



TRENDS

Annual report 2015

EUROPEAN LEADER IN PAYMENTS AND TRANSACTIONAL ACTIVITIES

Key B2B2C player with more than 40 years of experience, Worldline is the European leader in the payments and transactional services industry, developing solutions along the entire payments value chain.

Innovating constantly, to provide the most advanced solutions, the company pioneers next-generation secured, multichannel, end-to-end solutions for all businesses and organizations.

Worldline's platforms securely handle billions of transactions a year and process massive quantities of data.

Worldline is an Atos company.

Worldline creates and operates innovative solutions to:

- > Help retailers leverage customer engagement by providing a new, personalized, multichannel shopping experience
- > Facilitate ticketing and customer information in the transport sector
- > Streamline administration for governments and healthcare organizations
- > Supply Smart TV services for the entertainment industry
- > Enhance fleet management for companies, haulage firms or transport organizations
- > Develop and host Consumer Cloud Services and Customer Contact Services for the telecoms sector
- > Pioneer connected appliance applications for homeowners and connected car facilities for drivers

Organized into three global business divisions



**Merchant Services
& Terminals**



**Financial Processing
& Software Licensing**



**Mobility
& e-Transactional Services**

17
countries

7,300+
people worldwide

1.22€
billion revenue
in 2015

13
million active
payment wallets



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MESSAGE

from **Thierry Breton**

Atos Chairman and Chief Executive Officer,
Worldline Chairman

Over the last 18 months, Worldline has delivered a remarkable performance, perfectly aligned with its 2017 ambition. This achievement demonstrates the company's strength, the relevance of its strategy and its ideal positioning for the consolidation of the European payments industry. Worldline has indeed emerged as a clear leader in a payment market which, as we foresaw, is expanding rapidly thanks to the digital revolution and to the restructuring of payment systems, in particular in Europe.

In this promising market context, the potential for growth is solid and Worldline's teams are vigilant for every worthwhile opportunity to extend the company's footprint and to form enhanced partnerships and new alliances. In line with this strategy, I am very pleased that the company will shortly join forces with Equens, an important European payments provider.

One of Worldline's greatest competitive assets is its deeply anchored culture of innovation. Innovation is at the core of Worldline's very identity. Today, the company is taking its innovative capacities to new levels in developing its internal resources and implementing industrial processes. Combining this with far-sighted strategies, highly motivated teams and powerful synergies with Atos, the parent company, Worldline will clearly go from strength to strength and fulfill all our hopes. Pioneering technological innovation, it is already a key asset in the Atos group.



OUR KEY STRATEGIC GOAL IS TO BE AN ACTIVE LEADER IN THE CONSOLIDATION OF THE PAYMENTS INDUSTRY IN EUROPE



INTERVIEW

with Gilles Grapinet

Worldline Chief Executive Officer,
Atos Senior Executive Vice President, Global Functions

Was Worldline's second year as a listed company successful?

2015 was a satisfying year on all levels and clearly enabled the company's business plan to advance well on every front. Worldline enjoyed enhanced visibility and recognition of its new status in the market. The company grew, became more profitable and enjoyed accelerated revenue throughout the year. The trust and support of our investor base were therefore affirmed.

What was a main 2015 highlight and how does it align with the company's 2016 strategic goals?

Our key strategic goal has always been to be an active leader in the consolidation of the payments industry in Europe, and this remains true for 2016. Our biggest step towards that goal was the signing, at the end of 2015, of a Memorandum of Understanding between Worldline and Equens, a major European payment services provider, which aims to join our Group when the transaction is finalized mid-2016. Representing a major advance for our Merchant Services business line and, most importantly, for our Financial Processing business line, the transaction is a perfect example of our strategic direction for the future.

What are some promising sectors for Worldline?

The entire e-payment industry is evolving rapidly from a technological standpoint: Internet payment, mobile payment, advanced solutions for cardholders, new services for merchants, new solutions to limit fraud costs, "irreversible" evolution towards "instant" payment... all this happening in a changing regulatory environment. This is of course a formidable range of opportunities for a company such as Worldline. Moreover, the technologies we've used for 40 years to connect banks, merchants and cardholders, going back to early payment terminals and ATMs, are the same as those we use to support digital transformation in other sectors and in areas other than payment. From this

point of view, interesting recent areas include the connected objects management platforms, various activities for governments to help them adapt to the digital revolution and digitization solutions for transport ticketing.

How has innovation transformed Worldline?

Being an integral part of a large digital services Group such as Atos means that Worldline naturally turned to innovation as a differentiating factor in the market. Indeed, we invest between 5 and 6% of our turnover in our platforms and solutions each year. In this respect, 2015 shows that the new global organization, established in 2013, enables us now to develop more and more solutions and offers natively designed for a European market, if not global.

What is Worldline's current relationship with Atos, its main shareholder?

Atos supports our business and is an important partner, notably in terms of sales, where we have mutual cooperation programs. We have common programs to benefit from economies of scale by sharing outsourced services, we participate in joint R&D projects and we also cooperate on an operational level in some countries. In HR, too, there are some very important bridges.

Would you define Worldline as a company of engineers and entrepreneurs?

We share, with the Atos Group, this strong corporate identity of engineers, given the fact that we create our own growth largely thanks to our own innovation capability. Furthermore, Worldline's engineers and people in the field need to have a well-developed entrepreneurial spirit, since most of our solutions aim to concretely improve, in the very short term, our customers' sales and business. From this point of view, one of Worldline's strengths lies in the fact that this business orientation is also widely found in all administrative functions that contribute genuinely and directly to the company's business objectives.

GOVERNANCE



> **Terry Lobel**
Chief Sales Officer

> **Marc-Henri Desportes**
Worldline General
Manager

> **Bruno Vaffier**
Chief Financial Officer

> **Gilles Grapinet**
Chief Executive
Officer, Worldline
and Senior Executive
Vice President, Global
Functions, Atos SE

> **Christophe Duquenne**
Chief Technical Officer
and Managing Director
for Merchant Services
& Terminals

> **Olivier Stuckens**
Managing Director
for Mobility &
e-Transactional
Services

> **Wolf Kunisch**
Managing Director for
Financial Processing &
Software Licensing and
for Germany & CEE

> **Tahar Garèche**
General Counsel,
Head of Legal
& Compliance

> **Patrice Gry**
Head of Human
Resources

THE EXECUTIVE COMMITTEE

The role of the Executive Committee is to develop and implement the Worldline Group's strategy, while delivering service quality and added value to the Group's projects for the benefit of its clients, shareholders and employees. The Committee 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 BOARD OF DIRECTORS

Composition: diversity fully implemented at the Board of Directors level. The Board of Directors of the Company consists of 9 directors, including 2 women, i.e. 22% of its members.

As of December 31, 2015, the 9 members of the Board of Directors were as follows:

- > **Thierry Breton:** Chairman of the Board, Worldline
Chairman of the Board and Chief Executive Officer, Atos SE
- > **Gilles Grapinet:** Chief Executive Officer, Worldline and Senior Executive Vice President, Global Functions, Atos SE
- > **Gilles Arditti:** Head of Investor Relations & Financial Communications, Atos SE
- > **Aldo Cardoso*:** Director of companies
- > **Charles Dehelly:** Senior Executive Vice President of Atos SE coordinating Global Operations and TOP Program
- > **Ursula Morgenstern:** Head of Consulting & Systems Integration, Head of Cloud & Enterprise Software, Atos SE
- > **Michel-Alain Proch:** Senior Executive Vice President, Chief Executive Officer North American Operations, IT, Security, Atos SE
- > **Luc Rémont*:** Chairman of the Board of Schneider Electric France
- > **Susan Tolson*:** Board member for several corporations and non-profit entities

Leading by example in terms of governance

The Company committed in 2014 to implement the recommendations of the AFEP-MEDEF Code of Corporate Governance for listed companies and has since then regularly reported thereon.

Moreover, on the Chairman of the Board's initiative, Corporate Governance issues are regularly addressed during Board meetings. The Board has indeed consistently expressed its will to take into account and sometimes anticipate recommendations on the improvement of Corporate Governance for listed companies whenever such recommendations are in line with the interests of the Company and of its shareholders. This includes, in particular, the reinforcement of conditions for stock option or performance-share plans for which the senior managers of the Company are beneficiaries.

Assistance from two specialized committees

The Board of Directors has an Audit Committee and a Nomination and Remuneration Committee, which are in charge of providing the Board with advice and recommendations related to their respective areas of competence.

* Independent director

THE BIG 4
STRATEGIC
PRIORITIES

STRATEGY



- 1 -
Consolidate

- 2 -
Invest

- 3 -
Transform

- 4 -
Attract

THE BIG 4 STRATEGIC PRIORITIES

Gilles Grapinet, Worldline CEO, and Marc-Henri Desportes, Worldline General Manager, comment on Worldline's strategic priorities for 2016 and beyond.

CONSOLIDATE

Participate in the consolidation of Europe's payments industry

The creation of a single European currency paved the way for a consolidation of the European payments industry that would bring harmonization of processes and great economies of scale.

Today, the infrastructures required for optimal pan-European processing of the Euro are only partially created, so Europe cannot yet benefit fully from this potential. Worldline is championing the consolidation of payment processing in the Eurozone, providing more secured, cost-effective and innovative payment systems and facilitating the fluid circulation of money across Europe. In the payments industry, only considerable industrial size can make possible real economies of scale and adequately support innovation.



Our announcement of an impending transaction between Worldline and Equens, a big European payments company, marks a particularly big step in our ambition to advance the consolidation of our industry. This coming together will both boost our Merchant

Services business line and transform our Financial Processing activity. Similarly in 2015, Worldline started to build an alliance with the Czech bank Komerční Banka this is another example of strengthening our Merchant Services activity in partnership with banks. Commercial acquiring is now so technological that banks have to have external partners such as Worldline, specialized in the technologies, platforms and distribution skills necessary to help merchants enhance the customer experience.

There are many opportunities for such partnerships today and we are very alert to them, especially where they extend our geographical presence.

Gilles Grapinet



INVEST

Boost investment in innovation, in our platforms and in quality

Innovation has two main dimensions, one of which is innovating in processes. Worldline's Integrated Payment Engine (WIPE) program is about developing the most efficient processing platform in Europe, capable of handling great volumes and facilitating payments across all geographies, at the lowest cost. The other dimension is product innovation.

