million; and
- Any material transaction not within the scope of the current activities or the defined strategy (either exceeding €10 million or deemed material to the Group).

## G.2.3 The Board of Directors: composition and organization principles [GRI 102 -5] [GRI 102-18] [GRI 102-22] [GRI 102-23]

### G.2.3.1 Composition of the Board of Directors

#### Evolution of the composition of the Board of Directors and its Committees

As from January 1, 2019 and up until the date of this Universal Registration Document, the composition of the Board of Directors was modified as a result of the following events:

	Termination	Appointment	Renewal
<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>- Dr. Roméo Lacher (resignation on April 30, 2019).</li> <li>- Ms. Sophie Proust (resignation on April 30, 2019).</li> <li>- Chairmanship and directorship of Mr. Thierry Breton (resignation on October 24, 2019).</li> <li>- Mr. Pierre Barnabé as director (resignation on November 15, 2019).</li> <li>- Ms. Ursula Morgenstern (resignation on March 3, 2020).</li> <li>- Mr. Pierre Barnabé as censor (resignation on March 3, 2020).</li> <li>- Mr. Gilles Arditti (resignation on March 16, 2020).</li> <li>- Mr. Daniel Schmucki as censor (resignation on March 19, 2019).</li> </ul>	<ul style="list-style-type: none"> <li>- Ms. Mette Kamsvåg and Mr. Georges Pauget as independent Directors on April 30, 2019 for mandates of a 3-year term.</li> <li>- Mr. Lorenz von Habsburg Lothringen as Director on April 30, 2019 for mandate of a 2-year term (upon proposal of SIX Group AG) to replace Dr. Romeo Lacher.</li> <li>- Ms. Marie-Christine Lebert as Director representing the employees on May 17, 2019 for a mandate of 3-year term.</li> <li>- Mr. Gilles Grapinet as Chairman of the Board of Directors on October 24, 2019.</li> <li>- Mr. Pierre Barnabé as director on October 24, 2019 (upon proposal of Atos SE) for a mandate expiring at the end of the 2020 Annual General Meeting to replace Mr. Thierry Breton (subject to ratification by the 2020 Annual General Meeting).</li> <li>- Mr. Pierre Barnabé as censor on November 15, 2019 (upon proposal of Atos SE) for mandate of a 1-year term (subject to ratification by the 2020 Annual General Meeting).</li> <li>- Mr. Daniel Schmucki as director on March 19, 2020 for a mandate expiring at the end of the 2021 General Meeting to replace Ms. Ursula Morgenstern (subject to ratification by the 2020 Annual general Meeting).</li> <li>- Mr. Gilles Arditti as censor on March 19, 2020 for a mandate expiring at the earliest of (i) closing of the acquisition of a controlling stake in Ingenico or (ii) the end of the 2021 General Meeting (subject to ratification by the 2020 General Meeting).</li> <li>- Mr. Jos Dijsselhof as censor on March 19, 2020 for a mandate expiring at the end of the 2021 General Meeting (subject to ratification by the 2020 General Meeting).</li> </ul>	<ul style="list-style-type: none"> <li>- Ms. Ursula Morgenstern as Director on April 30, 2019 for mandate of a 2-year term.</li> <li>- Mr. Luc Rémont and Ms. Susan M. Tolson as Directors on April 30, 2019 for mandates of a 3-year term.</li> </ul>

	Termination	Appointment	Renewal
<b>Audit Committee</b>	- Mr. Gilles Arditti (resignation on March 16, 2020).	- Ms. Mette Kamsvåg on April 30, 2019, for the duration of her office as Director. - Mr. Daniel Schmucki on March 19, 2020 for the duration of his office as Director.	- Mr. Luc Rémont and Ms. Susan M. Tolson on April 30, 2019 for the duration of their office as Directors.
<b>Nomination and Remuneration Committee</b>	- Chairmanship of Dr. Roméo Lacher (on April 30, 2019). - Mr. Aldo Cardoso as member (on April 30, 2019). - Chairmanship of Mr. Thierry Breton (on October 24, 2019). - Mr. Gilles Arditti as member (on March 16, 2020).	- Mr. Thierry Breton (as Chairman) on April 30, 2019, for the duration of his office as Director. - Ms. Danielle Lagarde on April 30, 2019, for the duration of her office as Director. - Mr. Lorenz von Habsburg Lothringen on April 30, 2019, for the duration of his office as Director. - Mr. Lorenz von Habsburg Lothringen (as Chairman) on October 24, 2019, for the duration of his office as Director. - Mr. Gilles Arditti on November 17, 2019, for the duration of his office as Director.	- Mr. Luc Rémont and Ms. Susan M. Tolson on April 30, 2019 for the duration of their office as Directors.
<b>Investment Committee<sup>1</sup></b>	- Vice-Chairmanship of Dr. Roméo Lacher (on April 30, 2019). - Chairmanship of Mr. Thierry Breton (on October 24, 2019). - Vice-chairmanship of Mr. Lorenz von Habsburg Lothringen (on October 24, 2019).	- Mr. Lorenz von Habsburg Lothringen (as Vice-Chairman) on April 30, 2019, for the duration of his office as Director. - Mr. Gilles Arditti (as Chairman) on October 24, 2019, for the duration of his office as Director.	None
<b>Strategy and Innovation Committee<sup>1</sup></b>	- Co-Chairmanship of Dr. Romeo Lacher (on April 30, 2019). - Co-Chairmanship of Mr. Thierry Breton and Mr. Lorenz von Habsburg Lothringen (on October 24, 2019).	- Mr. Lorenz von Habsburg Lothringen (as Co-Chairman) on April 30, 2019, for the duration of his office as Director. - Mr. Gilles Arditti (as Chairman) on October 24, 2019, for the duration of his office as Director.	- Mr. Luc Rémont on April 30, 2019 for the duration of his office as Director.
<b>Strategy and Investment Committee<sup>1</sup></b>	- Chairmanship and membership of Mr. Gilles Arditti (on March 16, 2020).	- Mr. Gilles Arditti (as Chairman) and Mr. Gilles Grapinet, Mr. Luc Rémont, Mr. Aldo Cardoso, Mr. Lorenz von Habsburg Lothringen and Ms. Giulia Fitzpatrick on December 18, 2019 for the duration of their office as Directors. - Mr. Daniel Schmucki (as Chairman) on March 19, 2020 for the duration of his office as Director.	None
<b>Social and Environmental Responsibility Committee</b>	None (Committee created by the Board of Directors on December 18, 2019)	- Ms. Danielle Lagarde (as Chairman) and Ms. Mette Kamsvåg, Ms. Marie-Christine Lebert, Ms. Giulia Fitzpatrick and Mr. Gilles Grapinet on December 18, 2019 for the duration of their office as Directors.	None

<sup>1</sup> The Board of Directors held on December 18, 2019 approved the merger of the Investment Committee and the Strategy and Innovation Committee within a single Committee: the Strategy and Investment Committee.

## Composition of the Board of Directors

As at the date of this Universal Registration Document, the Board of Directors is composed of eleven members (including one Director representing the employees)<sup>1</sup>, six of the Directors were qualified by the Board of Directors as independent Directors pursuant to the criteria set forth in the AFEP-MEDEF Code, five other as non-independent Directors (including the Chairman and the Director representing the employees)<sup>2</sup> plus two censors and a representative of the Social and Economic Committee.

	Personal information				Experience			Position on the Board			
	Name	Age	Gender	Nationality	Number of shares held	Number of corporate mandates in other listed companies	Independency <sup>1</sup>	Date of first appointment	End of term of office	Seniority at the Board as Director	Committee member
Chairman and Chief Executive Officer	Gilles Grapinet <sup>2</sup>	56	M	French	114,726	0	No	April 30, 2014	AGM 2020	5	SER/SI
	Aldo Cardoso <sup>2</sup>	64	M	French	1,500	4	Yes	June 13, 2014	AGM 2020	5	A*/SI
	Giulia Fitzpatrick <sup>2</sup>	60	F	American; Italian	750	0	No	November 30, 2018	AGM 2020	1	A/SER/SI
	Lorenz von Habsburg Lothringen	64	M	Austrian; Belgian	750	0	No	April 30, 2019	AGM 2021	Less than a year	N&R/SI
	Mette Kamsvåg	49	F	Norwegian	1,000	0	Yes	April 30, 2019	AGM 2022	Less than a year	A/SER
Directors	Danielle Lagarde	59	F	French	2,740	0	Yes	December 12, 2016	AGM 2021	3	N&R/SER*
	Georges Pauget <sup>5</sup>	72	M	French	750	2	Yes	April 30, 2019	AGM 2022	Less than a year	
	Luc Rémont	50	M	French	1,500	1	Yes	June 13, 2014	AGM 2022	5	A/N&R/SI
	Daniel Schmucki <sup>3</sup>	51	M	Swiss	0 <sup>4</sup>	0	No	March 19, 2020	AGM 2021	Less than a year	A/SI*
	Susan M. Tolson	58	F	American	1,500	3	Yes	June 13, 2014	AGM 2022	5	A/N&R
Director representing the employees	Marie-Christine Lebert	57	F	French	N/A <sup>4</sup>	0	No	May 17, 2019	AGM 2022	Less than a year	SER
Censors	Gilles Arditti <sup>3</sup>	64	M	French	N/A <sup>4</sup>	0	N/A	March 19, 2020	Earliest of (i) closing of acquisition of the control of Ingenico or (ii) AGM 2021	N/A	
	Jos Dijsselhof <sup>3</sup>	54	M	Dutch	N/A <sup>4</sup>	0	N/A	March 19, 2020	AGM 2021	N/A	

Julie Noir de Chazournes, representative of the Social and Economic Committee, also attends the meetings of the Board of Directors, without voting rights.

AGM: Annual General Meeting; N&R: Nomination and Remuneration Committee; A: Audit Committee; SI: Strategy & Investment Committee; SER: Social and Environmental Responsibility Committee.

\* Chairman

<sup>1</sup> The analysis of the independence of each Director is set forth under section G.2.3.3.

<sup>2</sup> The renewal of the term of office of this member of the Board of Directors is proposed to the 2020 Annual General Meeting.

<sup>3</sup> The ratification of the interim appointment of this member of the Board of Directors is proposed to the 2020 Annual General Meeting.

<sup>4</sup> In accordance with the Internal Rules of the Board of Directors' provisions, the newly appointed directors are required to own Worldline's shares but such a requirement does not apply to the director representing the employees nor the censors. He/she has six months following his/her first appointment to become compliant with this requirement.

<sup>5</sup> Lead independent Director

<sup>1</sup> In accordance with the law n°2019-486 dated May 22, 2019 ("Loi Pacte"), the 2020 Annual General Meeting will decide on an amendment of the bylaws regarding the designation of a second director representing the employees.

<sup>2</sup> According to the AFEP-MEDEF Code recommendations, Directors representing the employees are not taken into account when determining the percentage of independent Directors.



As agreed in the context of the contemplated acquisition of Ingenico, announced on February 3, 2020, and subject to the closing of the transaction, the governance of the Company is expected to be adjusted so as to reflect the new shareholding structure.

Indeed, Mr. Gilles Grapinet would remain the Chief Executive Officer of Worldline while Mr. Bernard Bourigeaud, current Chairman of the Board of Directors of Ingenico, would become the non-executive Chairman of the Board of Directors.

In the context of the agreements entered into regarding the acquisition of Ingenico in particular a letter-agreement dated February 2, 2020 related to SIX Group AG's stake in Worldline (the "**SIX Agreement**")<sup>1</sup>, it was agreed that a third director representing SIX Group be appointed to the Board of Directors at closing of the transaction in order to reflect his status as the first shareholder which has publicly announced its support to the transaction and after having publicly reaffirmed the strategic dimension of its participation in the Company, of which he is positioned as a medium to long term shareholder.

However, taking into account in particular:

- The recent reduction by Atos of its level of shareholding within Worldline to a level below 4% of the share capital;
- The fact that SIX Group AG is the main shareholder of Worldline and has reaffirmed in particular that Worldline is a highly strategic investment for SIX Group AG which intends to remain a medium to long-term shareholder;
- The fact that SIX Group AG announced its intent to commit later in 2020, subject to decisions of its governance bodies, to new lock-up, in respect of Worldline shares that it will hold until end of H1 2021, as evidence of its full support to the contemplated strategic transaction with Ingenico and consistent with its position as medium to long-term reference shareholder of the combined group,

the Board of Directors of Worldline decided on March 19, 2020, upon SIX Group AG's proposal and recommendation of the Nomination and Remuneration Committee, to anticipate the appointment of the third Board member expected to be

appointed upon proposition of SIX Group AG by coopting Mr. Daniel Schmucki as a replacement for Ms. Ursula Morgenstern (director appointed upon proposal of Atos SE having resigned), without any condition regarding the closing of the Tender Offer (provided however that SIX Group AG owns more than 15% of the voting rights in Worldline) and approved consequently to amend the SIX Agreement accordingly to reflect such adjustment that the parties still need to finalize. It is reminded that Mr. Schmucki's appointment as director will be submitted to validation by the 2020 Annual General Meeting.

Accordingly, as from the acquisition of Ingenico as contemplated and subject to the vote of the shareholders during the 2020 Annual General Meeting, the Board of Directors would be enlarged to 18 members, out of which 11 independent Directors, including in particular:

- The current members of the Board of Directors of Worldline;
- 6 members of Ingenico amongst which:
  - Mr. Bernard Bourigeaud, current chairman of the board of directors of Ingenico,
  - 1 director representing Bpifrance reflecting its public support to the transaction and their intent to become a long-term reference shareholder of the Company,
  - 1 director representing Deutscher SparkassenVerlag GmbH ("DSV") to embody the strong partnership with the combined group,
  - 3 other independent directors;
- Mr. Gilles Arditti, current censor.

The corresponding resolutions will be published in the *Bulletin des Annonces Légales Obligatoires* (official legal gazette for listed companies) in a notice of meeting which will be followed by a convening notice. These notices, together with the personal information on proposed candidates will be available on Worldline's website ("Investors section") as required by applicable laws and regulations.

<sup>1</sup> The SIX Agreement has been authorized by the Board of Directors on February 2, 2020 and will be submitted to the approval of the 2020 Annual General Meeting.



## Directors' biographies

## Gilles Grapinet

Member of the Strategy and Investment Committee

Member of the Social and Environmental Responsibility Committee

**Professional address:**  
River Ouest – 80 quai  
Voltaire 95870 Bezons,  
France

**Number of shares:**  
114,726

**Date of birth (and age):**  
July 3, 1963 (56 years old)

**Nationality:** French

**Date of appointment:**  
April 30, 2014

**Date of renewal:**  
May 24, 2017

**Term expires on:** 2020  
AGM ruling on the  
accounts of the 2019  
financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Chairman and Chief Executive Officer of Worldline\*\***

Gilles Grapinet is a graduate of the *École Nationale d'Administration* and a French *Inspecteur Général des Finances* (General Finance Inspector). He was Director of Information Systems and Strategy at the French *Direction Générale des Impôts* (Tax department), and Director of the Copernic program, charged with creating an "e-Tax department" for electronic filing of tax returns and payment of taxes. He was an economic and financial adviser to the French Prime Minister in 2003 and 2004, and then chief of staff (*Directeur de cabinet*) to two ministers of the Economy and Finances from 2004 to 2007. In 2007, he became a member of the Executive Committee of *Crédit Agricole SA*, in charge of Strategy and later of the Group's Systems and Payment Services division. Mr. Grapinet joined Atos in December 2008. He served as Senior Executive Vice-President in charge of Global Functions of the Atos group, in which capacity he has headed Global Support Functions, ensured coordination and development of Global Sales and Marketing as well as of the Consulting and Technology Services division of the Atos group, and supervised development of the Group's activities. Mr. Grapinet has been Worldline's Chief Executive Officer since July 2013 and also Chairman of the Board of Directors of Worldline since October 2019. He received the French *Légion d'Honneur* (*Chevalier*) in 2011.

**Main activities outside the Company (beside corporate mandates)**

- Member of the Board of *Energie Jeunes* (Association recognized as a public utility – unpaid activity)

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held at December 31, 2019****Within the Worldline Group**

Foreign countries:

- Chairman of the Supervisory Board of equens Worldline SE
- Member of Supervisory Board of Worldline (China)

**Outside the Worldline Group**

None

**Other positions and offices held during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

France:

- Permanent representative of Atos SE\*\* at the Board of Directors of Atos Participation 2 SA
- Director of Saint Louis Ré SA and Bull SA

\*\* Listed company.

## Aldo Cardoso\*

Chairman of the Audit Committee

Member of the Strategy and Investment Committee

**Professional address:**  
River Ouest – 80 quai  
Voltaire 95870 Bezons,  
France

**Number of shares:** 1,500

**Date of birth (and age):**  
March 7, 1956  
(64 years old)

**Nationality:** French

**Date of appointment:**  
June 13, 2014

**Date of renewal:**  
May 24, 2017

**Term expires on:** 2020  
AGM ruling on the  
accounts of the 2019  
financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Director of companies**

Aldo Cardoso is a graduate of the *École Supérieure de Commerce de Paris* and holds a Master's degree in business Law and is a Certified Public Accountant. From 1979 to 2003, he held several successive positions at Arthur Andersen, including consultant, partner (1989), Chief Executive Officer audit and financial advisory France (1993-1996), member of the Board of Directors of Andersen Worldwide (1996), Chairman of the Board of Directors (non-executive) of Andersen Worldwide (2000) and Chief Executive Officer of Andersen Worldwide (2002-2003). Since 2003, he has served as a Director of French and foreign companies.

**Main activities outside the Company (beside corporate mandates)**

None

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held at December 31, 2019****Within the Worldline Group**

None

**Outside the Worldline Group**

France:

- Director of Imerys\*\*
- Chairman of the Board of Bureau Veritas\*\*

Foreign countries:

- Director of DWS\*\* (Germany)
- Chairman of the Board of Directors of SMEG (Monaco)
- Director of Ontex\*\* (Belgium)

**Other positions and offices held during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

- Director of Engie\*\*
- Censor of Axa Investment Managers (France)
- Director of Accor\*\*
- Director of Gecina\*\*
- Director of Rhodia\*\*
- Director of Mobistar (Belgium)\*\*
- Director of General Electric Corporate Finance Bank SAS

\* Independent Director.

\*\* Listed company.

## Giulia Fitzpatrick

Member of the Audit Committee	<b>BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE</b>	
Member of the Strategy and Investment Committee	<b>Financial Services Expert</b>	
Member of the Social and Environmental Responsibility Committee	Ms. Giulia Fitzpatrick has worked for global financial services and agricultural firms for over 30 years. After holding various managerial positions at Merrill Lynch from 2000 to 2008, she joined Bunge Ltd, one of the largest provider in agricultural commodities, until 2011. Then, she served at UBS AG as Managing Director in Global Technology until 2018. Ms. Giulia Fitzpatrick has non-executive Director experience on non-profit boards. She holds a MBA in Finance and a MA in International Studies from the Wharton School and University of Pennsylvania, respectively.	
Professional address: Räspweg 11 – CH-8126 Zumikon, Switzerland	<b>Main activities outside the Company (beside corporate mandates)</b>	
Number of shares: 750	Cofounder of Zetamind AS (Switzerland)	
Date of birth (and age): December 29, 1959 (60 years old)	<b>LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES</b>	
Nationality: Italian and American	<b>Other positions and offices held at December 31, 2019</b>	<b>Other positions and offices held during the last five years</b>
Date of appointment: November 30, 2018	<b>Within the Worldline Group</b> None	<b>Within the Worldline Group</b> None
Date of renewal: N.A.	<b>Outside the Worldline Group</b> Foreign countries <sup>1</sup> : • Director of PostFinance AG	<b>Outside the Worldline Group</b> Foreign countries: • Managing Director in Global Technology of UBS AG (2011-2018)
Term expires on: 2020 AGM ruling on the accounts of the 2019 financial year		

<sup>1</sup> On March 2020, Mrs. Giulia Fitzpatrick informed the Nomination and Remuneration Committee of her intention to accept a mandate as non-executive board member of Quinted Private Bank (Switzerland) SA (formerly Bank am Bellevue).

## Lorenz von Habsburg Lothringen

**Chairman of the  
Nomination and  
Remuneration  
Committee**

**Member of the Strategy  
and Investment  
Committee**

**Professional address:**  
Gérance E. Gutzwiller &  
Cie, Banquiers,  
Kaufhausgasse 7 – 4051  
Basel Switzerland

**Number of shares:** 750

**Date of birth (and age):**  
December 16, 1955  
(64 years old)

**Nationality:** Belgian  
Austrian

**Date of appointment:**  
April 30, 2019

**Date of renewal:** N/A

**Term expires on:** 2021  
AGM ruling on the  
accounts of the 2020  
financial year

### BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

#### Partner of E. Gutzwiller & Cie, Bankers, Basel

Lorenz von Habsburg Lothringen holds a Master in Economics and Politics from the University of Innsbruck (Austria). Lorenz von Habsburg Lothringen joined the bank E. Gutzwiller & Cie, Bankers in 1983, where he held the positions of proxyholder, director and, since 1990, Partner. Successively Advisor of the Chief Executive of SWIFT SC Brussels, of the Board of Cobepa SA and of the general management of the bank BNP Paribas, Lorenz von Habsburg Lothringen has a solid experience in the banking and financial sectors.

#### Main activities outside the Company (beside corporate mandates)

- Partner of the bank E. Gutzwiller & Cie, Bankers, Basel

### LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

#### Other positions and offices held at December 31, 2019

**Within the Worldline Group**  
None

#### Outside the Worldline Group

Foreign countries:

- Director, SIX Group AG Zurich

#### Other positions and offices held during the last five years

**Within the Worldline Group**  
None

#### Outside the Worldline Group

- Director, Suez Environment\*\*

\*\* Listed Company

## Mette Kamsvåg\*

Member of the Audit Committee

Member of the Social and Environmental Responsibility Committee

**Professional address:**  
Fannesfjordsveien 118,  
6421 Molde, Norway

**Number of shares:** 1,000

**Date of birth (and age):**  
January 17, 1971  
(49 years old)

**Nationality:** Norway

**Date of appointment:**  
April 30, 2019

**Date of renewal:** N/A

**Term expires on:** 2022  
AGM ruling on the  
accounts of the 2021  
financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Advisor at M-K Consulting AS**

Mette Kamsvåg holds a master's in Business and Economics from BI Norwegian School of Management. Mette Kamsvåg has 20 years' experience from IT and payment services and has been a member of the management of BBS and Nets for 15 years with responsibility for sales, products and business development. She was CEO of Nets from 2011 to 2014. Since 2014, she held a seat on the board of several companies and is currently an active board member of Sparebank 1 SMN, Oslo Børs VPS ANS and SIVA AS. She is currently chairing the boards of Maritech Systems AS and Easy2you AS. Ms. Kamsvåg has deep knowledge of the payment services, in particular in connection with Nordic markets.

**Main activities outside the Company (beside corporate mandates)**

- Partner of Novela AS (since July 2016)
- Advisor at M-K Consulting AS (since 2014)

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held at December 31, 2019****Within the Worldline Group**

None

**Outside the Worldline Group**

Foreign countries:

- Director of SIVA AS
- Chairman of WebMed EPJ AS
- Director of SpareBank 1 SMN
- Chairman of the Board of Directors of Maritech Systems AS

**Other positions and offices held during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

Foreign countries:

- Director of Oslo Børs VPS AN
- Chairman of the Board of Director of Easy2you AS
- Director of Novela AS
- Director of Geodata AS
- Director of Eika Forsikring AS
- Director of Helse Vest IKT
- Director of Merit Globe AS
- Director of Teller AS
- Director of eBoks AS
- Chairman of Nets Norway AS
- Chairman of Nets Denmark AS

\* Independent Director.

## Danielle Lagarde\*

**Chairman of the Social and Environmental Responsibility Committee**

**Member of the Nomination and Remuneration Committee**

**Professional address:**  
41, avenue Bosquet  
75007 Paris, France

**Number of shares:** 2,740

**Date of birth (and age):**  
May 3, 1960  
(59 years old)

**Nationality:** French

**Date of appointment:**  
December 12, 2016

**Date of renewal:**  
May 24, 2018

**Term expires on:** 2021  
AGM ruling on the accounts of the 2020 financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Independent Director of Worldline SA\*\***

Danielle Lagarde joined the Atos group in 2005 where she spent more than eleven years and where she served in several different roles. From June 2014 to January 2017, she served as Group Senior Vice President, in charge of Human Resources Executive management. Prior to this role and from 2008 to 2014, she was responsible for the group HR Center of Excellence, in charge of all HR expertise. Prior to Atos group, Danielle Lagarde served as Senior HR Director EMEA for several Service Lines at DELL, CEO France for RSL Com (US Telco company), HRD Europe for Viatel (US Telco), Managing Director at Millesime Human Resources Ltd. based in Hong Kong, and Corporate Communication Manager for a Group of Airlines (EAS Europe Airlines). She also served until March 2019 as Chief Human Resources Officer EMEA at Jones Lang Lasalle. Danielle Lagarde holds a Post Master degree (DESS) in Human Resources (IAE Aix-en-Provence), a Board Member Certification (IFA/Sciences Po Paris) and a "Women on Board" Certification from Harvard Business School.

**Main activities outside the Company (beside corporate mandates)**

None

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held at December 31, 2019**

None

**Other positions and offices held during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

France:

- Chairman of Jones Lang Lasalle holding SAS

\* Independent Director.

\*\* Listed Company.

## Georges Pauget\*

### Lead Director

**Professional address:**  
Rua Almirante Pessanha  
16-2 DT  
1200-022 Lisbon,  
Portugal

**Number of shares:** 750

**Date of birth (and age):**  
June 7, 1947  
(72 years old)

**Nationality:** French

**Date of appointment:**  
April 30, 2019

**Date of renewal:** N/A

**Term expires on:** 2022  
AGM ruling on the  
accounts of the 2021  
financial year

### BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

#### Managing Director of ALMITAGE16.LDA (Portugal)

Georges Pauget has extensive experience in finance and banking, having spent most of his career with the Crédit Agricole group where he was Chief Executive Officer from September 2005 to March 2010. As Lead Director of Valeo and Chairman of the Compensation Committee and the Governance, Appointments & Corporate Social Responsibility Committee, he has also acquired considerable experience in the corporate governance of listed companies. He served as Chairman of the Board of Directors of LCL – Le Crédit Lyonnais, and Chairman of the Board of Directors of Calyon until March 2010. He was also Chairman of the Board of Directors of Viel & Cie until March 14, 2012. He was previously Scientific Director of the Chair of Asset Management and Adjunct Professor at Université de Paris Dauphine, lecturer at Institut d'études politiques de Paris (IEP) and Visiting Professor at the University of Beijing until 2015. He also served as Chairman of Economie Finance et Stratégie SAS. Georges Pauget is a Doctor of Economic Sciences. He is a French citizen and speaks French, English, Spanish and Italian.

#### Main activities outside the Company (beside corporate mandates)

- Managing Director of ALMITAGE 16.LDA (Portugal) and Director of several companies
- Managing Director of Almisanto LDA
- Honorary Chairman, LCL – Le Crédit Lyonnais

### LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

#### Other positions and offices held at December 31, 2019

##### Within the Worldline Group

None

##### Outside the Worldline Group

France:

- Director and Member of the Strategy Committee, Valeo\*\*
- Chairman of the Audit and Risks Committee, Club Med
- Member of the Supervisory Board, Member of the Remuneration and Governance Committee, Member of the Audit Committee, Eurazeo\*\*

#### Other positions and offices held during the last five years

##### Within the Worldline Group

None

##### Outside the Worldline Group

France:

- Chairman, Economie Finance et Stratégie SAS
  - Director, Tikehau\*\*
  - Referent Director, Valeo\*\*
- Foreign countries:
- Director, Dalenys\*\*

\* Independent Director.

\*\* Listed company.

## Luc Rémont\*

Member of the Audit Committee

Member of the Nomination and Remuneration Committee

Member of the Strategy & Investment Committee

**Professional address:**  
35 rue Joseph Monier  
92500 Rueil-Malmaison,  
France

**Number of shares:** 1,500

**Date of birth (and age):**  
September 7, 1969  
(50 years old)

**Nationality:** French

**Date of appointment:**  
June 13, 2014

**Date of renewal:**  
April 30, 2019

**Term expires on:** 2022  
AGM ruling on the  
accounts of the 2021  
financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Executive Vice President, International Operations, Schneider Electric\*\***

Luc Rémont graduated from *École Polytechnique* and *École Nationale Supérieure des Techniques Avancées* (Ensta) and started his career in 1993 as an engineer at the French Ministry of Defense. From 1996 to 2007, he held several positions at the French Ministry of Economy, Finance and Industry. Initially, he was responsible for the French Treasury's relations with international development banks (including the World Bank and EBRD) before representing the French State's shareholding interests in transportation companies. From 2002 to 2007, he served as technical advisor and then deputy chief of staff of the Minister of Finance. In 2007, he joined Merrill Lynch Investment Banking and then he was head of Bank of America Merrill Lynch Corporate and Investment Banking for France beginning from 2009 to 2014. In April 2014, he then joined Schneider Electric, where he served as President of Schneider Electric France between July 2014 and April 2017. Since then, he holds the position of Executive Vice President International Operations at Schneider Electric.

**Main activities outside the Company (beside corporate mandates)**

- Executive Vice President, International Operations, Schneider Electric\*\*

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held at December 31, 2019****Within the Worldline Group**

None

**Outside the Worldline Group**

France:

- Director of Naval Group

**Other positions and offices held during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

- CEO of Schneider Electric France

\* Independent Director.

\*\* Listed company.



## Daniel Schmucki

Chairman of the Strategy and Investment Committee

Member of the Audit Committee

**Professional address:**  
Pfingsteiwaldstrasse 110  
CH-8021 Zurich,  
Switzerland

**Number of shares:** 0<sup>1</sup>

**Date of birth (and age):**  
June 6, 1968  
(51 years old)

**Nationality:** Swiss

**Date of appointment:**  
March 19, 2020

**Date of renewal:** N.A.

**Term expires on:** 2021  
AGM ruling on the  
accounts of the 2020  
financial year

### BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

#### Chief Financial Officer of SIX Group AG

Mr Daniel Schmucki is a member of the Executive Board at SIX Group AG and holds the position as Chief Financial Officer since March 2017. From 1994 to 1999 he has held various positions in finance at Bosch Group in Switzerland and Germany. In 1999 he took on the role of Head Controlling, Treasury and Investor Relation at Flughafen Zürich AG, which he held for nine years. In 2008 he was promoted to Chief Financial Officer and Managing Director Global Airport Operations and was since then also a member of the Executive Management. Mr. Daniel Schmucki is also Member of the Board of Directors at Flaschenpost Services AG. He holds a qualification as Chartered Accountant.

#### Main activities outside the Company (beside corporate mandates)

None

### LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

#### Other positions and offices held at December 31, 2019

##### Within the Worldline Group

None

##### Outside the Worldline Group

Foreign countries:

- Chairman of the Board of Directors of SIX Global Services AG
- Director:
  - Swiskey AG
  - SIX Group Services AG
  - SIX SIS AG
  - SIX x-clear AG
  - SIX Securities Services AG
  - SIX Repo AG
  - SIX Swiss Exchange AG
  - Flaschenpost Services AG

#### Other positions and offices held during the last five years

##### Within the Worldline Group

None

##### Outside the Worldline Group

Foreign countries:

- Director:
  - Aeroporto do Belo Horizonte
  - Bangalore International Airport
  - Zurich Airport Latin America
  - Piavita AG
- Chairman of the Board of Directors of Zurich Airport International AG
- Deputy Chief Executive Officer and Chief Financial Officer of Flughafen Zurich AG\*\*

\*\* Listed company.

<sup>1</sup> In accordance with the Internal Rules of the Board of Directors' provisions, the newly appointed directors are required to own Worldline's shares but such a requirement does not apply to the director representing the employees. He/she has six months following his/her appointment to become compliant with this requirement.

The ratification of the interim appointment of Mr. Daniel Schmucki as Director is proposed to the 2020 Annual General Meeting.

## Susan M. Tolson\*

Member of the Audit Committee

Member of the Nomination and Remuneration Committee

**Professional address:**  
2344 Massachusetts Avenue NW Washington DC – 20007 United States

**Number of shares:** 1,500

**Date of birth (and age):**  
March 7, 1962  
(58 years old)

**Nationality:** American

**Date of appointment:**  
June 13, 2014

**Date of renewal:**  
April 30, 2019

**Term expires on:** 2022  
AGM ruling on the accounts of the 2021 financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Board member for corporations and non-profit entities**

Susan M. Tolson graduated cum laude from Smith College in 1984 with a BA in economics and earned an MBA degree from Harvard Business School in 1988. Ms. Tolson started her career as a corporate finance analyst at Prudential-Bache Securities in 1984, and then joined Aetna Investment Management company in 1988 as an Investment Officer, managing private equity investments in media and entertainment companies. From April 1990 to June 2010, Ms. Tolson worked at Capital Research company (Capital Research), a subsidiary of The Capital Group Companies, Inc., one of the world's largest investment management organizations, successively as an analyst, portfolio manager and then Senior Vice-President, specializing in the high-yield bond market. Ms. Tolson has been an active board member for several corporations and non-profit entities since 2010.

**Main activities outside the Company (beside corporate mandates)**

- Member of the Los Angeles World Affairs Council, the Paley Center for Media and the Los Angeles Society of Financial Analysts

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held at December 31, 2019****Within the Worldline Group**

None

**Outside the Worldline Group**

France:

- Director of Lagardère group\*\*

Foreign countries

- Director of Take-Two Interactive Software\*\*
- Director of Outfront Media\*\*

**Other positions and offices held during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

- Director of American Cinémathèque
- Advisory Board member of Terra Alpha Investments LLC.
- Director of American Media, Inc.
- Board member of the American University of Paris
- Honorary President of American Friends of the Musée d'Orsay

\* Independent Director.

\*\* Listed company.

## Marie-Christine Lebert

Director representing the employees

Member of the Social and Environmental Responsibility Committee

**Professional address:**  
19 rue de la Vallée  
Maillard 41000 Blois,  
France

**Number of shares:** N/A<sup>1</sup>

**Date of birth (and age):**  
January 28, 1963  
(57 years old)

**Nationality:** French

**Date of appointment:**  
May 17, 2019

**Date of renewal:** N/A

**Term expires on:** 2022  
AGM ruling on the  
accounts of the 2021  
financial year

### BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

#### Project Leader – Worldline SA

Marie-Christine Lebert joined Atos as Programmer analyst in 1986, in the payment sector. Marie-Christine Lebert has acted as international Project Leader, with over 20 years of experience in project and application portfolio management in payment area as well as team management. From 2000, Marie-Christine Lebert has engaged herself in employee representation having high level of responsibilities as successively chair and treasurer of local and national Works Councils. From 2001 to 2017, Marie-Christine Lebert assumed the highest function vice-secretary and secretary of the European Works Council of Atos group, after having initiated and taken part to the prior negotiations to the establishment of this European social dialog. All these roles have given her a deep knowledge of French and European Social Dialog, and a solid understanding of the Group economy, businesses, industrial sectors, organizations, jobs and conditions, technological environments and human aspects. Marie-Christine Lebert gained her first experience in the Atos group Board of Directors. In particular, she took over the responsibility of the Vice Chair of the CSR Committee.

#### Main activities outside the Company (beside corporate mandates)

None

### LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

#### Other positions and offices held at December 31, 2019

##### Within the Worldline Group

None

##### Outside the Worldline Group

None

#### Other positions and offices held during the last five years

##### Within the Worldline Group

None

##### Outside the Worldline Group

None

<sup>1</sup> The directors representing the employees are exempt from the obligation to own shares of the Company.

## Gilles Arditti

Censor

**Professional address:**  
River Ouest - 80 quai  
Voltaire 95870 Bezons,  
France

**Number of shares:** N/A<sup>1</sup>

**Date of birth (and age):**  
November 24, 1955  
(64 years old)

**Nationality:** French

**Date of appointment:**  
March 19, 2020

**Date of renewal:** N/A

**Term expires on:** Earliest  
of (i) closing of the  
acquisition of the control  
of Ingenico or (ii) 2021  
AGM ruling on the  
accounts of the 2020  
financial year

## BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

**Executive Vice President, Investor Relations & Internal Audit of Atos SE\*\***

Gilles Arditti holds a master in finance from the Université de Dauphine and a master in international finance from the *École des Hautes Études de Commerce* (HEC) in Paris. He also holds an engineering degree from the *École Nationale Supérieure des Techniques Industrielles et des Mines d'Alès* (ENSTIMA), Certified Public Accountant. After six years at Bull and four at KPMG, he joined Atos Group in 1990, where he was, successively, Director of Mergers and Acquisitions, Director of Finance and Human Resources for Atos in France, and CFO for France, Germany and Central Europe. In 2007, Mr. Arditti became head of Investor Relations and Financial Communication for the Atos Group, a position he still holds. Mr. Arditti was a member of the Board of Directors of Worldline Germany from 1993 to 2006. Since the beginning of 2019, he is in charge of the Internal Audit of Atos.

**Main activities outside the Company (beside corporate mandates)**

- Executive Vice President, Investor Relations & Internal Audit of Atos SE\*\*

## LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

**Other positions and offices held  
at December 31, 2019****Within the Worldline Group**

None

**Outside the Worldline Group**

None

**Other positions and offices held  
during the last five years****Within the Worldline Group**

None

**Outside the Worldline Group**

None

\*\* Listed Company

<sup>1</sup> In accordance with the Internal Rules of the Board of Directors' provisions, the newly appointed directors are required to own Worldline's shares but such a requirement does not apply to the director representing the employees nor to the censors.

Initially appointed upon proposal of Atos SE in 2014, the ratification of the interim appointment of Mr. Gilles Arditti henceforth on his own name as Censor of the Board and as Director, subject to the closing of the acquisition of the control of Ingenico, is proposed to the 2020 Annual General Meeting.

## Jos Dijsselhof

**Censor**

**Professional address:**  
SIX Group AG  
Pfingstweidstrasse 110,  
8021 Zürich

**Number of shares:** N/A<sup>1</sup>

**Date of birth (and age):**  
October 4, 1965  
(54 years old)

**Nationality:** Dutch

**Date of appointment:**  
March 19, 2020

**Date of renewal:** N/A

**Term expires on:** 2021  
AGM ruling on the  
accounts of the 2020  
financial year

### BIOGRAPHY – PROFESSIONAL EXPERIENCE – FIELDS OF EXPERTISE

#### Chief Executive Officer of SIX Group AG

Jos Dijsselhof joined SIX in January 2018 as CEO. He holds degrees in computer science and business administration, and has a long track record in international management in the financial sector. He has previously held positions at ABN Amro Bank, Royal Bank of Scotland and ANZ Australia & New Zealand Banking Group in various countries including Hong Kong and Singapore. His most recent role was Chief Operating Officer (2014–June 2017) and CEO ad interim (2015) at Euronext N.V. in Amsterdam.

#### Main activities outside the Company (beside corporate mandates)

- None

### LIST OF POSITIONS AND OFFICES HELD IN FRENCH AND FOREIGN COMPANIES

#### Other positions and offices held at December 31, 2019

##### Within the Worldline Group

None

##### Outside the Worldline Group

Chief Executive Officer of SIX Group AG

#### Other positions and offices held during the last five years

##### Within the Worldline Group

None

##### Outside the Worldline Group

COO Euronext N.V. Amsterdam a.i., 2014–2017

<sup>1</sup> In accordance with the Internal Rules of the Board of Directors' provisions, the newly appointed directors are required to own Worldline's shares but such a requirement does not apply to the director representing the employees nor to the censors.

The ratification of the interim appointment of Mr. Jos Dijsselhof as Censor is proposed to the 2020 Annual General Meeting.

### G.2.3.2 Diversity Policy at Board level

The Board of Directors held on February 18, 2020 has, upon recommendation of the Nomination and Remuneration Committee, approved the diversity policy applicable at Board level. Considering these objectives, the Board of Directors held on March 19, 2020, upon recommendation of the Nomination and Remuneration Committee, has reviewed the composition of the Board of Directors. In that respect, after carefully analyzing the Board's and Committees' membership with respect to such criteria as age, gender, skills, professional experience, nationality and independence, and in light of the evolution of the Board composition over the past recent years, it set the following objectives<sup>1</sup>:

- (I) **Age of Directors:** Directors' age rank from 49 to 72 with an average of 58 years old. The Board considered that current age average is satisfactory and aims to maintain this level;
- (II) **Gender diversity:** 4 out of the total 10 members of the Board of Directors to be taken into account<sup>2</sup> are women, i.e. 40% of the members, thus observing the threshold of 40% of same-sex Directors set out by law and in line with the target fixed for 2019. The Board of Directors considered that the current ratio is satisfactory and aims at upholding it above the 40% minimum threshold required by law in the view of upcoming renewals and appointments;
- (III) **Diversity of skills and professional experience:** The Board acknowledged that (i) Directors have extensive professional experience in various industries on high profile positions and are serving or have served as Directors or Corporate Officers in other French or non-French companies, some of which are listed on the stock exchange, and that (ii) the diversity of skills is well reflected in the variety of profiles of Board members who have different experiences and trainings: payment services, engineering, banking, finance, education, management skills, etc. Consequently, the Board considered that the current diversity of skills is satisfactory and should be upheld. This is even truer since the recent appointment of Ms. Mette Kamsvåg, Mr. Lorenz von Habsburg Lothringen, Mr. Georges Pauget and Mr. Daniel Schmucki as Directors who brought their extensive experience in banking, finance and payment services sectors, which are key to the Company;
- (IV) **Diversity of nationalities:** Since Ms. Giulia Fitzpatrick is an American and Italian citizen, Ms. Mette Kamsvåg is a Norwegian citizen, Ms. Susan M. Tolson is an American citizen, Mr. Lorenz von Habsburg Lothringen is a Belgian and Austrian citizen, and Mr. Daniel Schmucki is a Swiss citizen, the ratio of foreign directors is 50%. This level of

diversity is in line with the geographical footprint of Worldline and reflects the European leadership of Worldline, especially since the acquisition of SIX Payment Services. The Board therefore considered that the current ratio is satisfactory and aims at upholding it in line with the Group's identity;

- (V) **Directors' independence:** During its meeting of February 18, 2020, the Board of Directors, relying on the preliminary work of the Nomination and Remuneration Committee, assessed the Board members' independence based on the criteria set out by the AFEP-MEDEF Code and considered that 6 out of the total 10 members of the Board of Directors to be taken into account<sup>3</sup> are independent, i.e. 60% of the members (see Section G.2.3.3 Directors' independence), and aims at upholding it above the recommended minimum threshold required in the view of upcoming renewals and appointments in particular in the context of the contemplated acquisition of Ingenico. It is noteworthy that the percentage of independent directors within the Board further increased following the resignation of Ms. Ursula Morgenstern on March 3, 2020, as a consequence of the reduction of Atos' participation in the Company's share capital on February 2020.

