2016
Registration Document

an atos company

worldline
e-payment services

worldline
e-payment services

2016

Registration Document

This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail. The original document has been filed with the *Autorité des Marchés Financiers* (AMF) on April 28, 2017 with the registration number R.17 - 032 in accordance with article 212-13 of the AMF's General Regulations. This document can be used for a specific financial operation, if completed by a prospectus approved by the AMF. This document has been issued by the Company and commits its signatories.

This registration was granted after the AMF had verified that the document is complete and comprehensible and that the information it contains is coherent, in accordance with the provisions of article L. 621-8-1-I of the French Monetary and Financial Code. It does not imply that the AMF has verified the accounting and financial information presented herein.

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 Registration Document dated April 28, 2017 (the "Registration Document"). The Registration Document, in its original French version, is publicly available on the website of the AMF **(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)**. 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.

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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.

Information incorporated by reference

In accordance with the requirements of article 28 of EC regulation n°809-2004 dated April 29, 2004 relating to documents issued by issuers listed on markets of states members of the European Union ("Prospectus Directive"), the following elements are enclosed by reference:

- The consolidated accounts for the year ended December 31, 2015 under IFRS as adopted by the European Union;
- The related statutory auditors' report; and
- The related Group management report;

Presented within the Registration Document (*Document de référence*) n°R.16-031 filed with the *Autorité des Marchés Financiers* (AMF) on April 28, 2016.

- The consolidated accounts for the year ended December 31, 2014 under IFRS as adopted by the European Union;
- The related statutory auditors' report; and
- The related Group management report;

Presented within the Registration Document ("Document de référence") n°R.15-021 filed with the *Autorité des Marchés Financiers* (AMF) on April 27, 2015.

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 on the Market and Competitive Environment

This Registration Document contains, in particular in Chapter 6, "Business", 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 4, "Risk Factors". 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 Annex I.

Global Reporting Initiative ("GRI")

As part of the certification process by the Global Reporting Initiative ("GRI") of the Company's Corporate and Social Responsibility ("CSR") policy, references to the GRI codification have been inserted at the relevant sections of this Registration Document using the format [GRI-x]. 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 Report.

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Persons responsible for the Registration Document

1.1 Name and position of the person responsible for the Registration Document [GRI 102-53]

Mr. Gilles Grapinet, Chief Executive Officer of the Company.

1.2 Certification of the person responsible for the Registration Document

I hereby certify, having taken all reasonable steps to this end, that the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and there is no material omission which would lead to misrepresentation.

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

I have obtained from the statutory auditors a letter of completion of their work (*Lettre de fin de travaux*) in which they state that they have verified the information relating to the financial situation and accounts presented in this Registration Document, and have read the Registration Document in its entirety.

Gilles Grapinet
Chief Executive Officer

Bezons, April 27, 2017

1.3 Names and positions of the persons responsible for financial information

Eric Heurtaux
Chief Financial Officer of the Group
Worldline, 80 quai Voltaire, Immeuble River Ouest, 95870 Bezons
Tel.: 33 1 34 34 98 43

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Persons responsible for auditing the financial statements

2.1 Statutory auditors

Statutory auditors	Substitute Auditors
Deloitte & Associés	
Represented by Jean-Pierre Agazzi	Cabinet BEAS
• Appointed on: May 26, 2016 for a term of 6 years	• Appointed on: May 26, 2016 for a term of 6 years
• Term of office expires: at the end of the Annual General Meeting held to adopt the 2021 financial statements	• Term of office expires: at the end of the AGM held to adopt the 2021 financial statements
Grant Thornton	
Represented by Victor Amselem	Cabinet IGEC
• Appointed on: April 30, 2014 for a term of 6 years	• 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	• 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 Paris* (the Regional Association of Auditors of Paris).

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 Paris (the Regional Association of Auditors of Paris).

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Selected financial information and other data

The tables below present selected financial information of the Group, with respect to the income statement, by global business line, and other data, as of and for the periods ended on the dates indicated below.