The domain of payments is constantly being enriched by new solutions, notably for mobile payments. Banks and merchants must not only propose the most advanced payment methods to customers but now must integrate payments into a broader customer experience.



Innovation has to be centered on the user experience.

Payment must be simple and it must create value. The simpler the payment is, the more naturally and seamlessly it is integrated into an overall customer experience, the better business will be for the merchant. The more innovative are the payment solutions a bank provides for its customers, the happier the customer will be with his bank. Worldline innovates to make payments much more than just a credit and a debit, so the process itself becomes a vehicle for actually growing business for merchants and banks. Of course, being Europe's best payments processor also means offering the best security. A constant in innovation for Worldline is ensuring that however complex security becomes, for example in authentication, this must weigh minimally on the end user, whose experience should be one of simplicity and ease.

Marc-Henri Desportes





TRANSFORM

Accelerate our transformation program

Speed is a vital competitive factor in Worldline's business, as is internationalization. Worldline's transformation program, TEAM, is about both improving our operational efficiency and making the company more international in its organization and the structuring of its teams. Worldline's goals include being able to produce more at lower costs, using lean production methodologies, to optimize development and supply chain and purchasing, profiting optimally from economies of scale.



The creation of three Global Business Lines, each with responsibility for its product roadmap, has been critical. Before, we had a country-by-country structure and a more local approach. With the new divisional structure, we're selling European solutions in new geographies, for example in Asia, and have brought Asian solutions to Europe. All our solutions will eventually be universally available. This structure also allows global piloting of innovation and a more international view of innovation trends.

Marc-Henri Desportes



ATTRACT

Enhance the well-being of our people and attract new talent

Worldline wants its employees to feel at ease in their work setting, to be able to grow and evolve in a positive, innovative, dynamic environment and be proud of working for the leader in its field. The company has a dynamic policy of constantly enhancing working tools and methods, means of recognition, communication with and by management and internal communication in general. It also encourages mobility, favors internal promotion and seeks to constantly hone and upgrade its employees' skills and knowledge by training programs. Worldline is now recruiting people younger, looking for the highest qualifications and forming more international partnerships with universities and research centers, to raise its profile and attract the finest talent.



Worldline's people are its greatest resource, since our technologies are entirely the fruit of the thought and effort of our experts and the close interaction they seek with partners and customers in order to build the best possible solutions. We must therefore give our people a great framework in which to function, in which their initiatives are justly valued. Working for Worldline is a challenging and exciting proposition, which inevitably leads to personal and professional growth. It is a major plus factor in an employee's career and must be a source of pride. We want to make people's experience here exceptional in every way.

Gilles Grapinet



Worldline and Equens

A BIG STEP IN AN AMBITIOUS STRATEGY

A milestone alliance

Around 2016 half-year, Worldline intends to join forces with Equens, an important European payment services provider with a direct presence in the Netherlands, Germany, Belgium, Poland, Italy and Finland. There will be two aspects to the transaction:

- The processing activities of the two companies in Europe will be merged, to create Equens Worldline Company, in which Worldline will hold a majority stake. The new company will be led by the current CEO of Equens, Michael Steinbach.
- Worldline will acquire Equens' commercial acquiring subsidiary, PaySquare.

Merchant Services gets a boost

In the second aspect of the transaction, PaySquare, the commercial acquiring arm of Equens, will be integrated into Worldline's Merchant Services & Terminals GBL, in a true industrial partnership. Worldline will benefit from PaySquare's strong position in Merchant Services in Benelux and in cross-border acquiring in the Netherlands, Belgium, Germany and Poland, resulting in more integrated and comprehensive multi-channel offers.

The Equens Group

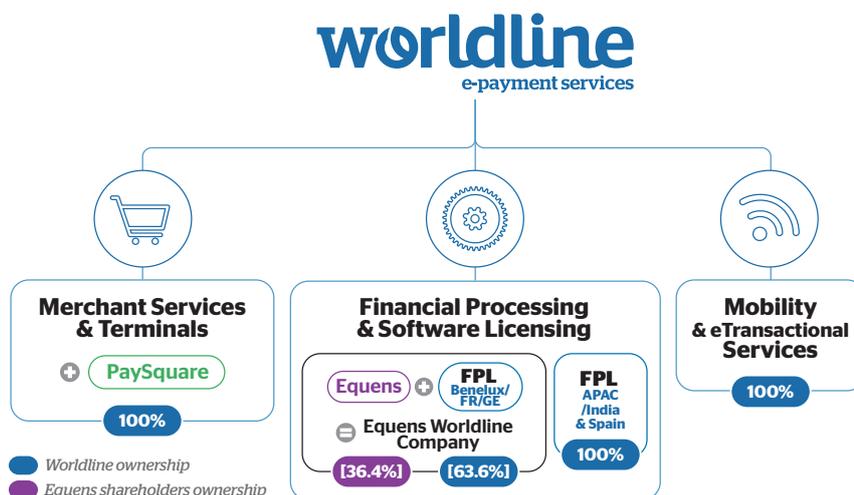
Headquartered in Utrecht, Netherlands, the Equens Group currently provides financial processing services to around 50 financial institutions and Commercial Acquiring services to some 120,000 merchants, in four key countries.

Europe's leader in Financial Processing

Equens Worldline Company will be the largest pan-European financial processor. The company will enjoy leading positions in the Netherlands, Belgium, France, Germany and Italy and growth opportunities in the Nordic countries. The deal is a perfect fit in terms of product portfolio, with Equens' leading positions in non-card payments complementing Worldline's strong offers in card-based payment and innovative e-commerce and mobile payment services.

Perfect strategic sense

This coming together of two leading players is a transformational move for Worldline. "Our two companies have similar histories and origins and share the same culture so this project is a natural evolution for both of us," says Gilles Grapinet, Worldline CEO.



THE TRANSACTION IS A DECISIVE STEP TO DRIVE FORWARD OUR STRATEGIC AMBITION TO BE ONE OF THE LEADING CONSOLIDATORS OF THE EUROPEAN PAYMENTS MARKET

- GILLES GRAPINET -

The extended profile of the Worldline Group

Worldline, through the Equens Worldline Company - its future pan-european arm for financial processing - will enjoy an unrivaled position in terms of geographical scope and have by far the most comprehensive payment services presence across Europe.



*Estimated figures - as per the contemplated transaction.

Key benefits of Equens Worldline Company

Processing services will be strengthened and made more secured, the cross-selling of value-added services will accelerate and new and complementary innovative offerings will be made possible.

Commercially, Equens Worldline Company will be at the forefront of innovation, with advanced R&D in instant payment initiatives and mobile payment solutions.

The new company will benefit from its proven ability to penetrate new markets - such as Finland, where a significant contract with OP-Pohjola has been signed by Equens in 2014.

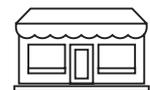
Synergies and economies of scale, including the convergence of the processing platforms will bring Equens Worldline Company huge economies.

Estimated industrial KPIs for the enlarged Group

Around **100 million** cards under management



6 billion ATM and POS payments processed



10 billion SEPA transactions processed per year



In Merchant Acquiring, **250,000** merchants served, directly or indirectly, and about **1.5 billion** payments processed





TRUST 2020

TRUST AT THE HEART OF EVERYTHING WE DO

SETTING THE BAR EVEN HIGHER

After the publication of its first Corporate Social Responsibility report in 2015, Worldline Corporate Social Responsibility (CSR) strategy has displayed impressive results confirming its full alignment with business objectives and ensuring the company's commitment on sustainability topics. During this year, Worldline continued to progress in making CSR a key differentiator and a key lever for building trust with its stakeholders. Further challenging itself to improve, the company defined its 2020 ambition, which strengthens the achievements already made in its four priority CSR challenges. New key performance indicators (KPIs) are mobilizing the entire organization to enhance performance in each area.

Sébastien Mandron

Corporate Social Responsibility Officer



Building client's trust with fully available and secured platforms and reinforcing value for clients through sustainable & innovative solutions.

In the global payment and digital services industry, it is vital to guarantee a full availability of services and to ensure security and data protection. Worldline's ability to anticipate new trends and constantly innovate to produce the next wave of added-value products contributes to enhancing client's trust, operational effectiveness and CSR performance for a sustainable business.

Worldline confirmed its 2020 objectives:

- > 100% in line with SLA commitment on Service Availability
 - > 100% in line with SLA commitment on response time
 - > 100% policy compliance in incident responses
 - > 100% of data privacy impact assessments on relevant services
- 2020 CSR objectives were also set to expand sustainable value and CSR benefits for clients:
- > Overall customer satisfaction above 8 out of 10
 - > Generate € 250 m in revenues through sustainable solutions that contribute significantly to societal and environmental progress

Being a responsible employer by revealing our employees' potential.

Considering people as a key asset for its success, Worldline pays a particular attention on being an employer of choice in order to attract, recruit, retain and engage its high-level employees. By ensuring a positive working environment and by fostering an innovative and high-energy culture, Worldline gives its employees the opportunity to grow and develop to their full potential. To make a step forward in its commitment of being a responsible employer, Worldline set four new KPIs as part of the 2020 ambitions:

- > Be quoted in at least 5 employer brand studies
- > More than 90% of our employees are satisfied with the trainings provided by Worldline
- > Increase by 10% employee satisfaction on Great Place to Work survey
- > Reduce the female capital gap to 0 by 2020 (target range of +/-10%)

TO BE A SUSTAINABLE ORGANIZATION IS A PROMISE MADE TODAY TO BE THERE TOMORROW

- GILLES GRAPINET -

2015 Worldline CSR achievements and rewards



Worldline successfully completed the GRI G4 Guidelines "in accordance" with the Comprehensive option



EcoVadis Silver Label on its first responsible-procurement evaluation as an independent company



ISO 14001 certification for all its data-centers and offices of more than 500 people

Gaia Index

score of
81/100
(extra-financial information rating organization)



Endorsing our business ethic within our value chain.

Being a trusted partner to its clients is the linchpin of Worldline's value chain commitment. Worldline's ability to deliver its business technology solutions and create value for customers depends on its strong data protection approach, its high ethical and security standards and its responsible procurement.