In accordance with the "Loi Pacte", a second Director representing the employees within the Board of Directors will have to be designated at the Board of Directors<sup>4</sup> following an amendment to the bylaws to be submitted to the 2020 Annual General Meeting.

Besides, Worldline commits to ensuring collective fairness, equality of treatment between genders and balanced access to managerial positions. More information on gender equality, in particular regarding managerial positions, is available in Section D.3.2.5.1 of this Universal Registration Document.

### G.2.3.3 Director's independence

#### G.2.3.3.1 Definition of an independent Director

The AFEP-MEDEF Code defines as independent, a Director when *"he or she has no relationship of any kind whatsoever with the corporation, its group or the management that may interfere with his or her freedom of judgment"*. The AFEP-MEDEF Code also determines that a certain number of criteria must be reviewed in order to determine the independence of a Director:

**Criterion 1:** The Director shall not be, or shall not have been during the course of the previous five years:

- An employee or Senior Executive Officer of the Company;

<sup>1</sup> Neither the censors nor the Directors representing the employees are considered for the purpose of defining the objectives of the diversity policy.  
<sup>2</sup> As per Article L.225-27-1 of the French Commercial Code, Directors representing the employees are not taken into account when determining the gender diversity ratio.  
<sup>3</sup> As per the AFEP-MEDEF Code recommendations, Directors representing the employees are not taken into account when determining the percentage of independent Directors.  
<sup>4</sup> The "Loi Pacte" has reduced from 12 to 8 the minimum number of Directors within the Board triggering the designation of a second Director representing the employees within the Board of Directors.

- An employee, Senior Executive Officer or a Director of a company consolidated within the Company;
- An employee, Senior Executive Officer or a Director of the Company's parent company or of a company consolidated within this parent company.

**Criterion 2:** The Director shall not be a Senior Executive Officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office during the last five years) is a Director.

**Criterion 3:** The Director shall not be (or be linked directly or indirectly to) a customer, supplier, commercial banker, investment banker or consultant:

- That is significant to the Company or its Group;
- Or for which the Company or its Group represents a significant portion of its activities.

**Criterion 4:** The Director shall not be related by close family ties to a Corporate Officer.

**Criterion 5:** The Director shall not have been an auditor of the Company within the previous five years.

**Criterion 6:** The Director shall not have been a Director of the Company for more than twelve years. The loss of the status of independent Director occurs on the date at which this period of twelve years is reached.

**Criterion 7:** A non-Senior Executive Officer cannot be considered as independent if he is paid a variable compensation related to the performance of the Company or its Group.

**Criterion 8:** Directors representing, or designed upon proposition of, major shareholders of the Company or its parent company may be considered independent, provided these shareholders do not take part in the control of the Company. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board of Directors, upon a report from the Nomination and Remuneration Committee, should systematically review the qualification of a Director as independent in the light of the make-up of the Company's capital and the existence of a potential conflict of interest.

#### Independence criteria relating to the material nature of the relationship with the Company

As recommended by the AFEP-MEDEF Code, as part of the assessment of how significant the relationship with the Company or its Group is, the Board of Directors, during its meeting held on February 18, 2020, on the recommendation of the Nomination and Remuneration Committee, retained (as for the previous year):

- A quantitative criterion, being the consolidated turnover of 1% performed by the Company with a group within which a Worldline Director exercises a function and/or holds a mandate;

- Qualitative criteria, *i.e.*: (i) the duration and continuity of the business relationship (seniority of the relationship or impact of potential contract renewals...), (ii) the importance or intensity of the relationship (potential economic dependency), and (iii) the structure of the relationship (Director free of any interest...).

#### G.2.3.3.2 Review of the Directors' independence

During its meeting of February 18, 2020, the Board of Directors, relying on the preliminary work of the Nomination and Remuneration Committee, assessed the Board members' independence based on the criteria set out by the AFEP-MEDEF Code. In addition, the Board of Directors, during its meeting held on March 19, 2020, assessed Mr. Daniel Schmucki's independence, based on the preliminary work of the Nomination and Remuneration Committee, when taking up his new role as Director. On the basis of this review, the Directors considered as independent were: Mr. Aldo Cardoso, Ms. Mette Kamsvåg, Ms. Danielle Lagarde, Mr. Georges Pauget, Mr. Luc Rémont and Ms. Susan M. Tolson, *i.e.* 60% of the Board members to be taken into account<sup>1</sup>, in conformity with the AFEP-MEDEF Code recommendations.

In particular, the Board, upon recommendation of the Nomination and Remuneration Committee, renewed the qualification of Ms. Danielle Lagarde as independent Director since Atos SE has significantly decreased its participation in Worldline share capital<sup>2</sup> and after noting Ms. Lagarde has again this year shown freedom of judgment enabling her to act and make decisions in complete independence.

The Audit Committee and the Social and Environmental Responsibility Committee are both chaired by an independent Director.

5 out of 11 members of the Board of Directors were not considered to be independent, namely, Mr. Gilles Grapinet due to his office as Company Chief Executive Officer and his temporary office as Chairman of the Board of Directors, Ms. Giulia Fitzpatrick, Mr. Lorenz von Hasburg Lothringen and Mr. Daniel Schmucki due to their appointments as Director by SIX Group AG (in addition to the significance of the business relationships between SIX Group AG and Worldline for Mr. Lorenz von Hasburg Lothringen and Mr. Daniel Schmucki who hold functions at the level of SIX Group AG. Ms. Marie-Christine Lebert, Director representing the employees, was not considered as independent due to her quality as employee of the Company (it being specified that as Director representing the employees, pursuant to the recommendations of the AFEP-MEDEF Code, Ms. Lebert is not taken into account in the calculation of the percentage of independent Directors).

<sup>1</sup> As per the AFEP-MEDEF Code recommendations, Directors representing the employee shareholders and Directors representing the employees are not taken into account when determining the percentage of independent Directors.

<sup>2</sup> As of the date of this Universal Registration Document, Atos SE holds 3.82% of Worldline capital share.

The detailed assessment of the Directors' independence based on the above-mentioned criteria is reproduced in the below table:

Criteria	Gilles Grapinet	Aldo Cardoso	Giulia Fitzpatrick	Lorenz von Habsburg Lothringen	Mette Kamsvåg	Danielle Lagarde	Marie Christine Lebert	Georges Pauget	Luc Rémont	Daniel Schmucki	Susan M. Tolson
<b>Criterion 1:</b> Employee or corporate officer within the past 5 years	✗	✓	✓	✓	✓	✓ <sup>1</sup>	✗	✓	✓	✓	✓
<b>Criterion 2:</b> Cross-directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Criterion 3:</b> Significant business relationships	✓	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
<b>Criterion 4:</b> Family ties	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Criterion 5:</b> Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Criterion 6:</b> Period of office exceeding 12 years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Criterion 7:</b> Status of non-executive officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Criterion 8:</b> Status of the major shareholder	✓ <sup>2</sup>	✓	✗	✗	✓	✓	✓	✓	✓	✗	✓
<b>Independent</b>	✗	✓	✗	✗	✓	✓	✗	✓	✓	✗	✓

In this table, ✓ represents an independence criterion that is satisfied and ✗ represents an independence criterion that is not satisfied.

1 Since the exceptional distribution in kind of 23.5% of Worldline share capital by Atos SE to its shareholders, Atos SE does no longer qualify as parent company. For additional information on the shareholding Atos SE in Worldline, please refer to Section G.5.1.3.

2 Since the completion of the sale of 13,1% stake in Worldline, Atos SE is no longer one of the Company's major shareholders. For additional information, please refer to Section G.5.1.3 regarding the updated shareholding held by Atos SE.

### G.2.3.4 Lead Director

Following its decision to combine temporarily the offices of Chairman of the Board of Directors and Chief Executive Officer, the Board of Directors, in application of the highest corporate governance standards and upon recommendation of the Nomination and Remuneration Committee, decided to appoint a Lead independent Director on March 19, 2020.

As per the Internal Rules of the Board of Directors, the Lead independent Director has, in particular, the following powers and responsibilities:

- Ensure that the Directors are provided with the information necessary to the accomplishment of their tasks;
- Organize, at least twice a year, meetings without the attendance of the Senior Executive Officers being present;
- Review of the meetings' agendas, upon consultation by the Chairman of the Board and/or the Board's Secretary; the Lead Director may request the inclusion of additional items;
- Is consulted, notably by the Chairman of the Nomination and Remuneration Committee, early on in the directors' nomination and renewal process;
- Can ask the Chairman of the Board to convene the Board of Directors to discuss a predetermined agenda;
- Supervise the yearly assessment of the Board and Committees' work and report on the conclusions of such works to the Board of Directors together with the Board's Secretary; and
- Report to the Board of Directors any conflict of interest that he/she has himself/herself identified or that were reported to him/her.

The Lead Director maintains a regular and open dialogue with the Directors, in particular with the independent Directors – for which he can be the spokesperson vis-à-vis the management and the other directors – as well as with the secretary of the Board of Directors. The Lead Director can also hold discussions with the shareholders, in consultation with the Chief Executive Officer, and shall report on it to the Chief Executive Officer and the Board of Directors.



### G.2.3.5 Employee's participation in the Board of Directors

In accordance with article L.225-27-1 of the French Commercial Code, the Works Council of the Company designated Ms. Marie-Christine Lebert as Director representing the employees for a period of three years, on May 17, 2019.

In accordance with the "Loi Pacte", the amendment of the bylaws of the Company will be submitted to the 2020 General Meeting so as to provide for the modalities regarding the designation of a second Director representing the employees.

A representative of the Works Council, Ms. Julie Noir de Chazournes; Mr Thierry Cottrel - substitute), are invited to attend Board of Directors' meetings, without voting rights.

### G.2.3.6 Directors' training

As per the recommendations of the AFEP-MEDEF Code, upon the appointment of a new Director, various training sessions are offered with the main Group executives on the Group's business, organization and governance.

A specific training is also proposed to Directors appointed to the Audit Committee, following their appointment, on the Company's specific accounting, financial or operational features and the Company's governance.

In addition, in her capacity as Director representing the employees, Ms. Marie-Christine Lebert has received specific training in particular in finance and corporate governance. She was provided with the Company's corporate documentation (bylaws, Internal Rules of the Board of Directors, Director's Charter, AFEP-MEDEF Code) and alerted of her obligations arising from stock market regulations applying to Directors of listed companies. Finally, she was informed of training opportunities as provided by law.

A specific training on social and environmental responsibility aspects shall be proposed to Directors in connection with the recent setting up of the Social and Environmental Responsibility Committee.

### G.2.3.7 Shareholding obligations

Pursuant to the Internal Rules of the Board of Directors, each Director (except the Directors representing the employees and the Directors representing employee shareholders), as the case may be, must own at least 750 shares of the Company.

### G.2.3.8 Statement regarding the Board of Directors and senior management

As of the date of this Universal Registration Document, to the Company's knowledge, there are no family relationships among the members of the Company's Board of Directors and senior management.

To the Company's knowledge, over the course of the past five years: (i) none of the above persons has been convicted of fraud; (ii) none of the above persons has been associated with a bankruptcy, receivership or liquidation; (iii) no accusations or official public sanctions have been brought against any of the above persons by statutory or regulatory authorities (including designated professional bodies); and (iv) none of the above persons has been disqualified by a court from acting as a member of the administrative, management or supervisory body of any company, or from being involved in the management or performance of the business of any company.

### G.2.3.9 Potential conflicts of interest and agreements

To the Company's knowledge, and subject to the relationships described in Section E.8 Related Party Transactions, as of the date of this Universal Registration Document, there are no potential conflicts of interest between the duties of the members of the Board of Directors and senior management to the Company and their private interests.

To the Company's knowledge, as of the date of this Universal Registration Document, except the SIX Group AG Agreement (see Section G.1.4), there are no agreements or undertakings of any kind with shareholders, clients, suppliers or others pursuant to which any member of the Company's Board of Directors or senior management has been appointed to such position.

As of the date of this Universal Registration Document, the members of the Board of Directors have not agreed to any restriction on their right to transfer shares of the Company, with the exception of rules relating to the prevention of insider trading and the recommendations of the AFEP-MEDEF Code with respect to the obligation to retain shares. To date, all Directors meet the requirement, contained in the Board of Directors' Internal Rules, of holding at least 750 Company shares each (except the Director representing the employees as per Worldline bylaws and Mr. Schmucki who was appointed on March 19, 2020 and who benefits, as per the Board's Internal Rules, of a 6-month cure period to comply with this requirement).

To the Company's knowledge, there are no service contracts between members of the Company's Board of Directors and any of its subsidiaries, which provides for the granting of benefits.

### G.2.3.10 Board of Directors' Internal Rules

The Board of Directors of the Company has approved its Internal Rules, which were last updated during the Board meeting held on March 19, 2020, setting forth its composition, responsibilities and procedural rules, in addition to those set forth in legislative and regulatory provisions and the Company's bylaws, and to which are annexed the Directors' Charter and the Guide to the Prevention of Insider Trading.

The Internal Rules specify, in particular, rules on composition, operation and role of the Board, remuneration of Directors, assessment of the works of the Board, information of Directors, the role, competence and operating rules of the Board's Committees, the specific missions and prerogatives that can be assigned to a Director and to the Lead Director, and the confidentiality obligations imposed on Directors.

As soon as appointed, a copy of the Internal Rules as well as of the Directors' Charter and the Guide to the Prevention of Insider Trading are, *inter alia*, provided to the Directors who acknowledge the provisions of these documents. Extracts of the Guide to the Prevention of Insider Trading may be found in Section D.4.1.2.1 Worldline's Code of Ethics & policies to prevent risks.

### G.2.3.11 Extracts of the Internal Rules of the Board of Directors

The provisions of the Internal Rules of the Board of Directors cover in particular (i) the reserved matters of the Board of Directors, (ii) the operation of the Board of Directors, (iii) the missions and operation of the Committees and (iv) the assessment of the works of the Board of Directors and are summarized in dedicated sections of this Universal Registration Document. The Internal Rules provide for additional provisions, the main ones of which are listed below.

It is reminded that the complete version of the Internal Rules of the Board of Directors is available on the Company's website.

#### Information supplied to the Directors

The Company shall be required to provide its Directors with any information necessary for the efficient participation in the work of the Board of Directors in such a way as to enable it to carry out their mandate under appropriate conditions. The same shall apply at any time in the life of the Company where the importance or urgency of the information so requires. This permanent information shall include any relevant information, including critical information, concerning the Company and particularly articles in the press and financial analysis reports.

The Board of Directors is informed about market developments, the competitive environment and the most important aspects facing the Company, including in the area of social and environmental responsibility.

A Director may request from the Chairman any complementary information that he or she deems necessary for the full accomplishment of his or her tasks, particularly in view of the agenda of the meetings. Should a Director believe that he or she is not in a position to deliberate in full knowledge of all the facts, he or she has a duty to inform the Board and to demand vital information.

#### Acceptance of new social mandates

The Chief Executive Officer and the Deputy Chief Executive Officer must seek the opinion of the Board of Directors prior to accepting any new social mandate in a French or foreign listed company, outside the Group.

#### Possibility to assign a task to a Director

When the Board of Directors decides to entrust an assignment to one (or more) of its members or to a third party (or parties), it shall establish the principle characteristics of such task.

When the person or persons entrusted with this assignment are members of the Board of Directors, they shall not participate in the voting.

Based on this resolution, the Chairman shall initiate the drafting of a commissioning letter, which shall:

- Define the specific purpose of the assignment;
- Determine the form that the report of the assignment shall take;
- Determine the duration of the assignment;
- Determine, where applicable, the compensation due to the person carrying out the assignment as well as the methods of payment of the amounts due to the interested party; and
- Provide for, where applicable, a maximum limit of reimbursement of travel expenses as well as expenses incurred by the interested party and those related to the carrying out of the assignment.

The Chairman of the Board of Directors shall submit the draft commission letter to the Nomination and Remuneration Committee and to the Lead Director for their opinions.

The report of the assignment shall be communicated by the Chairman of the Board of Directors to the Directors of the Company (and to the censor(s) where any).

#### Related-Party agreements procedure

The Board of Directors has established a process for regularly assessing related-party agreements and, in particular, assessing whether the agreements relating to current operations and concluded on normal terms and conditions, meet those conditions.

In this context, a qualifying Committee composed of the Group Chief Financial Officer, the Group General Counsel and the Director of Internal Audit, has been set up. Such qualifying Committee must review the terms of the related-party agreement and submit them, as the case may be, to the Chairman of the Board of Directors. In the event of a tie, the Committee shall consult the Audit Committee Chairman who has a casting vote.

Information about all the related-party agreements entered into by Worldline are published on Worldline's website no later than the time of their conclusion.

### Compliance with the SIX Group AG Agreement

The Board of Directors shall comply with the terms of the SIX Group AG Agreement.

### Extracts from the Charter of the Worldline Board of Directors

The Directors' Charter of Worldline summarizes the missions and obligations of the members of the Board of Directors. This Charter covers in particular the following points: prohibition to hold a corporate office and an employment contract, company interests, attendance, diligence, loyalty, independence, confidentiality, trading in the Group's shares, conflicts of interests and information of members. The following paragraphs are extracted from the Directors' Charter.

#### Appointment

Before accepting their mandates, each Director must be aware of his or her rights and obligations binding upon him or her. In particular, he or she must acknowledge the applicable laws and regulations applicable to his or her office, the provisions of the Company's bylaws, the Internal Rules of the Board of Directors, the Directors' Charter and the Guide to the Prevention of Insider Trading. Directors must own in their own name at least the number of registered shares required by the rules governing the Company. If they do not own such shares at appointment, they must acquire them within six months of their date of appointment.

#### Directorship and Employment are mutually exclusive

An employee who becomes either Chairman and/or Chief Executive Officer of the Company must undertake to terminate his or her employment contract with the Company (if such employment contract exists), either by contractual termination or by resignation.

#### Defending the interest of the Company

Each Director represents all shareholders and must act at all times in the interest of said shareholders and in the interest of the Company. He or she must warn the Board of Directors of any event brought to his or her attention that he or she deems, could affect the Company's interests.

#### Conflicts of interest

The Director strives to strictly avoid any conflict that may arise between his or her own moral and material interests and those of the Company. Directors must inform the Board of Directors of any actual or potential conflict of interest that they are aware of. He or she must strictly refrain from participating in discussions or decisions on such matters where he or she should be in a situation of a conflict of interest. A conflict of interests arises when a Director or a member of his or her family could personally benefit from the way the Company's business is conducted, or could maintain a relationship of any kind with the Company, its affiliates or its management that could compromise the Director's judgment (particularly as client, supplier, business banker, legal representative).

### Attendance – Diligence

By accepting their mandate, each Director agrees to spend the necessary time and care in performing their duties. Unless prevented from doing so, each Director must attend all Board of Directors' Meetings and, where applicable, the meetings of all Board Committees to which they belong. He or she shall keep informed about the work and specifics of the Company, including its stakes and values, by inquiring, if necessary, its management. He or she shall make a point of keeping updated on the knowledge that enables him or her to perform his or her functions.

The Director shall request any documents that he or she considers essential to deliberate on the issues on the agenda. If a Director considers that he or she does not have full knowledge of the facts, it is his or her duty to inform the Board and to demand any essential information.

#### Loyalty

Each Director is under an obligation of loyalty towards the Company. He or she shall not take any initiative that could harm the interests of the Company or other companies or entities within the Worldline Group and shall act in good faith in all circumstances. He or she shall not take on any responsibilities on a personal basis in any company or business practicing any activities in direct competition with those of the Company, without prior approval of the Chairman of the Board of Directors and of the Chairman of the Nomination and Remuneration Committee.

#### Independence

The Director carries out his or her function in complete independence. He or she undertakes to preserve in all circumstances his or her independence of analysis, judgment, decision and action. He or she does not tolerate being influenced by any factor outside of the corporate interest which he or she undertakes to protect. He or she commits to inform the Board of Directors of any issue which appears to be of such nature as to affect the Company's interests.

#### Confidentiality

The Directors are required to uphold professional secrecy, which exceeds the mere obligation of discretion provided for by legislation, in regards to any information gathered during or outside of the Board of Directors' Meetings. They commit to keep strictly confidential any information that has not been publicly disclosed, of which they have been informed or become aware during their mandate, as well as the contents of discussions and votes of the Board of Directors and of its Committees.

#### Inside information and trading in the Company's securities

Directors shall strictly refrain from using any privileged information he or she have access to, to his or her personal advantage or to the advantage of anyone else. He or she may not trade in the Company's securities other than in compliance with legal and regulatory provisions. He or she commits to comply with the Guide to the Prevention of Insider Trading approved by the Board of Directors. Board members must inform the *Autorité des Marchés Financiers* and the Company, in accordance with applicable rules, of any dealings in the securities of the Company.

## G.2.4 Operation of the Board of Directors

### G.2.4.1 Attendance to the meetings of the Board of Directors and its Committees in 2019

#### Global attendance <sup>1</sup>

Global attendance to the meetings of the Board of Directors	Global attendance to the meetings of the Audit Committee	Global attendance to the meetings of the Nomination and Remuneration Committee	Global attendance to the meetings of the Investment Committee <sup>2</sup>	Global attendance to the meetings of the Strategy and Innovation Committee <sup>2</sup>	Global attendance to the meetings of the Social and Environmental Responsibility Committee <sup>3</sup>
90%	98%	92%	93%	98%	-

<sup>1</sup> The average attendance rate does not take into account the presence of the Censor(s) at Board meetings and, as the case may be, at Committees meetings.

<sup>2</sup> The Investment Committee and the Strategy and Innovation Committee were merged into a single Committee (the Strategy and Investment Committee) by decision of the Board of Directors on December 18, 2019. The strategy and Investment Committee did not meet in 2019 since its creation.

<sup>3</sup> The Social and Environmental Responsibility Committee (created on December 18, 2019) did not meet in 2019 but in 2020.

#### Individual attendance

	Attendance to the Board	Attendance to the Audit Committee	Attendance to the Nomination and Remuneration Committee	Attendance to the Investment Committee <sup>2</sup>	Attendance to the Strategy and Innovation Committee <sup>2</sup>	Attendance to the Social and Environmental Responsibility Committee <sup>3</sup>
Gilles Grapinet	15/15	-	-	6/6	6/6	-
Thierry Breton <sup>a</sup>	12/12	-	3/4	3/3	3/3	-
Gilles Arditti <sup>b</sup>	14/15	8/8	1/1	3/3	-	-
Aldo Cardoso <sup>*</sup>	15/15	8/8	1/2	5/6	-	-
Giulia Fitzpatrick	14/15	8/8	-	-	6/6	-
Lorenz von Habsburg <sup>c</sup>	8/10	-	4/4	5/5	5/5	-
Mette Kamsvåg <sup>c</sup>	9/10	5/5	-	-	-	-
Dr. Romeo Lacher <sup>d</sup>	4/5	-	2/2	1/1	1/1	-
Danielle Lagarde <sup>*</sup>	15/15	-	4/4	-	-	-
Marie-Christine Lebert <sup>**</sup>	7/9	-	-	-	-	-
Ursula Morgenstern <sup>f</sup>	12/15	-	-	-	-	-
Georges Pauget <sup>c</sup>	8/10	-	-	-	-	-
Sophie Proust <sup>d</sup>	5/5	-	-	-	-	-
Luc Rémont <sup>*</sup>	14/15	7/8	6/6	-	5/6	-
Susan M. Tolson <sup>*</sup>	12/15	8/8	6/6	-	-	-
Daniel Schmucki <sup>g</sup>	11/15	8/8	-	4/6	5/6	-
Pierre Barnabé (censor) <sup>f</sup>	2/3	-	1/1	-	-	-

<sup>\*</sup> Independent Director.

<sup>\*\*</sup> Director representing the employees.

<sup>a</sup> Resignation on October 24, 2019.

<sup>b</sup> Resignation as Director on March 16, 2020 and appointment as Censor on March 19, 2020 (subject to the approval of the 2020 Annual General Meeting).

<sup>c</sup> Appointment on April 30, 2021.

<sup>d</sup> Resignation on April 30, 2019.

<sup>e</sup> Appointment on May 17, 2019.

<sup>f</sup> Resignation on March 3, 2020.

<sup>g</sup> Appointment as Director on March 19, 2020 (subject to the approval of the 2020 Annual General Meeting).

Please refer to Section G.2.3.1 Composition of the Board of Directors for additional information on the evolution of the composition of the Board of Directors and its Committees in 2019.

## G.2.4.2 The Board of Directors' activity

### Mission

The duty of the Board of Directors is to determine the strategy and trends of the Company's activity and to oversee their implementation. Moreover, the Board of Directors appoints Senior Officers and rules on the independence of Directors, on a yearly basis, possibly sets limits on the powers of the Chief Executive Officer and of the Deputy Chief Executive Officer, issues the report on corporate governance, convenes the Shareholders' Meetings and decides on their agendas, undertakes the controls and verifications which it deems fit, the control and audit of the sincerity of the financial statements, the review and approval of the financial statements, the communication to the shareholders and reviews communications to the market of high quality information.

The Board of Directors endeavors to promote long-term value creation by the Company by considering the social and environmental aspects of its activities. It regularly reviews, in relation to the strategy it has defined, the opportunity and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly.

The Board of Directors ensures the implementation of a mechanism to prevent and detect corruption and influence peddling.

The Board of Directors ensures that the Executive Officers implement a policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women on the governing bodies.

### Operating rules

As per the Board of Directors' Internal Rules, the Board of Directors, convened by its Chairman, shall meet at least four times a year and as often as necessary in the Company's interest. Board of Directors' meetings shall follow the agenda set by the Chairman and communicated to the Directors. Whenever possible, the necessary documents and elements are sent to the Directors with the agenda.

The Board of Directors shall elect a Chairman from among its members, who shall be a natural person and, if the Board deems it appropriate, one or more Vice-Chairmen. It shall determine the duration of their functions, which shall not exceed those of their mandate as Director, and which may be terminated by the Board at any time. The Board of Directors shall appoint, determining his or her term of office, a secretary who may be chosen from among the Directors or from outside.

In compliance with the provisions of article L. 225-37 of the French Commercial Code, meetings of the Board of Directors may be held by any means of video-conferencing or telecommunication allowing for the identification of the Directors and guaranteeing their actual participation, *i.e.* transmitting at least the voices of the participants and having

the technical capabilities enabling continuous and simultaneous retransmission of the discussions in order to allow them to participate in the Board of Directors meetings.

Directors wishing to attend a meeting of the Board of Directors by way of videoconference or telecommunication as described above shall indicate such to the Chairman by email at least 24 hours before the date of the meeting so that the Chairman may supply the said Directors with videoconferencing or telecommunication facilities, as preferred.

For the purposes of calculating the quorum and the majority, the Directors participating in the meeting by way of videoconference or telecommunication shall be deemed present. Necessary measures shall be taken in order to ensure the identification of each speaker and the verification of the quorum. Otherwise, the meeting of the Board of Directors shall be adjourned.

The preceding provisions relating to participation in Board meetings by way of videoconference or telecommunication shall not be applicable to the adoption of decisions covered under articles L. 232-1 and L. 233-16 of the French Commercial Code, respectively related to the preparation of the Company's annual accounts and management report and to the preparation of the Group's consolidated accounts and the Group's management report.

The Directors shall have the option of being represented at Board of Directors' meetings by another Director. Each Director may only represent one of his or her colleagues during the same Board of Directors meeting.

The Board of Directors may only deliberate validly if at least half of its members are present. Decisions are taken by a majority of members present or represented. If the votes are equal, the Chairman of the Board of Directors shall cast the deciding vote.

### Works in 2019

During the 2019 financial year, the Board of Directors met fifteen times. Attendance of Directors at these meetings was an average of 90%<sup>1</sup>. The highest individual rate of attendance was 100% (reached by 5 Directors)<sup>2</sup>.

In addition, during the 2019 fiscal year, the Directors held an informal meeting outside the Chief Executive Officer's presence during which they discussed the Company's affairs. The Board of Directors also held a meeting dedicated to strategy during which it discussed and approved the new 3-year 2019-21 plan. Several meetings on strategy are expected to be planned in 2020.

The Board of Directors met to discuss the following topics in particular:

**As far as financial statements, budget and financial commitments are concerned**

- Review and approval of the 2020 budget;
- Review of the financial information, quarterly reports and forecasts;

<sup>1</sup> The average attendance rate does not take into account the presence of the Censor(s) at Board meetings.

<sup>2</sup> The information on individual attendance rate to Board meetings is detailed in Section G.2.4.1 of the present Universal Registration Document.

- Review of and closure of the consolidated half-year and yearly financial statements;
- Review of financial presentations and press releases;
- Review and approval of parent company guarantees;
- Review and approval of the Group's financing strategy;

#### As far as strategic projects and operations are concerned

- Approval of the Company's new 3-year strategic plan;
- Review of the Group's strategic trends;
- Review of the acquisition of equensWorldline's minority shareholdings;
- Review of external growth operations and, in particular, the contemplated acquisition of Ingenico Group;
- Review and approval of the Group's financing strategy such as the issuance of bonds, OCEANES and bridge loan;
- Review of compliance topics and, in particular, compliance organization as well as anti-bribery and anti-corruption internal policies;
- Review of the credit rating of the Group;
- Review of the operations and activities in the context of the separation from the Atos group.

#### As far as compensation is concerned

- Setting the compensation applicable to Senior Executive Officers;
- Review of the conformity of the Senior Executive Officers' compensation with the recommendations of the AFEP-MEDEF Code;
- Confirming the results for the Chief Executive Officer's variable compensation related to H2 2018 and H1 2019 and setting the objectives of the Deputy Chief Executive Officer's compensation for his variable part for H2 2019;
- Setting the targets of the performance conditions for 2019 applicable to the defined benefits pension scheme benefiting the Chief Executive Officer;
- Approving the closure of the defined benefits pension scheme benefiting the Chief Executive Officer and freeze on the rights acquired by him in conformity with the new requirements introduced by the "Loi Pacte";
- Review of the resolutions to be submitted to the Annual General Meeting on the say on pay "ex post" and "ex ante" in relation to the compensation of the Senior Executive Officers as per the recommendations of the AFEP-MEDEF Code;
- Setting up of a performance shares allocation plan and of a stock-options plan in favor of Group employees and the Senior Executive Officers;

- Confirming achievement of performance conditions, including the achievement of the CSR performance conditions, and setting new annual objectives for the same in connection with on-going performance shares and stock-options plans;
- Review of a project of employee stock ownership plan; and
- Approving the modified structure of Directors' compensation.

#### As far as governance is concerned

- Convening the Annual General Meeting, reviewing and approving the Board of Directors' report to the Annual General Meeting;
- Amendment of the Internal Rules of the Board of Directors further to the modification of the governance structure and the entry into force of new pieces of legislation;
- Review and approval of the Board of Directors' report on Corporate Governance;
- Review of the 2018 Registration Document;
- Review of the operation of the corporate bodies and corporate governance (in particular, confirmation of the composition of the Committees on April 30, 2019 in the context of the renewal of the terms of office of several Directors, the appointment of Mr. Georges Pauget and Ms. Mette Kamsvåg as independent Directors and the resignations of Dr. Romeo Lacher, Ms. Sophie Proust, and of Mr. Thierry Breton), renewal of certain delegation of powers of the Chief Executive Officer, proposition of renewal of Directors, assessment of the Board's work, review of the independence of Directors, conformity review of the Company's practices with the AFEP-MEDEF Code recommendations, annual review of related parties agreement authorized during previous financial years, allocation of Directors' compensation;
- Modifying the governance structure by unifying the offices of the Chairman and Chief Executive Officer after the resignation of the former Chairman of the Board of Directors;
- Creation of the Strategy and Investment Committee by way of merger of the Strategy and Innovation Committee with the Investment Committee;
- Creation of a Social and Environmental Responsibility Committee;
- Discussions related to a succession plan of the Senior Executive Officers;
- Review of the diversity policy applicable at Board and Committees level;
- Review of the Great Place to Work survey; and
- Review of Worldline Corporate Social Responsibility initiatives (TRUST 2020).

The Board regularly heard the Statutory Auditors' reports as well as the works of the permanent Committees of the Board of Directors: the Audit Committee, the Nomination and Remuneration Committee, the Strategy and Investment Committee and the Social and Environmental Responsibility Committee.



## G.2.5 Operation of the Committees of the Board of Directors [GRI 102-37]

Pursuant to article 17 of the Company's bylaws as adopted at the Company's Combined Shareholders' Meeting on April 30, 2019, the Company's Board of Directors may create Committees charged with examining questions submitted to it by the Board or its Chairman.

Two of the Company's Board of Directors' Committees were put in place on the listing date of the Company's shares on Euronext Paris: an Audit Committee and a Nomination and Remuneration Committee. Also, a third Committee was created by decision of the Board of Directors on December 12, 2016: the Investment Committee; and a fourth Committee was created by decision of the Board of Directors on November 30, 2018: the Strategy and Innovation Committee. For more efficiency and given the strategic nature of the main investments, the Strategy and Innovation Committee was merged with the Investment Committee by decision of the Board of Directors on December 18, 2019 upon recommendation of the Nomination and Remuneration Committee. On the same day, the Board of Directors created a Social and Environmental Responsibility Committee. The powers of these Committees are governed by the Internal Rules of the Board of Directors. The Committees are solely advisory in preparing the works of the Board which is the only decision-making and liable body. They report to the Board of Directors. Their recommendations are discussed at length during the meetings of the Board of Directors, where applicable, on the basis of the documentation generated by the Committees.

The composition, responsibilities and powers, and procedural rules of these Committees are described below.

### G.2.5.1 The Audit Committee

#### Mission (article 9.3.2 of the Internal Rules of the Board of Directors)

The Audit Committee's mission is to prepare and facilitate the work of the Board of Directors within its relevant fields of competence, as set forth in the Internal Rules of the Board of Directors. It assists the Board of Directors in analysing the accuracy and sincerity of the Company's corporate and consolidated financial statements and oversees the quality of internal controls and of the information disclosed to shareholders and the markets.

The Audit Committee may provide the Board with all opinion or recommendation within the areas described below. In addition, and as set forth by law, the Board has established a procedure for assessing related-party agreements. A description of such procedure is in Section G.2.3.10 of this Universal Registration Document which involves, as the case may be, the Chairman of the Audit Committee.

Also, the Audit Committee has established a charter concerning the approval process of services other than the certification of annual accounts.

The Audit Committee receives from the Board of Directors the following assignments:

#### With respect to the financial statements and to specific projects:

- To monitor the process of preparing financial information and, as the case may be, issue recommendations to guarantee its integrity;
- To proceed with a prior examination and give its opinion on the draft annual, half yearly and, where applicable, quarterly statutory and consolidated accounts of Worldline prepared by the Finance department;
- To assess the relevance and the permanence of the accounting principles and rules;
- To be presented with the evolution of the perimeter of consolidated companies;
- To meet, whenever it deems necessary, with the statutory auditors, the general management, the financial and accounting management, the internal audit management or any other member of the management; these hearings may take place, when appropriate, without the presence of the members of the general management;
- To examine the financial documentation distributed by the Company upon approval of the annual accounts, as well as the important financial documents and press releases;
- To examine material external growth operations and their financing as the case may be;
- To report on the results of the financial statements certification, on the way this mission contributed to the integrity of the financial information and about the role that the Committee played in the process.

#### With respect to the external control of the Company:

- To examine questions relating to the appointment or renewal of the Company's statutory auditors;
- To monitor the conduct of the assignment entrusted to the statutory auditors;
- To approve the provision of services by the statutory auditors or by their network members for the benefit of the Company or its subsidiaries, other than the certification of accounts and the services required from the statutory auditors by the law. The Committee bases its recommendations on the analysis of the risk to the independence of the statutory auditor(s) and on the safeguard measures applied by them;
- To ensure that the statutory auditors act in compliance with their duty of independence.

#### With respect to internal control and monitoring the Company's risks:

- To evaluate, together with Group-level management, the efficiency and the quality of the Group's internal control systems and procedures, to examine the significant off-balance sheet risks and undertakings, and to meet with the head of Internal Audit, to give its opinion as to the organization of the Internal Audit department, and to be informed of its planned work. The Audit Committee will

receive internal auditor's reports or a periodic summary of such reports;

- To assess the reliability of the systems and procedures used in establishing the accounts, to review the methods and procedures for reporting and processing accounting and financial information;
- To monitor the effectiveness of the internal audit of the procedures relating to the preparation and processing financial of extra-financial and accounting information; and
- To regularly make itself aware of the financial situation, the cash position and any significant undertakings and risks and to examine the procedures adopted to evaluate and manage those risks.

### Composition (articles 9.2.4 and 9.3.2 of the Internal Rules of the Board of Directors)

The Audit Committee can be composed of a maximum of six members and, in principle, at least two-thirds of such members must be appointed from among the independent members of the Board of Directors, in accordance with the recommendations of the AFEP-MEDEF Code.

The Audit Committee is composed as follows:

- Aldo Cardoso<sup>1</sup> (Chairman);
- Giulia Fitzpatrick;
- Luc Rémont<sup>1</sup>;
- Susan M. Tolson<sup>1</sup>;
- Mette Kamsvåg<sup>1</sup>;
- Daniel Schmucki.

All Audit Committee members have financial and accounting competences.

Aldo Cardoso, Chairman of the Audit Committee, has an in-depth and recognized knowledge of corporate finance and accounting, as well as of audit and control procedures, which he acquired during his long experience in the management of the audit and financial, legal and tax consulting firm Arthur Andersen and in exercising his various directorships as a Director of leading French and foreign companies. He is a Certified Public Accountant.

Susan M. Tolson has financial and accounting knowledge as well as investment and development skills acquired from her experience in various investment structures (particularly in investment management) and performing her duties as Director of non-profit companies and organizations in France and especially abroad.

Luc Rémont has held several positions at the French Ministry of Economy, Finance and Industry where he was in particular responsible for the French Treasury's relations with international development banks and represented the French State's shareholding interests in transportations companies, before joining the Ministry of Finance where he served as technical advisor and then deputy chief of staff of the Minister of Finance. He then served as head of corporate and investment banking for France and Benelux at Bank of America Merrill Lynch and CEO France at Schneider Electric.

Giulia Fitzpatrick holds an MBA in Finance from the Wharton School. She has in excess of 30 years of professional experience in particular in finance with various firms active in the financing sector and agriculture.

Mette Kamsvåg holds a master's in Business and Economics from BI Norwegian School of Management. She has financial and accounting knowledge acquired from her 20 years' experience in IT and payment services sector in particular in the context of her duties as CEO of Nets (from 2011 to 2014) and Director of several companies and organizations especially in connection with Nordic markets.

Daniel Schmucki has a long-standing experience in finance acquired through the various positions he held, notably at Bosch Group in Switzerland and Germany but also as Head Controlling, Treasury and Investors Relation at Flughafen Zürich AG and, since 2008, as Chief Financial Officer of SIX Group AG, a position he still holds. He holds a qualification as Chartered Accountant.

More information regarding the backgrounds of Susan M. Tolson, Aldo Cardoso, Daniel Schmucki, Luc Rémont, Giulia Fitzpatrick and Mette Kamsvåg is available in their biography in Section G.2.3.1 Composition of the Board of Directors.

All members of the Audit Committee must, at the time of their nomination, be informed about the Company's accounting, financial and operational specificities.

The term of office of Audit Committee members is the same as their term of office as members of the Board of Directors. The term of a member of the Audit Committee may be renewed at the same time as such member's term as a member of the Board of Directors.

The Chairman of the Audit Committee is appointed from among its independent members by the Board of Directors, upon the proposal of the Nomination and Remuneration Committee. The Audit Committee may include neither the Chief Executive Officer nor the Deputy Chief Executive Officer.

The appointment and renewal of the term of office of the Chairman of the Audit Committee is proposed by the Nomination and Remuneration Committee and it gives rise to specific review by the Board of Directors as recommended by the AFEP-MEDEF Code.

The Committee's secretary is any person designated by the Chairman of the Committee or with the Chairman's approval.

### Operating rules (article 9.3.2 of the Board of Directors' Internal Rules)

The Audit Committee may validly deliberate either in a meeting or by telephone or video conference, when convened by its Chairman or secretary, as long as at least half of its members participate. The notice of the meeting must include an agenda and may be transmitted orally or by any other means. The decisions of the Audit Committee are subject to a majority vote by members participating in the meeting, with each member having one vote.

<sup>1</sup> Independent Director.



The Audit Committee meets as often as necessary and, at least, twice per year on the occasion of the preparation of the annual and half-yearly financial statements. Meetings take place prior to the meeting of the Board of Directors and, whenever possible, at least two days before such meeting when the Audit Committee's agenda includes examination of the annual or half-yearly financial statements due to be reviewed by the Board of Directors.

The Audit Committee should interview the statutory auditors, and also the persons responsible for finance, accounting and treasury matters. The review of accounts by the Audit Committee should be accompanied by a presentation from the statutory auditors stressing the essential points not only of the results of the statutory audit, in particular the adjustments resulting from the audit and significant weaknesses in internal control identified during the auditors' work, but also the accounting methods chosen. It should also be accompanied by the complementary report to the Audit Committee provided for by applicable law and a presentation from the Chief Financial Officer describing the corporation's risk exposures including those of a social and environmental nature, and its material off-balance-sheet commitments.

As far as internal audit and risk control are concerned, the Audit Committee must interview those responsible for the internal audit. It should be informed of the program for the internal audit and receive internal audit reports or a regular summary of those reports. The Audit Committee may call upon external experts if need be.

In 2019, the Audit Committee, in its operation, benefited from Company's internal skills, in particular the Group Chief Financial Officer, the Group Head of Internal Audit and Internal Control, the Group Head of Legal, Compliance and Contract management, the Group Chief Operating Officer and Chief Technology Officer as well as the statutory auditors who attended, as applicable and upon request from the Committee Chairman, meetings of the Audit Committee.

## Works in 2019

During the 2019 financial year, the Audit Committee met eight times. Attendance of members to the meetings was an average of 98%. The highest individual rate of attendance was 100% (reached by 4 of the current members).

During the 2019 financial year, the Audit Committee reviewed the following items in particular:

- The Group's accounting and financial documents, including statements related to off-balance sheet, before their presentation to the Board; the main accounting items and methods; the quarterly financial reports on the Group's performance, the consolidated accounts for 2018, the half-yearly accounts 2019, and the draft financial press releases as well as the forecast information before their submission to the Board of Directors;
- The related-party transactions and the related procedure;
- The acquisition of the minority shareholdings in equensWorldline and its related financial documentation (issuance of bonds and OCEANes to refinance the bridge loan);

- The financial, organizational and operational consequences and progress of the separation from the Atos group;
- The follow-up of the acquisition and integration of SIX Payment Services;
- The Audit Committee's charter relating to the approval of non-audit services provided by the Statutory Auditors;
- The annual mission plan of the Group Internal Audit department, the conclusions of the main missions and the summary reports concerning the activities of the Internal Audit;
- Review of the credit rating of the Group;
- Review of the 2018 Registration Document, notably the Company's accounts and the consolidated financial statements included in the Registration Document;
- The risks in particular those associated with the most critical contracts, cyber environments and compliance, as well as the state of declared claims and litigations and the provisions.

The Committee heard the intermediate and final reports of the statutory auditors concerning the annual and half-yearly accounts, as well as the reports of their other works carried out in connection with their general audit mission.

## G.2.5.2 The Nomination and Remuneration Committee [GRI 102-36] [GRI 102-37]

### Mission (article 9.3.1 of the Internal Rules of the Board of Directors)

The mission of the Nomination and Remuneration Committee is to prepare and facilitate the decisions of the Board of Directors, within its relevant fields of competence.

With respect to nominations, the general field of competence of the Nomination and Remuneration Committee is to seek and examine any candidacy to the position of member of the Board of Directors and its Committees or to a position of management with a corporate mandate with the Company, and to formulate an opinion and/or recommendation with respect to such candidacy to the Board of Directors.

The Nomination and Remuneration Committee, in coordination with the Lead Director, reviews important operations that involve a risk of conflict of interests between the Company and the members of the Board of Directors. The Nomination and Remuneration Committee makes a preliminary assessment of the independence of the members of the Board of Directors, which is then reviewed and discussed annually by the Board of Directors prior to the publication of the Universal Registration Document.

With respect to compensation, the Nomination and Remuneration Committee is charged with formulating proposals regarding the compensation of the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officer (fixed compensation amount and definition of the rules governing the variable compensation, ensuring the consistency of these rules with the annual evaluation of the performances and with the Company's medium-term strategy,

and verifying the annual application of these rules and of the Directors).

The Nomination and Remuneration Committee also participates in preparing an incentive compensation policy for employees of the Company and its subsidiaries. In particular, it formulates proposals regarding the decisions to grant options for the subscription and/or purchase of Company shares, or of Company performance shares to the benefit of company officers and any or all employees of the Company and its subsidiaries.

The rules governing the compensation of Senior Executive Officers are described in Section G.3 Executive compensation and stock ownership of this Universal Registration Document.

With respect to compensation of the members of the Board of Directors, the Committee is responsible for proposing to the Board of Directors to rule each year on the total annual amount of compensation to be submitted to the approval of the Annual Shareholders' Meeting and the way such compensation shall be distributed among the Directors, particularly taking into consideration the attendance of the Directors at Board and Committees meetings, the level of liability incurred by the Directors, and the time that they are required to devote to their functions.

The Committee also makes observations and/or recommendations relating to retirement and employment insurance schemes, benefits in kind and the financial rights granted to company officers of the Company and its subsidiaries.

### Composition (articles 9.3.1 of the Internal Rules of the Board of Directors)

The Nomination and Remuneration Committee is composed of a maximum of five members, the majority of whom must be appointed from among the independent members of the Board of Directors, in accordance with the recommendations of the AFEP-MEDEF Code.

The Nomination and Remuneration Committee members is composed as follows:

- Lorenz von Habsburg Lothringen (Chairman);
- Danielle Lagarde<sup>1</sup>;
- Luc Rémont<sup>1</sup>;
- Susan Tolson<sup>1</sup>.

In accordance with the recommendations of the AFEP-MEDEF Code, the Nomination and Remuneration Committee is composed of a majority of independent members, and no Senior Executive Officer is a member.

Members of the Committee are appointed by the Board of Directors from among its members and taking into consideration their independence, experience and skills.

The term of office of the members of the Nomination and Remuneration Committee is the same as their term as members of the Board of Directors. The term of a member of the Nomination and Remuneration Committee may be renewed at the same time as such member's term as a member of the Board of Directors.

The Chairman of the Nomination and Remuneration Committee is appointed by the Board of Directors whether or not from among the independent members, upon the proposal of the Nomination and Remuneration Committee.

The Committee's secretary is any person designated by the Chairman of the Committee or with the Chairman's approval.

### Operating rules (article 9.3.1 of the Internal Rules of the Board of Directors)

The Nomination and Remuneration Committee may validly deliberate either in a meeting or by telephone or video conference, when convened by its Chairman or secretary, as long as at least half of its members participate to its work. The notice of the meeting must include an agenda and may be transmitted orally or by any other means.

The decisions of the Nomination and Remuneration Committee are subject to a majority vote by members participating in the meeting, with each member having one vote. The Nomination and Remuneration Committee meets as often as necessary and at least three times per year, in particular before the Board of Directors meets to assess the independence of its members pursuant to the independence criteria adopted by the Company and, in any event, prior to any meeting at which the Board of Directors votes on the compensation of members of senior management or the allocation of compensation to Directors.

The Chief Executive Officer is associated to the works of the Committee relating to appointments and to the long-term incentive policy related proposals.

The Nomination and Remuneration Committee may call upon external experts if need be.

### Works in 2019

During the 2019 financial year, the Nomination and Remuneration Committee met six times. Attendance of members to the meetings was 92%. The highest individual rate of attendance was 100% (reached by all current members).

The Nomination and Remuneration Committee met in 2019 in order to deal in particular with the following subjects:

- Proposal regarding the setting of the objectives of the variable part of the Chief Executive Officer and the Deputy Chief Executive Officer's compensation for H2 2019, and the confirmation of the results for their variable compensation related to H2 2018 and H1 2019;
- Review of the conformity of the Senior Executive Officers' compensation with the recommendations of the AFEP-MEDEF Code;
- Proposal regarding the maintenance of a defined supplementary pension plan for the Chief Executive Officer;
- Proposal in connection with the setting of targets of performance conditions for 2019 applicable to the defined benefits pension scheme benefiting the Chief Executive Officer;

<sup>1</sup> Independent Director.

- Review of updates in connection with new requirements introduced by the “Loi Pacte”, in particular closure of the defined benefits pension scheme benefiting the Chief Executive Officer and freeze of the rights acquired by him;
- Preparation of the “say on pay” vote on the Senior Executive Officers’ compensation, review of the criteria set for their compensation and of the terms and conditions of presentation of such compensation to the shareholders;
- Proposal for the modification of the Directors’ compensation;
- Proposals regarding the setting up of a performance shares allocation plan and a stock-options plan in favor of the Group employees and the Senior Executive Officers;
- Proposals regarding the confirmation of the achievement of performance conditions, including the achievement of CSR performance conditions, and the setting of new annual objectives for the same in connection with on-going performance shares and stock-options plans;
- Review of a project of employee stock-ownership plan;
- Proposals regarding the composition of the Board of Directors and its Committees as well as renewal of Directors at the 2019 Annual General Meeting (renewals of Ms Morgenstern, Ms Tolson and Mr. Rémont and appointment of Ms Kamsvåg, Mr. Pauget and Mr. von Habsburg);
- Proposals in connection with the modification of the governance structure in particular following Atos’ reduction of its shareholding within the Company and the resignation of Mr. Thierry Breton as Chairman, including by considering the temporary combination of the offices of Chairman of the Board of Directors and of Chief Executive Officer as well as the nomination of new Directors and Censors of the Board of Directors;
- Proposals regarding the total amount of Directors’ fees envelope proposed to the 2019 Annual General Meeting and the terms and conditions of allocation of the said Directors’ fees;
- Proposals in connection with the review of the independence of Board members;
- Diversity policy at Board of Directors level;
- Succession plan for Senior Executive Officers.

### G.2.5.3 Strategy and Investment Committee

The Strategy and Investment Committee was created by decision of the Board of Directors on December 18, 2019 by merger of the Strategy and Innovation Committee with the Investment Committee.

#### Composition (article 9.3.3 of the Board of Directors’ Internal Rules)

The Strategy and Investment Committee, is composed of a maximum of six members, appointed by the Board of Directors among its members.

The term of office of the members of the Strategy and Investment Committee is the same as their term as members of the Board of Directors. They can, however, resign during any meeting of the Board of Directors without cause or notice. The term of their office can be renewed. The Board of Directors may terminate their office *ad nutum*, without cause.

The Strategy and Investment Committee is composed as follows:

- Daniel Schmucki (Chairman);
- Giulia Fitzpatrick;
- Lorenz von Habsburg Lothringen;
- Gilles Grapinet;
- Aldo Cardoso<sup>1</sup>;
- Luc Rémont<sup>1</sup>.

The Chairman of the Strategy and Investment Committee is appointed by the Board of Directors upon proposal of the Nomination and Remuneration Committee.

#### Operating rules (article 9.3.3 of the Board of Directors’ Internal Rules)

The Strategy and Investment Committee’s mission is to prepare the work and facilitate the decision process of the Board for the review of:

- the main external growth projects carried out by the Company;
- the corporate strategy, topics relating to the evolution, prospects and opportunities of the payments sector, notably in connection with innovations and disruptive technologies; and
- other relevant topics not falling within the scope of the responsibility of the Audit Committee, the Nomination and Remuneration Committee or the Social and Environmental Responsibility Committee as defined in the Internal Rules of the Board of Directors.

<sup>1</sup> Independent Director.

## Works in 2019

The Strategy and Investment Committee did not meet in 2019 (it is reminded that such Committee was created on December 18, 2019).

Before such merger, the Strategy and Innovation Committee and the Investment Committee regularly met and reviewed the various on-going strategic projects and acquisition projects (including the acquisition of a minority stake in equensWorldline and the acquisition project of Ingenico Group), the financing strategy and agreements, the new three-year strategic plan and the main aspects of the separation from Atos group as well as other strategic business topics.

### G.2.5.4 Social and Environmental Responsibility (SER) Committee

In order to strengthen the consideration of corporate social responsibility, the Board of Directors decided to create a Committee dedicated to corporate social responsibility issues, in place since December 2019.

#### Composition (article 9.3.4 of the Board of Directors' Internal Rules)

The Social and Environmental Responsibility Committee is composed of a maximum of five members appointed by the Board of Directors among its members. It shall consist of a majority of independent directors, and its Chairman is appointed from among the independent members upon proposal of the Nomination and Remuneration Committee.

The Social and Environmental Responsibility Committee is composed as follows:

- Danielle Lagarde<sup>1</sup> (Chairman);
- Giulia Fitzpatrick;
- Gilles Grapinet;
- Mette Kamsvåg<sup>1</sup>;
- Marie-Christine Lebert (Director representing the employees).

#### Operating rules (article 9.3.4 of the Board of Directors' Internal Rules)

The Social and Environmental Responsibility Committee's mission is to prepare and facilitate the work of the Board for the review of:

- (i) the Group's social and environmental responsibility strategy;
- (ii) the impacts of the Group's social and environmental responsibility strategy and the rollout of the related initiatives;
- (iii) the Group's practices in respect of responsible purchasing;
- (iv) the Group's social and environmental responsibility commitments in light of the challenges specific to the Group's business and objectives, in particular in such areas as well being at work, diversity and environment;
- (v) the evaluation of the risks and opportunities with regard to social and environmental performance;
- (vi) the social and environmental policies taking into account their impact in terms of economic performance;
- (vii) the annual statement on extra-financial performance; and
- (viii) the summary of ratings awarded to the Group by rating agencies and in extrafinancial analysis.

## Works in 2019

The Social and Environmental Responsibility Committee did not meet in 2019 (it is reminded that such Committee was created on December 18, 2019). The first meeting took place on February 18, 2020 to discuss in particular the annual statement on extra-financial performance included in this Universal Registration Document, the reflection process on the 'raison d'être' of the Company, as well as Worldline's Corporate Social Responsibility initiatives (TRUST 2020).

## G.2.6 Assessment of the works of the Board of Directors [GRI 102-28]

The Board of Directors' Internal Rules require the Board of Directors to assess its capacity to meet the expectations of the shareholders by periodically analyzing its composition, organization and its operation, as well as the composition, organization and operation of its Committees. In particular, it must analyze the rules governing the functioning of the Board and its Committees, reflect on the desirable balance in their composition, periodically ask itself whether their organization and functioning are adequate to their tasks, verify that important questions are properly prepared and debated, and measure the effective contribution of each Director to the

work of the Board of Directors and of the Committees in light of such person's skills and involvement in deliberations.

The evaluation has three objectives:

- (i) To assess the way in which the Board operates;
- (ii) To check that the important issues are suitably prepared and discussed;
- (iii) To measure the participation and the actual contribution of each Director to the Board's work.

<sup>1</sup> Independent Director.

For that purpose, the Internal Rules provide that, once a year, the Board of Directors shall devote one item on its agenda to the discussion of its operation and inform the shareholders each year, in the Universal Registration Document, of the conduct of these assessments and the subsequent follow up.

Applying the highest standards of corporate governance, a formal assessment of the work of the Board of Directors is conducted on an annual basis. Up until 2019, this assessment was conducted under the direction of the Nomination and Remuneration Committee and the supervision of the Secretary of the Board of Directors. As from 2020, such assessment will be conducted under the supervision of the Lead Director appointed on March 19, 2020. This assessment may be performed with the assistance, if necessary, of an external consultant.

The formalized assessment carried out on the works of the Board and its Committees during the 2019 fiscal year, allowed to deepen the appreciation of the works achieved at the Board level as well as in the Committees, as to the conditions in which meetings are prepared and in particular at the Committee's level (the latter also being subject to an assessment).

The assessment was carried out pursuant to the following procedure:

- Under the direction of the Nomination and Remuneration Committee and with the Group Secretary, each Director answers a questionnaire which he or she is individually provided, with the possibility of individual interviews with key management personnel. The questionnaire addresses such topics as:
  - The suitability of the Board and Committees composition with respect, in particular to age, gender, nationality, experience;
  - The suitability of the agenda and information provided in that respect, as well as of the time devoted to specific subjects;
  - The suitability of the means provided to the Committees to carry out their mission;
  - The quality of the recommendations from the Committees;
  - The quality of the minutes of meetings,
  - The documents/information the Directors wish to be addressed/provided;
  - The suitability of the information provided in particular with respect to diversity and non discrimination;
  - The actual contribution of the Directors to the works of the Board;
  - The suitability of the debates regarding the important topics;
  - The improvements to be made.
- At the end of these works, an item was put on the agenda of the Board of Directors' meeting of December 18, 2019 in order to report on the outcome of this assessment and consider the improvements to retain.

Generally speaking, for all the questions asked, the Directors gave a positive assessment of all the points of the questionnaire, both in terms of the functioning of the Board and its Committees, generally underlying the high quality of the documentation, debates and works. Overall, for all questions asked, the situation is considered very satisfactory in 73% of cases and in progress with still room for improvement in the remaining cases.

More specifically, the following points emerged from the Secretary's analysis, and were shared and discussed with all the Directors:

- The Directors were fully satisfied with the diversity of the Board's composition, with a higher diversity of nationality and proportion of women at the end of 2019 (5/11<sup>1</sup>, i.e. 45% of Board members). The majority of Directors also considered that the diversity of skills was appropriate at the Board level, enriched in 2019 with more expertise in banking, finance and payment services sectors;
- Directors confirmed that the material topics were adequately prepared and discussed.
- The high quality of the preparation of the works of the Board, the documentation and the presentations was highlighted.
- In terms of room for improvement, several Directors indicated that they would appreciate further improvements regarding the timing for transmission of documents while recognizing the improvements already made this year despite the important corporate activity. While most of the Directors recognize that they receive regular information on the main developments regarding the Company and its environment, several Directors would appreciate receiving even more press reviews and competitive developments.
- The creation of a Social and Environmental Responsibility Committee in order to stick with the highest corporate governance standards is very warmly welcomed by the Directors. This Committee will assist the Board in following closely the key corporate social responsibility topics.
- The Board and its Committees devote an increasing amount of time to supervise topics such as compliance, risks and security and human resources (e.g. results of Great Place to Work). For instance, following the suggestion of several Directors to allocate more time on cyber security, a dedicated meeting of the Audit Committee held on November 28, 2019 covered this topic and the main conclusions were reported to the Board of Directors. This trend is to increase in the near future.
- The Directors considered that the effective contribution of the Directors was globally satisfactory and of high quality.

<sup>1</sup> In accordance with Article L. 225-27-1 of the French Commercial Code, the Directors representing the employees are not taken into account in the gender equity ratio.

## G.3 Executive compensation and stock ownership

### G.3.1 Compensation policy for the Corporate Officers

The total compensation policy of Worldline has been established in accordance with the provisions of Article L. 225-37-2 of the French Commercial Code, as amended by Order No. 2019-1234 relating to the remuneration of Corporate Officers of listed companies and the Decree n°2019-1234 of November 27, 2019.

#### G.3.1.1 General principles of the Corporate Officers' compensation [GRI 102-35]

Worldline believes in rewarding all employees, as well as Corporate Officers, for delivering excellent performance to support Worldline in achieving its short term and long term strategy. The Corporate Officers' compensation structure is in line with the Company's corporate interest and has been designed with a view to ensure an efficient implementation of all the relevant regulatory frameworks and initiatives.

##### 1. Setting, amending and implementing the compensation policy

The Corporate Officers' compensation policy has been proposed by the Nomination and Remuneration Committee (for a description of its role and missions, see section G.2.5.2 of this Universal Registration Document) and approved by the Board of Directors. It will be submitted to the vote of the Annual General Meeting.

##### Setting the compensation policy

The compensation policy of the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officer and the Directors is set by the Board of Directors, upon proposal of the Nomination and Remuneration Committee, and submitted to the vote of the Annual General Meeting.

The determination of the general principles and criteria part of the total compensation policy of the Company Officers, the individual achievements and individual elements of the compensation packages of the Senior Executive Officers follows a strict process of decision where the Nomination and Remuneration Committee, meeting at least 4 times a year, makes proposals to the Worldline Board of Directors finally

deciding on the above. Senior Executive Officers who would be also part of the Board of Directors do not take part of the debates of the Board deciding on their own compensation.

This process ensures consistency and alignment between the total compensation policy applied to the Senior Executive Officers and the one applied to the other executives and managers of the Group.

In particular, the compensation policy proposed by the Nomination and Remuneration Committee and validated by the Board of Directors is in line with the corporate interest and contributes to the Company's business strategy with a view to ensuring its sustainability.

The compensation of the Senior Executive Officers is linked to the short and long-term performance of the Group through the variable part of their compensation which ensure the long-term business strategy and the sustainability of the Group.

The total compensation policy of the Senior Executive Officers also supports Worldline commitment to corporate responsibility. In this context, performance criteria related to the social and environmental responsibility have been established in the stock-options and performance shares plans granted by Worldline to the eligible population as from 2014.

On top of being in line with the corporate interest of the Company as described above, Worldline is also committed to ensure that the interests of the Senior Executive Officers are aligned with the ones of its shareholders to ensure them value creation. Worldline has therefore reinforced the dialogue with the proxies to better understand shareholders' previous votes and future expectations regarding the Senior Executive Officers compensation policy. In that respect, the Board of Directors, upon proposal of the Nomination and Remuneration Committee, decided to give even more details on the underlying performance targets and the alignment with market cash remuneration levels for similar positions, clarify the claw-back provisions applicable to the variable part, deeply review the design of its Long-Term Incentive Plans so that the level of allocation and vesting better reflects the Group's long-term strategy and actual performance while aligning with market practices and aligning the defined benefit supplementary pension plan to the Decree n° 2019-697 of July 3, 2019 (relating to supplementary pensions).



The following four key principles underly the total compensation policy applicable to each Senior Executive Officer, with the purpose of being transparent and exhaustive in the level of details provided in the elements part of the total compensation policy:

1. Balance, Exhaustiveness and Coherence	2. Competitiveness	3. Pay for performance	4. Alignment with shareholders' interests
No element of the compensation of the Corporate Officers represents a disproportionate share of their total compensation. The total compensation policy also reflects the balance between the Company's corporate interest, market practices, performances of the Corporate Officers as well as other stakeholders of the company.	The total compensation of the Corporate Officers is competitive with practices comparable in the SBF 120.	The compensation of the Senior Executive Officers is closely linked to the short term and long-term Group performance, notably through their cash variable compensation and long-term incentive plans. The performance based part is reaching 70 to 77% of total compensation with financial and non-financial KPIs (for long-term incentives)	The underlying performance conditions of the short term and long term variable part of the Senior Executive compensation are aligned with the Company's strategic 3-year plan and with the shareholders expectations.

### 1. Balance, Exhaustiveness and Coherence

A good balance is ensured between the compensation in cash and the compensation in equity for Senior Executive Officers; a significant part of the total compensation package is variable and subject to the achievement of Group mid-term and long-term performance.

The remuneration of the Senior Executive Officers is determined with regard to the other directors and the employees of the Company. Indeed, the total compensation policy also ensures that the various elements of the Senior Executive Officers stay proportionate to the average and median compensation of the employees of Worldline SA and of the SEU<sup>1</sup> France through the measure of the equity ratio.

The Senior Executive Officers of the Company benefit, except otherwise provided, from the following elements of compensation:

- A fixed annual salary;
- A variable portion expressed as a percentage of the annual base salary;
- A multi-year long-term compensation;
- A defined benefit supplementary pension plan, under certain eligibility conditions defined below;
- Other benefits in kind referred to below.

The fixed portion of the remuneration of the Senior Executive Officer is determined based on:

- The level and complexity of their responsibilities;
- Their experience and seniority, particularly within the Group; and

- Market benchmarks for similar functions (see Section 2 on "Competitiveness").

The multi-year long-term compensation of the Senior Executive Officers is limited to maximum 50% of the global compensation of the concerned Senior Executive Officer. When multi-year long-term incentive plans are equity based, the value taken into account is based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements. Therefore, every year, the Board of Directors will adapt the multi-year long-term compensation of the concerned Senior Executive Officer in order to comply with this cap.

A defined benefit supplementary pension plan is in force within Worldline SA. This supplementary pension plan has been aligned with the new "Loi Pacte" on supplementary pension plans (Article L. 137-11-2 of the French social security Code) from January 1, 2020 for Excom members of Worldline SA meeting a minimum of 5 years seniority in Excom position, employees or Senior Executive Officers of Worldline SA, and whose annual base salary exceeds fifteen times the French annual social security ceiling.

Senior Executive Officers also benefit, except otherwise provided, from a company vehicle (with driver for the Chief Executive Officer and without for the Deputy Chief Executive Officer), which can be used for private purposes. Such benefit is treated as a benefit in kind for tax and social security purposes. They are also entitled, except otherwise provided, to the Group regime of reimbursement of health costs (Medical plan) and "incapacity, death & disability" policy applicable to the employees of Worldline SA as well as to the assistance contract in case of travel abroad in force within Worldline SA. They can also benefit, except otherwise provided, from an annual medical check-up and an investment advisor.

<sup>1</sup> "Social and Economic Unit" ("Unité Economique et Sociale").

## 2. Competitiveness

The level of total compensation of Senior Executive Officers is reviewed annually and benchmarked by reference to the median of salary surveys published on the market in relation with the SBF 120.

## 3. Pay for Performance

The variable compensation of the Senior Executive Officers is a conditional compensation, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives which are annually fixed by the Worldline Board of Directors, upon proposal of the Nomination and Remuneration Committee. These objectives are closely aligned with the Group's ambitions, as they are regularly presented to the shareholders. Typical criteria are: Revenue, OMDA and Free Cash Flow.

In order to secure the full year achievement of the performance objectives - in the context of the Worldline 3-year strategic plan-, those objectives are set and reviewed on a half-year basis. H1 targets are set in line with the guidance and approved by the Board of Directors in December, and H2 targets are also in line with the guidance approved in July.

For each performance indicator, the Board of Directors sets:

- A target the attainment of which results in getting 100% of the on-target variable compensation in respect of this indicator;
- A floor which defines the threshold below which no variable compensation for that component is due;
- A cap which defines the threshold above which the variable compensation for that indicator is limited to 130% of its on-target amount; and
- The elasticity curve which accelerates the amount of the variable compensation due upwards and downwards according to the level of achievement of each of the objectives.

If the concerned Senior Executive Officer leaves during the financial year, the amount of the variable portion of their compensation for the current year will be determined pro rata to the presence during the concerned year.

In accordance with the law, the H1 and H2 bonus payout relating to a performance year will be paid after approval of the General Meeting of shareholders in the framework of the elements of compensation due or awarded during the year.

Performance is also strongly embedded in the multi-year long-term compensation of the Senior Executive Officers (see Section 4 below on the alignment with shareholders interests).

Any bonus paid by Worldline can be reclaimed or reduced by Worldline when (i) it has been granted on incorrect information concerning the realization of certain goals and achievements having led to a restatement of the financial results; (ii) the beneficiary did not adhere to the standards regarding

suitability and proper behavior; (iii) the beneficiary was found guilty by a final Court decision and responsible for conduct/behavior that resulted in a degradation in the financial position of the Group. No variable compensation will be paid to the concerned Senior Officer if he/she is dismissed for gross negligence or with good cause.

## 4. Alignment with shareholders' interests

In order to develop a community of interest with Worldline shareholders and to associate the Senior Executive Officers with the performance and financial results of the Group in a long-term perspective, up to maximum 50% of the total compensation of the Senior Executive Officers is based on multi-year long term incentive plans, which could include stock-options and/or performance shares.

The multi-year long-term compensation of the Senior Executive Officers is subject to the following conditions:

- The acquisition of the multi-year long-term incentive plans (including performance shares and/or stock-options) is subject to the achievement of internal and external performance conditions to be fulfilled over a certain number of years and based on clear and demanding criteria set by the Worldline Board of Directors, upon proposal of the Nomination and Remuneration Committee. These objectives are closely aligned with the Group's ambitions, as they are regularly presented to the shareholders. Conditions are for a 3 year period measurement in line with the 3 year plan and its extension based on the guidances;
- The long-term incentive plans are subject to a condition of presence within the Worldline Group at the date of vesting of the concerned plan.

When it decides on the granting of performance shares, the Board of Directors also states the percentage (15%) of acquired shares that the Senior Executive Officer must in a nominative form keep until the end of his duties. When it decides on the granting of stock-options, the Board of Directors also states the percentage (5%) of shares issued upon exercise of the stock-options that the Senior Executive Officer must keep in a nominative form until the end of his duties.

## Amending compensation policy

The compensation policy applicable to the Senior Officers of the Company is reviewed at least each 3 years by the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee and, in any case, upon renewal of the term of office of each Senior Officer of the Company.

During this review, the Nomination and Remuneration Committee shall take into account the changes in employees' employment and wages conditions prior to formulating its recommendations and proposals to the Board of Directors.



The compensation policy for Corporate Officers can also be reassessed each year by the Board of Directors. To this end, it regularly uses studies from comparable companies and legal opinions possibly prepared by third parties.

The last reassessment of the compensation policy for Senior Executive Officers was carried out in March 2020, upon the proposal of the Nomination and Remuneration Committee, which took note of the consequences resulting from the Order No. 2019-697 of July 3, 2019 leading to the freezing and closure of the defined benefit supplementary pension plan.

#### **Implementing the compensation policy**

The implementation of the compensation policy is carried out under the supervision of the Board of Directors in accordance with the resolutions adopted by the General Meeting. Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors sets, at the latest at the beginning of each semester, the objectives of each performance indicator on which the variable compensation of the Company Executive Officers is based and defines the elasticity curves accelerating the amount of the variable compensation due upwards and downwards depending on the progress of Worldline 3-year strategic plan and its extension based on the guidances. In addition, the Board of Directors sets, upon recommendation of the Nomination and Remuneration Committee, the multiannual equity-based compensation in accordance with the Group's performance and the ambitions.

#### **Exceptions to the application of the compensation policy**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, may alter the global compensation policy in exceptional circumstances, for a temporary period and insofar as such a difference is in accordance with the social interest of the Company and is necessary to guarantee the sustainability and viability of the Company. In particular, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, may decide to adapt the performance criteria regarding the annual variable compensation and/or the multi-year compensation in shares of the Company Executive Officers and/or the supplementary pension plan in such circumstances having a significant impact on the achievement of one or more performance criteria. In no case may the limit of annual variable compensation, of multi-year compensation in shares of the Company Executive Officers and the supplementary pension plan be increased.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has maintained the performance criteria at this stage, while precisifying that it could adjust the objectives held for 2020 in view of the current exceptional circumstances being beyond the control of the management (meaning the crisis resulting from the state of sanitary emergency relating to the Covid-19 pandemic) in order to maintain, for the social interest of the Company, the consistency between the implementation of the compensation policy with the performance without modifying the ceilings of annual remuneration, of multi-year compensation in shares of the Company Executive Officers and of the supplementary pension plan.

Such exceptions will be strictly implemented and exercised upon recommendation of the Nomination and Remuneration Committee. They will be limited to exceptional circumstances and their justification communicated, in particular with regard to their alignment with the interests of shareholders. The elements of variable remuneration will remain subject to the binding vote of the General Meeting and may only be paid in the event of a positive vote by the latter in accordance with the provisions of articles L.225-37-3 and L.225-100, III of the French Commercial Code.

#### **2. Method of evaluating performance criteria**

The performance criteria set for the annual variable compensation in cash and for the long-term compensation in equity are all measurable. Such criteria are based on financial or corporate social responsibility, the achievement of the latter being externally audited. Performance criteria are measured according to the method of evaluation as defined under section E.4.7. of the Universal Registration Document.

#### **3. Handling conflicts of interests**

The Company complies with the conditions set out in the AFEP-MEDEF Code relating to the management of conflicts of interests. In that respect, the Directors' Charter of Worldline summarizes the missions and obligations of the members of the Board of Directors and covers, in particular, handling of conflicts of interests (see section G.2.3.10 of this Universal Registration Document). The Directors' Charter provides that the Director strives to strictly avoid any conflict that may arise between his or her own moral and material interests and those of the Company. Directors must inform the Board of Directors of any actual or potential conflict of interest that they are aware of. He or she must strictly refrain from participating in discussions or decisions on such matters where he or she should be in a situation of a conflict of interests.

In addition, as part of the procedures for managing conflicts of interest, the Corporate Officer concerned does not participate in the work of the Nomination and Remuneration Committee and does not take part in the deliberations or vote on decisions concerning him or her taken by the Board of Directors.

The Company complies with the recommendations of the AFEP-MEDEF Code on the number of independent members in the Board of Directors (see section G.2.3.3.2 of this Universal Registration Document).

#### **4. Allocation of the annual amount allocated to the members of the Board of Directors**

In accordance with the resolution adopted at Worldline's Shareholders Meeting dated April 30, 2019, the 2019 annual budget for Directors' compensation was set at € 600,000. The rules of payment of the Directors' fees are determined by the Board of Directors, based on the proposal of the Nomination and Remuneration Committee.

During its meeting held on February 19, 2020, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided to slightly increase the variable part of the compensation paid to Directors for Board (from €2,000 to €2,500 per meeting attended) and Committee (from €1,000 to €1,500 per meeting attended) meetings.

However, given the current economic circumstances related to the Covid-19 crisis, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decided not to implement this year the planned increase in the variable portion and clarified that it would be discussed again in due time.

It is therefore expected that the rules for allocating the total amount of Directors' remuneration will remain in line with those of 2019, namely:

- For the Board of Directors:
  - A yearly fixed remuneration of € 20,000 per Director plus a variable compensation of € 2,000 per attended meeting;
  - The Lead Independent Director receives an additional fixed compensation of € 15,000 per year;
- For the Committees:
  - For the Chairmen: Audit Committee Chairman: € 3,500 per attended meeting / Other committees Chairman: € 2,500 per attended meeting;
  - For each member of the committees: € 1,000 per meeting;
- Successive meetings held on the same day account for one meeting as far as Directors' compensation is concerned;
- As far as Directors' compensation is concerned, the Censors are treated the same as a Director<sup>1</sup>;
- The Director(s) representing the employees do(es) not receive any compensation for the exercise of that mandate;
- Directors are reimbursed of expenses incurred as part of their mandate, in particular, travel and accommodation.

### 5. Modification of the compensation policy

The compensation policy as approved by the General Meeting held on April 30, 2019 must be amended in order to take into account a certain number of events which have occurred since the last shareholders' vote including:

- The resignation of Mr. Thierry Breton, Chairman of the Board of Directors, effective October 24, 2019;
- The publication of the Order and Decree of November 27, 2019 relating to the compensation of Corporate Officers of listed companies;
- The publication of the "Loi Pacte" of May 22, 2019 and the Order of July 3, 2019, relating to supplementary pension plans;
- The evolution of the Company's shareholding in particular since the exceptional distribution in kind by Atos SE to its shareholders of 23.5% of Worldline share capital, effective May 7, 2019.

Following the resignation of Mr. Thierry Breton, the chairmanship of the Board of Directors has been assigned temporarily to Mr. Gilles Grapinet, in addition to his duties as Chief Executive Officer, on October 24, 2019. Additional information regarding the unification of the functions of Chairman of the Board of Directors and Chief Executive Officer can be found in section G.2.2 of this Universal Registration Document. Mr. Gilles Grapinet receives no additional compensation related to his duties as Chairman of the Board of Directors.

The Worldline Board of Directors also decided to give even more details on the underlying performance targets and the alignment with market cash remuneration levels for similar positions, clarify the claw-back provisions applicable to the variable part, deeply review the design of its Long-Term Incentive Plan so that the level of allocation and vesting better reflects the Group long-term strategy and actual performance while aligned with market practices (see below).

### 6. Appointment of new Corporate Officers

In the context of the projected acquisition of Ingenico Group by Worldline announced on February 3, 2020 and in line with the decision taken by the Board at the time of resignation of Mr Breton as Chairman (see Section G.2.2), it has been agreed that the functions of Chairman of the Board of Directors and of Chief Executive Officer are contemplated to be separated with Mr. Bernard Bourigeaud (current chairman of the board of directors of Ingenico) proposed to be appointed as Director at the AGM (subject to closing of the acquisition of the control of Ingenico) and then expected to be appointed as Chairman of the Board of Directors of Worldline while Mr. Gilles Grapinet would remain Chief Executive Officer. Other appointments of Directors and censor have been made and are contemplated in the context of such transaction (for additional information, refer to Section G.2.3.1) which will be proposed for appointment and ratification at the 2020 Annual General Meeting.

The total compensation policy applicable to each Senior Executive Officer based on the above four key principles will therefore fully apply to the Chief Executive Officer.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, will determine in due time the remuneration of the new Chairman of the Board of Directors, taking into account in particular the fact that the latter does not exercise executive functions, his current level of remuneration as chairman of the board of directors of Ingenico as well as the recommendations of the AFEP-Medef Code. In this context, when the functions of Chairman and Chief Executive Officer will be dissociated again, the total compensation package of Gilles Grapinet will not be impacted by such dissociation.

<sup>1</sup> It is reminded that, since Mr. Gilles Grapinet discharges duties with Worldline Group, he does not receive any compensation in his quality as member of the Board of Directors of the Company.

The total compensation policy as well as above detailed key principles apply in the event of any other appointment of a new Senior Executive Officer or in case of any renewal of the mandate of a current Senior Executive Officer. In such case, the components of the remuneration and the policy and criteria set out in the total compensation policy shall also apply to the newly appointed Senior Executive Officer (or of whom the mandate has been renewed). The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, shall then determine the structure of the remuneration and the percentages of variable compensation compared to their annual fixed compensation and which may not be higher than those of the Chief Executive Officer.

As well, in the event that a new Director is appointed, the principles, criteria and elements of remuneration set out in the compensation policy for Directors would be applicable.

### G.3.1.2 Compensation policy for the Directors [GRI 102-35]

#### 1. General principles and term of office

Directors' term of office is three years, subject to the statutory provisions concerning age limit and implementation of the renewal by thirds each year of the Directors which can justify terms of office of one or two years. Directors' term of office may be renewed subject to the same provisions. Employee Directors' term of office is three years, renewable once.

Directors may be dismissed at any time by the General Meeting. However, Employee Directors may be dismissed in case of willful misconduct while performing their mandate. The term of office of the Employee Director ends automatically by anticipation in case of termination of his/her employment agreement or in case his/her employer ceases to be a Worldline affiliate.

The employment agreements of the Directors representing the employees may be terminated in accordance with applicable provisions of French labor law (resignation, contractual termination or dismissal or any other equivalent measure) by complying with notice periods and indemnification rules set by the French Labor Code and the collective agreements.

#### 2. Compensation for the financial year 2020

During its meeting held on February 19, 2020, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided to slightly increase the variable part of the compensation paid to Directors for Board (from €2,000 to €2,500 per meeting attended) and Committee (from €1,000 to €1,500 per meeting attended) meetings.

However, given the current economic circumstances related to the Covid-19 crisis, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decided not to implement this year the planned increase in the variable portion and clarified that it would be discussed again in due time.

It is therefore expected that the rules for allocating the total amount of Directors' remuneration will remain in line with those of 2019, namely:

- For the Board of Directors:
  - A fixed remuneration of € 20,000 per Director plus a variable compensation of € 2,000 per attended meeting;
  - The Lead Independent Director receives an additional fixed compensation of € 15,000 per year;
- For the Committees:
  - For the Chairmen: Audit Committee Chairman: € 3,500 per attended meeting / Other committees Chairman: € 2,500 per attended meeting;
  - For each member of the committees: € 1,000 per meeting;
- Successive meetings held on the same day account for one meeting as far as Directors' compensation is concerned;
- As far as Directors' compensation is concerned, the Censors are treated the same as a Director<sup>1</sup>;
- The Director(s) representing the employees do(es) not receive any compensation for the exercise of that mandate.
- Directors will be reimbursed of the expenses incurred for the exercise of their duties, in particular accommodation and travel expenses.

Given the recent changes in the composition of the Board of Directors and the contemplated changes as part of the contemplated acquisition of Ingenico Group announced by Worldline on February 3, 2020, and the foregoing allocation rules further to the increase in the number of Directors, it will be proposed to the General Meeting to increase the global amount for Directors' compensation to € 1,200,000.

Besides, Directors are reimbursed of expenses incurred as part of their mandate, notably travel and accommodation.

No Director receives any compensation for any mandate held in Group companies.

Mr. Gilles Grapinet, Chairman of the Board of Directors and Chief Executive Officer, receives a compensation as Chief Executive Officer (see section G.3.1.3).

The Director(s) representing the employees receive(s) a salary by virtue of his/her employment agreement, which is not related to the exercise of his/her mandate as Director(s) of the Company.

<sup>1</sup> It is reminded that, since Mr. Gilles Grapinet discharges duties with Worldline Group, he does not receive any compensation in his quality as member of the Board of Directors of the Company.

### G.3.1.3 Compensation policy for the Chairman of the Board of Directors and Chief Executive Officer

The compensation policy for the Chairman and Chief Executive Officer applies to the current Chairman and Chief Executive Officer, Mr. Gilles Grapinet, and will fully apply to the Chief Executive Officer when the functions of Chairman of the Board of Directors and of Chief Executive Officer will be split again.

#### 1. General principles and mandate of the Chairman of the Board of Directors and Chief Executive Officer

Mr. Gilles Grapinet was appointed Chief Executive Officer on April 30, 2014, the date on which the Company was converted into a limited liability corporation (*société anonyme*), for the duration of his term as a Director. Prior to such date, he had been Chairman of the simplified stock company since July 31, 2013. His term as Director of the Company was renewed during the Annual Shareholders' General Meeting of 2017 for a period of three years, thus expiring at the end of the 2020 Annual General Meeting. It will be proposed to renew the term of office of Mr. Gilles Grapinet as Director at the 2020 Annual General Meeting, for a 3-year term that will expire at the end of the General Meeting called in 2023 to approve the 2022 financial statements.

The Board of Directors, during its meeting held on October 24, 2019, upon recommendation of the Nomination and Remuneration Committee, unanimously decided that the chairmanship of the Board of Directors be assumed by Mr. Gilles Grapinet, following the resignation of Mr. Thierry Breton as Chairman of the Board of Directors subsequent to the announcement by the presidency of the French Republic of its proposal to submit the candidature of the latter as Commissioner representing France in the European Commission. Until the resignation of Mr. Thierry Breton as Chairman of the Board on October 24, 2019, the roles of

Chairman and Chief Executive Officer were dissociated. In order to ensure continuity in the successful management of the Company and guarantee smooth transition following Worldline deconsolidation from the Atos group, secure targets achievement, in particular in the context of three-year plan 2019-21 (including the integration of SIX Payment Services and the ongoing synergy plans), carry-out major external growth projects, and pursue delivering value to investors, the Board of Directors, following the recommendation of the Nomination and Remuneration Committee, has decided with immediate effects that the chairmanship of the Board be assumed by Mr. Gilles Grapinet, thus uniting the functions of Chairman of the Board of Directors and of Chief Executive Officer of the Company.

The Board of Directors indicated, under the recommendation of the Nomination and Remuneration Committee, that the unification of the functions of Chairman and Chief Executive Officer was expected to be made, on a temporary basis as it was contemplated that such functions would be dissociated again in particular in order to facilitate governance discussions in the context of a future strategic partnership expected in the short term. It was decided to monitor closely and regularly this topic in the best interest of the Company in particular depending on the strategic opportunities status.

The Chairman and Chief Executive Officer may be removed from office at any time by the Board of Directors. Mr. Gilles Grapinet is not bound by any employment contract with the Company or any other entities of the Group.