2020 CSR objectives were set to increase suppliers' sustainable performance in order to promote responsible procurement and to enhance sustainable supplier relations:

- > Reach the Gold level of the EcoVadis responsible supply chain evaluation
- > 100% of our evaluated suppliers by EcoVadis with a score below 40 have an action plan to solve critical findings identified



Leveraging the eco-efficiency of our datacenters and offices.

Tackling climate change and addressing environmental issues is the responsibility of every individual and every company toward society. Worldline is committed to excel in its environmental performance and has set two 2020 objectives to reduce its environmental footprint:

- > Be carbon neutral on the production of services and products
- > Be carbon neutral on the terminals lifecycle

In Belgium, Worldline installed 500 solar panels on the roof of a data-center and in the adjacent parking lot, producing 120,000 Kwh per year, enough electricity for half of an office building. In addition, efforts have been made to reduce electrical consumption at the Brussels office.

ONGOING COMMITMENT

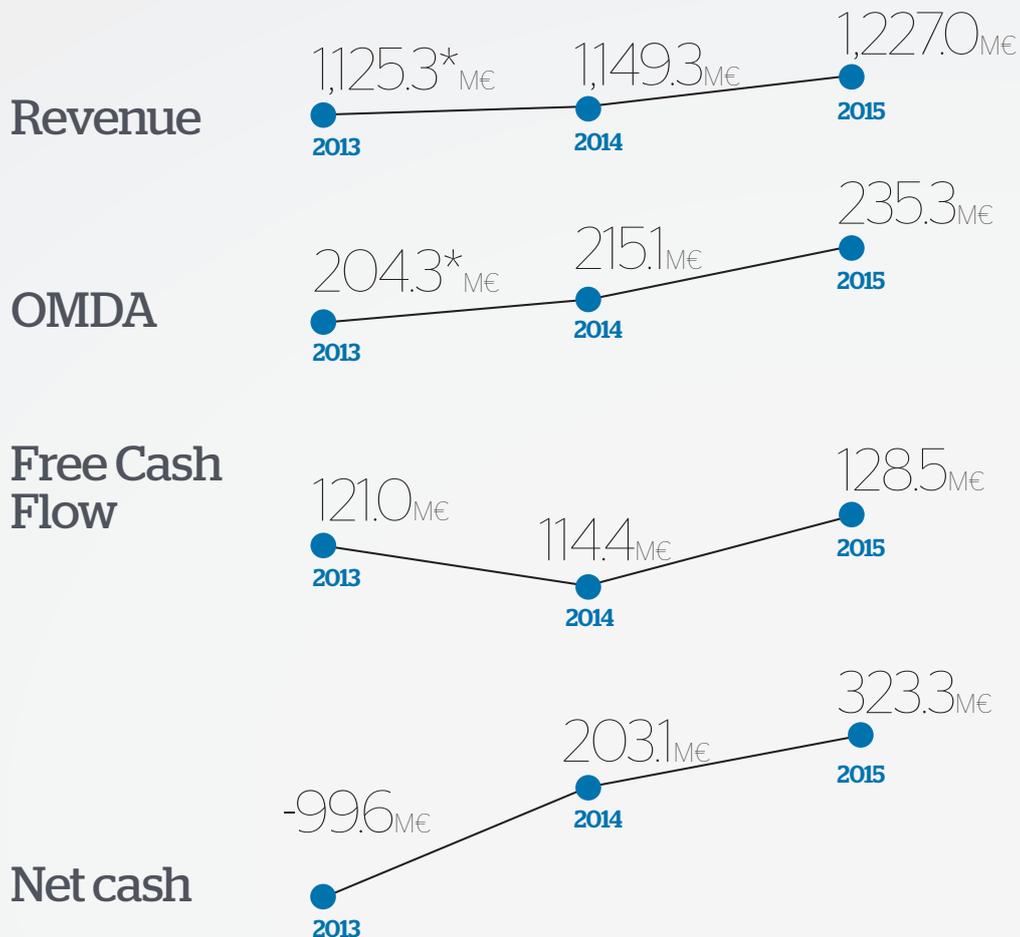
For 2016, Worldline is continuing to engage in a proactive dialogue with its stakeholders and to leverage CSR as a vehicle for its transformation. The company intends to report significant and tangible progress toward its 2020 objectives by year-end.

KEY FIGURES

Worldline revenue has been growing constantly since the beginning of 2015 to reach €1,227.0 million, up +4.4% organically compared with last year. All three Global Business Lines contributed to the revenue growth, with a strong acceleration during the second semester of Merchant Services & Terminals and Financial Processing & Software Licensing, which jointly grew +6% in Q4 2015.

UP 4.4%

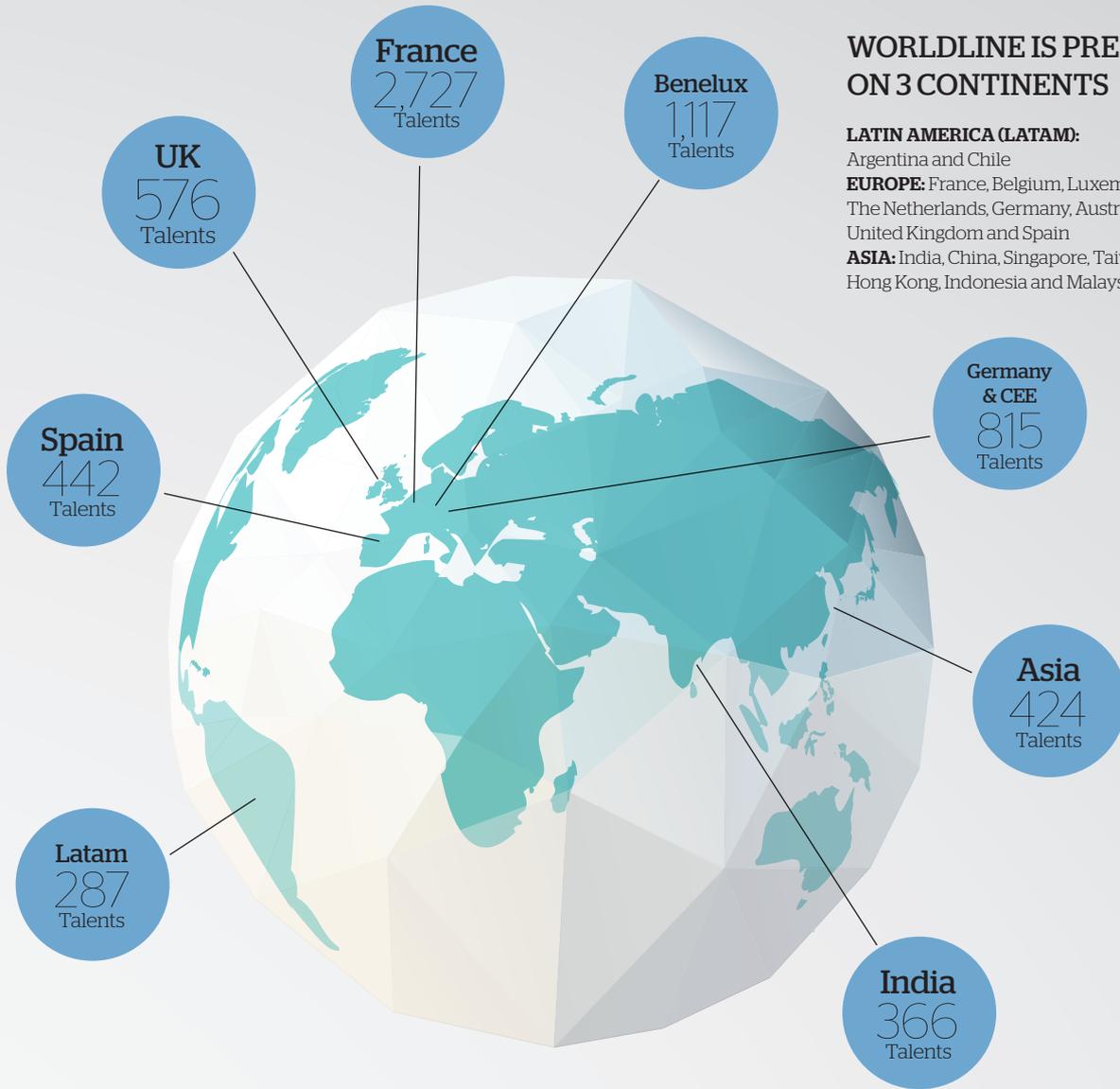
ORGANIC GROWTH COMPARED TO 2014



*2013 Proforma financial information

7,300+
Talents





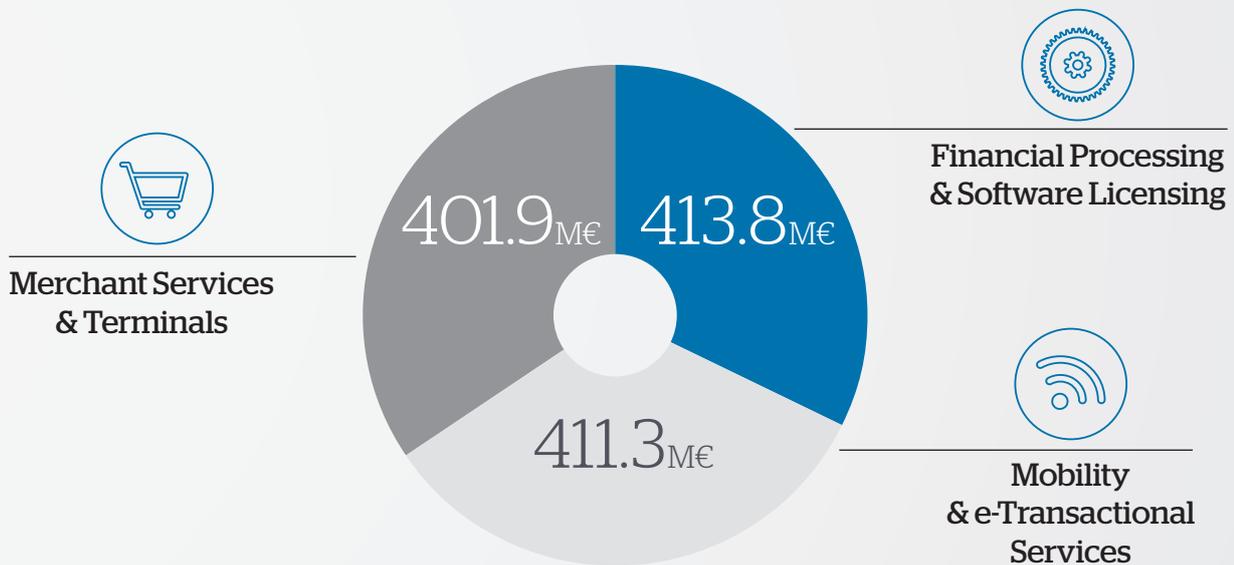
WORLDLINE IS PRESENT ON 3 CONTINENTS

LATIN AMERICA (LATAM):
Argentina and Chile

EUROPE: France, Belgium, Luxembourg, The Netherlands, Germany, Austria, United Kingdom and Spain

ASIA: India, China, Singapore, Taiwan, Hong Kong, Indonesia and Malaysia

BREAKDOWN OF REVENUES BY GLOBAL BUSINESS LINE



HIGHLIGHTS





THE 3 GLOBAL BUSINESS LINES



**Merchant Services
& Terminals**



**Financial Processing
& Software Licensing**



**Mobility
& e-Transactional Services**



Merchant Services & Terminals

Onward and upward!



Christophe Duquenne

Chief Technical Officer
and Managing Director for
Merchant Services & Terminals

Key figures

Revenue (in € million)

2014 379.2

2015 401.9

Growth +6.0%

Growth accelerated constantly from

+2.9% in Q1

to +7.4% in Q4 2015

An encouraging overall picture

MS&T enjoyed significant growth in 2015, with the strong performance of the Commercial Acquiring business standing out as a major contributory factor. The exceptional growth in this particular area was due to a volume increase in transactions and to international expansion. On the back of this, the Payment Terminal business grew and expanded, in Benelux and a number of other geographies, through new distribution channels and with a new range of terminals. The Private Label Cards & Loyalty Services activity also increased, notably with strong sales of Digital Self-Service Kiosks. All these considerable gains offset a drop in activity in Online Services.

A major Acquiring alliance

In 2015, Worldline started to build a partnership with Komerční Banka (KB), a leading bank in the Czech Republic, to provide Merchant Acquiring and Payment Processing services to retailers, under the name of SmartPay. KB is the Czech Republic's third most important bank and the country represents a most attractive and sizable Payment market, with great growth potential.

Across the board of MS&T technologies

The division renewed long-term contracts in electronic payment acceptance and expanded sales internationally, signing contracts for a transit-fare system based on NFC payment cards in Norway and, in India, a closed-loop meal and gift-card program (Sodexo) and a pre-paid loyalty solution. New contracts in Digital Retail included in-store interactive signage applications for large retailers.

A perfect expansion move

Worldline has announced that it will acquire the entire Commercial Acquiring activity of Equens, a major European payment services provider, in 2016. The acquisition of PaySquare, as this Equens division is called, will give MS&T a huge boost, extending its geographical scope and accelerating its cross-selling ability in five key European markets.

“The possibility to integrate contactless payment and barcode scanning”

Chiltern Railways

If you think our way, travel our way.

Seamless solution

Chiltern Railways partnered with Worldline to develop a new ticketing solution designed to maximize the customer experience. The WL Interactive Ticketing machine features a large 42" touchscreen display, complying with legal requirements set out by the DDA (Disability Discrimination Act 2005). The machine's intuitive touchscreen interface seamlessly links information and ticket purchase, providing customers with live local departure information, network maps and relevant information to plan their journey. Worldline's solution also has the capability to host configurable information and promotional materials and to integrate future technological advancements such as contactless payment and barcode scanning.



On track with interactive retail

Customer-experience focus of new rail link

In planning the launch of the UK's first major rail link between London and another British city in more than 100 years, Chiltern Railways sought to offer customers an enhanced retail experience. The new Oxford Parkway station, which links to London Marylebone station, was opened in October 2015.

Industry retailing first

WL Interactive Ticketing has drawn extremely positive feedback from passengers whose user interaction has been dramatically improved through the enhanced touchscreen size and functionality. Deployment of the technology is enabling Chiltern Railways to meet one of its fundamental goals of delivering a better passenger experience.



2015 PayForum Award A great HPE solution for retail

In March 2015, Worldline won a PayForum Award 2015 for its new retail Host Point of Sale (HPE) solution. The innovation allows both payment and payment acceptance by smartphone, via a single mobile app. The user places his phone near the retailer's, the app validates the transaction, the retailer enters the amount on his phone, the user enters his PIN on his and the totally secured transaction goes through.



Merchant Services & Terminals

“3,500 products in-store and on screens access to 14,000+ items”

SEPHORA



1 In the store, access directly to **3,500+ stocked items**



2 On screens access to **14,000+ items** addable to digital basket on a NFC card



3 Pay for both baskets **in-store**



4 Pick up or receive your order

Digital solution to grow and engage

New innovative concept

Sephora is the world's most innovative beauty store chain. On October 21, 2015, the cosmetics brand opened "Sephora Flash", its first ever smart store, at 66 rue de Rivoli in Paris. This new retail concept creates a seamless link between brick-and-mortar stores and online shopping.

Digital beauty

Backed by an NFC (near field communication) card available off-the-shelf and a physical basket, customers begin shopping among 3,500 articles on display. On screens, customers can browse the product catalogue offering 14,000 articles on Sephora's website. With the aid of an NFC tag, customers can get further information about products they find interesting and easily fill up their electronic basket. When they have finished their shopping, electronic and physical purchases are paid for in a single transaction, with the aid of a Sephora beauty consultant. Customers immediately take physically stocked goods away with them, while goods ordered on the screens will be available in store the next day, or delivered at home.

Worldline has supported Sephora in the development of this new concept by providing an end-to-end solution for linking up an online shopping website with a brick-and-mortar store.

“Worldline creates the QR code and processes the final transaction”



An advanced electromobility solution

Simplicity itself

In collaboration with Worldline, Powerdale has introduced a QR code payment solution, thanks to which a smartphone and the Bancontact app suffice to start the charging process and manage payment. Using a smartphone, the driver simply scans the QR code on the connected charging station's high-resolution screen to initiate the charging and billing process. Providing the WL Sips multi-channel online payment solution that makes this possible, Worldline creates the QR code and processes the final transaction.

A better charging procedure

In Belgium, Powerdale, an innovation partner specialized in energy management, wanted to provide a new and highly convenient way for the owners of electric vehicles to pay for charging. Hitherto, accessing a recharging infrastructure and operating a charger always required the use of a proprietary bankcard.

Benefits all round

The new solution's advantages include the ease and security provided by Worldline's online payment gateway, which is supported by the major bank institutions and numerous hotels, restaurants, shops and offices. Pricing can be determined by the owner of the charging station, no subscription is required and no additional infrastructure is necessary. The solution will help infrastructure owners to improve ROI on their charging stations and offer a differentiated service to customers and employees.



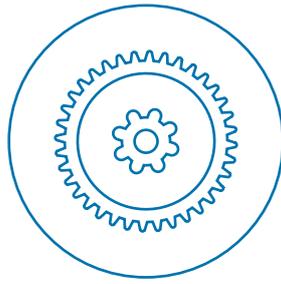
THIS NEW PROCESS WILL HELP INFRASTRUCTURE OWNERS TO IMPROVE THE RETURN ON INVESTMENT OF THEIR CHARGING STATIONS. IT WILL ALSO ENABLE THEM TO OFFER A DIFFERENTIATED SERVICE TO THEIR CUSTOMERS AND EMPLOYEES

- OLIVIER PIRAUX -
CEO OF POWERDALE



2015 Merchant Payment Ecosystem Award Mobile Seller

In February 2015, Worldline won the “Guiding Hand” trophy in the mPoS category at the MPE Awards in Berlin. Mobile Seller is a powerful connected tool for sales assistants. On a tablet, the salesperson can be notified of a customer's arrival, thanks to smartphone detection by in-store beacons. Accessing the customer's purchasing history, he or she can then offer personalized purchasing advice, give detailed information on products in stock and accept mobile payment - all directly on the tablet. A great customer experience is guaranteed!



Financial Processing & Software Licensing

An exciting year



Wolf Kunisch

Managing Director for Financial Processing & Software Licensing and for Germany & CEE

Key figures

Revenue (in € million)

2014 402.4

2015 413.8

Growth +2.8%

Acceleration was as planned throughout the year, reaching +4.8% in Q4 2015

Strong growth

Increased SEPA transaction volumes and new signings in 2015 brought strong growth and accelerated financial performance for the FPL Global Business Line. All Issuing Processing and Acquiring Processing contracts that had reached their terms were renewed and Worldline's Payment Security offers (notably Trusted Authentication and 3D-Secure) attracted strong interest. The Payment Software Licensing division also saw new contracts signed in France and Germany and, notably, in Asia.

France and Luxemburg The Dutch connection

New Financial Processing contracts included one with Agence France Locale, for an end-to-end service to manage loans to local authorities, and another with a consortium of nine Luxemburg banks, to implement Worldline's Access Control Server solution for 3D-Secure, in cooperation with LuxTrust, a Luxembourg-based certification authority. The 3D-Secure dynamic protocol authenticates cardholders during e-commerce transactions.

Two major Dutch banks chose Worldline's expertise, one contract being to manage the new eMandate services for SEPA Direct Debits proposed by Betaalvereniging Nederland (BVN), the other to manage SEPA Credit Transfers proposed by iDEAL, the Netherlands' most popular payment means. Worldline is now the leading processor of non-card online transactions in the Netherlands.

New geographies

FPL also expanded into new markets. In Eastern Europe, a Czech bank will implement the Group's mobile payment solution based on HCE technology and a payment processing contract was signed with another bank. Meanwhile, in Asia, the 3D-Secure solution and fraud management systems are being implemented for several local banks.

European consolidation

It was announced in 2015 that Worldline would enter into a major external growth transaction with Equens, a major European payment services provider. The transaction will greatly boost Worldline's position as a consolidator of payments in Europe.