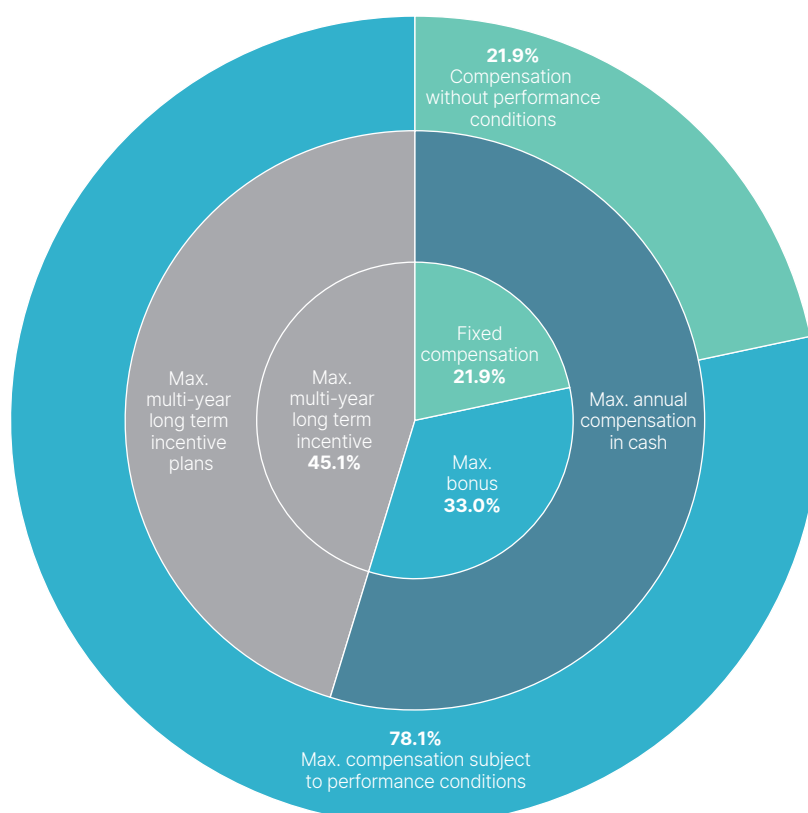
The above four principles underlying the total compensation policy applicable to each Senior Executive Officer are reflected as follows in the total compensation package of Gilles Grapinet, who is not paid for his function as Chairman.

In consequence, if and when the functions of Chairman and Chief Executive Officer will be dissociated again, the total compensation package of Gilles Grapinet will not be impacted by such dissociation.

### 1. Balance, Exhaustiveness and Coherence

Given the current economic circumstances related to the Covid-19 outbreak, the Chairman of the Board of Directors and Chief Executive Officer informed the Board of Directors on April 1, 2020, that he gives up the benefit of any raise on his annual fixed and variable compensation for 2020 as described below.

Consequently, the structure of the compensation of the Chairman of the Board of Directors and Chief Executive Officer remains the same than in 2019 and is as follows:



### 2. Competitiveness

The Board of Directors held on February 18, 2020, upon recommendation of the Nomination and Remuneration Committee, proceeded with a comparative analysis of the compensation of the Chief Executive Officer by reference to the median remuneration of generic information published on the market for a Chief Executive Officer function<sup>1</sup>.

When reviewing the total compensation package of the Chief Executive Officer, the Board of Directors, upon recommendation of the Nomination and Remuneration

Committee, acted that the Chief Executive Officer's compensation, which has been reviewed only once in 6 years (in 2017), stands significantly below the median of the SBF 120 by 25% in total target cash compensation while the long-term incentive equity-based compensation is positioned between median and percentile 75 reflecting the Group over-achievement and his total target compensation below median (by 6%):

#### Current package vs Median SBF 120

Annual Base Salary	-31%
On-Target Bonus	-20%
Total Target Cash Compensation	-25%
<b>Total Target Compensation</b>	<b>-6%</b>

<sup>1</sup> Executives' compensation of public companies part of the French SBF120 index », Mercer, 2019 edition.

The Worldline Board of Directors considered the following, upon proposal by the Nomination and Remuneration Committee:

- (i) Align the cash target remuneration of the Chief Executive Officer closer to median to take into account:
  - Worldline performance as well as the one of the Chief Executive Officer;
  - Worldline extended size (since IPO, Group Revenue being multiplied by 2.1; OMDA by 2.7 and FCF by 2.5);
  - The introduction of Worldline within the "CAC Next 20";
  - The fact that the Chief Executive Officer cash remuneration has only been reviewed once in the last 6 years.
- (ii) Grant a level of long-term incentives (i.e. maximum amount of € 1,280,738) (which is the value of the 2019 long-term incentive) (fair value according to IFRS 2 standard retained for the consolidated financial statements of the Company) which expresses the culture of performance and reflects seen practices in the sector of activity of Worldline.

Based on the above conclusion, the Board of Directors decided, upon recommendation of the Nomination and Remuneration Committee, to review as from January 1, 2020 the cash component of the Chief Executive Officer's total compensation as described under the section detailing the elements of the Chief Executive Officer's remuneration while granting a value of long-term incentive of a maximum amount of € 1,280,738 (i.e. the value of the 2019 long-term incentive) (fair value according to IFRS 2 standard retained for the consolidated financial statements of the Company). The new total target cash compensation of the Chief Executive Officer will be positioned still 6% below the median market of the SBF 120 and the total target compensation close to the median (at +7%).

While the proposed 2020 new cash pay levels for the Chief Executive Officer would remain under the median, it is the Company's objective to envisage potential other adjustments.

Given the current economic circumstances related to the Covid-19 outbreak, the Chief Executive Officer informed the Board of Directors on April 1, 2020, that he gives up the benefit of any raise on his annual fixed and variable compensation for 2020 as described below. The level of long-term incentives represents therefore maximum 45.1% of the total maximum compensation.

### 3. Pay for performance

The compensation of the Chief Executive Officer fully applies the above principle relating to "Pay for Performance".

### 4. Alignment with shareholders interests

The total compensation of the Chief Executive Officer is fully aligned with the shareholders interests as described above.

## 2. Compensation of Mr. Gilles Grapinet, Chairman of the Board of Directors and Chief Executive Officer, for the year 2020

The Board of Directors decided on February 18, 2020, upon recommendation of the Nomination and Remuneration Committee, to review as follows the elements of the total compensation of Mr. Gilles Grapinet relating to his duties of Chairman and Chief Executive Officer of the Company having in mind the principles of balance, exhaustiveness, coherence, competitiveness, pay for performance and alignment with the shareholders interests, as detailed above.

### Fixed annual compensation

For the reasons mentioned in the previous paragraph regarding the competitiveness of the current package of the Chief Executive Officer, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on February 18, 2020 to set the fixed annual compensation of Mr. Grapinet at € 850,000.

Given the current economic circumstances related to the Covid-19 outbreak, Mr. Grapinet however informed the Board of Directors on April 1, 2020, that he gives up the benefit of his raise on his fixed annual compensation for 2020.

Therefore, his fixed annual compensation will remain set at € 622.500 gross (unchanged versus last year).

### Variable compensation

For the reasons mentioned in the previous paragraph regarding the competitiveness of the current package of the Chief Executive Officer, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on February 18, 2020 to set the variable compensation of Mr. Grapinet at 100% of his newly proposed annual base salary (i.e. € 850,000).

Given the current economic circumstances related to the Covid-19 outbreak, Mr. Grapinet however informed the Board of Directors on April 1, 2020, that he gives up the benefit of his raise on his variable compensation for 2020.

Therefore, his variable compensation, subject to performance conditions, will remain set with an annual target being equal to 115,66% of the annual base salary (i.e. € 720.000), with a maximum payment capped at 130% of the variable compensation in case of over-performance and no minimum payment (unchanged versus last year).

As indicated above the total compensation policy is designed to support Worldline in achieving its short-term and long-term strategy, respects its company interests and ensures an efficient implementation of all the relevant regulatory frameworks and initiatives.

The variable compensation of the Senior Executive Officers is a conditional compensation, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives which are annually fixed by the Worldline Board of Directors, upon proposal of the Nomination and Remuneration Committee. These objectives are closely aligned with the Group's ambitions, as they are regularly presented to the shareholders. Typical criteria are: Revenue, OMDA and Free Cash Flow (see section G.3.1.1.(3) on Pay for performance above).



In order to secure the full year 2020 achievement - in the context of Worldline 3-year strategic plan-, the Board of Directors set up three targets for each semester of 2020, with weighted criteria as follows:

- Group Organic Revenue Growth (40%);
- Group Operating Margin before Depreciation and Amortization (OMDA) (30%);
- Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%).

The payment of the variable compensation for the first and second semesters 2020 will be subject to the approval of the Shareholders' General Meeting to be held in 2021 ruling on the 2020 financial statements.

Any bonus paid by Worldline can be reclaimed or reduced by Worldline when (i) it has been granted on incorrect information concerning the realization of certain goals and achievements having led to a restatement of the financial results; (ii) the beneficiary did not adhere to the standards regarding suitability and proper behavior; (iii) the beneficiary was found guilty by a final Court decision and responsible for conduct/behavior that resulted in a decrease in the financial position of the Company. No variable compensation will be paid if the Chairman of the Board of Directors and Chief Executive Officer is dismissed for gross negligence or with good cause.

The objectives indicated have been set at constant scope and exchange rates. Consequently, the Board of Directors may make adjustments to neutralize the consequences of possible events such as changes in scope, accounting method or currency effects.

#### Multiannual equity-based compensation

The Group is strongly committed to associating its employees with the long-term performance and results of the Company, notably through Long-Term Incentive (LTI) plans. Beneficiaries of such LTI plans are mostly the first managerial lines of Worldline, key talents, key experts and selected juniors, and include the Senior Executive Officers.

In respect to Senior Executive Officers, share-based compensation is particularly appropriate given the level of responsibility of these functions and his/her ability to contribute directly to long-term company performance in a way that is aligned with shareholders' interests. For 2020, it will be proposed to the 2020 Annual General Meeting to renew the authorizations granted to the Board of Directors with the view to proceed with the issuance of performance shares and stock-options, the main characteristics of which are described below.

The Chief Executive Officer will be granted, under the conditions defined below, an equivalent number of stock-options and performance shares, the total value of both the stock-options and the performance shares being limited to a maximum value of € 1,280,738 which is identical to the value of the 2019 grant of long-term incentives (fair value according to IFRS 2 standard retained for the consolidated financial statements of the Company) and represents maximum 45.1% of the total maximum compensation.

The envelope reserved for the Senior Executive Officers in 2020 is limited to 0.035% of the share capital on the date of the 2020 General Assembly in relation to the grant of performance shares and 0.035% of the share capital on the date of the 2020 General Assembly in relation to the grant of stock-options.

In order to take into account the share price volatility, the Board of Directors will limit the maximum number of equity (in addition to the limit relating to the fair value in euros and the limit relating to the percentage of share capital reserved for Senior Executive Officers), taking into account, for the determination of the number of performance shares and stock-options to be granted, the average of the share price over several months preceding the grant, with a low limit (set at € 48 based on the circumstances as known on the date of publication of this document).

**A. Continued-employment:** Subject to certain exceptions provided for in the plan (e.g. death or invalidity), the exercisability of the stock-options and/or the acquisition of performance shares are subject to the preservation of the status of Group's employee or corporate officer, by the beneficiary, during the acquisition period.

**B. Performance condition:** The allocation of performance shares and/or exercisability of stock-options are also subject to the achievement of the following internal and external performance conditions which have been reviewed from 2020 to take into account proxies comments on previous plans and future expectations regarding the Senior Executive Officers compensation policy. These objectives have been defined by the Worldline Board of Directors, upon recommendation of the Nomination and Remuneration Committee to support Worldline in achieving its short-term and long-term strategy .

The performance indicators would be in line with the key success factors for the Group's strategy.

#### Internal Performance Conditions

The vesting of all or part of the performance shares/stock-options shall be subject to the achievement over a three-year period of the following three internal financial performance indicators directly connected to key success factors for the achievement of the Group's ambitions as regularly disclosed to the shareholders:

- Average of the Group Organic Revenue Growth rates over 3 years, conditioning **30%** of the overall vesting; and
- Average rate of Group Operating Margin before Depreciation and Amortization (OMDA) over 3 years, conditioning **25%** of the overall vesting; and
- Average Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (FCF) at the end of the 3-year plan, conditioning **25%** of the overall vesting.

These indicators will be calculated on a constant scope of consolidation and exchange rate basis.

Their target achievement levels will be set in line with the objectives of the Worldline 3-year plan and its extension based on guidances.

External Performance Condition relating to Corporate Social Responsibility

To meet our environmental-friendly commitment fully embedded in the Group's strategy, on top of financial indicators described above, the vesting of all or part of the performance shares/stock-options shall be subject to the achievement over a three-year period of the following "combined Corporate Social Responsibility" ("CSR") indicators conditioning **20%** of the overall vesting:

- One third relating to Carbone Disclosure Program rating;

- One third relating to Eco Vadis rating; and
- One third relating to GAIA Index Certification.

Each of the above CSR indicators will be measured over a 3 year period.

Indicator's measurement

An elasticity curve has been defined by the Board of Directors on February 18, 2020, upon recommendation of the Nomination and Remuneration Committee before COVID-19 crisis, for each KPI as follows:

Indicator's measurement		Elasticity curves	% granted
Internal Performance Conditions	Group Organic Revenue Growth rates	Floor: Target -1.75%	50%
		Target	100%
	Average of the Group Organic Revenue Growth rates over 3 years (2020 – 2022) ("A")	Cap: Target + 1.75%	130%
	Average Group Operating Margin before Depreciation and Amortization rates (OMDA)	Floor: Target -1.5%	50%
		Target	100%
	Average of the Group OMDA rates over 3 years (2020 – 2022) ("B")	Cap: Target + 2%	130%
	Average Group Free Cash Flow before acquisition/disposal and variation of equity and dividends rates (FCF)	Floor: Target -1.5%	50%
		Target	100%
	Average Group FCF over 3 years (2020 – 2022) ("C")	Cap: Target +1.25%	130%
	Carbone Disclosure Program Rating	Floor: CDP B	50%
External Performance Condition relating to Corporate Social Responsibility		Target: CDP A-	100%
	Rating obtained at the end of the concerned period (in 2022) ("D1")	Cap: A	130%
	Eco Vadis Rating	Floor: 74% of Target	50%
		Target: above 2019 results	100%
	Rating obtained at the end of the concerned period (in 2022) ("D2")	Cap: Target + 1,2%	130%
	Gaia Index Certification	Floor: 68% of Target	50%
		Target: above 2019 results	100%
	Rating obtained at the end of the concerned period (in 2022) ("D3")	Cap: Target + 6,8%	130%
<b><math>A * 30\% + B * 25\% + C * 25\% + [(D1 + D2 + D3) * 20\%] = \text{Average acquisition rate}</math></b> <b>(The average acquisition rate might not exceed 100%)</b>			

Depending on the achievement of internal and external conditions, as described above, the maximum applicable vesting multiplier is capped at 100%.

The objectives indicated have been set at constant scope and exchange rates. Consequently, the Board of Directors may make adjustments to neutralize the consequences of possible events such as changes in scope, accounting method or currency effects.

**C. Date of grant, vesting and holding periods:**

The grant date will in principle be the date of the Board of Director following the 2020 Annual General Meeting to renew the authorizations granted to the Board of Directors with the view to proceed with the issuance of performance shares and

stock-options, except if any exceptional circumstance would justify otherwise.

The beneficiaries of the performance shares and/or stock-options plans will acquire the performance shares and be able to exercise the stock-options three years after the grant, provided that all conditions (both performance and continued-employment conditions) are achieved according to the provisions of the plan.

The performance shares acquired will not be subject to a holding period and will be immediately available for sale by their beneficiaries, subject to the "black-out periods" set by the Company in the Guide for the Prevention of Insider Trading, applicable legal rules, and, for the Senior Executive Officers, the 15% retention obligation.



The stock-options can only be exercised between the date of acquisition and the tenth anniversary of the date of grant excluded (with some exceptions provided for in the plan rules), in compliance with the “black-out periods” as set by the Company according to the Guide for the Prevention of Insider Trading and applicable laws. The Senior Executive Officers must keep, in a nominative form, at least 5% of the shares issued upon exercise of the stock-options, and this, until the termination of their function of Senior Executive Officer. The exercise price of the stock-options will be equal to the average opening share prices calculated on the 20 days preceding the grant date increased by 5%.

### Exceptional compensation

The Chairman and Chief Executive Officer does not receive any exceptional compensation.

### Remuneration allocated to Directors

Mr. Gilles Grapinet does not receive any remuneration allocated to Directors nor as Chairman of the Board of Directors.

### Defined benefit supplementary pension plan

On March 15, 2019, the Board of Directors decided to implement a defined benefit supplementary pension plan to which the Chairman and Chief Executive Officer is eligible. This pension plan, which is the continuation of the Atos regime and replicating fully the conditions under which the beneficiary can be entitled to the supplementary pension plan, has been approved by the General Meeting held on April 30, 2019 (the “2019 Supplementary Pension Plan”).

The Board of Directors of December 19, 2019 decided that the above-mentioned 2019 Supplementary Pension Plan in force in Worldline SA has to be brought into line with the law “Loi Pacte” adopted by the French National Assembly on May 22, 2019 (Article L. 137-11-2 of the French social security Code) and executed by the Order n°2019-697 of July 3, 2019 relating to supplementary professional retirement regime. The Board of Directors therefore decided:

- (a) The closing of any new adhesion from July 4, 2019 to the 2019 Supplementary Pension Plan;
- (b) The freeze, on December 31, 2019, of rights built up under the current defined benefit supplementary pension plan for the Chief Executive Officer affiliated before July 4, 2019 without freezing the compensation reference for the calculation of the future potential annuity at retirement.

The amount of the pension is fixed under this plan to 0.625% of the reference compensation per entire calendar quarter of seniority (i.e. **2.5% per year**), provided that the performance conditions are met (replicating the Atos regime). More information is available under the section G.3.2.3.1 relating to the elements of remuneration awarded to the Chief Executive Officer in 2019.

A seniority of at least 5 years within the Executive Committee of Worldline SA (in addition to being an employee or Senior

Executive Officer of Worldline SA) is required for the payment of the pension rights. More details about the 2019 Supplementary Pension Plan is provided in the 2018 Registration Document and below in the section relating to elements of the compensation due or awarded at the end of 2019 to Senior Officers, submitted to the shareholders' vote.

The Board of Directors decided on February 18, 2020, upon recommendation of the Nomination and Remuneration Committee, in the framework of the alignment with the new “Loi Pacte” on supplementary pension plans adopted by the National Assembly on May 22, 2019 (Article L. 137-11-2 of the French social security Code) and executed by the Order of July 3, 2019 relating to supplementary pension schemes, to implement a new supplementary pension scheme within Worldline from January 1, 2020, reserved to Excom members of Worldline SA meeting a minimum of five years seniority in Excom position, employees or Senior Executive Officers of Worldline SA, and whose annual base salary exceeds fifteen times the French annual social security ceiling. This plan allows the acquisition of pension rights at a contribution rate of **0.97% per year**. This new plan is taking over the 2019 Supplementary Pension Plan for which any new adhesion is closed and the rights are frozen. Mr. Gilles Grapinet is meeting the condition to benefit from this supplementary pension plan in force within Worldline SA from January 1, 2020 taking over the 2019 Supplementary Pension Plan.

For 2020, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on February 18, 2020 to apply the following performance conditions to validate quarters of the newly implemented supplementary pension plan, in line with the key success factors for the achievement of the Group's ambitions and our “eco-friendly” commitment fully embedded in the Group's strategy:

- **Group Organic Revenue Growth** in line with 2020 market guidance – counting for **30%** in the overall validation of quarters;
- **Group Operating Margin before Depreciation and Amortization** in line with 2020 market guidance – counting for **25%** in the overall validation of quarters;
- **Group Free Cash-Flow** in line with 2020 market guidance – counting for **25%** in the overall validation of quarters;
- **Group Combined Indicator Corporate Social Responsibility** (as applied in the 2020 Long-Term Incentive Plan) – counting for **20%** in the overall validation of quarters.

The validation of the year is limited to a total of 100%. The applicable underlying curves for each of the above KPI's are those of the 2020 Long-Term Incentive Plan (see above).

The objectives indicated have been set at constant scope and exchange rates. Consequently, the Board of Directors may make adjustments to neutralize the consequences of possible events such as changes in scope, accounting method or currency effects.

Such new regime, together with the accumulated rights build up under the 2019 Supplementary Pension Plan frozen on December 31, 2019, should allow Mr. Grapinet to build up pension rights at retirement age corresponding to an annuity that should not exceed € 291,000.

#### Compensatory allowance in the event of forced departure

The Board of Directors decided, on February 18, 2019, that the change of the status of Mr. Grapinet should be neutral for him in terms of retirement plan.

However, because of this change of status, Mr. Grapinet will lose the benefit of rights that he previously validated under performance conditions set in the Atos pension plan during his 10 years presence within the Atos group (on 40 quarters validated in Atos on December 31, 2018, only 12.44 have been recognized by Worldline at the same date, corresponding to 12.67 quarters on February 1, 2019).

Therefore, the Board of Directors decided to implement, to the benefit of Mr. Grapinet, a compensatory allowance in the event of forced departure.

The amount of this compensatory allowance is equal to the difference between the net amounts (after payment of the social costs and social security contributions) of:

- The pension due to Mr. Grapinet on December 31, 2018 pursuant to the Atos SE and Atos International supplementary pension plan (i.e. € 291,000 gross); and
- The pension actually received by Mr. Grapinet pursuant to Worldline supplementary pension plans.

This allowance will take the form, at the discretion of the Board of Directors, of an allowance paid as a lump sum or a lifetime pension that will not benefit from the social treatment provided for in article L. 137-11 of the Social Security Code.

The benefit of this allowance is conditional upon the achievement of performance conditions assessed regarding Mr. Grapinet's tenure as Chief Executive Officer of Worldline since 2014: achievement during more than two thirds of those years of the performance conditions set forth by the Board of Directors. For the period 2014 to 2018 the applicable performance conditions are those in force in the supplementary pension plan of Atos for the concerned period (which are detailed in the Atos Reference Document for the concerned period). Regarding 2019, the Worldline Board of Directors decided on February 18, 2019, upon recommendation of the Nomination and Remuneration Committee, to apply the performance conditions as applicable in the Stock-Options Plan Rules of July 24, 2019. Information relating to the achievement of those conditions are available below.

No allowance will be paid to Mr. Grapinet in the event of resignation. Thus, Mr. Grapinet will not benefit from this allowance if he voluntarily leaves Worldline to claim his pension rights. The allowance is still due in case of departure by reason of 2nd or 3rd class invalidity or in case of death. No additional rights have been created compared to the situation until February 1, 2019.

This compensatory allowance has been approved by the General Meeting held on April 30, 2019.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, has decided to reconduct the benefit of the compensatory allowance in 2020 and this will be subject to the approval of the 2020 Annual General Meeting.

This compensation may only be paid after the Board of Directors has validated the fulfillment of the applicable performance conditions.

The total of rights as per (i) the 2019 Supplementary Pension Plan frozen plan (Social Security Code, art. L 137-11), including the potential upside due to new compensation reference, (ii) the new defined benefit supplementary pension plan (French social security Code, art. L 137-11-2) and (iii) the compensatory allowance in case of forced departure before retirement, cannot exceed an annuity of € 291,000.

#### Benefits in kind

The Chairman and Chief Executive Officer benefits from a company vehicle with driver, which can be used for private purposes. Such benefit is treated as a benefit in kind for tax and social security purposes. The benefit in kind relating to the private use of the company vehicle with a driver amounted to € 11,541 in 2019.

The Chairman and Chief Executive Officer is also benefitting from an annual medical check-up and an investment advisor.

#### Other elements of compensation

In conformity with the approval by the Shareholders' General Meeting of April 30, 2019, Mr. Gilles Grapinet is entitled to the Group regime of reimbursement of health costs and "incapacity, disability/death" policy applicable to the employees of the Worldline Group as well as to the assistance contract in case of travel abroad in force within Worldline in France.

The medical policy includes classical in-patient and out-patient benefits (including medication reimbursement, alternative medicine...), as well as dental and vision coverages. Termination/Renewal date is January 1<sup>st</sup>, 2021.

The medical contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the Company. For 2019, the employer's contribution related to Mr. Gilles Grapinet is € 2,475.26.

The "incapacity, disability/death" policy mainly offers the following benefits:

- A death coverage of 320% of annual salary up to the slice C (8 times the annual Social Security ceiling) up to 500% in case of permanent disability;
- An educational annuity from 12% to 15% of annual salary up to slice C, depending on children age;
- A salary maintain (up to the slice C) in case of incapacity/disability.

The "incapacity, disability/death" contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the company. For 2019, the employer's contribution related to Mr. Gilles Grapinet is € 2,240.04.

The insurance contracts relating to these schemes may be terminated under the terms and conditions applicable under ordinary law.

The Board of Directors may unilaterally revoke the schemes applicable to the Chairman and Chief Executive Officer.

### G.3.1.4 Compensation policy for the Deputy Chief Executive Officer - Marc-Henri Desportes

#### 1. General principles and mandate of the Deputy Chief Executive Officer

In accordance with article 24 of the Company's bylaws, upon proposal of the Chief Executive Officer and upon recommendation of the Nomination and Remuneration Committee, the Board of Directors decided on July 21, 2018 to appoint Mr. Marc-Henri Desportes as Deputy Chief Executive Officer with effect as from August 1, 2018 and for the duration of the term of office of Mr. Gilles Grapinet as Senior Executive Officer. Based on a proposal of the Chief Executive Officer, the Deputy Chief Executive Officer can be dismissed at any time by the Board of Directors. Detailed information about the appointment and role of Mr. Marc-Henri Desportes as Deputy Chief Executive Officer is provided in Section G.2.2 Management Mode of the present Universal Registration Document.

Consequently, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on July 21, 2018 to authorize, pursuant to article L. 225-38 of the French Commercial Code, the signing of an agreement between Worldline and Mr. Marc-Henri Desportes providing for the suspension of his employment contract with Worldline during the term of his office as Deputy Chief Executive Officer. This agreement has been approved by the General Meeting on April 30, 2019 in accordance with article L. 225-38 of the French Commercial Code.

The employment contract was therefore suspended on August 1<sup>st</sup>, 2018. It will take effect again at the end of the term of office of Mr. Marc-Henri Desportes.

More precisely, the agreement between Worldline and Mr. Marc-Henri Desportes providing for the suspension of his employment contract with Worldline provides for the following main elements:

- The suspension is foreseen during the term of his office as Senior Executive Officer;

- The ending of the Senior Executive Officer activities does not trigger the termination of the employment contract; at termination of the Senior Executive mandate, the Deputy Chief Executive Officer will reintegrate his function or an equivalent function within the Worldline Group, corresponding to his competences and acquired experiences since his hiring on August 1, 2009, including during the period of suspension of his employment contract;
- Maintenance of the acquisition of seniority during the mandate of the Senior Executive Officer;
- Upon resumption of the employment contract, Mr. Marc-Henri Desportes will benefit from the remuneration corresponding to his new function, taking into account the acquired seniority as described above, and being at least equal to € 350,000 for the annual base salary and € 350,000 for the annual on-target bonus with a payout limited to 130% in case of over-performance and with no minimum payout;
- Suspension of the time saving account during the period of suspension of the employment contract (while the benefit of it is maintained during the suspension of the employment contract);
- The other individual and collective benefits to which M. Marc-Henri Desportes was entitled in his capacity as employee at the time of suspension of the employment contract will resume again upon the applicable terms and conditions at the time of revival of the employment contract.

The suspended employment contract is concluded for an indefinite period of time and does not provide any exceptional payment of premium at the time of departure.

The employment contract of indefinite duration has been concluded with Worldline on June 1<sup>st</sup>, 2014.

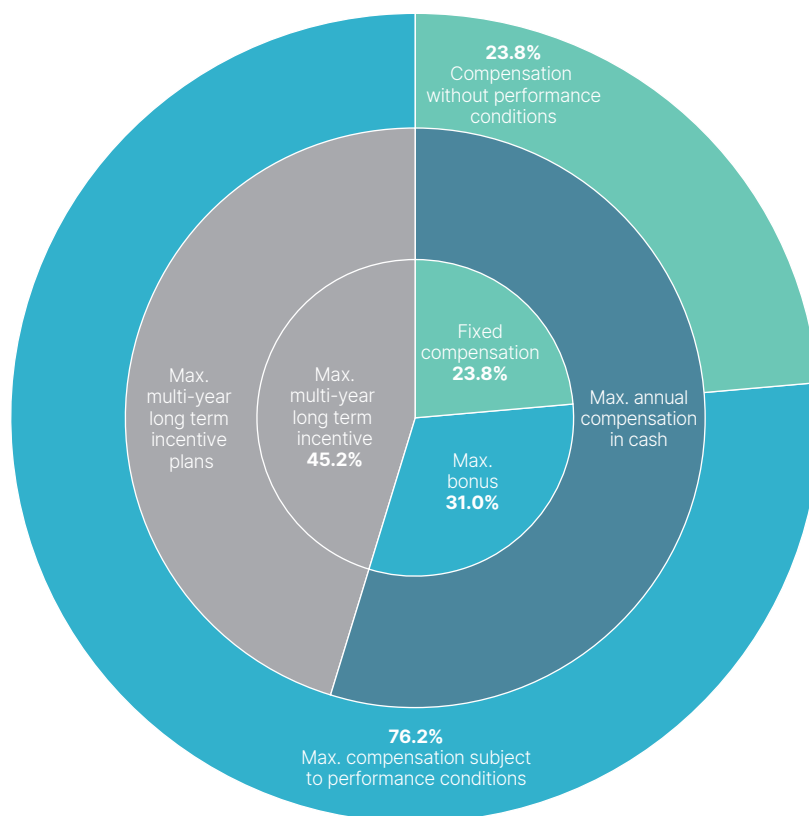
The contract may be terminated in accordance with the provisions of labour law (resignation, breach of contract or dismissal) while respecting the periods of notice and indemnities governed by the provisions of the French Labour Code and the applicable collective agreements.

The four principles underlying the total compensation policy applicable to each Senior Executive Officer as detailed above is reflected as follows in the total compensation package of Mr. Marc-Henri Desportes:

#### 1. Balance, Exhaustiveness and Coherence

Given the current economic circumstances related to the Covid-19 outbreak, the Deputy Chief Executive Officer informed the Board of Directors on April 1, 2020, that he gives up the benefit of any raise on his annual fixed and variable compensation for 2020 as described below.

Consequently, the structure of the compensation of the Deputy Chief Executive Officer remains the same than in 2019 and is as follows:



## 2. Competitiveness

The Board of Directors held on February 18, 2020, upon recommendation of the Nomination and Remuneration Committee, proceeded with a comparative analysis of the compensation of the Deputy Chief Executive Officer by reference to the median of generic information published on the market for a Deputy Chief Executive Officer function<sup>1</sup>.

When reviewing the 2019 total compensation package of the Deputy Chief Executive Officers, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, acted that the total target cash compensation, which has not been reviewed since 2018, is positioned 10% below the median market of the SBF 120 while the long term incentive equity-based compensation is positioned at percentile 75 of the SBF 120 reflecting the Company achievement.

### Current package vs Median SBF 120

Annual Base Salary	-19%
On-Target Bonus	1%
Total Target Cash Compensation	-10%
<b>Total Target Compensation</b>	<b>4%</b>

The Worldline Board of Directors considered the following, upon proposal by the Nomination and Remuneration Committee:

- (i) Align the cash target remuneration of the Deputy Chief Executive closer to median to take into account:
- Worldline performance as well as the performance of the Deputy Chief Executive Officer;

- Worldline extended size (since IPO, Group Revenue being multiplied by 2.1; OMDA by 2.7 and FCF by 2.5);
- The introduction of Worldline within the "CAC Next 20";
- The level of delegation and responsibility given to the Deputy Chief Executive Officer.

<sup>1</sup> Executives' compensation of public companies part of the French SBF120 index », Mercer, 2019 edition.

- (iii) Grant a level of long-term incentives (i.e. maximum amount of € 663,544, which is the value of the 2019 long-term incentive) (fair value according to IFRS 2 standard retained for the consolidated financial statements of the Company) which expresses the culture of performance and reflects seen practices in the sector of activity of Worldline.

Based on the above conclusion, the Board of Directors decided, upon recommendation of the Nomination and Remuneration Committee, to review as from January 1, 2020 the cash component of the Deputy Chief Executive Officer's total compensation as described under the section detailing the elements of the Deputy Chief Executive Officer's remuneration while granting the value of the long term incentive of a maximum amount of € 663,544 (i.e. the value of the 2019 long-term incentive) (fair value according to IFRS 2 standard retained for the consolidated financial statements of the Company). The new total target compensation package of the Deputy Chief Executive Officer will be positioned at median market of the SBF 120 (+3%).

While the proposed 2020 new cash pay levels for the Deputy Chief Executive Officer would remain under the median, it is the company's objective to envisage potential other adjustments.

Given the current economic circumstances related to the Covid-19 outbreak, the Deputy Chief Executive Officer informed the Board of Directors on April 1, 2020, that he gives up the benefit of any raise on his annual fixed and variable compensation for 2020 as described below. The level of long-term incentives represents therefore maximum 45.2% of the total maximum compensation.

### 3. Pay for performance

The compensation of the Deputy Chief Executive Officer fully applies the above principle relating to "Pay for Performance".

### 4. Alignment with shareholders interests

The total compensation of the Deputy Chief Executive Officer is fully aligned with the shareholders interests as described above.

## 2. Compensation of Mr. Marc-Henri Desportes, Deputy Chief Executive Officer

The Board of Directors decided on February 18, 2020, upon recommendation of the Nomination and Remuneration Committee, to review as follows the elements of the total compensation of Mr. Marc-Henri Desportes relating to his duties of Deputy Chief Executive Officer of the Company having in mind the principles of balance, competitiveness, pay for performance and alignment with the shareholders interests, as detailed above.

### Fixed annual compensation

For the reasons mentioned in the previous paragraph regarding the competitiveness of the current compensation package of the Deputy Chief Executive Officer, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on February 18, 2020 to set the fixed annual compensation of Mr. Marc-Henri Desportes at € 400,000.

Given the current economic circumstances related to the Covid-19 outbreak, Mr. Marc-Henri Desportes however informed the Board of Directors on April 1, 2020, that he gives up the benefit of his raise on his fixed annual compensation for 2020.

Therefore, his fixed annual compensation will remain set at € 350,000 gross (unchanged versus last year).

### Variable compensation

For the reasons mentioned in the previous paragraph regarding the competitiveness of the current compensation package of the Deputy Chief Executive Officer, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on February 18, 2020 to set the variable compensation of Mr. Marc-Henri Desportes at 100% of his newly proposed annual base salary (i.e. € 400,000).

Given the current economic circumstances related to the Covid-19 outbreak, Mr. Marc-Henri Desportes however informed the Board of Directors on April 1, 2020, that he gives up the benefit of his raise on his variable compensation for 2020.

Therefore, his variable compensation, subject to performance conditions, will remain set with an annual target being equal to 100% of his annual base salary (i.e. € 350,000), with a maximum payment capped at 130% of the variable compensation in case of over-performance and no minimum payment (unchanged versus last year).

The variable compensation of the Deputy Chief Executive Officer follows the same conditions and principles than those applicable to the Chairman and Chief Executive Officer.

Any bonus paid by Worldline can be reclaimed or reduced by Worldline when (i) it has been granted on incorrect information concerning the realization of certain goals and achievements having led to a restatement of the financial results; (ii) the beneficiary did not adhere to the standards regarding suitability and proper behavior; (iii) the beneficiary was found guilty by a final Court decision and responsible for conduct/behavior that resulted in a decrease in the financial position of the company. No variable will be paid if the Deputy Chief Executive Officer is dismissed for gross negligence or with good cause.

It is recalled that the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has the ability to adjust, for the period considered, the performance indicators applicable to variable compensation in exceptional circumstances (related, for example, to a state of health emergency or economic impact related to the Covid-19 pandemic). For additional information, see Section G.3.1.1.

The objectives indicated have been set at constant scope and exchange rates. Consequently, the Board of Directors may make adjustments to neutralize the consequences of possible events such as changes in scope, accounting method or currency effects.

### Multiannual equity-based compensation

The Deputy Chief Executive Officer will be granted, under the conditions defined below, an equivalent number of stock-options and performance shares, the total value of both the stock-options and the performance shares being limited to a value of € 663,544, which is in line with the value of the 2019 grant of long-term incentives (fair value according to IFRS 2 standard retained for the consolidated financial statements of the Company) and represents maximum 45.2% of the total maximum compensation.

The multi-year long-term compensation of the Deputy Chief Executive Officer follows the same principles and conditions than those applicable to the Chairman and Chief Executive Officer.

### Exceptional compensation

The Deputy Chief Executive Officer does not receive any exceptional compensation.

### Compensation allocated to directors

Marc-Henri Desportes has not been appointed as Director and therefore does not receive any remuneration allocated to directors.

### Severance Pay

In the event of termination of his duties as Deputy Chief Executive Officer, Mr. Marc-Henri Desportes will not receive any severance pay or compensation under a non-compete clause.

### Benefits in kind

The Deputy Chief Executive Officer benefits from a company vehicle without driver. The benefit in kind relating to the private use of the company vehicle without driver amounted to € 2,922 in 2019.

The Deputy Chief Executive Officer is also benefitting from an annual medical check-up and an investment advisor.

### Complementary and supplementary pension plans

The Deputy Chief Executive Officer does not benefit from any complementary or supplementary pension plan in force within Worldline.

### Other elements of compensation

The Deputy Chief Executive Officer is entitled to the Group regime of reimbursement of health costs and "Invalidity, Death & Disability" policy applicable to the employees of Worldline SA as well as to the assistance contract in case of travel abroad in force within Worldline SA.

The medical policy includes classical in-patient and out-patient benefits (including medication reimbursement, alternative medicine...), as well as dental and vision coverages. Termination/Renewal date is January 1st, 2021.

The medical contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the company. For 2019, the employer contribution related Mr. Marc-Henri Desportes is € 2,722.62.

The "incapacity, disability/death" policy mainly offers the following benefits:

- A death coverage of 320% of annual salary up to the slice C (8 times the annual Social Security ceiling) up to 500% in case of permanent disability;
- An educational annuity from 12% to 15% of annual salary up to slice C, depending on children age;
- A salary maintain (up to the slice C) in case of incapacity/disability.

The "incapacity, disability/death" contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the Company. For 2019, the employer contribution related to Mr. Marc-Henri Desportes is € 2,443.68.

The insurance contracts relating to these schemes may be terminated under the terms and conditions applicable under ordinary law.

The Board of Directors may unilaterally revoke the schemes applicable to the Deputy Chief Executive Officer.



## G.3.2 Elements of the compensation due or awarded for the financial year 2019 to the Corporate Officers, and submitted to the shareholders vote

Pursuant to article L. 225-100 of the French Commercial Code, the amounts and elements presented below, resulting from the implementation of the compensation policies approved by the Annual General Meeting which was held on April 30, 2019, are subject to the approval of the 2020 Annual General Meeting. They form an integral part of the report of the Board of Directors on corporate governance.

### G.3.2.1 Elements of compensation due or awarded for the financial year 2019 to the members of the Board of Directors [GRI 102-35]

#### Compensation elements

In accordance with the resolution adopted at Worldline's Shareholders Meeting dated April 30, 2019, the 2019 annual budget for Directors' compensation was set at € 600,000. The rules of payment of this compensation are determined by the Board of Directors, based on the proposal of the Nomination and Remuneration Committee. It is reminded that in order to enhance its compliance with the AFEF-Medef Code, the Board of Directors, during its meeting held on March 15, 2019, on the proposal of the Nomination and Remuneration Committee, decided to amend the allocation rules for 2019 in order to include a variable portion significantly higher than the fixed part. In addition, according to these rules, the Chairman of the Board of Directors and the other members who discharge duties with Atos group or Worldline Group did not receive any compensation in 2019 in their quality as Directors of Censors of the Company.

During its meeting held on February 18, 2020, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, confirmed the award of a compensation to the Directors and the Censor appointed upon proposal of Six Group AG as well as Mr. Gilles Arditti as censor<sup>1</sup>. In addition, as per the decision of the Board of Directors dated April 14, 2019, the Director representing the employees does not receive any compensation in this quality.

As confirmed by the Board of Directors, during its meeting held on February 18, 2020: for 2019, the global amount of the compensation for Directors was allocated on the basis of the following principles:

- For the Board of Directors: a yearly fixed compensation of € 20,000 per Director plus a variable fee of € 2,000 per attended meeting;
- For the Committees: compensation remains only based on attendance to the meetings: € 3,500 per attended meeting for the Chairman of the Audit Committee; € 2,500 per attended meeting for the Chairman of the other Committees and € 1,000 per attended meeting for each member of the Committees;
- Successive meetings held on the same day account for one meeting as far as Directors' compensation is concerned;
- As far as Directors' compensation is concerned, the Censors are treated the same as a Director.

With the exception of (i) Mr. Gilles Grapinet, Chairman and Chief Executive Officer and (ii) Ms. Marie-Christine Lebert, Director representing the employees, the members of the Board of Directors did not receive any other compensation from the Company or any of its subsidiaries for the fiscal year which ended on December 31, 2019 for their function of Director or Censor of the Company.

The Director(s) representing the employees receive(s) a salary from the concerned Group Company by virtue of his/her employment agreement, which is not related to the performance of his/her mandate as Director(s) of the Company.

Because Mr. Gilles Grapinet has duties within the Worldline Group, he does not receive any compensation as Director of the Company.

Mr. Gilles Grapinet receives a compensation as Chief Executive Officer. The remuneration perceived by Mr. Gilles Grapinet in 2019 is described under section G.3.2.3 below.

<sup>1</sup> On March 16, 2020, Mr. Gilles Arditti resigned as Director initially appointed upon Atos SE's proposal. On March 19, 2020, the Board of Directors appointed Mr. Gilles Arditti, acting on his own name, as censor.

## Gross amount of compensation paid and due in the fiscal year, per Director, in relation to attendance at Board of Directors and Committees meetings (AMF Table 3)

(in €)	2019		2018	
	Paid <sup>1</sup>	Due <sup>2</sup>	Paid <sup>3</sup>	Due <sup>4</sup>
Aldo Cardoso	42,250*	82,000*	44,000*	42,250*
Mette Kamsvåg <sup>5</sup>	0	36,333*	0	0
Danielle Lagarde	3,667	52,000	0	3,667
Georges Pauget <sup>5</sup>	0	29,333*	0	0
Luc Rémont	37,000	63,000	36,000	37,000
Susan M. Tolson	38,500*	56,000*	38,250*	38,500*
Thierry Breton <sup>6</sup>	-	-	-	-
Romeo Lacher <sup>7</sup>	3,667	20,917*	0	3,667
Gilles Grapinet	-	-	-	-
Gilles Arditti	-	-	-	-
Giulia Fitzpatrick	4,417*	59,000*	0	4,417*
Lorenz von Hasburg Lothringen <sup>5</sup>	0	43,083*	0	0
Marie-Christine Lebert <sup>8</sup>	-	-	-	-
Ursula Morgenstern	-	-	-	-
Sophie Proust <sup>7</sup>	-	-	-	-
Pierre Barnabé (censor) <sup>9</sup>	-	-	-	-
Daniel Schmucki (censor)	3,667*	54,000*	0	3,667*
<b>Total</b>	<b>133,167</b>	<b>496,917</b>	<b>118,250</b>	<b>133,167</b>

\* The compensation awarded to Directors and the Censors residing outside of France corresponds to the amounts, before withholding tax, paid or due by Worldline.