**“Innovative, paperless,
secured, easy-to-use”**



Par et pour
les collectivités

Multi-feature solution

To digitize both its own internal processes and its exchanges with local authorities, AFL turned to Worldline for its technological expertise and long experience in designing and operating major projects. Worldline designed a web banking portal to manage membership requests from prospective customers and simplify the distribution and management of online loans to AFL's local-authority members. This secured multi-channel portal allows local authorities to manage all operations relating to their membership and loan applications, to communicate with AFL via secured messaging, to electronically sign documents and to archive files.



Digital solution boosts agency's services to local communities

Facilitating community access to financing

Agence France Locale (AFL), a new bank entirely dedicated to local authorities in France, wanted its current and prospective customers to be able to access its services more easily. Going paperless represents a major challenge in public administration and is a central preoccupation for French local authorities.

Excellence in customer service

The portal enables AFL to help its existing and prospective customers accelerate their digital transformation with an innovative, paperless, secured, easy-to-use service. Worldline's highly secured cloud hosting services meet the most stringent requirements in terms of confidentiality, service levels and data and infrastructure. As the primary entry point for local authorities, the solution provides a true "digital storefront", underlining AFL's commitment to pursuing excellence in its customer relations.



2016 PayForum Award Facilitating SEPA mandates

In March 2016, Worldline won a PayForum Award for its "Mandate & SEPA transaction services" - part of the WL eBanking Payment Services platform. The solution has 4 modules:

- SEPA mandate and transaction management: mandate creation, conversion to SEPA formats, production of SEPA payment instructions (direct debit and credit transfers)
- E-signature of SEPA mandates
- Fraud management tools
- A payment platform for recurring payments in e-commerce

The service strikes a balance between security and the digitalization of recurring payments, thanks to electronic signature.



**“Successful mobile payments
without Internet connectivity”**



A step ahead

The solution's NFC contactless technology is now well established, as is its HCE technology, where payment credentials are held on the cloud rather than on a so-called Secured Element hardware in the phone. Worldline's key innovation is that of using key data stored on the phone to make successful payments possible even in the absence of Internet connectivity. The system uses the existing Visa NFC infrastructure, so the merchant just needs a Visa payWave-enabled terminal while the user needs an NFC-enabled smartphone with Android 4.4 (KitKat) or higher.



**Ahead on
mobile
payment**

Smartphone payment enhanced

Leading German retail bank Postbank wanted to offer its customers a mobile capability with an innovative extra advantage. Worldline proposed its NFC Mobile Payments (HCE) solution, which some of the bank's employees are currently testing, making payments at checkouts using their Android smartphones.

Hot on security

The solution's multiple security mechanisms include a specially protected app and the replacement of the actual payment data with so-called tokens and one-time keys.

Gains on all fronts

Worldline's NFC Mobile Payments solution reduces complexity for banks and their customers and for merchants. For Postbank, the business model is simpler than that of hardware-based mobile payment methods, providing single-source services, with no need for a Secured Element partner. The end user can use his or her Wallet application for both proximity Wallet payments and remote purchases.

**Security with
tokens &
one-time keys**



**NFC
mobile
payments (HCE)**



**Internet
access
not required**



**2016 Merchant Payment Ecosystem Award
WL eBanking Payment Services**

In February 2016, the WL eBanking Payment Services solution won the Emerging Payments award at the MPE Awards, in Berlin. Powered by Worldline's Multi-Service Platform, the solution allows the processing of a variety of e-authorization use cases - initiation, routing and validation of credit transfers, e-Mandates and e-identity checks. It provides consumers with a simple and safe way to pay for online purchases via their online banking portal/app, minimizes fraud risk for merchants, thanks to strong authentication, and enhances value-added service possibilities for banks.

“Worldline’s OTP solution is used by millions of cardholders daily”



Effective, proven and comprehensive

From Worldline’s broad range of ACS strong authentication methods, East West Bank chose the one-time password (OTP) solution, whereby the cardholder is sent a unique password by SMS during the transaction. Worldline’s OTP solution is used by millions of cardholders daily, in 15 countries around the world. Delivered in SaaS mode, for easy service setup, it provides straightforward workflow management and activity monitoring and reporting, as well as fraud-prevention tools.



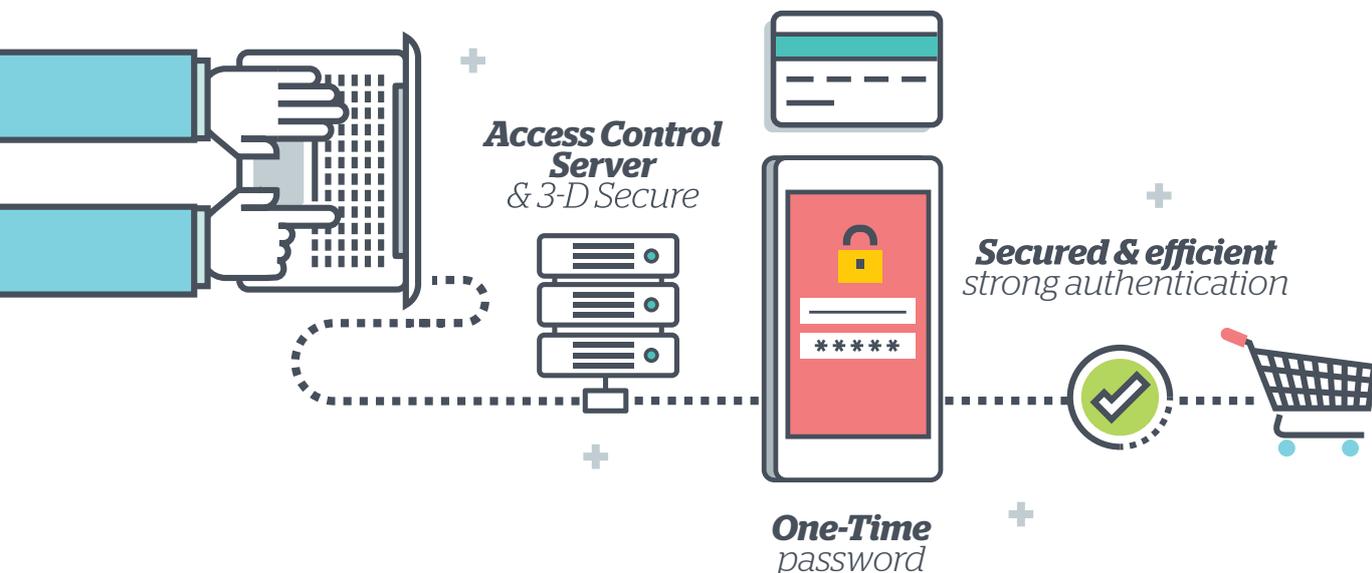
Perfect e-commerce authentication

An authentication requirement in APAC

East West Bank, based in the Philippines, needed a tried and tested Access Control Server (ACS) solution for the 3D-Secure dynamic protocol it employs to secure e-commerce transactions. 3D-Secure relies on an ACS solution in the issuing domain for strong cardholder authentication. The solution had to be convenient to implement, deploy and manage.

A trustworthy solution

In deciding to work with Worldline, East West Bank knew it could rely on Worldline’s 40 years of expertise in payments security and its reputation as a leader in 3D-Secure solutions.



Solutions featured in the Ovum Decision Matrix

“Among several vendors Worldline stands out as a market leader for their individual platforms within the CMS space.”

Gilles Ubaghs, *Senior Analyst at Ovum*



In October 2015, Ovum, a globally renowned business analyst, graded three FPL solutions as part of its Decision Matrix on Card Management System Platforms. Overall, Worldline was identified as the third-party supplier with the most extensive and flexible deployment model for licensing, hosting, application management and business process outsourcing. More specifically, the ASCEND and Cardlink II solutions were both rated as market challengers, while Worldline Pay was assessed as a market leader.



Mobility & e-Transactional Services

Strong momentum



Olivier Stuckens

Managing Director
for Mobility
& e-Transactional Services

Key figures

Revenue (in € million)

2014 393.8

2015 411.3

Growth +4.4%

Growth was good overall and very strong in e-Consumer & Mobility.

Growing very healthily

In 2015, the MTS Global Business Line achieved satisfying revenue growth across the board of its divisions. E-Consumer & Mobility saw double-digit growth, in fact, with new contracts signed. E-Ticketing also performed well and e-Government Collection grew positively.

Connected at all times

The outstanding E-Consumer & Mobility growth was due to positive trends and new signings in Connected Living activities in continental Europe. These included, notably, a dynamic partnership with Germany's Home Appliances Group (a partnership that has since been extended to China) and a major Connected Vehicle contract with a new customer. In 2015, Worldline convincingly confirmed its position as a leading innovator in the development of connected object services. Worldline's new Cloud Contact Center Solution, which allows users to be connected to their favorite brand's Customer Services by any means, has also been very successful, having gone live in France (with several references), the UK, Benelux and, shortly, Germany.

Transforming transport

In e-Ticketing, Worldline's solutions continued to enable passengers to plan and execute journeys seamlessly and to help transport operators optimize the management and operation of their systems. The company's activities expanded and profitability improved, thanks to new business, contract renegotiations and project work in Latin America. Worldline also successfully sold new added-value products in the UK, such as its next-generation Mobile Ticket Issuing System.

Streamlining administration

The e-Government Collection business also grew, despite setbacks, thanks to excellent new contracts in Argentina, Benelux and France and favorable price and volume effects in Latin America. Large contract renewals were secured, notably for a tax e-collection service in Argentina's Salta province. The division also won a significant new contract for a secured taxation solution in the Baltic countries. In automated Traffic Offence Processing, a new system was sold in Luxemburg and the Spanish contract was renewed for another two years.

An important final highlight was the signing of a contract for a secured digital processing platform for a new French healthcare client.



Real-time data, real-time control

The resulting EFFITRAILER™ service relies on the standard modules of Worldline's Connected Vehicles solution and processing telematics platform. EFFITRAILER™ receives real-time data from trucks, such as GPS location, tire pressure and stationary trucks. These data are uploaded to a system that reports on the fleet's operations and performance and issues alerts, enabling the hauling company to exert real-time fleet management control.

“Real-time data from trucks”



Delivering data-driven improvement

Extending services offer for truck haulers

Seeking to extend its services to its customers by including trailer fleet optimizations, MICHELIN® solutions teamed with Worldline to design a new connected solution for managing truck trailers.

Safer, more reliable trailers

The benefits of EFFITRAILER™ include improvement in haulage firms' operating margins, strengthened safety of truck loads and enhanced delivery reliability. Customers are experiencing an increased utilization rate, with trailers running more often and no longer empty. There also are far fewer delays due to tire-related trailer breakdowns, backed up by a MICHELIN® solutions commitment to reduce tire-related semi-trailer downtime by up to 50%. Initially available in the UK, France, Italy, Germany, Switzerland and Austria, the service is being extended throughout Europe in 2016.

Real-time data





Mobility & e-Transactional Services

“Dedicated educational environment that is secured from end to end”



Going to school on tablets and clouds

Unowhy partnered with Worldline to pioneer the digital education initiative. Unowhy supplies an integrated educational solution to students through its “SQOOL” touchscreen tablet and software, both designed specifically for the educational environment. SQOOL provides all the content and functionalities students and teachers need for their entire school year. Worldline offers a cloud computing solution, featuring a secured data storage system for educational content and students’ personal data.



A great digital education solution

French connection

Digital media company Unowhy sought a secured solution to deliver e-education to grade school, middle school and high school students in France. A key objective for Unowhy was to ensure the data and educational content would be hosted in France, to ensure continued control of educational choices and curriculum.



Secured digital learning, no ads

The program was piloted successfully during the 2015-16 school year with 70,000 students in 500 schools. The combination of the two techniques provides access for teachers and students to a totally secured environment on a school tablet, in the classroom or at home. The innovative and flexible solution enables students to learn, collect information, produce content and study with confidence, in a dedicated educational environment that is secured from end to end.

For Unowhy, the solution keeps digital independence of the educational data and content in France, shields children from digital advertising intrusions and protects their personal data against commercial exploitation.



“Entirely Digitized Customer Journey”



Instituting paperless purchasing

Bouygues turned to Worldline to enhance its digital posture. In response, Worldline implemented a new concept in stores designed around the idea of the connected home. This required the introduction of tablets for Bouygues Telecom's sales force, with which to serve and interact with customers. An important objective was to institute electronic payment without severing the transactional aspect of the interaction with the customer.



Digitizing the customer experience

Connected shops, modernized brand

One of France's leading telecommunications companies, Bouygues Telecom, sought a solution to transform the experience of its customers to make it consistent with the company's modern, high-tech image. With 50 million customers visits per year, its 550 stores provide an ideal venue for showcasing the brand and connecting it more closely with customers.

Positive interaction

Launched in mid-2014, the project was implemented at all points of sale in all Bouygues Telecom stores, as of February 2016. The result is a purchasing experience that is more fluid, secured, multi-channel and completely paperless. Customers have responded favorably to the well-integrated and innovative digital experience, the quicker, more efficient service and the ability to make their purchases with no paper.



INNOVATION





“
INNOVATION
DISTINGUISHES
BETWEEN A LEADER
AND A FOLLOWER
- STEVE JOBS -
”

The true innovative mindset

We live in extraordinary times. Globalization and the technological and knowledge revolutions have transformed our world and are inexorably transforming it yet further. In recent years, innovation in companies, triggered by the digital revolution, has attracted huge media attention and led to an explosion of new possibilities for services. But is this fascination with innovation little more than a fad? Out of a million patents filed every year, only 5% of all innovations proposed will ever see the light of day, create value in the real world and make a difference in people's lives.

THE SPIRIT OF INNOVATION

Anyone who has been involved in innovating for any length of time will tell you that innovation is not merely about staring at a problem and "striving" to find a breakthrough solution. Innovations cannot be produced to order. The process is one of discovery. "A discovery is said to be an accident meeting a prepared mind," according to Albert von Szent-Gyorgyi, a Nobel Prize winner credited with discovering Vitamin C. Companies who are best at innovation are those that cultivate a perpetually questing, exploratory state of mind and combine this with the vision and the will to do whatever it takes. Columbus set out to discover a new route to the Indies - putting his all into the quest - and stumbled upon America. Innovation is also like that.



THE REAL VOYAGE OF DISCOVERY CONSISTS NOT IN SEEKING NEW LANDSCAPES BUT IN HAVING NEW EYES

-PROUST-



The nature of innovation

To achieve the status of "innovation", an idea or invention must be translated into a good or service that creates value or for which customers will pay and which can be marketed at a viable cost. Technology, business and customer driven, innovation can touch products, processes and services. It can be incremental or disruptive. In fact, there is no boundary between the incremental and the disruptive. Both start from what exists but look at it in a new way or combine things differently. An incremental innovation can create value without necessarily upending an existing market and a disruptive innovation can render something obsolete overnight.

Innovate or perish

A company's capacity to grow and endure is increasingly determined not only by its capacity to merge and acquire but also strongly by its ability to innovate - which has become a critical measure of corporate well-being. Today's wise and healthy company understands that innovation can come from any direction and actively seeks inspiration from sources other than just its R&D boffins. Bottom-up innovative inspiration within the company, for example, generates some of the best value-creating ideas and reflects the will and the need to break out of the straightjacket of traditional innovation protocols.

This statistic remains strangely and disappointingly stable, according to official sources. Why? The vision and the will are there. Traditional R&D processes within companies, necessarily centered on the incremental evolution of existing solutions, so often become a limiting factor in themselves. For innovation to take wing in companies today, something more fluid is necessary – something younger and more vital – to animate and free-up the otherwise laudable mix of solid experience and disciplined R&D management.

At Worldline, we believe we have this mysterious flux. We have found how to break down and break through barriers, bringing the best creative talents together to both seize and create opportunities.

Regarding innovation in the field of electronic payments, our competitive advantage comes also from the sheer breadth of our experience and the richness of opportunity emanating from combining three powerful expertise centers:

- The User Experience
- Authentication, Security & Connectivity
- Processing, Storage & Data Analytics

The following pages describe these factors and offer a glimpse of Worldline's innovative edge in action. We hope you enjoy reading them!



THE BEST WAY
TO PREDICT
THE FUTURE
IS TO INVENT IT

-ALANKAY-

Innovation goes horizontal

Looking further, companies, today, are reaching outside their traditional perimeter, partnering and collaborating with universities, laboratories, think tanks and each other to identify innovative ideas and breakthroughs. The communication revolution is providing new tools, including the social media, which provide a new channel for dialogue via both internal and external social communities and through which companies can connect to the rest of the world. These companies are "innovating the way they innovate", says a leading innovation guru. Disruptive in itself, this trend is changing the face of innovation in our time.

What if?

As companies start to explore new ways to get innovative, original new approaches are gathering steam. One such takes "brainstorming" to a new level by bringing company and customer personnel together in sessions where they consider a list of disruptive and often provocative "What if" questions about their business. The point is to loosen and dislodge habitual ways of seeing things or looking at a problem. Unexpected "out of the box" discoveries are guaranteed!

A new world in the making

Today, innovation is at the very heart of the battle for competitive advantage and companies the world over are jumping on the bandwagon. The digital revolution makes it possible to do so many things better, quicker and more effectively than before, thus rendering old infrastructures obsolete and creating a myriad of new ones. Major disruptive innovations – the invention of the computer and the introduction of the Internet are cases in point – always bring in their wake a flood of innovation. Combined with the popularization, never in history has the soil for innovation been so fertile!

The discipline of INNOVATION

Worldline's vision is to provide a digital service that is both as simple and natural as possible for the user and as secured as possible. Every day, the company pursues an unfaltering quest to achieve totally secured, "one-touch" transactions that occur in the blink of an eye and fulfill the promise of the digital transformation, that our lives will indeed be simplified and enhanced. Where its customers are concerned, Worldline's vision is identical - to make their working processes marvelously simple, natural and secured and to eradicate labor.



The bottom line of innovation

Worldline's customers need the certainty of high return on investment if they are to contemplate implementing any proposed innovation. For them, the point is not the technology itself but the service the concept will make possible. Will it shorten waiting time in a queue by making their service quicker to provide? Will it enable them to propose more targeted products or services faster, in a real-time virtual interaction with users? The scenarios and questions are infinite.



Basic rules of the game

- > Worldline's R&D teams do not dream up innovations in an ivory tower. Proposing an innovative concept or technology to a customer is always the fruit of long discussions and exchanges between R&D and Operations. In close contact with the customer, the operational teams are in a position to identify a need and the readiness to offer something new to the end user.
- > Before devoting R&D resources to an innovation, Worldline requires that there be at least one concrete use case and a specific customer.
- > Following the implementation of a first use case, Worldline always looks to see how the concept can be adapted to other potential applications in any given sector.



Innovation is management

No innovation is possible without enlightened management. Worldline's R&D governance brings all R&D teams together four to six times a year, in physical or virtual meetings, to take stock and exchange technical, project and customer information. Innovation can come from any direction, so Worldline works extensively with academics, dialogues with its customers, keeps abreast of new technological developments and rewards innovative ideas coming from anywhere in the company, via its highly successful "WIN Awards" innovation scheme.

Worldline's management CREDO

Worldline's innovative edge comes from observing the following R&D imperatives

- > Pull together a great, multi-faceted, multicultural team
- > Give them freedom and leeway, to motivate ownership and openness
- > Positively challenge innovative ideas, shaking the tree to keep only the best fruit
- > Constantly reward the teams and their efforts
- > Accept and welcome failures - learning from them leads to success
- > Welcome doubts and be ever ready to reconsider
- > Move faster than the competition
- > Cherish competition, however. It is a vital stimulus to innovation and where there is no competition there is no business

COMBINING THINGS IN A NEW WAY

Nicolas Kozakiewicz

Head of Research & Development
and Innovation



“ Digital is like a soil to be cultivated and innovation is about what you grow in it. Because Digital is fresh, new and growing, that soil is highly fertile right now. The fact that Worldline brings together three connected and interrelated global business activities, in numerous regions, means that our soil is richer. We have a broader experience spectrum than most of our competitors, who just work in maybe one or two areas.