1 Directors' compensation paid in 2019, for 2018.

2 Directors' compensation due for 2019.

3 Directors' compensation paid in 2018, for 2017.

4 Directors' compensation due for 2018.

5 Appointed on April 30, 2019.

6 Resignation effective as of October 24, 2019.

7 Resignation effective as of April 30, 2019.

8 Ms. Marie-Christine Lebert, Director representing the employees, is employed by the Worldline Group. The Director representing the employees does not receive any compensation in relation to her attendance at Board of Directors and Committees meetings. Ms. Marie-Christine Lebert received a compensation in connection with her employment contract. Her cash compensation is close to the median and average total compensation of the employees of Worldline SA and the SEU Worldline of the same level of responsibility.

9 Director as from October 24, 2019 to November 2019; Appointed as Censor of the Board of Directors on November 15, 2019.

Directors' compensation for the year ended December 31, 2019 is paid in 2020.

For 2019, the amount of Directors' compensation due was €496,917 composed of an amount of € 166,667 for the fixed portion, and € 330,250 for the variable portion. Therefore, the variable portion of exceeds the fixed portion of the total Directors' compensation, which is in conformity with the AFEP-Medef Code.

### Structure of compensation

The Directors did not receive any variable or exceptional compensation.

### Compensation paid by a company in the scope of consolidation

With the exception of (i) Mr. Gilles Grapinet, Chairman and Chief Executive Officer and (ii) Ms. Marie-Christine Lebert,

Director representing the employees, the members of the Board of Directors did not receive any other compensation from the Company or any of its subsidiaries for the fiscal year which ended on December 31, 2019 for their function of Director or Censor of the Company.

The Director(s) representing the employees receive(s) a salary from the concerned Group Company by virtue of his/her employment agreement, which is not related to the performance of his/her mandate as Director(s) of the Company.

Mr. Gilles Grapinet receives a compensation as Chief Executive Officer. The remuneration perceived by Mr. Gilles Grapinet in 2019 is described under section G.3.2.3 below.

### Benefits in kind

The Directors did not receive any benefits in kind.



### Complementary and supplementary pensions plans

The Directors did not benefit from any complementary or supplementary pension plans.

### Other elements of compensation

The Directors did not receive any other elements of compensation.

### Vote of the last Shareholders' Meeting

The compensation of the Directors was not voted on at the General Meeting as the law didn't provide for it.

### Compliance with the compensation policy

The Director's compensation complies with the provisions set by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. This compensation is in line with the corporate interest and adapted to the company's long-term business strategy with a view to ensuring its sustainability.

The Director's compensation was paid without any deviation nor exception.

### Suspension of the compensation allocated to Directors

As the Board of Directors is composed in accordance with the provisions of Article L. 225-18-1 of the French Commercial Code, the payment of the compensation provided for in the first paragraph of Article L.225-45 of the aforementioned Code has not been suspended.

### G.3.2.2 Elements of compensation due or awarded for the financial year 2019 to Mr. Thierry Breton, Chairman of the Board of Directors until October 24, 2019

Mr. Thierry Breton was appointed Chairman of the Board of Directors on April 30, 2014, the date on which the Company was converted into a limited liability corporation (*société anonyme*), for the duration of his term as Director. Prior to such date, he had been Chairman of the Supervisory Board of the simplified stock company since July 31, 2013.

Mr. Thierry Breton resigned as Chairman of the Board of Directors on October 24, 2019, following the announcement by the presidency of the French Republic of its proposal to submit the candidature of Mr. Breton as Commissioner representing France in the European Commission.

No elements of compensation were paid in 2019 or are due in 2020 to Mr. Thierry Breton in his duties as Director and Chairman of the Board of Directors of the Company until his resignation on October 24, 2019.

### Fixed compensation

Mr. Thierry Breton did not receive any fixed compensation.

### Annual variable compensation

Mr. Thierry Breton did not receive any variable or exceptional compensation.

### Structure of compensation

Mr. Thierry Breton did not receive any variable or exceptional compensation.

### Long term compensation

Mr. Thierry Breton did not receive any long term compensation. In particular, no stock-options, nor performance shares were granted to Mr. Thierry Breton.

### Exceptional compensation

Mr. Thierry Breton did not receive any exceptional compensation.

### Director's fees

Mr. Thierry Breton did not receive Directors' fees in his capacity as a member of the Board of Directors.

### Compensation paid by a company in the scope of consolidation

In his capacity as Chairman of the Board of Directors and Chief Executive Officer of Atos SE, Mr. Thierry Breton received a fixed compensation of € 1,166,667 and benefitted from the use of a company car with a driver. The amount associated to its amounts to € 11,773. In addition, Mr. Thierry Breton has waived all of his potential or due variable compensation for the year 2019.

For detailed information regarding the compensation of Mr. Thierry Breton paid by Atos for 2019, please refer to section G.3.2.3 of the 2019 Universal Registration Document of Atos SE.

The remuneration of Mr. Thierry Breton paid by Atos SE for 2019 is mentioned in this Universal Registration Document due to the fact that Worldline was - until May 7th, 2019 - a subsidiary of Atos Group.

### Benefits in kind

Mr. Thierry Breton did not receive any benefits in kind.

### Complementary and supplementary pensions plans

Mr. Thierry Breton did not benefit from any complementary or supplementary pension plans.

### Other elements of compensation

Mr. Thierry Breton did not receive any other element of compensation.

### Vote of the last Shareholders' Meeting

The General Meeting did not vote on the compensation of Mr. Thierry Breton as no compensation was paid for his position with the Company.

### Compliance with the compensation policy

Mr. Thierry Breton's compensation complies with the provisions set by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. This compensation is in line with the corporate interest and adapted to the company's long-term business strategy with a view to ensuring its sustainability.

The Company has not deviated from nor made any exception to the implementation of the compensation policy.

### Suspension of the compensation allocated to Directors

As the Board of Directors is composed in accordance with the provisions of Article L. 225-18-1 of the French Commercial Code, the payment of the compensation provided for in the first paragraph of Article L. 225-45 of the aforementioned Code has not been suspended.

### G.3.2.3 Elements of compensation due or awarded for the financial year 2019 to Mr. Gilles Grapinet, Chief Executive Officer, and then Chairman of the Board of Directors (as from October 24, 2019)

Mr. Gilles Grapinet was appointed Chief Executive Officer on April 30, 2014, the date on which the Company was converted into a limited liability corporation (société anonyme), for the duration of his term as a Director. The chairmanship of the Board of Directors was assigned temporarily to Mr. Gilles Grapinet on October 24, 2019, by decision of the Board of Directors.

#### 1. Elements of compensation due or awarded for the financial year 2019 to Mr. Gilles Grapinet, as Chief Executive Officer

During the period up until February 1, 2019, Mr. Gilles Grapinet's compensation was paid by Atos International SAS, a subsidiary of Atos SE, pursuant to his employment agreement for an unlimited duration. The Board of Directors of the Company had authorized, after review by the Nomination and Remuneration Committee, the signing of a service agreement between Atos International SAS and the Company in order to recharge the portion of Mr. Gilles Grapinet's compensation related to his functions as Worldline Chief Executive Officer, under the following conditions:

- Recharging of two-thirds of Mr. Gilles Grapinet's annual fixed base compensation (the portion of his fixed compensation relating to his duties as Chief Executive Officer of the Company representing two-thirds of the total fixed compensation provided for by his employment agreement with Atos International SAS);

- Recharging of the variable part of his compensation related to Worldline financial performance, which will be paid upon decision of the Worldline Board of Directors (depending on the achievement of targets which it determines in advance) (the target of the variable compensation relating to the duties of M. Gilles Grapinet as Chief Executive Officer of the Company being set at two-thirds of the total variable compensation provided for by his employment agreement with Atos International SAS);
- Recharging of expenses incurred in the interest of Worldline (two-thirds of the costs related to his workplace and other expenses);
- Recharging of two-thirds of benefits in kind granted to Mr. Gilles Grapinet (company car pursuant to the Atos group policy, and employee benefits and health coverage schemes);
- Coverage by Worldline of the costs related to the acquisition of rights by Mr. Gilles Grapinet under the defined benefit plan ("régime de retraite à prestations définies") that was applicable to employees or Directors of Atos International SAS or Atos SE, members of the Executive Committee of the Atos group (prorata to the time spent with Worldline as Chief Executive Officer and up to a two-thirds limit, it being specified that the reference remuneration was limited to the one earned during the concerned period).

As of February 1, 2019, Mr. Gilles Grapinet retains no duty nor activities within Atos, his employment contract with Atos International SAS being terminated at the same date. From February 1, 2019, Mr. Gilles Grapinet is fully assigned to Worldline as Chief Executive Officer. Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company decided on February 18, 2019 to maintain in 2019 the total compensation and benefits package granted to Mr. Gilles Grapinet in 2018, including the defined benefit supplementary pension scheme, the reimbursement of health costs and "disability/death" policy as well as other benefits in kind like the company car, annual medical check-up and investment advisor. Such total compensation and benefits package are fully borne by Worldline as from February 1, 2019.

The transfer agreement between Atos International, Worldline and Mr. Grapinet has been approved by the Board of Directors on February 18, 2019 and by the General Meeting held on April 30, 2019 in accordance with article L. 225-38 of the French Commercial Code.

The compensation policy for the Chief Executive Officer was approved by the General Meeting held on April 30, 2019 under the 19th resolution. The elements making up the total compensation and fringe benefits of all kinds paid or allocated to Mr. Gilles Grapinet comply with this policy.

The below table mentions all the elements of compensation of Mr. Gilles Grapinet which are subject to the approval of the General Assembly. This table contains remuneration elements paid or due to Mr. Gilles Grapinet during 2019.

Elements of compensation subject to vote	Amounts paid during 2019 (in €)	Amounts awarded during the year or accounting value (in €)	Presentation
<b>Fixed compensation</b>	605,740	605,740	Fixed remuneration paid and awarded to Mr. Gilles Grapinet for his duties as Chief Executive Officer of Worldline SA in 2019 - for more information, see "Fixed compensation" paragraph hereunder
<b>Annual variable compensation</b>	517,848 (amount granted for the closed exercise 2018 and paid in 2019 and approved by the General Assembly on April 30, 2019)	711,457 (amount granted for the closed exercise 2019 and to be paid in 2020 after approval by the General Assembly stating on the accounts relating to the 2019 exercise)	Annual variable remuneration paid in 2019 (relating to 2018 - for more information see the 2018 Reference Document) Annual variable remuneration awarded for 2019 - for more information on the performance criteria and the achievements, see "Annual variable compensation" paragraph hereunder.
<b>Value of stock-options granted during the year<sup>1</sup></b>	0	208,688	Grant of 26,250 stock-options to Mr. Gilles Grapinet - for more information see "Long term compensation" paragraph hereunder.
<b>Value of performance shares granted during the year<sup>1</sup></b>	0	1,072,050	Grant of 26,250 performance shares to Mr. Gilles Grapinet - for more information see "Long term compensation" paragraph hereunder
<b>Exceptional compensation</b>	0	0	No exceptional remuneration was paid/attribution to Mr. Gilles Grapinet for his duties as Chief Executive Officer of Worldline SA.
<b>Director's fees</b>	0	0	No Director's fees were paid to Mr. Gilles Grapinet.
<b>Benefits in kind</b>	11,541	11,541	Company car with a driver. Mr. Gilles Grapinet is also benefitting from an annual medical check-up and an investment advisor.
<b>Complementary and supplementary pension plans</b>	0	0	No pension were paid/attribution to Mr. Gilles Grapinet in 2019 - for more information about the pension plans, see the "Complementary and supplementary pension plans" paragraph hereunder.
<b>Complementary allowance</b>	0	0	No amount was granted to Mr. Gilles Grapinet during 2019 as Mr. Gilles Grapinet did not cease to exercise his duty for Worldline SA - for more information about the compensatory allowance, see the "compensatory allowance" paragraph hereunder.
<b>Other elements of compensation</b>	642	642	Holiday bonus due by virtue of collective agreement to all employees of Atos International SAS - for more information, see the "Other elements of compensation" hereunder.
<b>Social protection schemes</b>	4,715	4,715	Employer's contributions to the regime of reimbursement of health costs and "disability/death" policy - for more information about those regimes, see the "Social protection schemes" paragraph hereunder.
<b>Compensation paid by a company in the scope of consolidation<sup>2</sup></b>	331,082	331,082	Remuneration received by Mr. Gilles Grapinet relating to his employment contract with Atos International SAS from 1 <sup>st</sup> January to 31 <sup>st</sup> January 2019 (one third of his remuneration not recharged to Worldline SA) - for more information, see the "Compensation paid by a company in the scope of consolidation" paragraph hereunder
<b>Total</b>	<b>1,471,568</b>	<b>2,945,915</b>	

<sup>1</sup> Fair value determined pursuant to IFRS 2 standard retained for the consolidated financial statements.

<sup>2</sup> This remuneration is mentioned for information purpose only and is not subject to the shareholders' vote as it was not paid/due to Mr. Gilles Grapinet in his duties of Chief Executive Officer of Worldline SA.

### Fixed compensation

The fixed compensation paid to Mr. Gilles Grapinet as Chief Executive Officer amounted to € 605,740<sup>1</sup> on an annual basis. The fixed annual compensation of the Chief Executive Officer has been approved during the General Meeting of the Company, dated April 30, 2019 under the 19th resolution.

### Annual variable compensation

The variable compensation due to Mr. Gilles Grapinet for 2019 amounts to € 711,457<sup>2</sup> and corresponds to the application of a payout of 101.64% of the target variable compensation and 117.45% of the annual fixed compensation.

Based on the semester's targets, the full year average achievements are the following:

2019	Achievement
Group Organic Revenue Growth	99.8%
Group Operating Margin before Depreciation and Amortization	100.1%
Group Free Cash Flow	103.8%

In 2019, the nature and weighting of each indicator of the variable on-target bonus of the Chief Executive Officer are the following:

- Worldline Group Organic Revenue Growth (40%);
- Worldline Group Operating Margin before Depreciation and Amortization (30%);
- Worldline Group Free Cash Flow before acquisition/disposal and variation of equity and dividend (30%).

The achievement of these criteria and the subsequent variable compensation amount has been approved during the Board of Directors meetings of July 24, 2019 and February 18, 2020. The variable compensation due for the first semester 2019 was €356,893, i.e. 104.97% of the on-target variable compensation for the first semester and €354,564, i.e. 98.49% for the second semester.

2019 Targets	First Half		Second Half	
Indicator	Weight	Payout *	Weight	Payout*
Group Organic Revenue Growth	40%	97.9%	40%	91.8%
Group Operating Margin before Depreciation and Amortization	30%	103.9%	30%	98.5%
Group Free Cash Flow <sup>1</sup>	30%	115.5%	30%	107.3%
<b>Payout in % of the on-target variable compensation for a semester</b>		<b>104.97%</b>		<b>98.49%</b>

\* After applying the 130% payout capped curves

<sup>1</sup> Before acquisition/disposal and variation of equity dividends

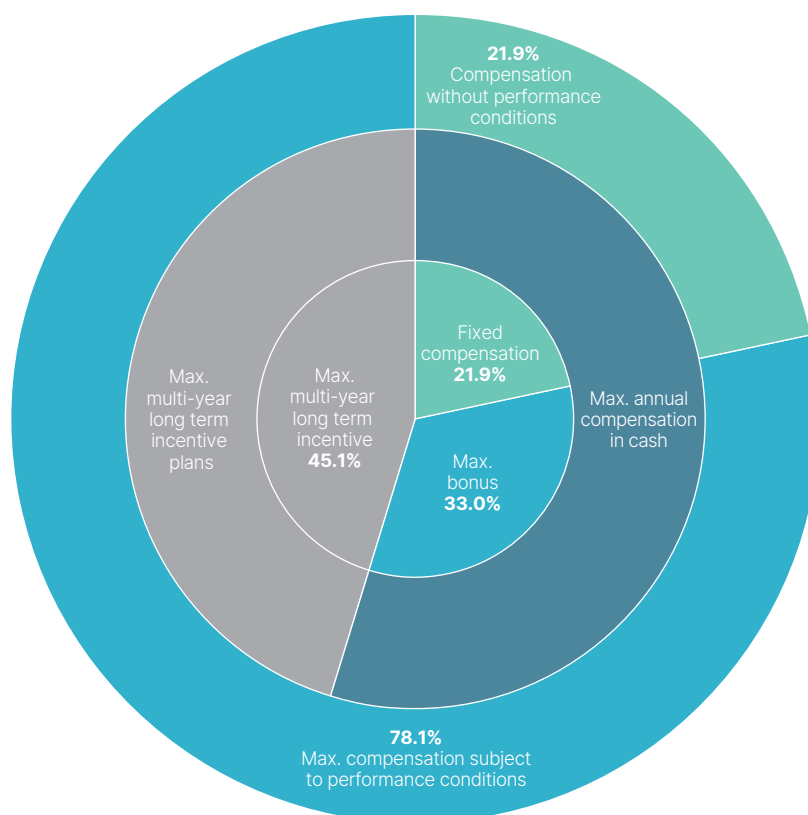
Budget targets are in line with the financial targets shared by the Company every year.

The Company did not apply the claw-back provision regarding the concerned year.

<sup>1</sup> It is reminded that the CEO is entitled to a total annual fixed compensation of € 622,500. Until February 1, 2019, such annual fixed remuneration was paid to Mr. Gilles Grapinet pursuant to his employment agreement with Atos International SAS. Two-thirds corresponding to the portion of his fixed compensation relating to his duties as Chief Executive Officer of the Company was re-invoiced in full by Atos International SAS to the Company.

<sup>2</sup> It is reminded that the CEO is entitled to a total annual on-target variable compensation of €720,000 (of which € 240,000 is borne by Atos International SAS until February 1, 2019).

## Structure of the compensation



## Long term compensation

In connection with the authorization granted by the Combined General Meeting of April 30, 2019 (twenty-fourth and twenty-fifth resolutions), the Board of Directors decided, during its meeting held on July 24, 2019, and upon the recommendation of the Nomination and Remuneration Committee, to proceed to the allocation of 26,250 stock-options (valued at € 208,688<sup>1</sup>) and 26,250 performance shares (valued at € 1,072,050<sup>2</sup>) in favor of the Chief Executive Officer.

These grants were decided in accordance with the approval given by the General Meeting on April 30, 2019 under the 19<sup>th</sup> resolution.

These amounts take into account the recommendations of the AFEP-Medef Code applicable to the Chief Executive Officer. These performance shares are evaluated at € 40.84 and the stock-options at € 7.95 according to IFRS 2 standard retained for the consolidated financial statements of the Company.

In their analysis, the Board of Directors also reviewed the following components:

- The beneficiary is required to remain owner of 15% of his acquired shares for the duration of his duties as Corporate Officer and to keep on the nominative form, at least 5% of the shares issued on exercise of stock-options;

- The prohibition to enter into financial hedging transaction relating to the granted performance shares and stock-options during the term of the Chief Executive Officer.

In line with the commitments made on the occasion of previous share award plans, the Chief Executive Officer, on the occasion of the award of stock-options on September 3, 2014, September 1, 2015, July 21, 2018 and July 24, 2019 and of the award of performance shares on July 25, 2016, July 24, 2017, July 21, 2018 and July 24, 2019, took note of the Company's prohibition towards him not to engage in any risk hedging transactions over the shares which are subject to the award throughout the duration of his social mandate.

## Exceptional compensation

As a reminder, the Chief Executive Officer does not receive exceptional compensation<sup>3</sup> nor any other compensation element.

## Director's fees

The Chief Executive Officer has declined to receive his Director's fees.

<sup>1</sup> Based on the fair value as determined according to IFRS 2 standard retained for the consolidated financial statements.

<sup>2</sup> Based on the fair value as determined according to IFRS 2 standard retained for the consolidated financial statements.

<sup>3</sup> A compensatory allowance for the loss of accrued annual leave for 2019 and previous years amounting to € 160,589 which was paid to the Chief Executive Officer when he resigned from his employment contract with Atos International SAS in February 2019 has not been recharged to Worldline and has therefore not been taken into account.

### Compensation paid by a company in the scope of consolidation

Until January 31, 2019, Mr. Gilles Grapinet was employed by Atos International SAS, a subsidiary of Atos SE. Pursuant to the service agreement between Atos International SAS and the Company, one third of his total fixed compensation as well as one third of his total variable compensation provided for by his employment agreement with Atos International SAS was paid and borne by Atos International SAS. Based on the latter employment agreement with Atos International SAS, Mr. Gilles Grapinet received a fixed compensation of € 17,292 and benefitted from a company car with a driver for an amount of € 1,822. Mr. Gilles Grapinet also received an amount of € 321 as holidays bonus due by virtue of a collective agreement applicable to all employees of Atos International SAS. In addition, Mr. Gilles Grapinet received, in 2019, a variable compensation of € 151,058 relating to his duties within the Atos group.

Mr. Gilles Grapinet also received a compensatory allowance for the loss of accrued annual leave for 2019 and previous years due to the end of his employment contract with Atos International SAS which amounts to € 160,589. This amount is considered as fully relating to the end of his employment agreement with Atos International SAS (and has not been recharged to Worldline SA).

### Benefits in kind

In 2019, Mr. Gilles Grapinet benefited from the use of a company car with a driver valued at € 11,541.

In 2019, Mr. Gilles Grapinet benefitted as well from an annual medical check-up and an investment advisor.

### Complementary and supplementary pension plans

Until January 31, 2019, Mr. Gilles Grapinet was a beneficiary of a defined benefit supplementary pension plan ("régime de retraite à prestations définies") applicable to employees or Directors of Atos International SAS or Atos SE, members of the Executive Committee of the Atos group. The amount of the pension he would benefit from pursuant to this plan was estimated at € 291,000 on December 31, 2018.

The Company agreed with Atos SE to bear the costs related to the accumulation of rights by Mr. Gilles Grapinet under the above defined benefits pension plan, prorata the time spent with Worldline as Chief Executive Officer and up to a two-thirds limit, it being specified that the reference remuneration was limited to the one earned during the concerned period. Upon proposal of the Nomination and

Remuneration Committee, the Board of Directors decided on February 18, 2019, that the change of status of Mr. Gilles Grapinet on February 1, 2019 should have no impact on the supplementary pension scheme he benefited from.

The Board of Directors decided on March 15, 2019, that (1) the rights previously acquired by Mr. Gilles Grapinet within Worldline will be taken into account (12.67 calendar quarters over the 40 calendar quarters he previously validated within Atos since 2009 up to February 1, 2019) and (2) a new defined supplementary pension scheme should be put in place for Mr. Grapinet (the "2019 Supplementary Pension Plan") based on the conditions described hereafter in order to take over from the Atos scheme. This decision was approved by the Combined General Meeting of April 30, 2019.

The terms and conditions of the 2019 Supplementary Pension Plan put into place according to the decision made by the Board of Directors on March 15, 2019 are identical to those laid down by the Atos Scheme: (1) the amount of the pension is fixed at 0.625% of the reference compensation per entire calendar quarter of seniority (i.e. 2.5% per year), provided that the performance conditions are met; (2) the reference compensation is the average of the last five year fixed and variable compensation; (3) the annual amount of the pension supplement paid under the new scheme cannot exceed the difference between 33% of the reference compensation above-mentioned and the annual amount of the beneficiary's basic, complementary and supplementary pensions.

The benefit of the 2019 Supplementary Pension Plan is conditional upon (1) performance conditions assessed on annual basis and at the end of the beneficiary's career and (2) a condition of presence within Worldline at retirement time.

The acquisition of rights under the 2019 Supplementary Pension Plan is subject to performance conditions set annually by the Board of Directors. The Board of Directors will determine each year the performance conditions for the coming year(s) and will also verify each year the completion of the performance conditions during the preceding year.

For 2019, the Board of Directors set the performance conditions for the acquisition of rights under the 2019 Supplementary Pension Plan to the same internal and external conditions provided for in the stock-options plan dated July 21, 2018.

On February 19, 2020, the Board of Directors verified the completion of the performance conditions for 2019, with at least two of three internal performance indicators achieved, thus validating pension rights for the four quarters of the year 2019.

### Worldline Organic Revenue Growth

Criteria validation	<b>2019</b>
	99.7% - Yes

### Worldline Operating Margin before Depreciation and Amortization (OMDA)

Criteria validation	<b>2019</b>
	98.9% - Yes

### Worldline Free Cash Flow

Criteria validation	<b>2019</b>
	101.3% - Yes

### External performance (condition linked to environmental and social responsibility)

Criteria validation	<b>2019</b>
	Yes



The Board of Directors of December 19, 2019 decided that the 2019 Supplementary Pension Plan in force in Worldline SA has to be brought into line with the law "Loi Pacte" adopted by the French National Assembly on May 22, 2019 (Article L. 137-11-2 of the French social security Code) and executed by the Order n°2019-697 of July 3, 2019 relating to supplementary professional retirement regime. The Board of Directors therefore decided :

- a) the closing of any new adhesion from July 4, 2019 to the 2019 Supplementary Pension Plan;
- b) the freeze, on December 31, 2019, of rights built up under the 2019 Supplementary Pension Plan for the Chief Executive Officer affiliated before July 4, 2019 without freezing the compensation reference for the calculation of the future potential annuity at retirement. The beneficiary remains entitled to the aggregated rights on December 31, 2019, provided the underlying performance conditions are met and provided he is meeting the presence condition as defined under Article 3 of the Supplementary Pension Plan rules. No potential new rights might be created under the current regime after January 1, 2020.

Assuming the Chief Executive Officer was entitled to the pension supplement as from the day after the closing of the financial year, the gross amount of the pension supplement including the compensatory allowance detailed below would be estimated at € 291,000 per annum which is the amount of the pension he would have benefitted from on December 31, 2018 pursuant to the Atos supplementary plan reserved for Executive Committee of the Atos group. The pension supplement will be subject to the following social contributions payable exclusively by the beneficiary: CSG/CRDS (8.8%), Health Contribution (1%), CASA (0.3%) and a special contribution up to 14%. In addition, the pension supplement will be subject to income tax. The employer will pay an annual contribution at the rate of 32% on the pension amount paid. Pensions are paid by an insurer and Worldline funds its commitments when beneficiaries retire.

In no event the defined benefit supplementary pension plan can lead to a payment of an annual pension higher than € 291,000.

### Compensatory allowance

The Board of Directors, on March 15, 2019, ensured that the change of status of Mr. Gilles Grapinet had no consequences regarding his pension rights. Yet, this change will have resulted in a loss of the rights that Mr. Grapinet previously validated under the performance criteria set in the Atos pension plan. In this context, the Board of Directors set up a compensatory allowance whose net amount will be equal to the difference between the following two amounts:

- the net pension (after payment of the social contributions) due to Mr. Grapinet on December 31, 2018 pursuant to the Atos SE and Atos International supplementary pension plan (i.e. € 291,000 gross);
- the net pension (after payment of the social contributions) actually received by Mr. Gilles Grapinet pursuant to Worldline pension schemes.

If the difference between those two amounts is positive, Mr. Grapinet will be entitled to receive this compensatory allowance, in the event of a forced departure.

This allowance will take the form, at the discretion of the Board of Directors, of:

- An allowance paid in one instalment (equal to the net difference between the capital representing each of the above-mentioned pensions, determined in accordance with the mortality tables in effect at the time of the beneficiary retirement);
- OR an additional pension that will not benefit from the social treatment provided for in Article L. 137-11 of the Social Security Code.

The benefit of this allowance will be subject to the achievement of performance conditions assessed regarding Mr. Grapinet's whole career as Chief Executive Officer of Worldline, since 2014: achievement during more than 2/3 of those years of the performance conditions set by the Board of Directors.

The allowance will benefit to Mr. Gilles Grapinet in the event of resignation. In case of departure for 2<sup>nd</sup> or 3<sup>rd</sup> class invalidity or in case of death, the allowance will be due. In the event of the dismissal of Mr. Grapinet before he reaches the legal age of retirement, he will only benefit from the allowance if he does not resume a professional activity until he can benefit from the payment of his pension rights. No amount was granted to Mr. Gilles Grapinet during 2019 as Mr. Gilles Grapinet did not cease to exercise his duty for Worldline SA.

The total of rights of the frozen plan (L 137-11), including the potential upside due to new compensation reference plus those of the new plan (L 137-11-2) plus those of the compensatory allowance in case of forced departure before retirement cannot exceed an annuity of € 291,000/year.

### Other elements of compensation

The Company supported € 642, corresponding to the recharge of two-thirds of the holidays bonus due by virtue of collective agreement to the Chief Executive Officer and other employees of Atos International SAS.

As a reminder, Mr. Gilles Grapinet does not have any employment contract since February 1, 2019 and will not receive a severance payment at the end of his mandate nor any compensation for non-compete clause in the event of termination of his mandate.

### Social protection schemes

The Chief Executive Officer is entitled to the regime of reimbursement of health costs and "disability/death" policy as well as to the assistance contract in case of travel abroad in force within the Worldline Group in France.

The medical policy includes classical in-patient and out-patient benefits (including medication reimbursement, alternative medicine,...), as well as dental and vision coverages. Termination/Renewal date in January 1<sup>st</sup>, 2021.

The medical contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the Company. For year 2019, the employer's contribution under the healthcare scheme related to Mr. Gilles Grapinet amounts to € 2,475.26.

The "incapacity, disability/health" policy mainly offers the following benefits:

- A death coverage of 320% of annual salary up to the slice C (8 times the annual Social Security ceiling) up to 500% in case of permanent disability;
- An educational annuity from 12% to 15% of annual salary up to slice C, depending on children age;
- A salary maintain (up to the slice C) in case of incapacity/disability.

The "incapacity, disability/death" contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the Company. For year 2019, the employer's contribution under the life and disability scheme related to Mr. Gilles Grapinet amounts to € 2,240,04.

The insurance contracts relating to these schemes may be terminated under the terms and conditions applicable under ordinary law.

The Board of Directors may unilaterally revoke the schemes applicable to the Chairman and Chief Executive Officer.

### Vote of the last Shareholders' Meeting

The General Meeting of April 30, 2019 approved the fixed, variable and exceptional elements making up the total compensation and benefits of any kind paid or allocated in respect of the financial year ending December 31, 2018 to Mr. Gilles Grapinet (seventeenth resolution).

### Compliance with the compensation policy

The fixed, variable, long-term and exceptional elements making up the total compensation and benefits of all kinds attributable to Mr. Gilles Grapinet comply with the provisions

set by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. This compensation is in line with the corporate interest and adapted to the company's long-term business strategy with a view to ensuring its sustainability.

The Company has not deviated from nor made any exception to the implementation of the compensation policy.

### Suspension of the compensation allocated to Directors

As the Board of Directors is composed in accordance with the provisions of Articles L. 225-18-1 of the French Commercial Code, the payment of the compensation provided for in the first paragraph of Article L. 225-45 of the aforementioned Code has not been suspended.

### 2. Elements of compensation due or awarded for the financial year 2019 to Mr. Gilles Grapinet, as Chairman of the Board of Directors (since October 24, 2019)

Mr. Gilles Grapinet serves as Chairman of the Board of Directors since October 24, 2019. He did not receive, in 2019, any additional compensation in his quality of Chairman of the Board of Directors.

### G.3.2.4 Elements of compensation due or awarded for the financial year 2019 to Mr. Marc-Henri Desportes, Deputy Chief Executive Officer

Mr. Marc-Henri Desportes was appointed Deputy Chief Executive Officer by decision of the Board of Directors on July 21, 2018 and effective as of August 1, 2018.

The compensation policy for the Deputy Chief Executive Officer was approved by the General Meeting held on April 30, 2019 under the 20th resolution. The elements making up the total compensation and fringe benefits of all kinds paid or allocated to Mr. Marc-Henri Desportes comply with this policy.



The below table mentions all the elements of compensation of Mr. Marc-Henri Desportes which are subject to the approval of the General Assembly. This table contains remuneration elements paid or due to Mr. Marc-Henri Desportes during 2019.

Elements of compensation subject to vote	Amounts paid during 2019 (in €)	Amounts awarded during the year or accounting value (in €)	Presentation
<b>Fixed compensation</b>	350,000	350,000	Fixed remuneration paid and awarded to Mr. Marc-Henri Desportes for his duties as Deputy Chief Executive Officer of Worldline SA in 2019 - for more information, see "Fixed compensation" paragraph hereunder.
<b>Annual variable compensation</b>	149,713 <sup>1</sup> (amount granted for the closed exercise 2018 and paid in 2019 and approved by the General Assembly on April 30, 2019)	356,053 (amount granted for the closed exercise 2019 and to be paid in 2020 after approval by the General Assembly stating on the accounts relating to the 2019 exercise)	Annual variable remuneration paid in 2019 (relating to 2018 - for more information, see the 2018 Reference Document). Annual variable remuneration awarded for 2019 - for more details on the performance criteria and the achievements, see "Annual variable compensation" paragraph hereunder.
<b>Value of stock-options granted during the year<sup>2</sup></b>	0	108,120	Grant of 13,600 stock-options to Mr. Marc-Henri Desportes - for more information, see "Long Term compensation" paragraph hereunder.
<b>Value of the performance shares granted during the year<sup>2</sup></b>	0	555,424	Grant of 13,600 performance shares to Mr. Marc-Henri Desportes - see "Long term compensation" paragraph hereunder.
<b>Exceptional compensation</b>	0	0	No exceptional remuneration was paid/awarded to Mr. Marc-Henri Desportes for his duties as Deputy Chief Executive Officer of Worldline SA.
<b>Director's fees</b>	0	0	Mr. Marc-Henri Desportes has not been appointed as Director and does not receive Director's fees.
<b>Benefit in kind</b>	2,922	2,922	Company car without driver Mr. Marc-Henri Desportes benefited as well from an annual medical check-up and an investment advisor.
<b>Complementary and supplementary pension plans</b>	0	0	Mr. Marc-Henri Desportes does not benefit from any complementary or supplementary pension plans.
<b>Other elements of compensation</b>	72	72	Holiday bonus due by virtue of collective agreement to the Deputy Chief Executive Officer and all employees of Worldline SA - for more information, see the "Other elements of compensation" paragraph hereunder.
<b>Social protection schemes</b>	5,166	5,166	Employer contributions to the regime of reimbursement of health costs and "disability/death" policy - for more information about those regimes, see the "Social protection schemes" paragraph hereunder.
<b>Total</b>	<b>507,873</b>	<b>1,377,757</b>	

<sup>1</sup> The variable remuneration relating to July 2018 and paid in April 2019 relates to a period where Mr. Marc-Henri Desportes was not Deputy Chief Executive Officer and has not been taken into account;

<sup>2</sup> Fair value determined pursuant to IFRS 2 standard retained for the consolidate financial accounts.

### Fixed compensation

The fixed compensation paid to Mr. Marc-Henri Desportes as Deputy Chief Executive Officer amounted to € 350,000 on an annual basis. The fixed annual compensation of the Deputy Chief Executive Officer has been approved during the General Meeting of the Company, dated April 30, 2019 under the 20th resolution.

### Annual variable compensation

The variable compensation due to Mr. Marc-Henri Desportes for 2019 amounts to € 356,053 and corresponds to the application of a payout of 101.73% of the target variable compensation and of the annual fixed compensation.

Based on the semesters targets, the full year average achievements are the following:

2019	Achievement
Group Organic Revenue Growth	99.8%
Group Operating Margin before Depreciation and Amortization	100.1%
Group Free Cash Flow	103.8%

In 2019, the nature and weighting of each indicator of the variable on-target bonus of the Deputy Chief Executive Officer are the following:

- Worldline Group Organic Revenue Growth (40%);
- Worldline Group Operating Margin before Depreciation and Amortization (30%);
- Worldline Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%).

The achievements of these criteria and the subsequent variable compensation amount has been approved during the Board of Directors of July 24, 2019 and February 18, 2020. The variable compensation due for the first semester 2019 was € 183,685, i.e. 104.97% of the on-target variable compensation for the first semester, and € 172,358, i.e. 98.49% for the second semester.

2019 Targets	First Half		Second Half	
Indicator	Weight	Payout *	Weight	Payout *
Group Organic Revenue Growth	40%	97.9%	40%	91.8%
Group Operating Margin before Depreciation and Amortization	30%	103.9%	30%	98.5%
Group Free Cash Flow <sup>1</sup>	30%	115.5%	30%	107.3%
<b>Payout in % of the on-target variable compensation for a semester</b>		<b>104.97%</b>		<b>98.49%</b>

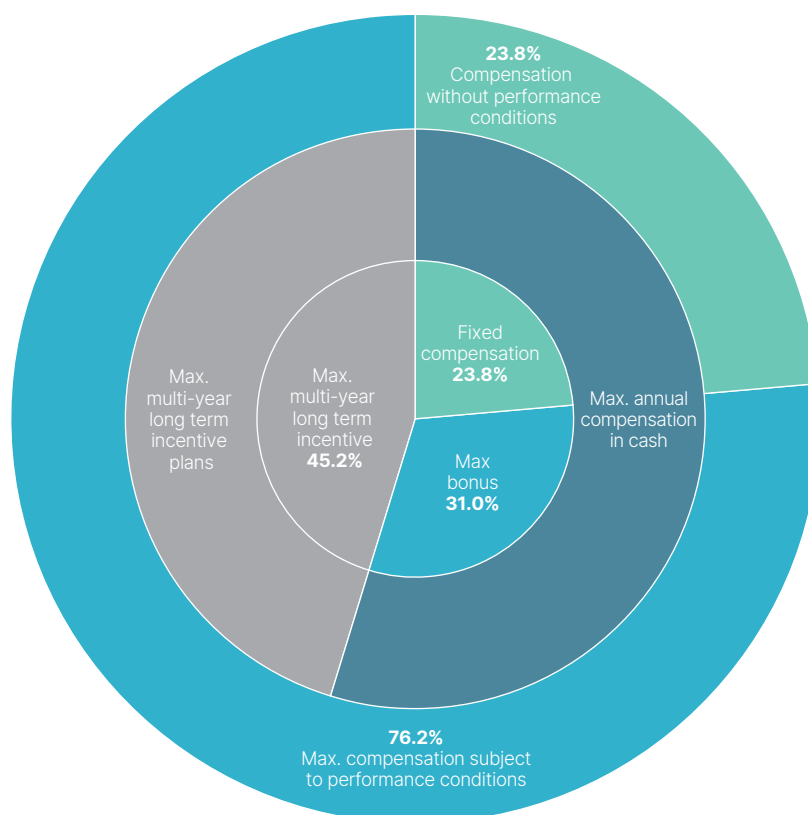
\* After applying the 130% payout capped curves

<sup>1</sup> Before acquisition/disposal and variation of equity dividends

Budget targets are in line with the financial targets shared by the Company every year.

The Company did not apply the claw-back provision regarding the concerned period.

## Structure of compensation



## Long term compensation

In connection with the authorization granted by the Comined General Meeting of April 30, 2019 (twentieth-fourth and twenty-fifth resolutions), the Board of Directors decided, during its meeting held on July 24, 2019, and upon recommendation of the Nomination and Remuneration Committee, to proceed to the allocation of 13,600 stock-options (valued at € 108,120<sup>1</sup>) and 13,600 performance shares (valued at € 555,424<sup>2</sup>) in favor of the Deputy Chief Executive Officer.

These grants were decided in accordance with the approval given by the General Meeting on April 30, 2019 under the 20<sup>th</sup> resolution.

These amounts take into account the recommendations of the AFEP-Medef Code applicable to the Deputy Chief Executive Officer. These performance shares are evaluated at € 40.84 and the stock-options at € 7.95 according to IFRS 2 standard retained for the consolidated financial statements of the Company.

In their analysis, the Board of Directors also reviewed the following components:

- The beneficiary is required to remain owner of 15% of his acquired shares for the duration of his duties as Corporate Officer and to keep on the nominative form, at least 5% of the shares issued on exercise of stock-options;

- The prohibition to enter into financial hedging transaction relating to the granted performance shares and stock-options during the term of the Deputy Chief Executive Officer.

In line with the commitments made on the occasion of previous share award plans, the Deputy Chief Executive Officer, on the occasion of the award of stock-options and of performance shares on July 21, 2018 and July 24, 2019, took note of the Company's prohibition towards him not to engage in any risk hedging transactions over the shares which are the subject of the award throughout the duration of his social mandate.

## Exceptional compensation

Mr. Marc-Henri Desportes did not receive any exceptional compensation.

## Directors' fees

Mr. Marc-Henri Desportes has not been appointed as Director and therefore did not receive Directors' fees.

## Compensation paid by a company in the scope of consolidation

Mr. Marc-Henri Desportes does not receive compensation elements or benefits in kind related to his mandate from Worldline's subsidiaries.

<sup>1</sup> Based on the fair value as determined according to IFRS 2 standard retained for the consolidated financial statements.

<sup>2</sup> Based on the fair value as determined according to IFRS 2 standard retained for the consolidated financial statements.

### Benefits in kind

In 2019, Mr. Desportes benefited from the use of a company car without a driver. The corresponding costs amount to € 2,922.

In 2019, Mr. Desportes benefited as well from an annual medical check-up and an investment advisor.

### Complementary and supplementary pension plans

The Deputy Chief Executive Officer does not benefit from any complementary or supplementary pension plans.

### Social protection schemes

The Deputy Chief Executive Officer is entitled to the regime of reimbursement of health costs and "disability/death" policy as well as to the assistance contract in case of travel abroad in force within the Worldline Group in France.

The medical policy includes classical in-patient and out-patient benefits (including medication reimbursement, alternative medicine,...), as well as dental and vision coverages. Termination/Renewal date is January 1<sup>st</sup>, 2021.

The medical contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the company. For 2019, the employer's contribution under the healthcare scheme related to Mr. Marc-Henri Desportes amounts to € 2,722.62.

The "incapacity, disability/death" policy mainly offers the following benefits:

- A death coverage of 320% of annual salary up to slice C (8 times the annual Social Security ceiling) up to 500% in case of permanent disability;
- An educational annuity from 12% to 15% of annual salary up to slice C, depending on children age;
- A salary maintain (up to the slice C) in case of incapacity/disability).

The "incapacity, disability/death" contribution paid to the insurer is defined as a percentage of the total annual salary up to 5 times the annual Social Security ceiling and co-financed by the company. For 2019, the employer's contribution under the life and disability scheme related to Mr. Marc-Henri Desportes amounts to € 2,433.68.

The insurance contracts relating to these schemes may be terminated under the terms and conditions applicable under ordinary law.

The Board of Directors may unilaterally revoke the schemes applicable to the Deputy Chief Executive Officer.