Let's say that one makes only payment terminals, for example. We do terminals too, with the same level of skills, but we also do many other things and have years of broad, international experience in all of them. So we have a richer source of ideas to help us innovate in, say, payment terminals. The same can be said of all the areas in which we're present. Nothing comes from nowhere. Innovation is often about taking things that already exist somewhere and combining them in a new way, for a new purpose. Worldline's scope for doing this is much greater.

”

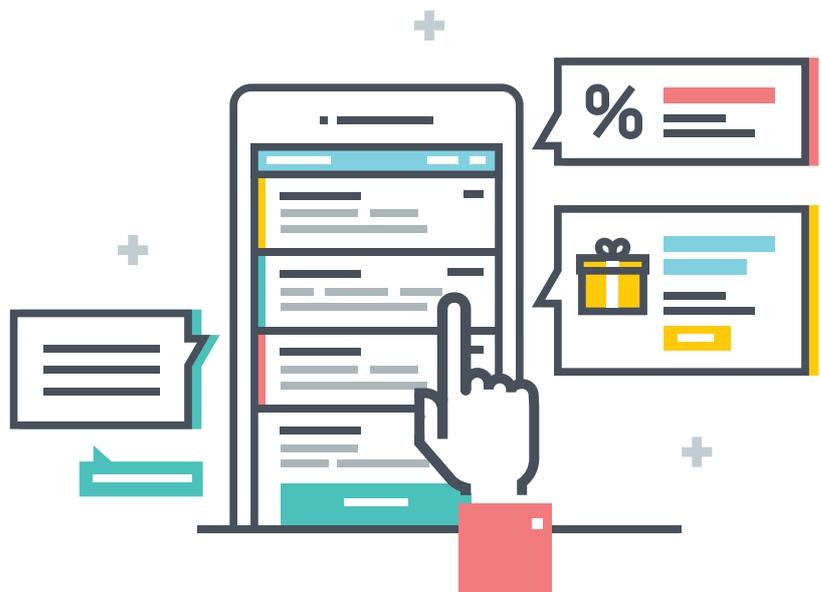
Strategy for INNOVATION

Worldline brings technological leadership, innovative acumen and unrivalled breadth of experience to bear on the full chain of digital transactions, across a broad spectrum of fields. The company's strength, across the board of the many services it delivers, is based on combinations of the three components of its R&D mastery.

> THE USER EXPERIENCE

Worldline's customers are increasingly user-centric in their focus, seeking to provide services that are ever more pertinent, efficient, user-friendly and innovative.

Worldline strives to ensure that the experience of a user interfacing with a digital world should be one of optimal simplicity, efficiency, naturalness and security.



A DIGITAL ASSISTANT IN DAILY LIFE

In October, Worldline won a Banking & Innovation award for its Digital Assistant, a mobile banking app that allows banks to give customers mobile assistance tailored to their profile. Digital Assistant detects Internet actions by linking a customer's profile to context (smartphone location, Internet browsing, etc.), so as to offer relevant help, at the right moment, on any mobile device. This may be an instant response to an application for funds or a partner offering based on the customer's project. Additional features include a crowd-funding engine.

Digital channels evolve

User Experience R&D must embrace both new technologies as they emerge and the new ways in which these technologies are used. The smartphone has become a critical channel for doing business and technologies such as wearables, new connected objects and digital signage can now be added to the mix. A current focus of technological advance concerns capturing information about users from their reactions to information displayed on digital signage and communicating pertinent information to them in real time.

Know your users

Worldline R&D has defined three main user types: the person wedded to his mobile phone, who feels lost without it, the savvy, multi-channel, occasional user and the person who, not interested in gadgets or clever online possibilities, just needs it to be easy. This profiling helps Worldline accommodate the needs and the digital transformation impacts of each type in its innovations and propose services relevant to the broadest spectrum of users.

> AUTHENTICATION, SECURITY & CONNECTIVITY

The Internet is an open system, requiring stringent securing to protect transactions and data from being intercepted or tampered.

Secured transactions are the very heart of Worldline's business and the company innovates to provide optimal security in a way that minimizes inconvenience for the user.



A matter of identity

No single authentication method is 100% effective, so reliability means combining more than one authentication factor. The "invisible" aspect of this is contextual authentication, whereby authenticating is done using data about the "context" of a transaction that can be picked up from a user's mobile device. Worldline is an innovation leader in the field.

Better connection on the move

Having a great Internet connection, wherever you are, is increasingly critical. Today, this need goes way beyond going online from a static computer to connecting while out and about or on the road. Already a pioneer in the field of connected vehicles, Worldline is in the vanguard of innovative developments in increasing the availability and quality of mobile network connectivity.

> PROCESSING, STORAGE & DATA ANALYTICS

Cloud computing and Big Data are central pivots of Worldline's business. The secured storage and processing of data and the analysis of that data concern every area in which the company operates and are becoming increasingly important, complex and challenging.

They are the subject of intense R&D focus and investment on the part of all major global players in the field. For Worldline, these technologies are key to the future services it will offer its customers.



Data gets hotter

The technological possibilities for analyzing data, drawing conclusion from it and putting it to use are much greater than in the past, when data banks accumulated "cold" data, which then sat there awaiting processing. Today, data often has to be treated "hot", in the sense that analysis, deductions made from it and decisions taken - all digitally - must take place in real time, as the data flows in. This feat requires unprecedented levels of processing and "intelligence". Worldline is at the forefront of the technological quest to process increasingly complex data flows and master the algorithms that make this possible.

WL CONNECTED PIGGY BANK

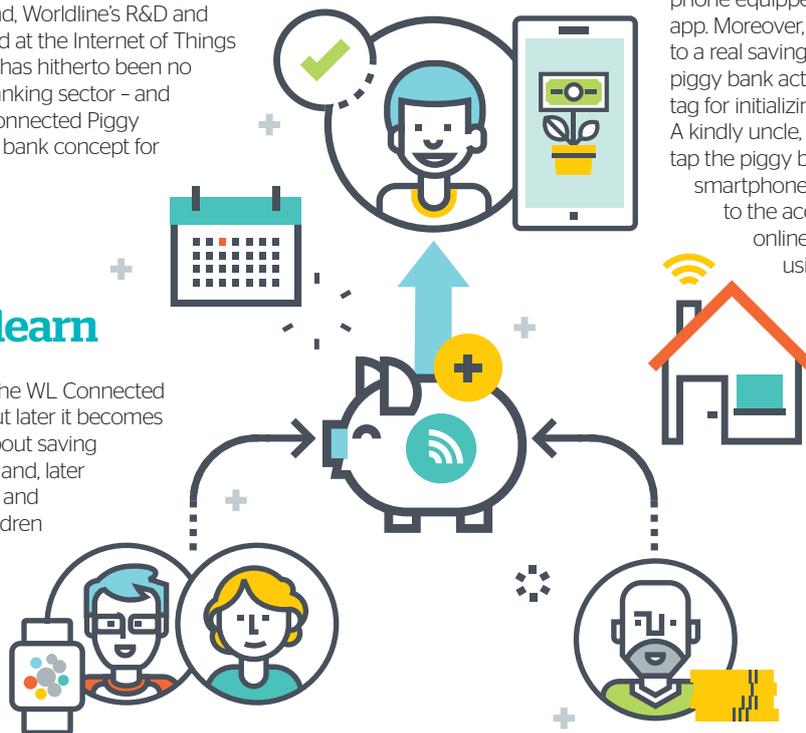
FUN FOR KIDS, GREAT FOR BANKS

Value-creating innovation can be fun

Many banks want to strengthen their marketing effort targeted at young families, by proposing new digital services. With this in mind, Worldline's R&D and operational teams looked at the Internet of Things - an area in which there has hitherto been no novel concept for the banking sector - and came up with the WL Connected Piggy Bank, an amazing piggy bank concept for children!

Kids get to learn

For a very young child, the WL Connected Piggy Bank is a game but later it becomes a fun tool for learning about saving and the value of money and, later still, about digital money and personal budgeting. Children can initiate savings projects, for instance, and relatives can contribute using their smartphone.



Oink, oink!

When the child puts in coins, the connected piggy bank lights up and communicates the amount saved, in real time, to a parent's mobile phone equipped with the dedicated app. Moreover, being connected online to a real savings account at a bank, the piggy bank acts as an NFC (contactless) tag for initializing electronic payments. A kindly uncle, for example, need only tap the piggy bank on the nose with his smartphone to be securely connected to the account and able to send an online monetary gift in seconds, using his card number or banking application. Again, the child can instantly see, on the parent's mobile device, the new balance of the account.

An adaptable concept

Banks get closer to customers

For a bank, having its branded piggy bank present in a household and in a child's early life has a powerful loyalty effect that can influence a child's choice of bank in later years.

Every good innovation should be applicable in more than one use case and the WL Connected Piggy Bank is a prime example. Already, Worldline has taken the piggy bank technology and developed an innovative box for making donations to charitable causes.

FACE DETECTION FOR A NEW GENERATION OF SERVICES

Digital signage evolves

Today, digital advertising panels are familiar in many contexts. Increasingly, these panels are becoming “connected”, making it possible to remotely pilot the content displayed and introduce interaction with users. Working with advanced face-detection technology, Worldline is taking this interaction to a new level, to allow great new services for customers and for Worldline’s clients.

A better user experience

For the advertiser, the data allows conclusions and decisions about the relevance of the digital proposition to the audience. Can it be improved? Can it be adjusted, in real time, to suit the profile of the observer and provide a more pertinent service? The technology allows some clever features. For example, content can automatically activate as a person passes by, to catch the attention. If the person approaches, to get more information, it can reduce in size for better viewing at close quarters and new information can be displayed. Sound may be added. There may be touchscreen interaction.

Observing the audience

To optimize the relevance of content, centralized piloting of digital content requires information about the user. In the case of digital signage, this is acquired by installing a camera in the digital wall, instantly analyzing the data captured and drawing conclusions, all in real time. Are people looking at the content and, if so, how many? How long are they looking? Who is looking and who is not? Are they male or female? How old are they? Did they look from a distance and have they approached to look more closely? With face-analysis technology, we can even see if observers are smiling and enjoying themselves!

A polyvalent technology

The potential of face-detection technologies being developed by Worldline goes beyond just marketing. The company is currently researching its use as a tool in biometric authentication and security.



BLOCKCHAIN AND BITCOIN



In IT technology, a "blockchain" is a way to jointly create, evolve and keep track of a repository of transactions. Often used to document ownership of value, a blockchain is a ledger, "distributed" or shared among many different parties across a peer to peer network. It can only be validated by consensus of the system's participants, which ensures its total accuracy. Private yet secured, traceable and scalable, blockchain technology has lower costs because of its simplification and unification features.

It is thanks to blockchain technology that the bitcoin cryptocurrency exists today. Bitcoin is a digital payment system with no central repository or single administrator. It is public, users transact without an intermediary or central authority and transactions, verified by a peer network, are recorded in a blockchain. Worldline has developed a bitcoin acceptance PoC (Proof of Concept) in its e-commerce and POS solutions - allowing users to benefit from fast transaction times, zero repudiation, low fees and instant bitcoin-to-Euro conversion by partner marketplaces.

Blockchain technology is also useful in providing assets (financial such as bonds or non-financial such as digital identity) and contract management. Worldline, in collaboration with startups, academic labs and Atos units, has developed several PoCs, including Smart corporate bonds, Bank card hot list for POS, car maintenance book based on different approaches (colored coin, multi-signature on Bitcoin Blockchain, Ethereum smart contracts, private blockchains, etc.) Worldline has participated in collaborative R&D projects on digital ID management based on blockchain and given presentations at conferences and events.

Contextual authentication Towards perfect online security

Defeating fraud

Today, more and more confidential information is exchanged online, notably in financial transactions - which are increasingly carried out on mobile devices. Hacking is as rife as ever, so Worldline puts emphasis on research into "contextual" authentication, where recognizing a person attempting a mobile transaction takes into account authentication factors present in the phone being used.

Your phone is a beacon

Lots of information can be remotely picked up from a personal device, such as the motherboard serial number, the battery serial number, the language normally used, the typefaces used, the commonly used Wi-Fi hotspots, the browser's bookmarks list, the list of contacts, the geolocation, etc. This data also contains a mobile user's physiological and behavioral biometric information, which can be used for user authentication.

CAR-FI: ONE JUMP AHEAD IN CONNECTED-CAR INNOVATION



The connectivity conundrum

Connected vehicles currently use 2G, 3G or 4G GSM mobile cellular networks. Amazing though it is to navigate and enjoy useful services while on the move, GSM connectivity can be unreliable. This is partly due to location and partly to connection competition from nearby users. It can also be expensive and the modest bandwidth limits what can be received or downloaded, in some areas.

A neat solution

Worldline constantly seeks to develop new features and to improve the quality and cost of the experience. In 2015, collaboration with researchers from Université Pierre et Marie Curie in Paris (France) led to the innovative idea of complementing GSM by also connecting to existing Wi-Fi infrastructures and hotspots, in cities and urban environments.

Great advantages

Nicknamed "Car-Fi", the solution will not just provide more consistent connectivity. Wi-Fi bandwidth is virtually 5G, which means passengers on the back seat can watch TV while you drive! Indeed, this advantage could enable the provision of completely new services. Wi-Fi could also be a less expensive solution for the driver.

Technical issues resolved

Existing technologies for seeking GSM connectivity and passing from one GSM cell to another are happily applicable to Wi-Fi, given certain optimizations. Worldline and its academic partners have reduced mobile Wi-Fi connection time from over 10 seconds to less than 1 second, by minimizing delays in the network stack. They have also implemented a cutting-edge transport protocol that allows seamless transition from one network to another, GSM or Wi-Fi, while on the move.

Other intriguing possibilities

The concept, which has led to the filing of patents by Worldline and the University, is potentially applicable to other connected objects. Worldline has already been asked to look at its application for real-time transmission of imagery from drones!

How authentic is the transaction?

Putting great emphasis on personal privacy, Worldline treats this data to preserve its confidentiality before sending it to a server in the form of a risk "score". This score determines how many authenticating actions will be requested before the transaction can be authorized. If the score is low - i.e. the information shows no significant departure from the normal behavior of the device owner - and the amount involved is modest, authentication requirements will be minimal. High authentication security may kick in if there is an anomaly.

Authentication gets subtler

Worldline's contextual authentication research includes the sensing of a person's typical body movements from their connected watch. The R&D team is also focusing on biometric authentication combining voice recognition and lip movement. Further investigation includes user authentication through typing biometrics features - how long does the phone owner take to type a single character or/and a full word? What is the time lag between the typing of two successive characters? How much pressure is put on the keys? Worldline never ceases to explore new innovative directions.

PRESCRIPTIVE DATA ANALYTICS THE MACHINE KNOWS BEST!

In data processing, Worldline invests heavily to stay ahead of the curve in Prescriptive Data Analytics - the current main focus of research - in which the cognitive system's calculating powers allow it to propose a course of action.

A history lesson

Once upon a time, Descriptive Data Analytics, which allows you to gain insight from historical data, was the cutting edge. The next advance was Predictive Data Analytics, where the machine predicts what will happen, thus helping humans make more informed decisions. Then came Prescriptive Data Analytics, where the machine anticipates what will happen and why, suggests its own decision options for taking advantage of a future opportunity or mitigating a future risk and shows the implication of each option.

Man's new best friend?

A driver in his connected car, on a long trip to an appointment, is unaware that at his current speed, he will run out of gas before reaching his destination and that there is no gas station on the freeway. Using Prescriptive Data Analytics, his connected onboard computer could detect the situation, predict the outcome, point it out to him, tell him where he can exit the freeway to find the nearest gas station or advise him if driving slower to consume less gas will get him to his appointment!

Amazing powers

Made possible by advances in computing speed and the development of complex mathematical algorithms, Prescriptive Data Analytics calculates from a huge quantity and variety of contextual data. Its decision options are thus based on much more information than a human being can take into account or be aware of. It can continually process new data to re-predict and re-prescribe, becoming even more accurate and pertinent in its conclusions. Worldline employs it in areas as varied as marketing, fraud detection or healthcare.



DATA TRACEABILITY

A PRACTICAL AND HUMAN PRIORITY



When data gets bigger

The capacity to acquire, store, analyze and exploit Big Data is at the very heart of the services Worldline provides. Today, the data Worldline analyzes is cross-referenced from multiple sources, to extend the scope and veracity of the conclusions drawn, and is commensurately massive in quantity. As the task of data sourcing gets heavier and as artificial intelligence technologies advance, data processing becomes increasingly automated, making the sources of that data less visible. The task of tracing data back to its source - and it is essential to be able to do this - then becomes an issue of great technological complexity.

The integrity of data sources

Data sources must be accurate for the calculations derived from them to be right. Imagine that, in a Worldline fraud detection service, one data set shows that a sales rep has declared 500 miles of car expenses in a certain period while another shows that his connected car was detected in a city 1,500 miles away. Did the driver miss a figure when inputting his mileage or is the program faulty? Was he really in the distant city or is that data wrong? If data is found to be wrong in one instance, the database may be corrupted and generating generalized errors. You must go back to the source to check.

A matter of privacy

Data concerning an individual is very often captured in context, via various user interfaces, without the knowledge of the person concerned. All this personal information becomes integrated into today's new analytic software programs, to then be processed by automated artificial intelligence. How will it be used? Who will benefit from it? How can we protect the person who does not wish data on his or her private life to be universally visible or used indiscriminately by unseen forces? The question is at the center of many debates. Worldline's R&D prioritizes maximizing the traceability of the data it uses, to both get the best from that data and to prevent it from being misused.

SHAREHOLDERS' INFORMATION

INFORMATION ON STOCK

Number of shares	132,089,717
Sector classification	Information Technology
Main index	CAC AllShares
Other indices	SBF 120, CAC Industrials, CAC Sup. Services
Market	Euronext Paris Segment A
Trading place	Euronext Paris (France)
Tickers	WLN (Euronext)
Code ISIN	FR0011981968
Payability PEA/SRD	Yes/Yes

Financial calendar

May 26, 2016: Annual General Meeting

July 26, 2016: First half 2016 results

MAIN TICKERS ARE

Source	Tickers	Source	Tickers
Euronext	WLN FP	Reuters	WLN.PA
AFP	WLN	Thomson	WLN.FR
Bloomberg	WLN:FP		

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FREE FLOAT

The free-float of the Group shares excludes stakes held by the reference shareholder, namely Atos SE holding 70.34% 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, 2015	Number of shares	% of share capital	% of voting rights
Atos SE	92,802,579	70.34%	70.34%
Board of Directors	23,006	0.02%	0.02%
Employees	159,758	0.12%	0.12%
Public	38,941,245	29.52%	29.52%
Worldline SA: total shares issued	131,926,588	100.00%	100.00%

The Group's shares which are owned by employees are mainly managed by Group mutual funds. As at December 31, 2015, the shareholding of current and former Worldline Group employees into Worldline SA (within mutual funds and group savings plan) represented an overall 0.12% of the share capital.

Dividend policy

Subject to approval by the annual general shareholders meeting, the Group has the target to distribute annual dividends representing approximately 25% of its consolidated net income, to the extent compatible with the implementation of the Group's external growth strategy. There is no guarantee of dividends, however. Future dividends will depend on general business conditions and any other factor deemed relevant by the Company's Board of Directors.

During its meeting held on February 22, 2016 and considering the strategic priority given in 2016 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 2015 results.

Worldline's share performance in comparison with indices

Worldline's share price finished the year at €23.87, or +49.2% over one year.

Worldline's market capitalization reached €3,149 million at the end of 2015.

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About Worldline

Worldline [Euronext: WLN] is the European leader 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. Key actor for B2B2C industries, with over 40 years of experience, Worldline supports and contributes to the success of all businesses and administrative services in a perpetually evolving market. Worldline offers a unique and flexible business model built around a global and growing portfolio, thus enabling end-to-end support. Worldline's activities are organized around three axes: Merchant Services & Terminals, Mobility & e-Transactional Services, Financial Processing & Software Licensing. Worldline employs more than 7,300 people worldwide and generated 1.22 billion euros revenues in 2015.

Worldline is an Atos company.

worldline.com

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e-payment services