### Other elements of compensation

The Company supported € 72, corresponding to the Holidays bonus due by virtue of collective agreement to the Deputy Chief Executive Officer and other employees of Worldline SA.

As a reminder, the employment contract of Mr. Desportes is currently suspended and he is not entitled to a severance

payment nor any compensation for non-compete clause on the event of termination of his mandate.

### Vote of last Shareholders' Meeting

The General Meeting of April 30, 2019 approved the fixed, variable and exceptional elements making up the total compensation and benefits of any kind paid or allocated in respect of the financial year ending December 31, 2018 to Mr. Marc-Henri Desportes (eighteenth resolution).

### Compliance with the compensation policy

The fixed, variable, long-term and exceptional elements making up the total compensation and benefits of all kinds attributable to Mr. Marc-Henri Desportes comply with the provisions set by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. This compensation is in line with the corporate interest and adapted to the company's long-term business strategy with a view ensuring its sustainability.

The Company has not deviated from nor made any exception to the implementation of the compensation policy.

### Suspension of the compensation allocated to Directors

As the Board of Directors is composed in accordance with the provisions of Article L. 225-18-1 of the French Commercial Code, the payment of the compensation provided for in the first paragraph of Article L. 225-45 of the aforementioned Code has not been suspended.

### G.3.2.5 Pay ratio and other indicators

This information is presented in accordance with article L. 225-37-3, I 6° et 7° of the French Commercial Code, as modified by Order n° 2019-1234 of November 27, 2019 relating to the remuneration of Senior Executive Officers of listed companies.

The below ratio shows the yearly evolution of the remuneration of Senior Officers and of the average and median compensation of the employees of the Company over the last five years as well as the equity ratio between the level of compensation of the Company Senior Directors (i.e. Chairman of the Board of Directors, Chief Executive Officer and Deputy Chief Executive Officer) with the remuneration (average and median) of the employees of Worldline SA as well as with the remuneration (average and median) of the employees in the "SEU"<sup>1</sup> Worldline France covering all employees of all entites of the Worldline Group in France, in accordance with the AFEP-Medef recommendation.

The following elements of remuneration were taken into account to calculate the remuneration of the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer and the employees:

1. The total base salary paid during the concerned year (including the 13th month) (and including for the Chairman and Chief Executive Officer the 1/3 not invoiced by Atos International to Worldline prior to February 1, 2019);

<sup>1</sup> "Social and Economic Unit" ("Unité Economique et Sociale").

2. The variable compensation paid during the concerned year<sup>1</sup> (including profit sharing and any other applicable incentive schemes) (including for the Chairman and Chief Executive Officer the bonus paid by Atos International and not invoiced by the latter to Worldline prior to February 1, 2019);
3. The holiday allowance paid during the concerned year;
4. Any fringe benefits granted during the concerned year (e.g. company car); and
5. The IFRS fair value of any stock-options and/or performance shares granted during the concerned year (taking into account a 100% vesting multiplier for the grant of performance shares in 2016 and 2017).

Exceptional compensation, severance pay and supplementary pensions elements are not taken into account.

For the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer, as from 2018 and pursuant to the provisions of the so-called "Sapin 2" law, the payment of the variable compensation due for the Y-1 objectives could only be paid after approval by the General Meeting ruling on the Y-1 financial statements. Note that, for the above-mentioned reason, in 2018, the remuneration of the Chairman and Chief Executive Officer and Deputy Chief Executive Officer only takes into account the H2 2017 payout. In 2019, the remuneration of the Chairman and Chief Executive Officer and of the Deputy Chief Executive Officer takes into account the bonus payout for the entire year 2018 (H1 + H2 2018).

#### Additional comments regarding the compensation of the Chairman of the Board of Directors:

No compensation, nor Director fees were paid during the concerned period to the Chairman of the Board of Directors. Until October 24, 2019, this function was exercised by Mr. Thierry Breton. As from October 24, 2019, Mr. Gilles Grapinet has been appointed as Chairman of the Board of Directors, for a transition period, in addition to his duties as Chief Executive Officer.

Mr. Breton did not receive any Directors' fees in his capacity as Chairman of the Board of Directors for the period from January 1, 2015 through October 24, 2019. For the period from October 24, 2019 to December 31, 2019, Mr. Grapinet did not receive Directors' fees nor other compensation in his capacity as Chairman of the Board of Directors.

#### Additional comments regarding the compensation of the Chief Executive Officer:

Until February 1, 2019, the Chairman and Chief Executive Officer was paid by Atos International SAS according to his employment agreement with the latter. Two third of his annual base salary and variable pay relating to his duties as Chief Executive Officer of Worldline was invoiced by Atos International SAS to Worldline. As from February 1, 2019, Mr. Gilles Grapinet retains no duty nor activities within the Atos group, his employment contract with Atos International SAS being terminated at the same date. Since February 1, 2019, Mr. Gilles Grapinet is fully assigned to Worldline as Chairman and Chief Executive Officer. The Board of Directors of Worldline has decided on February 18, 2019 to maintain, in 2019, the total compensation package granted to Mr. Gilles Grapinet in 2018. For the sake of the current ratio calculation, the annual base salary and variable pay of the Chairman and Chief Executive Officer (including the 1/3 not invoiced by Atos International to Worldline prior to February 1, 2019) has been taken into account for the period from January 1, 2015 to December 31, 2019. The stock-options and/or performance shares granted by Worldline and Atos SE have been taken into account.

#### Additional comments regarding the compensation of the Deputy Chief Executive Officer:

The Board of Directors first appointed a Deputy Chief Executive Officer in July 2018, effective as of August 1, 2018. The remuneration of the Deputy Chief Executive Officer for the period August 1, 2018 to December 31, 2018 has been annualized for the purpose of the below ratio presentation.

#### Additional comments regarding the compensation of the employees of Worldline SA and of the "SEU" Worldline France: the full time equivalent remuneration has only been taken into account if:

1. Paid to employees present on a continued basis during the concerned year in the "SEU" Worldline France (i.e. present on January 1 and December 31);
2. Paid according to an employment contract of definite or indefinite period and excluding compensation paid to trainees and apprenticeship and inbound and outbound assignees;
3. Paid to employees who have remained active throughout the full concerned year.

## EVOLUTION AND RATIO COMPARED TO THE AVERAGE COMPENSATION OF THE EMPLOYEES

Average compensation of the employees (in €)	2015	2016	2017	2018	2019
Worldline SA	50,640	52,623	54,638	55,278	57,427
"SEU"* Worldline France	50,756	52,623	53,601	53,934	56,092

\* "Social and Economic Unit" ("Unité Economique et Sociale" (UES)).

<sup>1</sup> The paid variable remuneration reflects amounts paid for H2 Y-1 and H1 concerned year (Y) for all the employees. This latter is also applicable to the Chairman and Chief Executive Officer and to the Deputy Chief Executive Officer until end 2017 (i.e. for 2017, the paid variable remuneration reflects the payment of the bonus relating to H2 2016 and H1 2017).

Compensation of Senior Executive Directors (in €)	2015	2016	2017	2018	2019
Chairman of the Board of Directors	0	0	0	0	0
Chairman and Chief Executive Officer	1,949,388	2,335,277	2,242,112	2,030,757	2,587,001
Deputy Chief Executive Officer	na	na	na	1,181,995	1,394,115

Worldline SA	2015	2016	2017	2018	2019
Ratio for the Chairman of the Board of Directors	0	0	0	0	0
Ratio for the Chairman and Chief Executive Officer	38.5	44.4	41.0	36.7*	45.0
Ratio for the Deputy Chief Executive Officer	na	na	na	21.4*	24.3*

SEU Worldline France	2015	2016	2017	2018	2019
Ratio for the Chairman of the Board of Directors	0	0	0	0	0
Ratio for the Chairman and Chief Executive Officer	38.4	44.4	41.8	37.7*	46.1*
Ratio for the Deputy Chief Executive Officer	na	na	na	21.9*	24.9*

#### EVOLUTION AND RATIO COMPARED TO THE MEDIAN COMPENSATION OF THE EMPLOYEES

Median compensation of the employees (in €)	2015	2016	2017	2018	2019
Worldline SA	42,775	43,918	44,692	45,217	46,842
UES Worldline	42,817	43,918	44,715	45,296	46,853

Compensation of Senior Executive Directors (in €)	2015	2016	2017	2018	2019
Chairman of the Board of Directors	0	0	0	0	0
Chairman and Chief Executive Officer	1,949,388	2,335,277	2,242,112	2,030,757	2,587,001
Deputy Chief Executive Officer	na	na	na	1,181,995	1,394,115

Worldline SA	2015	2016	2017	2018	2019
Ratio for the Chairman of the Board of Directors	0	0	0	0	0
Ratio for the Chairman and Chief Executive Officer	45.6	53.2	50.2	44.9*	55.2*
Ratio for the Deputy Chief Executive Officer	na	na	na	26.1*	29.8*

SEU Worldline France	2015	2016	2017	2018	2019
Ratio for the Chairman of the Board of Directors	0	0	0	0	0
Ratio for the Chairman and Chief Executive Officer	45.5	53.2	50.1	44.8*	55.2*
Ratio for the Deputy Chief Executive Officer	na	na	na	26.1*	29.8*

\* As from 2018, pursuant to the provisions of the so-called "Sapin 2" law, the payment of the variable compensation due for the Y-1 objectives could only be paid after approval by the General Meeting called to approve the Y-1 financial statements. This explains the slight decrease in the equity ratio for 2018 (the remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer only takes into account the H2 2017 bonus payout) and the increase in 2019 (the remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer takes into account the bonus payout for the entire year 2018 (H1 + H2 2018)).

## EVOLUTION OF THE GROUP OMDA OF THE FIVE LAST YEARS

Worldline Group	2015	2016	2017	2018	2019
OMDA published before IFRS 16 (In € million)	235.3	258.7	335.4	391.1	561.5
OMDA as % of Revenue published before IFRS 16	19.2%	19.8%	21.0%	22.7%	23.6%

### G.3.2.6 Compliance of the Senior Officers' compensation with the recommendations of the AFEP-MEDEF Code

Since the listing of the Company's share on Euronext Paris, the Company commits to comply with the recommendations of the AFEP-MEDEF Code, in particular, to the conditions of compensation of Senior Officers, and to regularly report thereon. Before taking any decision regarding the compensation of any Senior Officer, the Board of Directors completes a compliance analysis on such compensation with

the recommendations of the AFEP-Medef Code. In addition, the Board of Directors of the Company met on February 18, 2020 to perform the annual review of the implementation by the Company of these compensation principles.

The Board of Directors assessed the implementation of these provisions by the Company and considered that the governance practices of the Company, in particular regarding the Senior Officer's compensation, are compliant with the AFEP-Medef Code recommendations.

The complete and detailed document which supported this Board assessment is made available in its entirety on Worldline's website.

### G.3.2.7 Summary of the compensation due or paid to the Senior Officers – AMF Table 1 and 2

#### AMF TABLE 1: SUMMARY OF THE COMPENSATION, STOCK-OPTIONS AND PERFORMANCE SHARES GRANTED TO THE SENIOR OFFICERS

##### MR. THIERRY BRETON – CHAIRMAN OF THE BOARD OF DIRECTORS (UNTIL OCTOBER 24, 2019)

Mr. Breton did not receive any compensation, nor was granted any stock-options or performance shares for his position as Chairman of the Board of Directors of the Company in 2018 and 2019.

	2019		2018	
	Related to Atos	Related to Worldline	Related to Atos	Related to Worldline
(In € million)				
Remuneration due for the relevant year	1,178,440	0	2,723,321	0
Value of stock-options granted during the year (*)	0	0	0	0
Value of performance shares granted during the year (*)	0	0	0	0
<b>Total</b>	<b>1,178,440</b>	<b>0</b>	<b>2,723,321</b>	<b>0</b>

\* See Universal Registration Document of Atos SE.

**MR. GILLES GRAPINET – CHAIRMAN OF THE BOARD OF DIRECTORS (SINCE OCTOBER 24, 2019)  
AND CHIEF EXECUTIVE OFFICER**

	2019		2018	
	Related to Atos	Related to Worldline	Related to Atos	Related to Worldline
(In €)				
Remuneration due for the relevant year	331,082	1,329,380	412,585	937,544
Value of stock-options granted during the year	0	208,688	0	317,435
Value of performance shares granted during the year	0	1,072,050	123,827	536,587
<b>Total</b>	<b>331,082</b>	<b>2,610,118</b>	<b>536,412</b>	<b>1,791,566</b>

**MR. MARC-HENRI DESPORTES – DEPUTY CHIEF EXECUTIVE OFFICER (SINCE AUGUST 1, 2018)**

	2019		2018	
	Related to Atos	Related to Worldline	Related to Atos	Related to Worldline
(In €)				
Remuneration due for the relevant year	0	709,047	0	299,177
Value of stock-options granted during the year	0	108,120	0	242,975
Value of performance shares granted during the year	0	555,424	0	410,721
<b>Total</b>	<b>0</b>	<b>1,372,591</b>	<b>0</b>	<b>952,873</b>

On each date of grant, the fair value of performance shares and stock-options granted is determined pursuant to IFRS 2 standard retained for the consolidated financial statements. Performance shares and stock-options granted are valued based on this fair value. Thus, the value of performance shares and stock-options granted as disclosed above is a historical

value on the date of grant calculated for accounting purposes. This value does not represent a current market value nor the actual amounts that may be paid to the beneficiary if and when the performance shares are acquired or stock-options exercisable.

**AMF TABLE 2: COMPENSATION OF EACH SENIOR OFFICER****MR. THIERRY BRETON – CHAIRMAN OF THE BOARD OF DIRECTORS (UNTIL OCTOBER 24, 2019)**

Mr. Breton did not receive any compensation for his position as Chairman of the Board of Directors of the Company in 2018 and 2019.

	2019				2018			
	Related to Atos		Related to Worldline		Related to Atos		Related to Worldline	
	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Fixed compensation	1,166,667	1,166,667	-	-	1,400,000	1,400,000	-	-
Variable compensation	-	1,304,821	-	-	1,304,821	815,430	-	-
Exceptional compensation	-	-	-	-	-	-	-	-
Director's fees	-	-	-	-	-	-	-	-
Fringe benefits	11,773	11,773	-	-	18,500	18,500	-	-
<b>Total</b>	<b>1,178,440</b>	<b>2,483,261</b>			<b>2,723,321</b>	<b>2,233,930</b>		



**MR. GILLES GRAPINET – CHAIRMAN OF THE BOARD OF DIRECTORS (SINCE OCTOBER 24, 2019) AND CHIEF EXECUTIVE OFFICER**

(In €)	2019 <sup>1</sup>				2018 <sup>1</sup>			
	Related to Atos		Related to Worldline		Related to Atos		Related to Worldline	
	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Fixed compensation	17,292	17,292	605,740	605,740	207,500	207,500	415,000	415,000
Variable compensation	151,058	151,058	711,457	517,848	202,737	182,685	517,848	240,678
Exceptional compensation <sup>2</sup>	160,589	160,589	0	0	0	0	0	0
Director's fees	0	0	0	0	0	0	0	0
Fringe benefits <sup>3</sup>	1,822	1,822	11,541	11,541	1,608	1,608	3,215	3,215
Other compensation <sup>4</sup>	321	321	642	642	741	741	1,481	1,481
<b>Total</b>	<b>331,082</b>	<b>331,082</b>	<b>1,329,380</b>	<b>1,135,771</b>	<b>412,585</b>	<b>392,533</b>	<b>937,544</b>	<b>660,374</b>

1 During the period up until February 1, 2019, Mr. Gilles Grapinet's compensation was determined pursuant to his employment agreement with Atos International SAS, a subsidiary of Atos SE. The portion of his fixed compensation relating to his duties as Chief Executive Officer of the Company represents two-thirds of the total fixed compensation provided for by his employment agreement with Atos International SAS, a subsidiary of Atos SE. Up until February 1, 2019, this portion was re-invoiced in full by Atos International SAS to the Company and is described in the above table.

2 Payment of compensatory allowance for the loss of accrued annual leave for 2019 and previous years due to the end of his employment with Atos International SAS. This payment is considered as fully relating to the end of his employment with Atos International SAS, a subsidiary of Atos SE.

3 Company car.

4 Company labor agreement benefit (vacation bonus).

Due variable compensation reflects amounts due for the first and second semesters of the relevant year. Paid variable compensation reflects amounts paid for the first and second semesters of the previous year. The payment of the variable compensation due for the first and second semesters 2019 is subject to the approval of the Shareholders' General Meeting which will validate the 2019 financial statements.

The modalities of the recharge by Atos SE (which ended on January 31, 2019 as mentioned above) of the compensation of Mr. Gilles Grapinet related to his functions as Worldline Chief Executive Officer are described under Section G.3.2.3 subsection 1.

**MR. MARC-HENRI DESPORTES – DEPUTY CHIEF EXECUTIVE OFFICER (SINCE AUGUST 1, 2018)**

(In €)	2019 <sup>1</sup>				2018 <sup>1</sup>			
	Related to Atos		Related to Worldline		Related to Atos		Related to Worldline	
	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Fixed compensation	0	0	350,000	350,000	0	0	148,269	148,269
Variable compensation	0	0	356,053	149,713 <sup>1 2</sup>	0	0	149,713	NA
Exceptional compensation	0	0	0	0	0	0	0	0
Director's fees	0	0	0	0	0	0	0	0
Fringe benefits <sup>3</sup>	0	0	2,922	2,922	0	0	1,195	1,195
Other compensation <sup>4</sup>	0	0	72	72	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>709,047</b>	<b>502,707</b>	<b>0</b>	<b>0</b>	<b>299,177</b>	<b>149,464</b>

1 The variable remuneration relating to July 2018 and paid in April 2019 relates to a performance period where Mr. Marc-Henri Desportes was not Deputy Chief Executive Officer and not been taken into account.

2 Variable remuneration paid only for the period from August 1, 2018 through December 31, 2018.

3 Company car.

4 Company Labor Agreement benefit (vacation bonus).

Due variable compensation reflects amounts due for the first and second semesters of the relevant year. Paid variable compensation reflects amounts paid for the second semester of the previous year (period from August 1, 2018 to December 31, 2018 relating to the function of Marc-Henri Desportes as Deputy Chief Executive Officer). The payment of the variable compensation due for the first and second semesters 2019 is subject to the approval of the Shareholders' General Meeting which will validate the 2019 financial statements.

#### Multi-year equity-based compensation of Worldline Senior Executive Officers (Mr. Gilles Grapinet and Mr. Marc-Henri Desportes)

Additional details are available under Section G.3.2.3 subsection 1 and Section G.3.2.4 setting forth the applicable provisions relating respectively to the multi-year equity-based compensation of the Chairman and Chief Executive Officer and of the Deputy Chief Executive Officer.

### G.3.2.8 Senior Officers benefits – AMF Table 11

Mr. Thierry Breton, Chairman of the Board of Directors until October 24, 2019, did not have an employment contract and did not receive a severance payment at the end of his mandate nor any compensation for non-compete clause in the event of termination of his mandate.

As from February 1, 2019, Mr. Gilles Grapinet does not retain duties nor activities within Atos and is fully assigned to Worldline as Senior Executive Officer. Upon proposal of the Nomination and Remuneration Committee, the Board of Directors decided on February 18, 2019, that the change of status of Mr. Grapinet on February 1, 2019 should have no

impact on his total compensation and benefits package, including the supplementary pension scheme (see above Section G.3.2.3 subsection 1 for more details).

The labor agreement between Worldline and Mr. Marc-Henri Desportes, Deputy Chief Executive Officer, has been suspended as from his appointment as Deputy Chief Executive Officer and for the duration of the same mandate, in accordance with applicable legislation. Mr. Marc-Henri Desportes is not entitled to any contract-based severance or compensation under a non-compete clause in the event of termination of his position with the Company.

	Worldline employment contract		Worldline Supplementary Pension plan		Payments or benefits effectively or potentially due in the event of termination or change of position		Non-compete clause payment	
	YES	NO	YES	NO	YES	NO	YES	NO
<b>Senior Officers</b>								
<b>Thierry Breton</b>								
Chairman of the Board of Directors (until October 24, 2019)								
Beginning of term: April 30, 2014		✓		✓		✓		✓
End of term: October 24, 2019								
<b>Gilles Grapinet</b>								
Chairman of the Board of Directors (since October 24, 2019) and Chief Executive Officer								
Beginning of term: April 30, 2014		✓	✓*		✓*			✓
End of term: Shareholder's Meeting called to approve the financial statements for the fiscal year ending on December 31, 2019								
<b>Marc-Henri Desportes</b>								
Deputy Chief Executive Officer								
Beginning of term: August 1, 2018		✓**		✓		✓		✓
End of term: Shareholder's Meeting called to approve the financial statements for the fiscal year ending on December 31, 2019								

\* For detailed information regarding the supplementary pension plan and the compensatory allowance, please refer to Section G.3.2.3 subsection 1 "Elements of compensation due or awarded for the financial year 2019 to Mr. Gilles Grapinet, as Chief Executive Officer".

\*\* The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, decided on July 21, 2018 to authorize, pursuant to article L. 225-38 of the French Commercial Code, the signing of an agreement between Worldline and Mr. Marc-Henri Desportes providing for the suspension of his employment contract with Worldline during the term of his office as Deputy Chief Executive Officer. This agreement has been approved by the General Meeting on April 30, 2019 in accordance with article L. 225-38 of the French Commercial Code (see above the section G.3.1.4 "Compensation policy for the Deputy Chief Executive Officer - Marc-Henri Desportes").

### G.3.3 Performance shares plans and stock-options plans

#### G.3.3.1 Stock-options granted to or exercised by Senior Officers during the year - AMF Tables 4 and 5

##### AMF TABLE 4: SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO THE SENIOR OFFICERS DURING THE FINANCIAL YEAR

Since January 1, 2019, the following stock-options were granted to the Senior Officers:

Name	Issuer	Plan Date <sup>1</sup>	Number of stock-options awarded since January 1, 2019	Exercise price (in €)	Acquisition date	Expiration date
<b>Thierry Breton</b> Chairman of the Board of Directors (until October 24, 2019)	Atos SE	July 24, 2019	40,300 <sup>2</sup>	79.86	July 25, 2022	July 24, 2029
<b>Gilles Grapinet</b> Chairman of the Board of Directors (as from October 24, 2019) and Chief Executive Officer	Worldline	July 24, 2019	26,250	66.77	July 24, 2022	July 23, 2029
<b>Marc-Henri Desportes</b> Deputy Chief Executive Officer	Worldline	July 24, 2019	13,600	66.77	July 24, 2022	July 23, 2029

<sup>1</sup> Corresponds to the date of the Board of Directors' meeting that approved the grant.

<sup>2</sup> Following the resignation of his mandate, Mr. Thierry Breton indicated to the Board of Directors of Atos SE that he wished to waive of all unvested option rights. Thus, the option rights granted under the stock-options plan dated July 24, 2019 became null and void.

The characteristics of the Worldline stock-options plan, in particular the condition of presence and performance conditions are described in Section G.3.3.4 of this Universal Registration Document.

##### AMF TABLE 5: SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED BY THE SENIOR OFFICERS DURING THE FINANCIAL YEAR

Mr. Thierry Breton, in his capacity as Chairman of the Board of Directors, did not hold any outstanding Worldline stock-options as of January 1, 2019.

Since January 1, 2019, Mr. Gilles Grapinet has not exercised any Worldline stock-options.

Mr. Marc-Henri Desportes has exercised Worldline stock-options as indicated below.

Name	Issuer	Plan Date <sup>1</sup>	Number of options exercised during 2019	Exercise price (in €)
<b>Marc-Henri Desportes</b> Deputy Chief Executive Officer	Worldline	September 3, 2014	18,000	17.22

<sup>1</sup> Corresponds to the date of the Board of Directors' meeting that approved the grant.

### G.3.3.2 Performance shares granted to Senior Officers during the year – AMF Table 6

The table below shows the performance shares granted to the Senior Officers during the year.

Pursuant to the authorization granted by the Worldline Shareholders' General Meeting held on April 30, 2019 (25<sup>th</sup> resolution), the Board of Directors, during its meeting held on July 24, 2019, upon recommendation of the Nomination and Remuneration Committee, decided the grant of performance

shares. The Worldline Chairman and Chief Executive Officer and the Deputy Chief Executive Officer are among the beneficiaries of this grant. The characteristics of the Worldline performance shares plan, in particular the condition of presence and performance conditions are described in Section G.3.3.6 of this Universal Registration Document.

	Issuer	Plan Date <sup>1</sup>	Number of shares	Vesting date	Availability date	Share valuation (in €) <sup>2</sup>
<b>Mr. Thierry Breton</b> Chairman of the Board of Directors (until October 24, 2019)	Atos SE	July 24, 2019	40,300 <sup>3</sup>	July 25, 2022	July 25, 2022	0
<b>Mr. Gilles Grapinet</b> Chairman of the Board of Directors (as from October 24, 2019) and Chief Executive Officer	Worldline	July 24, 2019	26,250	July 24, 2022	July 24, 2022	1,072,050
<b>Mr. Marc-Henri Desportes</b> Deputy Chief Executive Officer	Worldline	July 24, 2019	13,600	July 24, 2022	July 24, 2022	555,424

<sup>1</sup> Corresponds to the date of the Board of Directors' meeting that approved the grant.

<sup>2</sup> Valuation of the shares at their grant date, pursuant to the application of the IFRS 2, after taking account of any discount related to performance criteria and the probability of presence in the Worldline Group after the vesting period, but before spreading the load under IFRS 2 throughout the vesting period. As from 2014, Worldline has taken into account the probability of achieving the performance conditions.

<sup>3</sup> Following the resignation of his mandate, Mr. Thierry Breton indicated to the Board of Directors of Atos SE that he wished to waive off all his unvested share rights. Thus, the share rights granted under the performance shares plan dated July 24, 2019 became null and void.

### G.3.3.3 Performance shares that have become available during the year for the Senior Officers – AMF Table 7

The performance shares granted by Atos SE on July 28, 2015 vested on January 2, 2018. The shares vested were subject to a two-year holding period until January 2, 2020 which have been brought forward for Mr. Thierry Breton on October 31, 2019 by the Board of Directors of Atos SE upon recommendation of the Atos SE's Nomination and Remuneration Committee.

The Worldline performance shares granted on July 25, 2016, in accordance with the France Plan Rules, vested on July 25, 2018. The Chairman and Chief Executive Officer and the Deputy Chief Executive Officer were beneficiaries of this Plan. The shares vested were subject to a one year holding period until July 25, 2019. The vesting conditions are detailed in the 2016 Registration Document of Worldline, under Section 15.3.1.

	Issuer	Plan Date <sup>1</sup>	Number of shares available during the financial year	Vesting Date	Availability Date
<b>Mr. Thierry Breton</b> Chairman of the Board of Directors (until October 24, 2019)	Atos SE	July 28, 2015	55,000	January 2, 2018	October 31, 2019 <sup>2</sup>
	Atos SE	July 26, 2016	71,620 <sup>3</sup>	July 26, 2019	July 26, 2019
<b>Mr. Gilles Grapinet</b> Chairman of the Board of Directors (as from October 24, 2019) and Chief Executive Officer	Atos SE	July 26, 2016	10,645 <sup>3</sup>	July 26, 2019	July 26, 2019
	Worldline	July 25, 2016	38,700 <sup>4</sup>	July 25, 2018	July 25, 2019
<b>Mr. Marc-Henri Desportes</b> Deputy Chief Executive Officer	Worldline	July 25, 2016	25,460 <sup>4</sup>	July 25, 2018	July 25, 2019

<sup>1</sup> Corresponds to the date of the Board of Directors' meeting that approved the grant.

<sup>2</sup> The initial availability date (January 2, 2020) was brought forward to October 31, 2019 by the Board of Directors of Atos SE upon recommendation of Atos SE's Nomination and Remuneration Committee.

<sup>3</sup> After adjustment for preservation of share rights following the exceptional distribution of Worldline shares by Atos SE as approved by Atos SE's Annual General Meeting on April 30, 2019.

<sup>4</sup> Taking into account a vesting multiplier of 101.84% validated by the Board of Directors of February 19, 2018.

### G.3.3.4 Past awards of subscription or purchase options (up to December 31, 2019) – AMF Table 8

The table below shows the past grants by Worldline since 2014 to reward and retain its key-talents and top management.

Mr. Gilles Grapinet, as Company Chief Executive Officer, was granted 180,000 stock-options by Worldline on September 3, 2014 and on September 1, 2015. For further details regarding the 2014 and 2015 plans, please refer to respectively the Worldline 2014 and 2015 Registration Documents. On July 21,

2018, Mr. Gilles Grapinet, as Company Chief Executive Officer, was granted 81,000 stock-options by Worldline; on the same date Mr. Marc-Henri Desportes, as Company Deputy Chief Executive Officer, was granted 62,000 stock-options by Worldline. On July 24, 2019, Mr. Gilles Grapinet and Mr. Marc-Henri Desportes were respectively granted 26,250 and 13,600 stock-options by Worldline.

Date of Shareholders Meeting	2014	2015	2016	2016	2018	2018	2019	Total
<b>Date of Board meeting</b>	03/09/2014	27/07/2015 <sup>2</sup>	22/02/2016 <sup>3</sup>	25/07/2016 <sup>4</sup>	21/07/2018	18/10/2018 <sup>7</sup>	24/07/2019	
<b>Exercise period start date</b>	15/05/2016	15/05/2017	25/05/2018	25/05/2018	21/07/2021	31/03/2022	24/07/2022	
<b>Exercise period end date</b>	03/09/2024	31/08/2025	24/05/2026	15/08/2026	20/07/2028	01/01/2029	23/07/2029	
<b>Strike price (in €)</b>	17.22	22.87	26.82	28.58	52.91	46.69	66.77	
<b>Options granted</b>	1,527,220	1,558,500	196,000	45,000	262,000	130,550	98,600	3,817,870
<b>of which to members of the Board<sup>1</sup></b>	189,330 <sup>5</sup>	180,000 <sup>6</sup>	0	0	81,000 <sup>6</sup>	0	26,250 <sup>6</sup>	476,580
<b>Number of beneficiaries</b>	92	138	52	2	18	5	19	
<b>Options exercised</b>	879,300	635,409	72,650	23,000	0	0	0	1,610,359
<b>Options cancelled or expired</b>	90,300	154,500	17,000	0	0	0	0	261,800
<b>Status on 31/12/2019</b>	557,620	768,591	106,350	22,000	262,000	130,550	98,600	1,945,711
<b>Value of unexercised options (in € million)</b>	9.6	17.6	2.9	0.6	13.9	6.1	6.6	57.2

<sup>1</sup> Current Board of Directors.

<sup>2</sup> The grant date has been set by the Board of Directors on September 1, 2015.

<sup>3</sup> The grant date has been set by the Board of Directors on May 25, 2016.

<sup>4</sup> The grant date has been set by the Board of Directors on August 16, 2016.

<sup>5</sup> In addition to Mr. Gilles Grapinet to whom 180,000 stock-options were granted, stock-options were also granted to Mr. Gilles Arditti (9,330).

<sup>6</sup> Among the Directors, stock-options were only granted to Mr. Gilles Grapinet.

<sup>7</sup> The grant date has been set by the Board of Directors on January 2, 2019.

The overview of the performance conditions applicable to the above plans is set forth under Section 17.3.3 of the 2016 Registration Document. The performance conditions related to the plans dated July 21, 2018 and October 18, 2018 (with a grant date on January 2, 2019) are set forth under Section D.3.4.3 of the 2018 Registration Document and the performance conditions related to the plan dated July 24, 2019 are set forth under Section G.3.3.4 of this Universal Registration Document.

The achievement of the performance conditions relating to the stock-options plan of May 25, 2016, August 16, 2016, July 21, 2018, October 10, 2018 (with a grant date on January 2, 2019) and July 24, 2019 can be found in Section G.3.3.7.

The performance conditions of the 2018 and 2019 stock-options plans are listed below:

Performance conditions *	21/07/2018	02/01/2019 and 24/07/2019
Group Organic Revenue growth for the year is at least equal to:	The growth rate set forth in the Company's budget for the corresponding year minus a percentage defined by the Board of Directors.	
<b>and</b>		
Group Operating Margin before Depreciation and Amortization in the relevant year is at least equal to:	92.5% of the Worldline Group Operating Margin before Depreciation and Amortization disclosed in the budget of the Company for the relevant year.	
<b>and</b>		
Group Free Cash Flow, before dividends and income generated from acquisitions/disposals in the relevant year, is at least equal to:	92.5% of the Worldline Group Free Cash Flow set forth, before dividends and income generated from acquisitions/disposals in the budget of the Company for the relevant year.	
<b>and</b>	For each year, <b>at least 2 of 3 internal performance criteria's</b> must be met, and if one criterion is not met, it becomes compulsory for the following year.	
External Performance Condition linked to Environmental and Social Responsibility	For each relevant year, Worldline must fulfill the requirement of at least two out of the three targets: <ul style="list-style-type: none"> <li>• The Worldline Group gets the GRI Standards "Comprehensive" option (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);</li> <li>• The Worldline Group gets the Eco Vadis CSR label "Gold" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);</li> <li>• The Worldline Group gets the GAIA Index Certification general rating equal or above 70/100 (or its equivalent if, during the plan, this terminology is modified).</li> </ul>	
Years	2018–2019 – 2020	2019–2020 – 2021

\* The Board of Directors reserves the right to adjust the performance criteria in the event of a change in the scope of consolidation of Worldline, of a change in the accounting method used, or due to any other circumstance justifying such an adjustment in order to offset the consequences of these changes on the objectives set at the time of grant.

### G.3.3.5 Stock-options granted to the top ten employees who are not Senior Executive Officers, and options exercised by the ten employees with the highest number of options purchased or subscribed—AMF Table 9

	Total number of options granted	Average price (exercise price of the year of grant) (in €)	Plan Date <sup>1</sup>
Stock-options granted during the year by the issuer to the ten employees having the highest number of options granted (global information)	158,900	50.27	October 18, 2018 & July 24, 2019
Stock-options held on the issuer exercised during the financial year by the ten employees of the issuer having the highest number of options purchased or subscribed (global information)	76,000	22.63	September 3, 2014 & July 27, 2015 & July 25, 2016

<sup>1</sup> Corresponds to the date of the Board of Directors' meeting that approved the grant.

## G.3.3.6 Past grants of Performance Shares – AMF Table 10

Date of Shareholders Meeting	26/05/2016 <sup>1</sup>		26/05/2016 <sup>2</sup>	24/05/2017 <sup>1</sup>	24/05/2018	24/05/2018 and 30/11/2018	30/04/2019	Total
Date of Board meeting	25/07/2016		12/12/2016	24/07/2017	21/07/2018	18/10/2018 <sup>5</sup>	24/07/2019	
Plan detail	France	International	-	-	-	-	-	
Number of beneficiaries	67	62	5	270	353	48	372	-
Shares granted	263,650	152,964	224,250	507,118	366,685	93,700	326,965	1,935,332
Of which to members of the Board	43,700	-	-	43,700	20,250	0	26,250	133,900
International mobility movement	1 <sup>4</sup>	0	0	0	0	0	0	1
Shares cancelled or expired	52,308	30,477	15,496	9,831	3,660	0	0	111,772
Number of shares available on 31/12/2019	211,342	122,487	134,004	1,007	0	0	0	468,840
Of which to members of the Board	0	-	-	0	-	-	-	0
Status as of 31/12/2019	211,342	122,487	208,754	497,287	363,025	93,700	326,965	1,823,560
Acquisition date	25/07/2018	25/07/2019	01/04/2020 <sup>3</sup>	24/07/2020	21/07/2021	31/03/2022	24/07/2022	
Availability date	25/07/2019	25/07/2019	01/04/2020 <sup>3</sup>	24/07/2020	21/07/2021	31/03/2022	24/07/2022	

1 The number of shares at grant takes into account a maximum multiplier of 115% (as per the performance conditions below).

2 The grant date has been set by the Board of Directors on January 2, 2017, please refer to Section 17.3.4 of the 2016 Registration Document for further details.

3 Last vesting date of the third tranche of the plan.

4 1 movement from the international plan to the France plan for 764 shares vested on 25/07/2018.

5 The grant date has been set by the Board of Directors on January 2, 2019.



The 1,823,560 performance shares represented 1.00% of the share capital of Worldline on December 31, 2019. The terms and conditions of the plans granted on July 24, 2017, July 21, 2018, and July 24, 2019 of which the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer are among the beneficiaries, as well as the Plans of January 2, 2017 and January 2, 2019 are described below.

The performance conditions of the 2017, 2018 and 2019 plans are listed below:

Performance conditions *	02/01/2017	24/07/2017	21/07/2018	02/01/2019 and 24/07/2019
Group Organic Revenue growth for the year is at least equal to:	(i) Target threshold is set at -1.5% of the equensWorldline growth target set in the budget for the relevant year (ii) a ceiling is set at +2.5% of the equensWorldline growth rate set in the budget for the relevant year (iii) a linear payout multiplier is set between the threshold and the target (85%-100%) and between the target and the ceiling (100%-115%).	(i) The growth rate set forth in the Company's budget for the corresponding year minus a percentage defined by the Board of Directors; or (ii) the annual growth rate in reference to the growth targets of the Group.	The growth rate for the corresponding year is at least equal to the guidance shared with the market for the relevant year.	
<b>and</b>				
Group Operating Margin before Depreciation and Amortization in the relevant year is at least equal to one of the following two amounts:	(i) Target threshold set at 90% of the OMDA target for equensWorldline in the budget of the relevant year (ii) ceiling set at 110% of the OMDA target for equensWorldline in the budget of the relevant year (iii) a linear payout multiplier is set between the threshold and the target (85%-100%) and between the target and the ceiling (100%-115%).	(i) 85% of the Worldline Group Operating Margin before Depreciation and Amortization disclosed in the budget of the Company for the relevant year; or (ii) the Worldline Group Operating Margin before Depreciation and Amortization recorded in the previous year increased by 10%.	The OMDA in the relevant year is at least equal to (i) the OMDA guidance shared with the market for the relevant year; or (ii) an increase defined by the Worldline Board of Directors versus the previous year.	
<b>and</b>				
Group Free Cash Flow, before dividends and income generated from acquisitions/disposals in the relevant year, is at least equal to one of the following two amounts:	(i) target threshold set at 90% of the Free Cash-Flow budget of equensWorldline for the relevant year (ii) ceiling is set at 110% of the Free Cash-Flow budget for the relevant year (iii) a linear payout multiplier is set between the threshold and the target (85%-100%) and between the target and the ceiling (100%-115%).	(i) 85% of the Worldline Group Free Cash Flow set forth, before dividends and income generated from acquisitions/disposals in the budget of the Company for the relevant year; or (ii) the Worldline Group Free Cash Flow before dividends and income generated from acquisitions/disposals recorded in the previous year increased by 10%.	The amount of the Group Free Cash Flow, before dividends and income generated from acquisitions/disposals in the relevant year, is at least equal to (i) the Group Free Cash Flow, before dividends and income generated from acquisitions/disposals, in the guidance shared with the market for the relevant year or (ii) an increase defined by the Worldline Board of Directors versus the previous year.	

Performance conditions *	02/01/2017	24/07/2017	21/07/2018	02/01/2019 and 24/07/2019
and				
External Performance Condition linked to Environmental and Social Responsibility	<p>For each year:</p> <ul style="list-style-type: none"> <li>Customer Satisfaction: a target is set, the threshold is set at 90% of the target and the ceiling at 110%. A linear payout multiplier is set between the threshold and the target (85%-100%) and between the target and the ceiling (100%-115%).</li> <li>Worldline Quality Measure: a target is set, the threshold is set at 90% of the target and the ceiling at 110%. A linear payout multiplier is set between the threshold and the target (85%-100%) and between the target and the ceiling (100%-115%).</li> </ul>	<p>Worldline must fulfill the requirement of at least two out of the three targets:</p> <ul style="list-style-type: none"> <li>The Worldline Group aligns with the GRI Standards "Comprehensive" (or equivalent if, during the Plan, the term used for the highest level is changed);</li> <li>The Company obtains the Eco Vadis CSR - "Gold" score (or its equivalent if, during the Plan, the term used for the highest level is changed);</li> <li>The Company obtains the general GAIA Index Certification score equal or higher than 70% (or equivalent if, during the Plan, the term is changed).</li> </ul>	<p>For each relevant year, Worldline must fulfill the requirement of at least two out of the three targets:</p> <ul style="list-style-type: none"> <li>The Worldline Group aligns with the GRI Standards "Comprehensive" (or equivalent if, during the Plan, the term used for the highest level is changed);</li> <li>The Worldline Group gets the Eco Vadis CSR label "Gold" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);</li> <li>The Worldline Group gets the GAIA Index Certification general rating equal or above 70/100 (or its equivalent if, during the plan, this terminology is modified).</li> </ul>	
Years	2017-2018 - 2019	2017-2018 - 2019	2018-2019 - 2020	2019-2020 - 2021

\* The Board of Directors reserves the right to adjust the performance criteria in the event of a change in the scope of consolidation of Worldline, of a change in the accounting method used, or due to any other circumstance justifying such an adjustment in order to offset the consequences of the changes on the objectives set at the time of grant. In particular, it could, on the recommendation of the Nomination and Remuneration Committee, adjust the objectives adopted for 2020 in the light of the current exceptional circumstances and beyond the control of management (namely the crisis resulting from the state of emergency health in connection with the Covid-19 pandemic) in order to maintain, in the Company's corporate structure, the adequacy of the implementation of the remuneration policy with performance; these objectives remaining in line with the company's strategy and with a level of requirement aimed at ensuring the alignment of the interests of beneficiaries and shareholders.

### G.3.3.7 Achievement of the performance conditions relating to the Stock-Options plans and Performance Shares plans of the Company

The stock-options plans dated September 3, 2014 and September 1, 2015, were respectively vested on May 15, 2016 and May 15, 2017, and the options are exercisable since then. The stock-options plans dated May 25, 2016 and August 16, 2016, were vested on May 25, 2018 and the options are exercisable since then. The achievements of the performance conditions relating to those plans as well as the performance shares plan dated July 25, 2016 were covered in previous Registration Documents.

Regarding the performance shares plan of July 24, 2017, the performance conditions (internal and external) have been achieved for each of the years 2017, 2018 and 2019. The final acquisition of the performance shares remains subject to the completion of the attendance condition on July 24, 2020. The overall vesting multiplier of the performance shares plan of July 24, 2017 is 100.06%

<b>Worldline organic revenue growth</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Criteria validation	99.7% - yes	99.7% - yes	99.8% - yes
<b>Worldline operating margin before depreciation and amortization (OMDA)</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Criteria validation	98.9% - yes	100.3% - yes	100.9% - yes
<b>Worldline free cash flow</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Criteria validation	101.3% - yes	105.7% - yes	101.6% - yes
<b>External performance condition linked to environmental and social responsibility</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Criteria validation	Yes	Yes	Yes
<b>Performance conditions validation</b>	<b>Yes</b>		

Regarding the performance shares plan of July 21, 2018, the internal performance conditions have been achieved for 2018 and 2019. The external performance condition has been met as well. The final acquisition of the performance shares

remains subject to the achievement of the internal and external performance conditions for the year 2020 as well as the attendance condition.

<b>Worldline organic revenue growth</b> Criteria validation	<b>2020</b> Pending	<b>2019</b> 120.0% - yes	<b>2018</b> 130.5% - yes
<b>Worldline operating margin before depreciation and amortization (OMDA)</b> Criteria validation	<b>2020</b> Pending	<b>2019</b> 113.3% - yes	<b>2018</b> 105.9% - yes
<b>Worldline free cash flow</b> Criteria validation	<b>2020</b> Pending	<b>2019</b> 132.0% - yes	<b>2018</b> 112.3% - yes
<b>External performance condition</b> linked to environmental and social responsibility Criteria validation	<b>2020</b> Pending	<b>2019</b> Yes	<b>2018</b> Yes
<b>Performance conditions validation</b>	<b>Pending</b>		

Regarding the stock-options plan of July 21, 2018, the internal performance conditions have been achieved for 2018 and 2019. The external performance condition has been met as well. The final acquisition of the right to exercise the

stock-options remains subject to the achievement of the internal and external performance conditions for the year 2020 as well as the attendance condition.

<b>Worldline organic revenue growth</b> Criteria validation	<b>2020</b> Pending	<b>2019</b> 99.7% - yes	<b>2018</b> 99.7% - yes
<b>Worldline operating margin before depreciation and amortization (OMDA)</b> Criteria validation	<b>2020</b> Pending	<b>2019</b> 98.9% - yes	<b>2018</b> 100.3% - yes
<b>Worldline free cash flow</b> Criteria validation	<b>2020</b> Pending	<b>2019</b> 101.3% -yes	<b>2018</b> 105.7% - yes
<b>External performance condition</b> linked to environmental and social responsibility Criteria validation	<b>2020</b> Pending	<b>2019</b> Yes	<b>2018</b> Yes
<b>Performance conditions validation</b>	<b>Pending</b>		

Regarding the performance shares plans of January 2, 2019 and July 24, 2019, the internal performance conditions have been achieved for 2019. The external performance condition has been met as well. The final acquisition of the performance

shares remains subject to the achievement of the internal and external performance conditions for the years 2020 and 2021 as well as the attendance condition.

<b>Worldline organic revenue growth</b> Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> 120.0% - yes
<b>Worldline operating margin before depreciation and amortization (OMDA)</b> Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> 113.3% - yes
<b>Worldline free cash flow</b> Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> 132.0% - yes
<b>External performance condition</b> linked to environmental and social responsibility Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> Yes
<b>Performance conditions validation</b>	<b>Pending</b>		

Regarding the stock-options plans of January 2, 2019 and July 24, 2019, the internal performance conditions have been achieved for 2019. The external performance condition has been met as well. The final acquisition of the right to exercise

the stock-options remains subject to the achievement of the internal and external performance conditions for the years 2020 and 2021 as well as the attendance condition.

<b>Worldline organic revenue growth</b> Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> 99.7% - yes
<b>Worldline operating margin before depreciation and amortization (OMDA)</b> Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> 98.9% - yes
<b>Worldline free cash flow</b> Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> 101.3% -yes
<b>External performance condition</b> linked to environmental and social responsibility Criteria validation	<b>2021</b> Pending	<b>2020</b> Pending	<b>2019</b> Yes
<b>Performance conditions validation</b>	<b>Pending</b>		

## G.4 2020 Annual General Meeting

### G.4.1 Resolutions submitted to the Annual General Meeting

Resolutions to be submitted to the shareholders' vote will be published in the *Bulletin des Annonces Légales Obligatoires* (official legal gazette for listed companies) in a notice of meeting which will be followed by a convening notice to the 2020 Annual General Meeting. These notices will be posted on the Company's website ("Investors" Section) as required by applicable laws and regulations.

### G.4.2 Elements of the compensation due or awarded for the 2019 fiscal year to the Corporate Officers of the Company, submitted to the shareholders' vote

The elements of compensation due or awarded at the end of the 2019 financial year to the Company's Corporate Officers, which will be submitted to the shareholders' vote during the 2020 Annual General Meeting, are presented in Section G.3.2 of this Universal Registration Document.

### G.4.3 Principles and criteria for setting, allocating and granting the elements of the compensation of the Senior Officers of the Company for the 2020 fiscal year, submitted to the shareholders' vote

The principles and criteria for setting, allocating and granting the elements of compensation of the Company's Corporate Officers, in respect for the year 2020, which will be submitted to the shareholders' vote during the 2020 Annual General Meeting, are presented in Section G.3.1 of this Universal Registration Document.

#### G.4.4 Summary of the transactions made in 2019 on the shares of the Company (article 223-26 of the AMF Règlement Général)

Name	Number of shares purchased or subscribed	Number of shares sold	Other financial transactions	Date	Purchase price/sale price (in €)
Gilles Arditti	11,708			07/05/2019	0.0000 <sup>1</sup>
Atos SE		19,062,792 <sup>2</sup>		01/11/2019	-
Thierry Breton	203,234			07/05/2019	0.0000 <sup>1</sup>
		100,000		26/07/2019	64.3803
Marc-Henri Desportes	8,000 <sup>3</sup>			25/03/2019	17.2200
Gilles Grapinet	40,662			07/05/2019	0.0000 <sup>1</sup>
		4,383		08/05/2019	51.7343 <sup>4</sup>
		254		09/05/2019	51.7500 <sup>4</sup>
Lorenz von Habsburg-Lothringen	750			13/05/2019	51.2000
Eric Heurtaux	1,414			07/05/2019	0.0000 <sup>1</sup>
		153		08/05/2019	51.7343 <sup>4</sup>
		9		09/05/2019	51.7500 <sup>4</sup>
Mette Kamsvåg	1,000			10/05/2019	51.2052
Danielle Lagarde	1,408			07/05/2019	0.0000 <sup>1</sup>
		151		08/05/2019	51.7343 <sup>4</sup>
		9		09/05/2019	51.7500 <sup>4</sup>
Ursula Morgenstern	5,856			07/05/2019	0.0000 <sup>1</sup>
		270		08/05/2019	51.7343 <sup>4</sup>
		15		09/05/2019	51.7500 <sup>4</sup>
Georges Pauget	750			01/08/2019	65.1000
SIX Group AG			9,161,304 <sup>5</sup>	31/10/2019	53.0000

1 Vesting following exceptional distribution in kind of Worldline shares by Atos SE. Unit price on the date of the distribution in kind: € 54.70 per Worldline share.

2 Sale of 14,725,472 Worldline shares, for ca. 0.8 billion euro, through a placement to qualified investors only by way of accelerated bookbuilding offering. In addition, Atos has agreed to transfer to Iris 1 LP2 4,337,320 Worldline shares (representing ca. 230 million euro).

3 In stock-options exercise.

4 Disposal of shares initiated by the Company in order to finance the taxes owed by the beneficiary upon the vesting of the shares following exceptional distribution in kind of Worldline shares by Atos SE.

5 Multi-year equity collar transaction related to its holding in Worldline.

## G.5 Evolution of capital and stock performance

### G.5.1 Basic data

#### G.5.1.1 Information on stock

Worldline SA shares are listed on the Paris Euronext Market since June 27, 2014, under code ISIN FR0011981968 and are not listed on any other stock exchange.

**Number of shares:** **182,764,457 (as at December 31, 2019)**

Sector classification	Information Technology
Main index	CAC 40
Other indexes	SBF 120, CAC Industrials, CAC Sup. Services, CAC All Shares
Market	Euronext Paris Segment A
Trading place	Euronext Paris (France)
Tickers	WLN (Euronext)
Code ISIN	FR0011981968
Payability PEA/SRD	Yes/Yes

Main tickers are:

Source	Code	Source	Code
Euronext	WLN	Reuters	WLN.PA
AFP	WLN	Thomson	WLN-FR
Bloomberg	WLN:FP		

#### G.5.1.2 Ownership of the Company's shares in the past three years and free float

The free-float of the Group shares excludes stakes held by the reference shareholders, namely SIX Group AG holding 26.9% of the share capital. No other reference shareholder has announced its will to maintain a strategic shareholding in the Group's share capital. Stakes owned by the employees and the management are excluded from the free float.

As at December 31, 2019	Number of shares	% of share capital	% of voting rights
Atos SE	30,888,563	16.90%	25.57%
SIX Group AG	49,066,878	26.85%	24.10%
Worldline SA	368,877	0.20%	0.00%
Board of Directors and senior executives	180,458	0.10%	0.10%
Employees	336,909	0.18%	0.17%
Free float	101,922,772	55.77%	50.06%
<b>Total</b>	<b>182,764,457</b>	<b>100.00%</b>	<b>100.00%</b>

As at December 31, 2018	Number of shares	% of share capital	% of voting rights
Atos SE	92,802,579	50.84%	67.62%
SIX Group AG	49,066,878	26.88%	17.82%
Worldline SA	914,530	0.50%	0.00%
Board of Directors and senior executives	116,914	0.06%	0.05%
Employees	427,698	0.23%	0.16%
Free float	39,226,318	21.49%	14.29%
<b>Total</b>	<b>182,554,917</b>	<b>100.00%</b>	<b>100.00%</b>

As at December 31, 2017	Number of shares	% of share capital	% of voting rights
Atos SE	92,802,579	69.83%	82.23%
Board of Directors	32,004	0.02%	0.02%
Employees	290,211	0.22%	0.13%
Free float	39,774,169	29.93%	17.62%
<b>Total</b>	<b>132,898,963</b>	<b>100.00%</b>	<b>100.00%</b>

### G.5.1.3 Shareholding structure as of March 31, 2020

The following table sets forth the Company's shareholders as of March 31, 2020

As at March 31, 2020	Number of shares	% of share capital	% of voting rights
SIX Group AG (incl. c5% lent of Credit Suisse)	49,066,878	26.84%	25.89%
Atos SE	6,986,500	3.82%	7.37%
Worldline SA	359,547	0.20%	0.00%
Board of Directors & Senior Executives	158,676	0.09%	0.11%
Employees (ESPP)	329,855	0.18%	0.17%
Free float	125,906,096	68.87%	66.45%
<b>Total</b>	<b>182,807,552</b>	<b>100.00%</b>	<b>100.00%</b>



## G.5.2 Dividends

No dividends were paid in 2017, 2018 and 2019. During its meeting held on February 18, 2020 and considering the strategic priority given in 2020 to the development of the Company, the Board of Directors decided to propose at the next Annual General Meeting of Shareholders not to distribute any dividend on the 2019 results.

The Dividend policy is presented in Section C.5.8

## G.5.3 Documentation

In addition to the Universal Registration Document, which is published in English and French, the following information is available to shareholders:

- A half year report;
- Quarterly revenue and operational review;
- Regular press releases, regulated information and general Group's information, available through the Worldline website at [Worldline.com](http://Worldline.com).

## G.5.4 Financial calendar

June 9, 2020: Shareholders' 2020 Annual General Meeting

## G.5.5 Contact

Institutional investors, financial analysts and individual shareholders may obtain information from:

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Requests for information can also be sent by email to [investor-relations@worldline.com](mailto:investor-relations@worldline.com).

## G.5.6 Capital

### G.5.6.1 Capital as at December 31, 2019

As at December 31, 2019, the Company's issued common stock amounted to € 124,279,830.76, divided into 182,764,457 fully paid-up shares of € 0.68 par value each.

Compared to December 31, 2018, the share capital was increased by € 142,487.20 corresponding to the issuance of 209,540 new shares resulting from employee share purchase plans, exercise of stock-options, and vesting of performance share plans.

### G.5.6.2 Stock evolution for the past 5 years

The Company's share capital has changed as followed during the last five years:

- Increase in the par value of the shares to € 6.80 per share, which occurred on April 23, 2014 and resulted in an increase in the Company's share capital from € 78,804,599.61 to € 79,028,274 followed by the division of the par value of the shares by 10, reducing it from € 6.80 to € 0.68. Therefore, 104,596,245 new shares have been created;
- As part of the initial public offering, capital increase was approved by Worldline Board of Directors on June 26, 2014. 15,548,780 new shares were issued with a nominal value of € 0.68;
- On December 29, 2014 with the Employee Shares Purchase Plan "Boost", 159,758 shares were created;
- On February 5, 2016, with the Employee Shares Purchase Plan "Boost", 163,129 shares were created;
- In 2016, 257,279 shares have been created following the exercise of stock-option rights by executives and employees of the Group.
- In 2017, 551,967 shares have been created following the exercise of stock-option rights by executives and employees of the Group.
- In 2018, 49,655,954 shares have been created following the acquisition of SIX Payment Services and the exercise of stock-option rights by executives and employees of the Group.
- On February 28, 2019, with the Employee Shares Purchase Plan "Boost", 89,786 shares were created.
- In 2019, 119,754 shares have been created following the grant of performance shares and exercise of stock-option rights by executives and employees of the Group.
- As at December 31, 2019, the Company's share capital was therefore composed of 182,764,457 fully paid-up shares of € 0.68 par value each.

From January 1, 2020 to the date of the present Document, 99,645 shares have been created following the grant of performance shares and exercise of stock-options rights by employees of the Group.

As at the date of the present Document, the share capital of Worldline SA is then composed of 182,864,102 shares of € 0.68 par value each.

### G.5.6.3 Other Securities Giving Access to Share Capital

#### G.5.6.3.1 Stock option plans

As presented in Section G.3.3.4 (AMF table n°8), past awards of subscription or purchase options could lead to the creation of 1,945,711 new shares, representing 1.06% of the share capital of Worldline as at December 31, 2019.

#### G.5.6.3.2 Performance shares plans

As presented in Section G.3.3.6 (AMF table n°10), past grants of performance shares could lead to the creation of 1,823,560 new shares, representing 1.00% of the share capital of Worldline as at December 31, 2019.

#### G.5.6.3.3 Convertible Bond

On July 30, 2019 Worldline completed a new issue of 5,813,953 convertible bonds, with a nominal value of €103.20 each. These bonds are convertible into and/or exchangeable for new or existing Worldline shares, maturing on July 30, 2026. They represent 3.18% of the share capital of Worldline as at December 31, 2019.

### G.5.6.4 Current authorizations to issue shares and other securities

The following authorizations to modify the share capital and to issue shares and other securities are in force as of the date of this document:

Authorization	Authorization amount (par value)	Use of the authorizations (par value)	Unused balance (par value)	Authorization expiration date
EGM May 24, 2018 12 <sup>th</sup> resolution Share capital increase with preferential subscription right <sup>1</sup>	45,266,590.2	0	45,266,590.2	07/24/2020 (26 months)
EGM May 24, 2018 13 <sup>th</sup> resolution Share capital increase without preferential subscription right by public offer <sup>1,2</sup>	40,739,931.2	0	40,739,931.2	07/24/2020 (26 months)
EGM May 24, 2018 14 <sup>th</sup> resolution Share capital increase without preferential subscription right by private placement <sup>1,2,7</sup>	27,159,954.1	0	27,159,954.1	07/24/2020 (26 months)
EGM May 24, 2018 15 <sup>th</sup> resolution Share capital increase without preferential subscription right to remunerate contribution in kind <sup>1,2</sup>	9,053,318	0	9,053,318	07/24/2020 (26 months)
EGM May 24, 2018 16 <sup>th</sup> resolution Increase in the number of securities in case of share capital increase with or without preferential subscription right <sup>1,2,3</sup>	Extension by 15% maximum of the initial issuance	0	Extension by 15% maximum of the initial issuance	07/24/2020 (26 months)
EGM May 24, 2018 17 <sup>th</sup> resolution Share capital increase through incorporation of premiums, reserves, benefits or other	500 million	0	500 million	07/24/2020 (26 months)
EGM April 30, 2019 21 <sup>st</sup> resolution Authorization to buyback the Company shares	10% of the share capital adjusted at any moment	0 (as of December 31, 2019)	10% of the share capital (as of December 31, 2019)	10/30/2020 (18 months)
EGM April 30, 2019 22 <sup>nd</sup> resolution Share capital decrease by cancellation of shares	10% of the share capital for any 24-month period	0	10% of the share capital adjusted as at the day of the decrease	06/30/2021 (26 months)
EGM April 30, 2019 23 <sup>rd</sup> resolution Capital increase reserved to employees and executive officers	3,104,959.95	0	3,104,959.95	06/30/2021 (26 months)
EGM April 30, 2019 24 <sup>th</sup> resolution Authorization to grant stock-options to employees and executive officers <sup>4,6</sup>	869,388.79	67,048	802,340.79	06/30/2021 (26 months)
EGM April 30, 2019 25 <sup>th</sup> resolution Authorization to allot free shares to employees and executive officers <sup>5,6</sup>	459,534.07	222,336.20	237,197.87	06/30/2022 (38 months)

<sup>1</sup> The share capital increases carried out pursuant to the 12<sup>th</sup>, 13<sup>th</sup>, 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> resolutions of the Combined General Meeting of May 24, 2018 shall be deducted from the aggregate cap corresponding to 80% of the share capital of the Company on the day of the Combined General Meeting of May 24, 2018 (i.e. € 72,426,544.3). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate cap. The total amount used for the OCEANES is € 3,953,488.04. The remaining amount available under this cap consequently amounts to € 68,473,056.28.

<sup>2</sup> The share capital increases without preferential subscription right carried out pursuant to the 13<sup>th</sup>, 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> resolutions of the Combined General Meeting of May 24, 2018 are subject to an aggregate sub-cap corresponding to 45% of the share capital of the Company on the day of the Combined General Meeting of May 24, 2018 (i.e. € 40,739,931.2). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate sub-cap.

<sup>3</sup> The additional issuance shall be deducted from (i) the cap of the resolution pursuant to which the initial issuance was decided, (ii) the aggregate cap set by the 12<sup>th</sup> resolution of the Combined General Meeting of May 24, 2018, and (iii) in case of share capital increase without preferential subscription rights, the amount of the sub-cap mentioned at 2 here above.

<sup>4</sup> A sub-cap fixed at 0.03% of the share capital of the Company on the day of the Combined General Meeting of April 30, 2019 (i.e. € 37,259.52) applies to the allocations to senior executive officers (dirigeants mandataires sociaux exécutifs).

<sup>5</sup> A sub-cap fixed at 0.12% of the share capital of the Company on the day of the Combined General Meeting of April 30, 2019 (i.e. € 149,038.08) applies to the allocations to senior executive officers (dirigeants mandataires sociaux exécutifs).

<sup>6</sup> The total number of allocations pursuant to the 24<sup>th</sup> and 25<sup>th</sup> resolutions of the Combined General Meeting of April 30, 2019 shall not exceed 0.65% of the share capital at the date of this General Meeting (i.e. € 620,991.99). This derogation does not affect the abovementioned sub-cap applicable to the allocation of free shares to senior executive officers (dirigeants mandataires sociaux exécutifs).

<sup>7</sup> The maximum par value amount authorized by the 14<sup>th</sup> resolution is € 27,159,954.12 but this amount is also subject to a legal maximum authorized cap of 20% per year (Article L.225-136 3° of the French Commercial Code) from the date of the first bond issuance decision (i.e. July 25, 2019, the date on which the OCEANES issuance has been decided), thus amounting to € 18,106,636.08. After the OCEANES issuance on July 25, 2019, the remaining amount that is available until July 24, 2020 is reduced by € 3,953,488.04 and thus amounts to € 14,153,148.04.

## G.5.6.5 Threshold crossing

	Name of entity notifying the threshold crossing	Date of threshold crossing	Date of reporting	Direction	Share capital Threshold crossing	Voting rights Threshold crossing	Share capital holding	% of voting rights	Shares	Reference of AMF publication
2019	Atos SE <sup>1</sup>	May 7, 2019	May 7, 2019	↘	Yes (30%)	Yes (50%)	27.35%	34.89%	71,120,608	219C0761
	SIX Group AG <sup>2</sup>	May 7, 2019	May 13, 2019	↗	No	Yes (20%)	26.86%	24.07%	49,066,878	219C0776
	The Capital Group Companies Inc. <sup>3</sup>	July 23, 2019	July 25, 2019	↗	Yes (5%)	No	5.01%	4.49%	9,151,338	219C1265
	The Capital Group Companies Inc. <sup>3</sup>	July 26, 2019	July 30, 2019	↗	No	Yes (5%)	5.87%	5.26%	10,718,989	219C1293
	Atos SE <sup>1</sup>	November 1, 2019	November 6, 2019	↘	Yes (20%) (25%)	Yes (30%)	19.28%	27.65%	56,395,137	219C2234
2020	Atos SE <sup>1</sup>	February 4, 2020	February 6, 2020	↘	Yes (5%) (10%) (15%)	Yes (5%) (20%) (25%)	3.82%	7.36%	6,986,500	220C0519
	BlackRock Inc. <sup>4</sup>	February 6, 2020	February 7, 2020	↗	Yes (5%)	Yes (5%)	5.73%	5.13%	10,464,223	220C0537
	BlackRock Inc. <sup>4</sup>	February 11 2020	February 12, 2020	↘	No	Yes (5%)	5.47%	4.90%	10,002,639	220C0588
	BlackRock Inc. <sup>4</sup>	February 12, 2020	February 13, 2020	↗	No	Yes (5%)	5.64%	5.05%	10,304,060	220C0612
	BlackRock Inc. <sup>4</sup>	February 13, 2020	February 14, 2020	↘	No	Yes (5%)	5.56%	4.99%	10,168,492	220C0626
	BlackRock Inc. <sup>4</sup>	February 17, 2020	February 18, 2020	↗	No	Yes (5%)	5.61%	5.02%	10,248,627	220C0658
	BlackRock Inc. <sup>4</sup>	February 25, 2020	February 26, 2020	↘	No	Yes (5%)	5.49%	4.92%	10,040,304	220C0774
	Caisse des dépôts et consignations (CDC) <sup>5</sup>	March 12, 2020	March 16, 2020	↗	Yes (5%)	No	5.15%	4.96%	9,408,429	220C0983
	BlackRock Inc. <sup>4</sup>	March 16, 2020	March 17, 2020	↗	No	Yes (5%)	5.58%	5.79%	10,590,544	220C1006
	BlackRock Inc. <sup>4</sup>	March 17, 2020	March 18, 2020	↘	No	Yes (5%)	5.18%	4.99%	9,469,809	220C1021
	BlackRock Inc. <sup>4</sup>	March 19, 2020	March 20, 2020	↘	Yes (5%)	No	4.74%	4.56%	8,663,662	220C1049
	BlackRock Inc. <sup>4</sup>	March 24 2020	March 25, 2020	↗	Yes (5%)	No	5.06%	4.88%	9,257,122	220C1107
	BlackRock Inc. <sup>4</sup>	March 25, 2020	March 26, 2020	↘	Yes (5%)	No	4.92%	4.74%	8,993,540	220C1131
	BlackRock Inc. <sup>4</sup>	March 26, 2020	March 27, 2020	↗	Yes (5%)	No	5.005%	4.82%	9,149,100	220C1145
	BlackRock Inc. <sup>4</sup>	March 30, 2020	March 31, 2020	↗	No	Yes (5%)	5.22%	5.03%	9,548,590	220C1172
	BlackRock Inc. <sup>4</sup>	March 31, 2020	April 1, 2020	↘	No	Yes (5%)	5.03%	4.85%	9,201,447	220C1181
	BlackRock Inc. <sup>4</sup>	April 2, 2020	April 3, 2020	↘	Yes (5%)	No	4.96%	4.78%	9,075,154	220C1208
	Caisse des dépôts et consignations (CDC) <sup>5</sup>	April 21, 2020	April 23, 2020	↘	Yes (5%)	No	4.75%	4.57%	8,674,336	220C1357
	BlackRock Inc. <sup>4</sup>	April 23, 2020	April 24, 2020	↗	Yes (5%)	No	5.10%	4.91%	9,319,906	220C1369
	BlackRock Inc. <sup>4</sup>	April 27, 2020	April 28, 2020	↘	Yes (5%)	No	4.94%	4.76%	9,033,959	220C1393
	BlackRock Inc. <sup>4</sup>	April 28, 2020	April 30, 2020	↗	Yes (5%)	Yes (5%)	5.46%	5.26%	9,986,334	220C1406

<sup>1</sup> Atos SE is a company organized under the French law (River Ouest, 80 quai Voltaire, 95870 Bezons France).

<sup>2</sup> SIX Group AG is a company organized under the Swiss law (Hardturmstrasse 201, 8005 Zurich Switzerland).

<sup>3</sup> The Capital Group Companies Inc. (333 South Hope Street, 55th Floor, Los Angeles, Ca 90071-1406, USA).

<sup>4</sup> BlackRock Inc. is a company organized under the American law BlackRock Inc. (55 East 52nd Street, New York, NY 10055 USA) acting on behalf of clients and funds it manages.

<sup>5</sup> The Caisse des dépôts et consignation (CDC) is a French public institution (56 rue de Lille 75007 Paris France) that indirectly holds a participation through Bpifrance Participations, CNP Assurances and LBP Prévoyance.

On April 28, 2020, SIX finalized the sale of c.11 million of Worldline shares representing c.6.0% of the Worldline share capital.

## G.5.6.6 Shareholders' agreement

Worldline has been informed of the termination of the shareholders' agreement entered into between Atos SE and SIX Group AG as a consequence of the disposals of Worldline's shares completed by Atos SE until February 4, 2020. The Company also entered into the Shareholders' Agreement with SIX Group AG (for additional information regarding those agreements, see Section G.1.4).

To the best knowledge of the Company, no *action de concert* or similar agreements exists.

Also, to the Company's knowledge, there is no agreement capable of having a material effect, in case of public offer on the share capital of the Company.

## G.5.6.7 Shareholders' Voting Rights

Each share of the Company gives the right to one vote, subject (i) to the existence of double voting rights on fully paid-up, registered nominal shares held by the same person for at least two years and (ii) treasury shares that do not have voting right.

## G.5.6.8 Control Structure

Since the exceptional distribution in kind by Atos SE of circa 23.5% of the share capital of Worldline, effective as of May 7, 2019, Worldline is no longer controlled.

### G.5.6.9 Agreements Likely to Lead to a Change in Control

To the Company's knowledge, there is no other agreement capable of having a material effect, in case of public offer on the share capital of the Company.

### G.5.6.10 Treasury stock and Liquidity contract

#### Treasury Stock

In 2018, the Company proceeded to the purchase of 930,000 shares at the average price of € 48.268, as part of a mandate given to an independent Financial Services provider as announced by the Group on August 3, 2018.

These shares were purchased in the context of a share buyback program. They were assigned to the allocation of shares to employees or corporate officers of the Company or its group, and correspond to the hedging of its undertakings

under performance shares plans, share purchase plans or stock-option plans.

As at December 31, 2019, the Company owned 368,877 remaining treasury stocks, which amounted to 0.2% of the share capital. At an average price of 46.60 euros, the gross amount of the portfolio is valued in Worldline's SA 2019 financial statements at € 17,291,255.26. For information, Worldline share price was € 63.15 as at December 31st, 2019.

#### Liquidity contract

Worldline and Rothschild Martin Maurel entered into a new liquidity contract on June 28, 2019. This new contract has been concluded following changes to the regulation applicable to liquidity contracts and is compliant with the AMF decision n° 2018-01 dated July 2, 2018 (the "AMF Decision"), effective since January 1, 2019.

The trading platform on which trades under the liquidity contract are made is Euronext Paris.

The liquidity contract may be terminated at any time and without notice by Worldline or by Rothschild Martin Maurel, subject to a one-month prior notice.

The transactions carried out in 2019 under the liquidity contract are as follows:

Cumulated gross flows as at December 31, 2019	Cumulated purchases	Cumulated sales
Number of Shares	511,838	511,838
Average Sale/Purchase price (in €)	56.78	56.94
Total Amount of Purchases/Sales (in €)	29,064,207	29,141,962

#### Legal Framework

The 21<sup>th</sup> resolution of the Combined General Meeting of April 30, 2019, renewed in favor of the Board of Directors, the authorization to trade in the Group's shares, in connection with the implementation of a share buyback program. The number of shares purchased may not exceed 10% of the share capital of the Company, at any moment in time, such percentage applying to a capital adjusted in accordance with the operations which shall have an effect on the share capital subsequently to the General Meeting, it being specified that in the case of shares purchased within a liquidity contract, the number of shares taken into account to determine the 10% limit shall correspond to the number of shares purchased from which shall be deducted the number of shares resold during the duration of the authorization.

These purchases may be carried out by virtue of any allocation permitted by law, with the aims of this share buyback program being:

- To keep them and subsequently use them for payment or exchange in the context of possible external growth operations, it being specified that the maximum amount of shares acquired by the Company in this context shall not exceed 5% of the share capital;
- To ensure liquidity and an active market of the Company's shares through an investment service provider acting independently in the context of a liquidity contract, in accordance with the professional conduct charter accepted by the Autorité des marchés financiers (French Financial Market Authority);

- To attribute or sell these shares to the Corporate Officers or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set or accepted by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under articles L. 225-177 *et seq.* of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 *et seq.* of the Commercial Code and (iv) French and foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- To remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides; or
- To cancel them as a whole or in part through a reduction of the share capital pursuant to the 22<sup>nd</sup> resolution of the Combined General Meeting held on April 30, 2019.

This authorization may be used at any time, except during public offers on the shares of the Company.

The maximum purchase price per share may not exceed € 79.60 (fees excluded).

The Board of Directors may adjust the aforementioned purchase price in the event of incorporation of premiums, reserves or profits, giving rise either to an increase in the nominal value of the shares or to the creation and the free allocation of shares, and in case of division of the nominal value of the share or share consolidation to take account of the impact of such transactions on the value of the shares. As a result, the maximum amount of funds assigned to the buyback program amounts to €1,453,137,163.2 as calculated on the basis of the share capital as at December 31, 2018, this maximum amount may be adjusted to take into account the amount of the capital on the day of the General Meeting.

This authorization was granted for a period of 18 months as from April 30, 2019.

### Description of the share buyback program submitted to approval of the General Meeting of June 9, 2020

In connection with the share buyback program, it is proposed to renew, during the General Meeting of June 9, 2020, the authorization to repurchase shares for 18 months, in accordance to the conditions described below.

In accordance with the *règlement général* of the Autorité des Marchés Financiers (General Rules of the French Financial Market Authority) (articles 241-1 *et seq.*), this description of program is aimed at detailing the objectives and the terms and conditions of the new share buyback program by the Company which will be subject to authorization by the Combined General Meeting of Shareholders of June 9, 2020.

The aims of this program are:

- To keep the shares and subsequently use them for payment or exchange in the context of possible external growth operations, it being specified that the maximum amount of shares acquired by the Company in this context shall not exceed 5% of the share capital;
- To ensure liquidity and an active market of the Company's share through an investment services provider acting independently in the context of a liquidity contract, in accordance with the professional conduct charter accepted by the Autorité des marchés financiers (French Financial Market Authority);
- To attribute or sell these shares to the Corporate Officers or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set or accepted by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under articles L. 225-177 *et seq.* of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 *et seq.* of the Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a

company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;

- To remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides; or
- To cancel these shares as a whole or in part through a reduction of the share capital.

This authorization may be used at any time, except during public offers on the shares of the Company.

Acquisitions, sales, transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies such as purchases or sales of purchase or sale options, or by the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, exercise of a warrant or any other means to Company shares held by this latter party, and when the Board of Directors or the person acting on the Board of Directors' authority, under conditions laid down in the law, decides in compliance with the relevant legal and regulatory provisions.

The maximum purchase price is set at € 95 (excluding taxes) per share and the number of shares which may be acquired is 10% of the shares making up the Company share capital, at any moment, this percentage applying to an adjusted capital according to the transactions affecting it subsequently to the General Meeting, theoretically 18,276,445 shares as calculated on the basis of the share capital as at December 31, 2019. The maximum amount of the funds dedicated to the share buyback program is € 1,736,262,275 as calculated on the basis of the share capital on December 31, 2019. This maximum amount can be adjusted to take into account the share capital amount on the day of the General Meeting.

Should the 2020 Annual General Meeting authorize this share buyback program, the same will be in force for 18 months as from the earlier of (i) the expiration of the share buyback program decided by the Annual General Meeting held on April 30, 2019 (21st resolution) and (ii) the completion of the public tender regarding the shares and OCEANes issued by Ingenico Group.

## G.5.7 Share trading performance

### G.5.7.1 Stock market overview

Worldline's share price finished 2019 up +49.64% at € 63.15.

Worldline market capitalization reached €11,538 million at the end of 2019.

#### WORLDLINE'S SHARE PERFORMANCE IN COMPARISON WITH INDICES (BASE 100 AT DECEMBER 31, 2018)



### G.5.7.2 Key figures

	2019	2018	2017	2016	2015
Highest (in €)	65.95	56.25	43.99	29.09	24.66
Lowest (in €)	38.92	40.10	24.86	18.99	15.70
Closing as of 31/12 (in €)	63.15	42.20	40.67	26.78	23.87
Average daily volume processed on Euronext platform (in number of shares)	365,137	92,333	84,216	88,060	105,058
Free-float	55.77%	21.49%	29.93%	29.62%	29.52%
Market capitalization as of 31/12 (in € million)	11,541	7,704	5,405	3,544	3,149
Enterprise Value as of 31/12 <sup>1</sup> (in € million)	12,182	7,670	5,096	3,145	2,825
EV/revenue	5.1	3.5 <sup>2</sup>	3.2	2.4	2.3
EV/OMDA	20.2	19.6	15.2	12.2	12.0
P/E (year-end stock price ÷ normalized basic EPS)	38.3	37.6	37.6	27.4	24.0

<sup>1</sup> Assuming that (Enterprise Value) = (Net Debt) + (Market Capitalization).

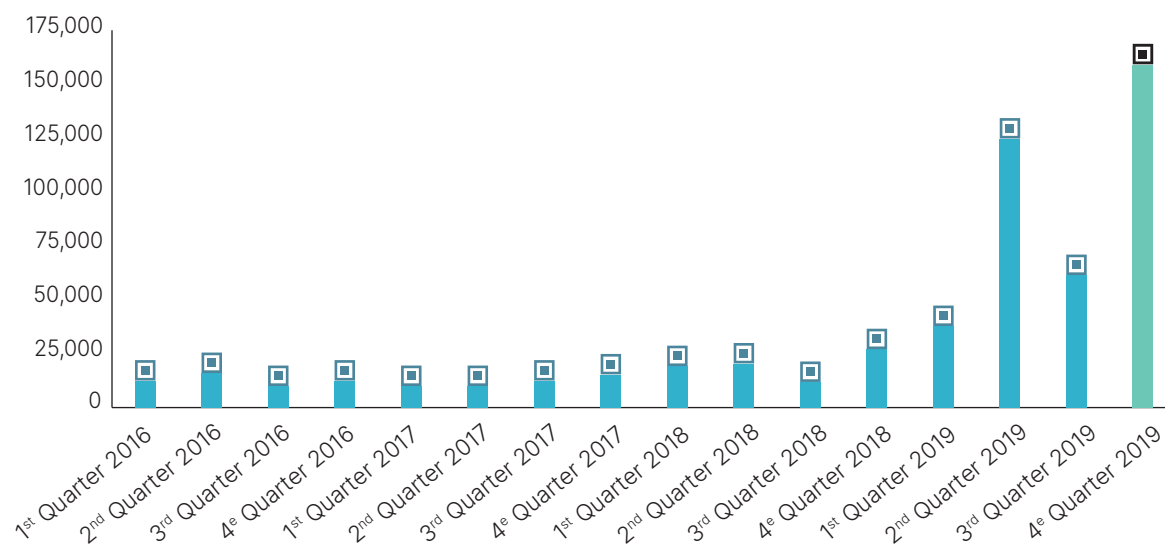
<sup>2</sup> 2019 Pro Forma Revenue.



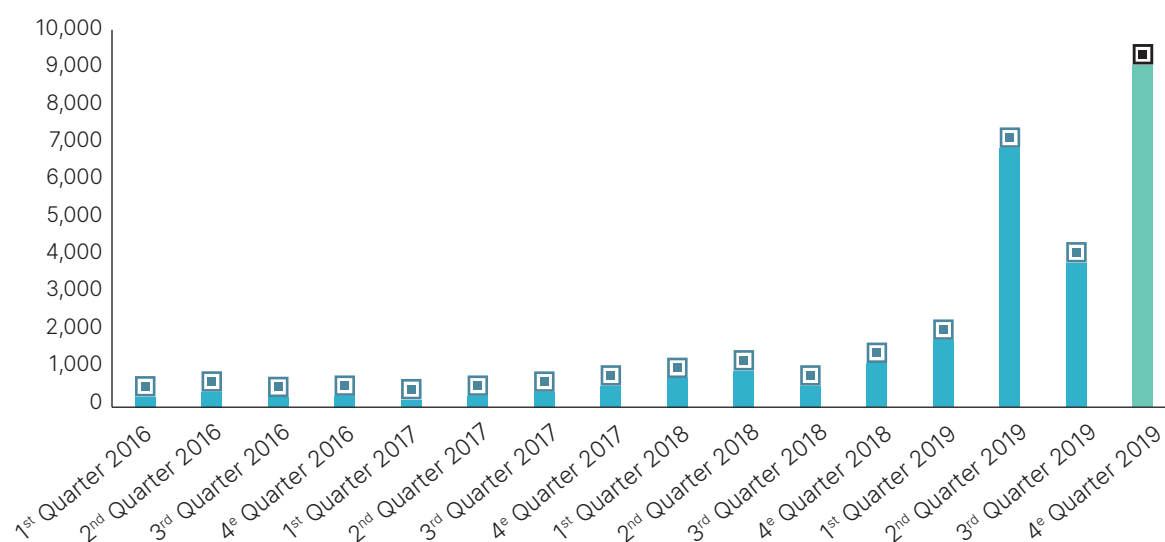
### G.5.7.3 Traded volumes

In 2019, the average daily number of shares traded reached 365 thousands on Euronext platforms, compared to 92 thousands in 2018. Regarding trading volumes on Worldline SA shares, Euronext platform represented 23.8% of the total 2019 volumes, compared to 28.2% in 2018.

QUARTERLY TRADING VOLUME (IN THOUSANDS OF SHARES)



QUARTERLY TRADING VOLUME (IN € MILLION)

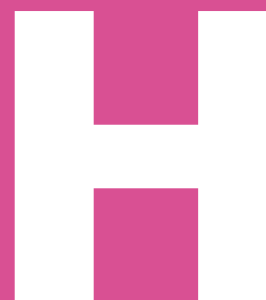




## G.5.7.4 2018 and subsequent key trading dates

Date	Key event
January 30, 2019	2018 unaudited results and 2021 ambition
January 30, 2019	Worldline Board of Directors unanimously welcomes planned change in ownership structure
February 20, 2019	Worldline 2018 results: All objectives reached
April 24, 2019	First quarter 2019 revenue: Fully in line with the objectives set for the year
April 30, 2019	All resolutions submitted by the Board of Directors were approved. The Board of Directors of Worldline meeting following the General Meeting acknowledged the approval by Atos SE's Annual General Meeting of shareholders held today, to distribute in kind circa 23.5% of the share capital of Worldline to the benefit of Atos SE's shareholders Adapted corporate governance
July 24, 2019	First Half 2019 results: Very solid semester perfectly in line with the full year objectives Exercise of Worldline's call option on equensWorldline
July 25, 2019	Strong success of the issuance of Bonds Convertible into New Shares and/or Exchangeable for Existing Shares (OCEANE) due 2026
September 4, 2019	S&P global ratings: Europe's Leading Payment Company Worldline Rated 'BBB'; Outlook Stable
September 11, 2019	Worldline announces the success of its inaugural € 500 million senior bond issuance
September 30, 2019	Completion of the acquisition of the 36.4% minority stake in equensWorldline
October 24, 2019	Communication from Worldline's Board of Directors regarding the resignation of Mr. Thierry BRETON as Chairman of the Board and appointment of Mr. Gilles Grapinet as Chairman and Chief Executive Officer
October 30, 2019	Consequences of Atos partial sell of its minority stake in Worldline and of SIX Group AG decision to enters into an equity collar transaction related to part of its holding in Worldline
November 18, 2019	Communication from Worldline's Board of Directors on evolution in Company's corporate governance
February 3, 2020	2019 unaudited results
February 3, 2020	Creation of a new world-class leader in payment services Worldline to acquire Ingenico
February 4, 2020	Sale by Atos of c. 23.9m Worldline shares, representing c. 13.1% of Worldline share capital
February 19, 2020	Very solid year 2019: All results are well in line with the objectives
March 20, 2020	Admission of Worldline share to the Euronext CAC40 Index
April 23, 2020	Resilient Q1 revenue Update of 2020 objectives
April 28, 2020	Sale by SIX of c. 11m Worldline shares, representing c. 6.0% of Worldline share capital Unwinding by SIX of the Equity Collar transaction on Worldline shares





# APPENDIX

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## H.1 Persons responsible

### H.1.1 Name and position of the person responsible for the Universal Registration Document [GRI 102-53]

Mr. Gilles Grapinet, Chairman and Chief Executive Officer of the Company.

### H.1.2 Certification of the person responsible for the Universal Registration Document

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

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair

view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation, and that the management report (here attached) gives a fair description of the material events, results and financial position of the Company and all the other companies included in the scope of consolidation, as well as a description of the main risks and contingencies with which the Company may be confronted.

Bezons April 29, 2020

**Gilles Grapinet**

Chairman and Chief Executive Officer

### H.1.3 For the audit

#### Statutory auditors

##### **Deloitte & Associés - Véronique Laurent**

- Appointed on: June 30, 1997 renewed on March 29, 2004, May 28, 2010 and May 26, 2016.
- Term of office expires: at the end of the Annual General Meeting held to adopt the 2021 financial statements

##### **Grant Thornton - Virginie Palethorpe**

- Appointed on: April 30, 2014 for a term of 6 years
- Term of office expires: at the end of the Annual General Meeting held to adopt the 2019 financial statements

#### Substitute Auditors

##### **Cabinet BEAS**

- Appointed on: June 30, 1997 renewed on March 29, 2004, May 28, 2010 and May 26, 2016.
- Term of office expires: at the end of the AGM held to adopt the 2021 financial statements

##### **Cabinet IGEC**

- Appointed on: April 30, 2014 for a term of 6 years
- Term of office expires: at the end of the AGM held to adopt the 2019 financial statements

Deloitte & Associés is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

Grant Thornton is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

BEAS is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

IGEC is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

## H.2 Definitions

### H.2.1 Financial terms

**Current and non-current assets or liabilities:** A current and non-current distinction is made between assets and liabilities on the balance sheet. The Group has classified as current assets and liabilities those that it expects to realize, use or settle during its normal cycle of operations, which can extend beyond 12 months following the period-end.

Current assets and liabilities, excluding the current portion of borrowings and financial receivables, represent the Group's working capital requirement.

**CAGR:** The Compound Annual Growth Rate reflects the mean annual growth rate over a specified period of time longer than one year. It is calculated by dividing the value at the end of the period in question by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result. As an example:

- Worldline 2018-2021 revenue CAGR =  $(\text{Revenue 2021e} / \text{Revenue 2018})^{(1/3)} - 1$ .

**DSO:** (Days' Sales Outstanding). DSO is the amount of trade accounts receivables (including work in progress) expressed in days' revenue (on a last-in, first-out basis). The number of days is calculated in accordance with the Gregorian calendar.

**Net debt:** Net debt comprises total borrowings (bonds, finance leases, short and long-term bank loans, securitization and other borrowings), short-term financial assets and liabilities bearing interest with a maturity of less than 12 months, less cash and cash equivalents (transferable securities, cash at bank and in hand).

**Operating margin:** Operating margin comprises operating income before major capital gains or losses on the disposal of assets, major reorganization and rationalization costs, impairment losses on long-term assets, net charge to provisions for major litigations and the release of opening balance sheet provisions no longer needed.

**EBITDA:** (Earnings Before Interest, Tax, Depreciation and Amortization). For Worldline, EBITDA is based on Operating margin less non-cash items and is referred to as OMDA (Operating Margin before Depreciation and Amortization).

OMDA (Operating Margin before Depreciation and Amortization) is calculated as follows:

Operating margin:

- Less - Depreciation of fixed assets (as disclosed in the "Financial report");

- Less - Operating net charge of provisions (composed of net charge of provisions for current assets and net charge of provisions for contingencies and losses, both disclosed in the "Financial report");
- Less - Net charge of provisions for pensions (as disclosed in the "Financial report").

**Gearing:** The proportion, expressed as a percentage of net debt to total shareholders' equity (Group share and minority interests).

**Interest cover ratio:** Operating margin divided by the net cost of financial debt, expressed as a multiple.

**Leverage ratio:** Net debt divided by OMDA.

**Operating income:** Operating income comprises net income before deferred and income taxes, net financial expenses, share of net income from associates and the results of discontinued operations.

**Normalized net income:** Net income (Group share) before unusual and infrequent items, net of tax.

**EPS (earnings per share):** Basic EPS is the net income divided by the weighted-average number of common shares outstanding during the period. Diluted EPS is the net income divided by the diluted weighted-average number of common shares for the period (number of shares outstanding + dilutive instruments with dilutive effect). Normalized EPS is based on normalized net income.

**Free cash flow:** Represents the change in net cash or net debt, excluding equity changes, dividends paid to shareholders, net acquisitions/disposals.

### H.2.2 Business KPI's (Key Performance Indicators)

#### Revenue

**Organic growth:** Organic growth represents the percent growth of a unit based on a constant scope and exchange rates basis.

**TCV (Total Contract Value):** The total value of a contract at signature (prevision or estimation) over its duration. It represents the firm order and contractual part of the contract excluding any clause on the decision of the client, as anticipated withdrawal clause, additional option or renewal.

**Pipeline:** The value of revenues that may be earned from outstanding commercial proposals issued to clients. Qualified pipeline applies an estimated percentage likelihood of proposal success.

## Human Resources

**Staff:** The total number of employees under Worldline employment contracts at the end of the period. Staff includes those on long sickness or long absence, apprentices, trainees, and employees on maternity leave, but excludes subcontractors and interims.

**FTE (Full-time equivalent staff):** The total number of staff calculated using information from time sheets on the basis of working time divided by standard contractual workable time per employee. In general, a person working on a full time contract is considered as one FTE, whereas a person working on a part time contract would be less considered than one FTE.

Calculations are based on contractual working time (excluding overtime and unpaid holidays) with potential workable time (in hours or days) = nominal time + overtime balance – unpaid vacation. For subcontractors and interim staff, potential workable hours are based on the number of hours billed by the supplier to Atos.

**Subcontractors:** External subcontractors are third-party suppliers. Outsourced activities (e.g. printing or call center activities) and fixed price subcontracting are excluded from the recorded number of subcontractors or interims.

**Interims:** Staff from an agency for temporary personnel. Interims are usually used to cover seasonal peaks or for situations requiring staff for a short period of time.

**Direct Staff:** Direct staff includes permanent staff and subcontractors, whose work is billable to a third party.

**Indirect staff:** Indirect staff includes permanent staff or subcontractors, who are not billable to clients. Indirect staff is not directly involved in the generation of products and/or services delivered to clients.

**Permanent staff:** Permanent staff members have a contract for an unspecified period of time.

**Temporary staff:** Temporary staff has a contract for a fixed or limited period of time.

**Staff turnover and attrition rate (for legal staff):** Turnover and attrition rates indicate the proportion of legal staff that has left the Group (voluntary and/or involuntary) in a defined period:

- Turnover measures the percentage of legal staff that has left the business in a defined period;
- Attrition measures the percentage of legal permanent staff that has voluntarily left the business in a defined period. Attrition rate is a ratio based on total voluntary leavers in the period on an annual basis divided by the average number of permanent staff in the period.

## H.2.3 Market terms

**Dilutive instruments:** Financial instruments such as bonds, warrants, stock subscription options, free shares, which could be converted into shares and have therefore a potential dilutive impact on common stock.

**Dividends:** Cash or stock payments from a company's profits that are distributed to stockholders.

**Enterprise Value (EV):** Market capitalization + debt.

**Free float:** Free float is the proportion of a company's share capital that is regularly traded on the stock exchange. It excludes shares in the six categories listed below (source Euronext):

- Shares held by Group companies: Shares of the listed company held by companies that it controls within the meaning of article 233/3 of the French Commercial Code;
- Shares held by founders: shares held directly or indirectly by the founders (individuals or family group) when these founders have managerial or supervisory influence (management positions, control by voting rights, influence that is a matter of public knowledge, etc.);
- Shares held by the State: Interests held directly by the State, or by public sector or other companies which are themselves controlled by the State;
- Shares within the scope of a shareholders' agreement: Shares subject to a shareholders' agreement within the meaning of article 233/10 and 11 of the French Commercial Code, and other than those held by founders or the State;
- Controlling interest: Shares held by juridical persons (other than founders or the State) exercising control within the meaning of article 233/3 of the French Commercial Code;
- Interests considered stable: Interests exceeding 5%, which have not declined by one percentage point or more, excluding the impact of dilution, in the three preceding years. This category also includes shareholders that, in addition to or in association with the link represented by share ownership, have recently entered into significant industrial or strategic agreements with the Group.

**Dilutive instruments:** dilutive instruments are financial instruments (bonds, share subscription warrant, share subscription options, free shares) that can be converted in shares and that have therefore a dilutive impact on the share capital.

**PER (Price Earnings Ratio):** Market capitalization divided by net income for a trailing (or forward) 12-month period.

**Market capitalization:** The share price of a company multiplied by the number of its shares in issue.

## H.2.4 Business terms

"3-D Secure"	VISA security standard enabling an issuer to authenticate cards used for online payments. 3-D Secure is intended to replace Secure Electronic Transaction (SET).
"3G"	Third generation (3G) mobile telephony norm providing high-speed communication (up to 2 Mbit/s, theoretically symmetrical) on 1.9 to 2.2 GHz frequencies.
"Acquirer/acquiring bank"	Financial institution that enters into an agreement with an accepting party to acquire data from card-based transactions and enter such data into the issuer's settlement system. A single financial institution may be both an acquirer and an issuer.
"Acquiring Processing"	Set of technical operations performed to carry out the acquirer's activity, which may be sub-contracted to a specialized company.
"Acquiring"	Process by which an acquirer receives payment transaction data from an accepting party, generally a merchant, pursuant to its agreement with such accepting party.
"API"	Application programming interface.
"ATM"	Automated teller machine.
"Authentication"	Procedure that allows the payment service provider to verify the use of a specific payment instrument, including its personalized security features.
"Authorization"	Approval or guarantee given by the issuer to the acquirer. The authorization implies that the issuer will honor the transaction.
"Big data"	Refers to the massive amounts of information data that are generated and collected over time that are often difficult to analyze using common database or information management tools. The types of data include business transactions, e-mail and text messages, location data, activity logs and unstructured text from blogs and social media, as well as the vast amounts of data that can be collected from machines of all varieties. Companies increasingly seek to analyze and monetize big data in order to better understand consumer behavior and market trends and generate new products and marketing opportunities.
"Bluetooth"	Wireless technology standard for exchanging data over short distances using short-wavelength radio to simplify connections between electronic devices.
"Chargeback"	An offsetting mechanism whose purpose is to reverse an initial payment or withdrawal on the grounds that the transaction in question should not be processed due to the accepting party's failure to comply with security rules.
"Clearance"	A mechanism permitting banks and financial institutions to carry out transactions. A transaction always has a debtor and a creditor. Clearance is evidenced by accounting entries recording the transaction. The credit to the creditor's account is said to offset the debit to the debtor's account.
"Closed loop payment card"	Payment card for which processing goes directly from the payment terminal to the card issuer's system without going through a third party.
"Cloud"	Concept consisting of the transfer to distant servers of storage and data processing traditionally held on local servers or the user's hardware.
"CMS"/"card management system"	Software for managing a fleet of cryptographic devices such as smart cards.
"Commercial acquiring"	The business of acquiring, which consists in carrying out card payments made by a merchant's customers and includes receiving funds from issuing banks and depositing the proceeds, net of a "merchant service charge", into the merchant's account.

"Commercial processing"/"processing"	Set of technical operations performed to carry out a merchant's payment transactions.
"CRM"/"customer relationship management"	Management of the customer relationship.
"Cross-channel"/"omni-channel"	Adoption of new behavior by customers who change channels during their decision-making process, where previously they were required to perform all of the steps in the process (identification of a need, search for information, evaluation of the alternatives, selection, post-purchase evaluation) through the only channel available.
"Cryptographic accelerator"	Electronic device that increases the speed of encryption operations on payment terminals.
"CSM"	Clearing and settlement mechanism.
"Data center"	Physical site used to house the equipment comprising a business's information system (central computers, servers, storage facilities, network and telecommunications equipment, etc.).
"Data mining"	Analysis of data with a view to deriving knowledge and understanding from vast amounts of data by means of a variety of automatic and semi-automatic methods and techniques.
"DCC"/"dynamic currency conversion"	Financial service in which holders of credit cards have the cost of a transaction converted to their local currency when making a payment in a foreign currency.
"e/m Payment"	e-Payment or m-Payment.
"e-Banking" or "online banking"	Refers to Internet banks offering their customers remote banking services, without using tellers or physical branches for carrying out their transactions.
"e-Commerce"	The sale or purchase of goods or services by a business, an individual, a governmental authority or any other public or private organization, carried out through a computer network.
"e-Consumer"	A consumer who carries out transactions using digital technologies.
"e-Government"	The use of digital technologies (often by Internet) to provide government services.
"electronic wallet"/"e-Wallet"	A device for storing currency without any need for a bank account, and for making direct online payments through a payment terminal. By extension, a device permitting unique and user-friendly access to several payment solutions (for example, credit cards or debit cards).
"EMV"	Europay - MasterCard - Visa. International standard governing payment cards with chips as well as the performance of payment terminals. EMV cards and terminals must be certified pursuant to the procedures required by EMV Co, the supervisory body for the EMV standard.
"Encryption"	Application of mathematical theory to create techniques and algorithms to be applied to data to ensure its confidentiality, integrity and/or authentication, for example.
"e-Payment"	Means of performing commercial transactions for the exchange of goods or services on the Internet.
"e-Ticketing"	Electronic system enabling the issuance, verification and payment of tickets, in particular in the area of public transportation.
"HCE"/"host card emulation"	Virtual representation of a physical smart card using software on a mobile telephone.
"HSM/hardware security module"	Electronic equipment providing security services consisting of the generation, storage and protection of encryption keys.
"Interchange fees"	The amount that the acquiring bank (the merchant's counterparty) must pay to the issuing bank (the bank that issued the card to the cardholder) each time the card is used for a customer's payment to a merchant.
"IoE"	Internet of Everything. Connection of people, systems and objects by computer network.
"Issuer"/"issuing bank"	Financial institution (or similar) that issues a card to a cardholder.
"Issuing Processing"	Set of technical operations performed to carry out the issuer's activity, which may be sub-contracted to a specialized company.
"Issuing"	Issuance of means of payment such as credit cards, debit cards and pre-paid cards.
"ITSO"	Integrated Transport Smartcard Organization.
"kiosk"	An interactive terminal.



"Licensed payment institution"	Legal entity authorized pursuant to the Payment Services Directive to provide payment services.
"M2M"/"machine to machine"	Technology allowing for communications between machines without human intervention.
"m-Commerce"/"mobile commerce"	The use of wireless technologies, more specifically mobile telephony technology, to conduct commercial transactions.
"m-Payment"/"mobile payment"	Transaction carried out from a mobile telephone and charged to a credit or debit card, the operator's invoice or an electronic wallet.
"NFC"	Near-Field Communication. Short-range, high-frequency wireless communication technology permitting the exchange of information between devices up to a distance of approximately ten centimeters.
"OBEP"/"online banking e-Payments"	Type of payment network developed by the banking industry in coordination with technology providers, designed specifically to meet the unique requirements of payments made by Internet.
"Omni-commerce"	Refers to cross-channel commerce solutions.
"Open payments"	Technology based on contactless payment card usage in order to settle fares.
"Payment collecting"	Centralization of worldwide payment transactions with numerous local acquirers for a given merchant.
"Payment gateway"	Internet site permitting the acceptance of online payments and accessible through numerous other websites.
"Payment scheme"	Commonly refers to an organization in charge of defining and ensuring compliance with rules specific to a method of payment. Visa and MasterCard are payment schemes.
"Payment services"	Services enabling cash to be placed on or withdrawn from a payment account, as well as all the operations required for managing a payment account; execution of payment transactions; transmission of funds; Issuance of payment instruments and/or acquisition of payment orders; execution of payment transactions where the consent of the payer is given by means of a telecommunication, digital or IT device and the payment is made to the telecommunication, IT system or network operator, acting only as an intermediary between the payment service user and the supplier of the goods and services.
"Payment Services Directive"	European Directive 2007/64/CE of November 13, 2007 on payment services in the internal market.
"Payment services hub"	Electronic payment platform that enables centralized processing of batch and individual payments on a single end-to-end platform, irrespective of instrument type, value of payment, customer, channel or transaction type. It supports standards based interfaces and provides a holistic, real-time view and sharing of information across all payments.
"Payment terminal"/"terminal"	Equipment used for electronic payments. Terminal that performs electronic reading of payment cards, certain verifications of validity and automatic transmission of transactions to the acquirer.
"PB"	Abbreviation for petabyte, which is a multiple of the byte, a unit of storage or transmission of digital information. A petabyte (PB) is different from a petabit (Pbit): a byte is a unit of information that is defined as a multiple of a bit (one byte equals eight bits).
"PCI-DSS"	Payment Card Industry Data Security Standard. Data security standard developed by the Payment Card Industry.
"PCI/Payment Card Industry"	Association of the principal payment schemes: Visa, MasterCard, American Express, Discover, and JCB.
"PEACH"	Pan-European Automated Clearing House.
"Peer-to-Peer"	Computer network model similar to the client-server model but in which each client is also a server.
"PIN"	Personal identification number. A secret code required in order to confirm a user's identity.
"POS terminal"	Terminal combining the functions of a payment terminal with other functions relating to the merchant's business and to payments other than by card, such as cash or cheque.
"POS/point of sale"	The location where a commercial transaction takes place. A point of sale may include several points of acceptance (for example, a supermarket is a point of sale, whereas each of the supermarket's cash registers is a point of acceptance). With rare exceptions, any French point of sale is legally defined by its SIRET number.

"Private label card"	Card issued by a merchant or a non-financial institution and used for the purchase of goods and services.
"QR code"	Quick Response code. Two-dimensional matrix barcode (or "data matrix") consisting of black nodules arranged on a white square background. The pattern of these nodules determines the information contained in the code.
"SaaS"	Software as a Service. Commercial software delivery model in which software is installed on distant servers rather than on the user's machine.
"SEPA"	The Single Euro Payments Area, a project initiated in 2002 by credit institutions to make payments among 34 European countries as easy and as secure as domestic payments, by putting in place three European payment methods, namely wire transfer, direct debit and payment by card.
"Settlement"	Payment of funds by the acquirer either directly into the merchant's bank account or through the payment service.
"Sips"	Secure Internet Payment Services. A secure online, cross-channel payment processing solution.
"SOA"	Service-oriented architecture. Middleware architecture model enabling interaction among applications by providing services (in the form of software components) with strong internal consistency but loose coupling to external components.
"Token"	Anonymous digital identifier that can be transferred between two entities over the internet.
"VAS"	Value added services.
"White label"	A service or solution produced by one entity, the producer, that another entity, the marketer, rebrands and distributes to make it appear as if it had made it.

## H.3 Cross-reference tables

### H.3.1 Cross-reference table for the Universal Registration Document

The cross-reference table below identifies the information required by Annex 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 relating to the Regulation (EU) 2017/1129 of June 14, 2017 in accordance with the structure of the Universal Registration Document and allows to cross-reference them with the sections of the 2019 Universal Registration Document.

N°	Items of the Annex 1 and 2 of the Delegated Regulation (EU) 2019/980 of March 14, 2019	2019 Universal Registration Document	Pages
<b>Persons responsible, third party information, experts' reports and competent authority</b>			
<b>Section 1</b>	<b>approval</b>		
Point 1.1	Indication of persons responsible	H.1.1	454
Point 1.2	Declaration by persons responsible	H.1.2	454
Point 1.3	Name, address, qualification and material interest in the issuers of experts	N/A	
Point 1.4	Confirmation of the accuracy of the source from a third party	Preliminary notes	2
Point 1.5	Statement from the designated authority with no prior approval	AMF textbox	1
<b>Section 2</b>	<b>Statutory auditors</b>		
Point 2.1	Names and addresses of the auditors	H.1.3	454
Point 2.2	Information regarding changes of statutory auditors during the period	N/A	
<b>Section 3</b>	<b>Risk factors</b>	<b>F.2</b>	<b>331</b>
<b>Section 4</b>	<b>Information about the issuer</b>	-	
Point 4.1	Legal and commercial name of the issuer	G.1.2	352
Point 4.2	Place and number of registration	G.1.2	352
Point 4.3	Date of incorporation and length of life of the issuer	G.1.2	352
Point 4.4	Domicile and legal form of the issuer, legislation under which the issuer operates, its country of incorporation and address and telephone number of its registered office	G.1.2 ; H.4.1 ; H.5	352 470; 471
<b>Section 5</b>	<b>Business overview</b>		
Point 5.1	Main activities		
Point 5.1.1	Nature of the issuer operations and main activities	A.1 ; A.2 ; B ; C	4; 5; 21; 35
Point 5.1.2	New products or services developed	C.1	36
Point 5.2	Principal market	A.1 ; A.2 ; B ; C.1	4; 5; 21; 36
Point 5.3	Important business events	A.4.2 ; A.5.1 ; A.5.2 ; E.2.1 ; E.2.2	8; 11 13; 216; 218
Point 5.4	Strategy and objectives	C.5; C.6; E.3	68; 71; 231
Point 5.5	Dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	C.12; F.2.5.7	77; 337
Point 5.6	Basis for statements made by the issuer regarding its competitive position	C.2	55
Point 5.7	Investments		
Point 5.7.1	Main investments	A.5.2; A.5.4.2; C.10; E.5.7.3, Note 1	13; 16 75; 250
Point 5.7.2	Material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments and the method of financing	A.5.2; A.5.4.2; C.10	13; 16; 75
Point 5.7.3	Main joint ventures and undertakings in which the issuer holds a proportion of the capital	A.5.4.3; E.5.7.3, Note 6.3; E.6.4.5, Note 3	16; 265 306
Point 5.7.4	Environmental issues	D.5	174

N°	Items of the Annex 1 and 2 of the Delegated Regulation (EU) 2019/980 of March 14, 2019	2019 Universal Registration Document	Pages
<b>Section 6 Organizational structure</b>			
Point 6.1	Brief description of the Group	A.1 ; A.2 ; A.5	4; 5; 11
Point 6.2	List of significant subsidiaries	A.5.3 ; A.5.4 ; E.5.7.3, Note 16	14; 15 286
<b>Section 7 Operating and financial review</b>			
Point 7.1	Financial condition		
Point 7.1.1	Analysis of development and performance or position including both financial and, where appropriate, non-financial Key Performance Indicators	E.1 ; E.2 ; E.4 ; E.5 ; E.6 ; E.7	210; 216; 232 237; 290; 317
Point 7.1.2	Likely future development in the field of research and development	C.12	77
Point 7.2	Operating results		
Point 7.2.1	Unusual or unfrequent events or new developments materially affecting the issuer's income	E.2 ; E.3 ; E.5.7.3, Note 5 ; E.6.4.2	216; 231; 260 302
Point 7.2.2	Discussion about material changes in net sales or revenues	E.2	216
<b>Section 8 Capital resources</b>			
Point 8.1	Issuer's capital resources	E.4.3 ; E.5.7.3, Note 5 ; G.5	236; 281 441
Point 8.2	Sources and amounts of the issuer's cash flows	E.4.2	235
Point 8.3	Information on the borrowing requirements and funding structure	E.4.3	236
Point 8.4	Restrictions on the use of capital resources	F.2.5.11	339
Point 8.5	Anticipated sources of funds to fulfill commitments	E.4.2; E.4.3	235; 236
<b>Section 9 Regulatory environment</b>			
Point 9.1	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	B.4.3 ; C.4 ; F.2.5.4	32; 62 335
<b>Section 10 Trend information</b>			
Point 10.1	Most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year	B ; C ; E.2 ; E.3	21; 35; 216 ; 231
Point 10.2	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects	B ; C ; E.3 ; F.2.5.1	21; 35; 231 334
<b>Section 11 Profit forecasts or estimates</b>			
Point 11.1	Profit forecasts or estimates publications	E.3	231
Point 11.2	Statement setting out the principal assumptions upon which the issuer has based his forecast or estimate	E.3	231
Point 11.3	Statement pointing out the comparison with historical financial information consistent with the issuer's accounting policies	E.3	231
<b>Section 12 Administrative, management and supervisory body and senior management</b>			
Point 12.1	Information regarding the members - Name, business addresses and functions - Detail of the nature of any family relationship - Relevant management expertise and management experience - Detail of any convictions	G.2.2; G.2.3; G.3.2.8	357; 359 379
Point 12.2	Conflict of interest	G.2.3.9	379
<b>Section 13 Remuneration and benefits</b>			
Point 13.1	Remuneration and benefits in kind	D.3.3.3 ; G.3	142; 392
Point 13.2	Pension, retirement or similar benefits	E.5.7.3, Note 10 ; G.3	277 392
<b>Section 14 Board practices</b>			
Point 14.1	Current term office	G.2.3	359
Point 14.2	Contracts providing benefits upon termination of employment	G.2.3.9	379
Point 14.3	Information about Audit Committee and Remuneration Committee	G.2.5.1; G.2.5.2	385; 387
Point 14.4	Statement related to corporate governance	G.2.1	356
Point 14.5	Potential material impacts on the corporate governance	G.2.3.1	359

N°	Items of the Annex 1 and 2 of the Delegated Regulation (EU) 2019/980 of March 14, 2019	2019 Universal Registration Document	Pages
<b>Section 15 Employees</b>			
Point 15.1	Number of employees	E.2.10	230
Point 15.2	Shareholdings and stock-options	D.3.3.3 ; G.3	142; 392
Point 15.3	Arrangements involving the employees in the capital of the issuer	D.3.3.3	142
<b>Section 16 Major shareholders</b>			
Point 16.1	Identification of the main shareholders holding more than 5%	G.5.1.2 ; G.5.6.1 ; G.5.6.5	441; 443 446
Point 16.2	Types of voting rights	G.5.6.7	446
Point 16.3	Ownership and control	G.5.1.2; G.5.6.8	441; 446
Point 16.4	Arrangements which may result in a change in control of the issuer	N/A	
<b>Section 17 Related party transactions</b>			<b>E.5.7.3 Note 14; E.6.2 ; E.8</b>
<b>Financial information concerning the issuer's assets and liabilities, financial position and profits</b>			<b>283 294; 319</b>
<b>Section 18 and losses</b>			
Point 18.1	Historical financial information		
Point 18.1.1	Audited historical financial information covering the latest three years	A.2; E.2; E.3; E.5; E.6 ; E.7	5; 216; 231 237; 290; 317
Point 18.1.2	Change of accounting reference date	N/A	
Point 18.1.3	Accounting standards	E.5.7.2 ; E.6.4.3	246; 302
Point 18.1.4	Change of accounting framework	E.5.7.2	246
Point 18.1.5	Financial information according to French accounting standards	E.6 ; E.7	290; 317
Point 18.1.6	Consolidated financial statements	E.5	237
Point 18.1.7	Age of latest financial information	E.2.2.3	218
Point 18.2	Interim and other financial information		
Point 18.2.1	Quarterly or half-yearly financial information	E.2.2.3	218
Point 18.3	Auditing of historical annual financial information		
Point 18.3.1	Independent audit of historical annual financial information	E.5.1; E.6.1	237; 209
Point 18.3.2	Other information in the Universal Registration Document audited by auditors	N/A	
Point 18.3.3	Source of information and reason for information not to be audited	N/A	
Point 18.4	Pro forma financial information	N/A	
Point 18.5	Dividend policy		
Point 18.5.1	Description of the issuer's policy on dividends	C.5.8	70
Point 18.5.2	Amount of dividend per share	G.5.2	443
Point 18.6	Legal and arbitration proceedings	F.4	343
Point 18.7	Significant changes in the issuer's financial position	E.2; E.3	216; 231
<b>Section 19 Additional information</b>			
Point 19.1	Share Capital	G.5.6	443
Point 19.1.1	Amount of issued capital	G.5.6	443
Point 19.1.2	Shares not representing capital	N/A	
Point 19.1.3	Shares held by or on behalf of the issuer itself	G.5.6.10	447
Point 19.1.4	Convertible securities, exchangeable securities or securities with warrants	G.5.6.3.3	444
Point 19.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital	N/A	
Point 19.1.6	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	N/A	
Point 19.1.7	History of share capital	G.5.6.2	444

N°	Items of the Annex 1 and 2 of the Delegated Regulation (EU) 2019/980 of March 14, 2019	2019 Universal Registration Document	Pages
Point 19.2	Memorandum and Articles of Association		
	Register and entry number of the issuer and brief description of the issuer's		
Point 19.2.1	object and purposes	G.1.2; G.1.3	352; 353
Point 19.2.2	Rights, preferences and restrictions attached to each share category	G.1.3.2	354
Point 19.2.3	Articles of association, statutes, charter or bylaws delaying, deferring or preventing a change of control of the issuer	G.1.3.2	354
<b>Section 20 Material contracts</b>		<b>E.2 ; E.3 ; E.8 ; F.2 ; F.3 ; G.1.4</b>	<b>216; 231; 319 331; 341; 355</b>
<b>Section 21 Documents on display</b>		<b>G.2; G.5.3; G.5.5</b>	<b>356; 443 443</b>

### H.3.2 Cross-reference table for the Financial report

In order to facilitate the reading of this document, the cross-reference table, hereafter, allows identifying in this Reference Document, the information which constitutes the Annual Financial report having to be published by the listed

companies in accordance with article L. 451-1-2 of the French Monetary and Financial Code and article 222-3 of the French Market Authorities' General Regulations.

Information	Sections	Pages
Company financial statements	E.6	290
Consolidated financial statements	E.5	237
Annual report	See cross-reference table hereafter	465
Certificate of the Annual Financial report responsible	H.1.1	454
Statutory Auditors' report on the Company financial statements	E.6.1	290
Statutory Auditors' report on the consolidated financial statements	E.5.1	237
Statutory auditors fees	E.5.7.3 – Note 17	288
Report of the Board of Directors on Corporate Governance and Internal Control	See cross-reference table hereafter	468
Statutory Auditors' report, in accordance with article L. 225-235 of French Commercial Code	E.6.1	290

### H.3.3 Cross reference tables with the Annual management report

The cross-reference table below identifies in the 2019 Universal Registration Document the information included in the annual management report to be provided by the Company's Board of Directors, as required by Articles L.225-100 *et seq.* of the French Commercial Code.

	Section	Pages
1. Business Trends Analysis	E.1 ; E.2* ; E.4	210; 216; 232
2. Analysis of Results	E.2* ; E.4	216; 232
3. Financial Operations Analysis	E.4	232
4. Description of main Risks and Uncertainties	F.2; F.4	331; 343
5. Financial Instruments Use	E.5.7.3 - Note 15	285
6. Risks factors such as Pricing, Credit, Liquidity in Cash and Treasury	F.2.5	334
7. Information relating to the Shares Repurchases	G.5.6.10	447
8. Situation during the Fiscal year 2019	E.2* ; E.4 ; E.5 ; E.6 ; E.7	216; 232; 237; 290; 317
9. Foreseeable Trend of the Situation	B ; C.6	21; 71
10. Substantial Events Occurred since the End of 2019	E.2.2* ; E.5.7.3 - Note 18; E.6.4.5 - Note 20	218; 289; 316
11. Research and Development Activities	C.12	77
12. Existing branches	N/A	
13. Business and Results of Operations of the parent company, Worldline SA	C ; E.6	35; 290
14. Business and Results of Operations of the subsidiaries during the Fiscal Year 2019	A.4.2 ; A.5 ; C	8; 11; 35
15. Financial and non-financial key performance indicators	D.; E.9	79; 324
16. Business Outlook	B ; C.6	21; 71
17. Selected Financial Information of Worldline SA over the Last Five Fiscal Years	E.7.1	317
18. Employees' Involvement in the Capital of the Issuer the Last Day of the Fiscal Year	G.5.1.2	441
19. Social and Environmental Information	D.	79
20. Equity Holdings or Controlled Companies, Subsidiaries with a French Head-Office	N/A	
21. Table of Transactions in the Company's Shares by the Management of the Company	G.4.4	440
22. Information on the Payment Cycles for Suppliers	E.7.2	318
23. Board report on Corporate Governance	See cross reference table in section H.3.5	468
24. Dividends Paid over the Last Three Fiscal Years	G.5.2	443
25. Evolution and repartition of the shareholding (including treasury shares)	G.5.1.2	441
26. Financial risks linked to climate change and measures taken to reduce them through the implementation of a low-carbon strategy	D.1.2.2.2 ; D.5.1.1	91; 174
27. Main characteristics of internal control procedures and risk management procedures	F.1 ; F.5	328; 345
28. Vigilance plan	D.4.2.3	161
29. Extra-financial performance declaration	See cross reference table in section H.2	455

\* except E.2.2.3 and E.2.2.4

### H.3.4 Cross-reference table with article L. 225-102-1 regarding the declaration of extra-financial performance

Article R.L. 225-102-1 Declaration of extra-financial performance	Reference Document	
	Paragraphs	Pages
<b>I. The Company's Business Model</b>	C.3	58
	D.1.2.1.2	89
	D.1.2.2	89
	D.2.1	101
	D.3.1	127
	D.4.1	157
<b>II. The Company's risk analysis</b>	D.5.1	174
1° Description of the main risks related to the Company's activity	F.2	331
	D.1.2.2	89
	D.2.1	101
	D.3.1	127
	D.4.1	157
	D.5.1	174
2° Description of the mitigation policies to prevent the occurrence of these risks	F.3	341
	D.1.2.2	89
	D.2.1	101
	D.3.1	127
	D.4.1	157
3° The results of these policies, including key performance indicators	D.5.1	174
<b>III. A-Content declaration relevant to the main risks/policies mentioned in II</b>		
<b>SOCIAL INFORMATION</b>		
<b>Employment</b>		
Total employees and distribution by gender, age and geographic location	D.3.1	127
New hires and departures	D.3.3.1	139
Compensation and its evolution	D.3.3.3	142
<b>Work organization</b>		
Organization of working time	D.3.2.2.4	134
Absenteeism	D.3.2.2.4	134
<b>Health and Safety</b>		
Health and safety conditions	D.3.2.2	131
Frequency/severity rate of work accidents, professional illnesses	D.3.2.2	131
	D.3.5	150
<b>Labor Relations</b>		
Organization of employee relations and employee communications, consultation and negotiation procedures	D.3.2.2.1	131
<b>Training</b>		
Training policies, especially in the field of environmental protection	D.5.1.2.2	177
Total training time	D.3.4	144
	D.3.5	150
Measures for the equal treatment of women and men	D.3.2.3.1	135
Measures for the employment of persons with disabilities	D.3.2.3.2	137
Anti-discrimination policy	D.3.2.3	135



Article R.L. 225-102-1 Declaration of extra-financial performance	Reference Document	
	Paragraphs	Pages
<b>ENVIRONMENTAL INFORMATION</b>		
<b>General policy on environmental issues</b>		
Organizing the Company to take into account environmental issues. If need be, environmental assessment or certification processes	D.5.1	174
Resources devoted to the prevention of environmental risks and pollution	D.5.1.2	176
<b>Pollution</b>		
Measures for preventing, reducing or curing releases to the air, water and soil which would harm the environment	D.5.2.3	186
Taking into account any form of pollution specific to an activity, particularly noise and light pollution	D.5.2	179
<b>Circular Economy</b>		
Prevention and waste management:		
• measures for prevention, recycling, reutilisation, any other form of waste recovery and disposal	D.5.3	189
• actions against food waste	D.5.3.2	190
<b>Sustainable use of resources:</b>		
• Water consumption and water supply in accordance with local constraints		
• Raw materials consumption	D.5.3.3	191
• Measures taken to improve the efficiency of the use of raw materials	D.5.3	189
	D.5.3.1	189
• Energy consumption and measures taken to improve energy efficiency	D.5.2.3.1	186
• Use of renewable energy	D.5.2.3.2	187
<b>Climate Change</b>		
Significant items of issuance of greenhouse gaz due to the Company's activity, notably by reason of the usage of its production of goods and services	D.5.2.2	182
Measures taken to adapt to the consequences of climate change	D.5.2	179
The reduction targets set voluntarily in the medium and long term to reduce greenhouse gas emissions and the means used for this purpose	D.5.2.1.2	182
<b>Biodiversity protection</b>		
Measures taken to preserve or restore biodiversity	D.5.3.3.2	191
<b>SOCIETAL INFORMATION</b>		
<b>Societal Commitments for Sustainable Development:</b>		
• The impact of the Company's activity on employment and local development	D.3	127
	D.3.5	150
• The impact of the Company's activity on local or local populations	D.4.4.1	166
	D.4.5	170
	D.4.6	172
• The relations maintained with the stakeholders of the Company and the modalities of the dialogue with them	D.4.4	166
• Partnership or sponsorship actions	D.1.3.3	95
	D.4.5	170
	D.5.1.2.2	177
<b>Subcontracting and suppliers:</b>		
• The inclusion in the purchasing policy of social and environmental issues	D.4.4.2.2	168
• The consideration in the relationship with suppliers and subcontractors of their social and environmental responsibility	D.4.4	166
Fair practices: measures taken for the health and safety of consumers	D.2.5.1	179
	D.4.2	158
	D.4.4	166

### H.3.5 Cross reference tables with the report on Corporate Governance

The 2019 Universal Registration Document includes all corporate governance-related items required under article L.225-37 et seq of the French Commercial Code to be included in the Board of Directors' report on Corporate Governance. Consequently, the following table allows identifying in the 2019 Universal Registration Document the required information.

Information required under L.225-37 et seq of the French Commercial Code	Section of the 2019 Universal Registration Document	Pages
<b>Governance (L. 225-37-4 CCom)</b>		
List of mandates and functions exercised by each corporate officer during the financial year	G.2.3.1	359
Agreements entered into between a subsidiary and a corporate officer or a shareholder holding more than 10% of the voting rights	E.8	319
Table of on-going delegations to proceed to share capital increase	G.5.6.4	445
Choice of terms and conditions to exercise the general management of the Company	G.2.2	357
Composition of the Board of Directors and conditions of organization of the works of the Board	G.2.3; G.2.4	357; 382
Diversity Policy	D.3.2.3; G.2.3.2	135; 376
Limitations of powers on the Chief Executive Officer	G.2.2	357
Recommendations of Corporate Governance Code which are not followed and place where Code may be consulted	G.2.1	356
Specific terms and conditions of participation in General Meetings	G.1.3.2	354
Assessment of related-party agreements	G.2.3.10	380
<b>Executive Compensation (L.225-37-2 and L.225-37-3 CCom)</b>		
Presentation of the corporate officers' compensation policy	G.3.1 ; G.4.3	392; 439
Corporate officers' compensation paid during the closed financial year or awarded in relation thereto	G.3.2 ; G.4.2	409; 439
Proportion between the fixed and variable compensation	G.3.1 ; G.3.2.3 ; G.3.2.4	392; 412; 418
The use of the possibility to ask for the restitution of the paid compensation	G.3.1	392
Undertakings in favor of corporate officers in case of taking up, ending or change of functions or after the exercise of these functions.	G.3.1 ; G.3.2.8	392; 428
Compensation paid or awarded by a consolidated company	G.3.1 ; G.3.2	392; 409
Ratios between the corporate officers' compensation and the employees' average compensation	G.3.2.5	422
Annual evolution of the compensation, the Company's performance, the employees' average compensation, and the hereabove mentioned ratios over the last five years in a way that allows comparison	G.3.2.5	422
Compliance of the total compensation with the compensation policy adopted	G.3.1 G.3.2	392; 409
How the last General Meeting's vote on the compensation policy was taken into account	G.3.1	392
Derogation and deviation from the procedure for the establishment of the compensation policy	G.3.1.1(5)	396
Implementation of the legal provisions regarding the discontinued payment of the Directors' compensation, if applicable	N/A	
<b>Elements likely to have an impact in case of public offer (L.225-37-5 CCom)</b>		
Structure of share capital of the Company	G.5.1.2	441
Limitations on the exercise of voting rights and share transfers as per the bylaws	G.1.3.2 ; G.5.6.7	354; 446

Information required under L.225-37 et seq of the French Commercial Code	Section of the 2019 Universal Registration Document	Pages
Direct or indirect shareholding in the share capital of the Company	G.5.1.2	441
List of holders of any securities with special control rights	N/A	
Control mechanisms in employee shareholding systems	N/A	
Agreements between shareholders which may result in restrictions to share transfers and the exercise of voting rights	G.5.6.6	446
Rules applicable to the appointment and replacement of Board members and the amendment of the bylaws of the Company	G.1.3.1 ; G.2.4.2	353; 383
	G.1.3.1; G.2.2; G.2.4.2; G.5.6.4;	353; 357; 383
Powers of Board of Director's (in particular for the issuance or buyback of shares)	G.5.6.10	445; 447
Agreements entered into by the Company that are either amended or terminated in case of change of control of the Company	E.8	319
Agreements providing for indemnities to Board members or employees upon termination of their employment contract, by resignation or termination without real and serious cause, or pursuant to a purchase or exchange public offer	G.3.1	392

In addition to the foregoing report on Corporate Governance items, the Universal Registration Document includes the following additional corporate governance-related items recommended by the AFEP-MEDEF Code. The items recommended by the AFEP-MEDEF Code which also fall within the list of legally required items under articles L. 225-37 et seq of the French Commercial Code (as above mentioned) are not included in the below table.

Information recommended under the AFEP-MEDEF Code of Corporate Governance	Section of the AFEP-MEDEF Code	Section of the 2019 Universal Registration Document	Pages
Board of Directors' activity	1.8	G.2.4.2	383
Internal Rules of the Board of Directors	2.2	G.2.3.10	380
Quantitative and qualitative criteria that led to the evaluation of the significance or otherwise of the relationship with the Company or its Group	9.5.3	G.2.3.3.1	376
Assessment of the works of the Board of Directors	10.3	G.2.6	390
Number of meetings of Board of Directors and of Board Committees held in the past financial year and information relating to Directors' individual attendance at such meetings	11.1	G.2.4.1; G.2.5.1; G.2.5.2; G.2.5.3; G.2.5.4	382; 385; 387; 389; 390
Start and end dates of Directors' term of office, Directors' nationality, age and principal position, list of names of the members of each Board's Committees	14.3	G.2.3.1	359
Description of the Committees activities in the past financial year	15.2	G.2.5	385
Number of shares held by the Directors	20	G.2.3.1	359
Rules for allocation of Directors' compensation and individual amounts of payments made in this regard to the Directors	21.4	G.3	392
Minimum number of registered shares that Senior Officers must retain	22	G.3.1	392
Recommendation of the High Committee and reasons why the Company decided not to comply with	27.1	N/A	

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**Deputy Chief Executive Officer**

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**Human Resources**

Olivier Burger

**Technology and Operations**

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**Sales and Marketing**

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## H.5 Locations

Worldline is present in main European cities to support customers. The addresses and phone numbers of the Group main offices can be found on the Locations page on website Worldline.com. Details of current job opportunities can be found in Careers pages. An email address for general questions and comments about the Worldline's Internet site can be found at the bottom of the web page.

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Estonia  
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Hungary  
Italy  
Latvia  
Lithuania  
Luxembourg  
Poland  
Slovakia  
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Spain  
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Switzerland  
The Netherlands  
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#### America

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Brazil  
Chile  
United-States of America

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Indonesia  
Malaysia  
Singapore  
Taiwan

#### India, Middle-East & Africa







India





# ABOUT WORLDLINE

Worldline [Euronext: WLN] is the European leader in the payment and transactional services industry. With innovation at the core of its DNA, Worldline's core offerings include pan-European and domestic Commercial Acquiring for physical or online businesses, secured payment transaction processing for banks and financial institutions, as well as transactional services in e-Ticketing and for local and central public agencies. Thanks to a presence in 30+ countries, Worldline is the payment partner of choice for merchants, banks, public transport operators, government agencies and industrial companies, delivering cutting-edge digital services. Worldline's activities are organized around three axes: Merchant Services, Financial Services including equensWorldline and Mobility & e-Transactional Services. Worldline employs circa 12,000 people worldwide, 2019 revenue of circa 2.4 billion euros.

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