Unless otherwise indicated, the selected financial information as of and for the years ended December 31, 2015 and 2016 has been derived from the Group's consolidated financial statements included in Section 20.1, "Group Consolidated Financial Statements". These financial statements have been prepared in accordance with the applicable IFRS standards, as endorsed by the European Union. The statutory auditors' report on these consolidated financial statements is included in Section 20.1, "Group Consolidated Financial Statements".

The information in this section should be read together with (i) the Group's consolidated financial statements contained in Section 20.1, "Group Consolidated Financial Statements", (ii) the Group's analysis of its results presented in Chapter 9, "Operations and Financial Review", and (iii) the Group's analysis of its liquidity and capital resources presented in Chapter 10, "Liquidity and Capital Resources".

Selected Consolidated Income Statement Information

(in € million)	12 months ended December 31, 2016	12 months ended December 31, 2015*	12 months ended December 31, 2014*
Revenue	**1,309.2**	**1,227.0**	**1,149.3**
Personnel expenses	-536.3	-501.1	-473.4
Operating expenses	-576.3	-548.0	-504.3
Operating margin	**196.6**	**177.9**	**171.6**
% of revenue	15.0%	14.5%	14.9%
Other operating income and expenses	13.3	-29.8	-21.0
Operating income	**210.0**	**148.1**	**150.6**
% of revenue	16.0%	12.1%	13.1%
Financial expenses	-13.6	-9.5	-14.4
Financial income	7.7	3.6	7.0
Net financial expenses	-5.9	-5.9	-7.4
Net income before tax	**204.0**	**142.2**	**143.2**
Tax charge	-53.7	-38.8	-41.0
Share of net profit/(loss) of associates	-	-	-1.8
Net income	**150.4**	**103.4**	**100.4**
Of which:			
• attributable to owners of the parent	144.2	103.4	100.4
• non-controlling interests	6.2	-	-

* *2014 and 2015 adjusted to reflect change in presentation disclosed in Note "Accounting rules and policies".*

Selected Consolidated Balance Sheet Information

(in € million)	12 months ended December 31, 2016	12 months ended December 31, 2015	12 months ended December 31, 2014
Total non-current assets	1,255.4	671.4	618.5
Total current assets	856.1	677.3	542.8
Of which Cash and cash equivalents	*425.2*	*353.3*	*215.6*
Total assets	**2,111.5**	**1,348.7**	**1,161.3**
Total shareholders' equity	1,292.0	788.7	629.1
Total non-current liabilities	189.5	93.3	101.4
Of which Borrowings	*2.2*	*1.5*	*1.9*
Total current liabilities	630.1	466.7	430.8
Of which Current portion of borrowings	*24.1*	*28.5*	*10.6*
Total liabilities and shareholders' equity	**2,111.5**	**1,348.7**	**1,161.3**

Selected Consolidated Income Statement Information by Global Business Line

(in € million)	Revenue			OMDA		
	12 months ended December 31, 2016	12 months ended December 31, 2015	12 months ended December 31, 2014	**12 months ended December 31, 2016**	12 months ended December 31, 2015	12 months ended December 31, 2014
Merchant Services & Terminals	439.6	401.9	373.8	99.3	77.8	80.8
Financial Services	500.0	413.8	396.1	130.6	107.7	99.6
Mobility & e-Transactional Services	369.6	411.3	379.4	51.5	68.3	51.9
Corporate Costs				-22.6	-18.5	-17.2
Worldline	**1,309.2**	**1,227.0**	**1,149.3**	**258.7**	**235.3**	**215.1**

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Selected Consolidated Cash Flow Statement Information

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015	12 months ended December 31, 2014
Net cash from/(used in) operating activities	227.4	198.7	186.6
Net cash from/(used in) investing activities	-154.6	-68.8	-70.1
Net cash from/(used in) financing activities	7.2	-4.6	89.6
Increase/(decrease) in net cash and cash equivalents	**80.0**	**125.3**	**206.1**

Other 2016 key figures

(in € million)	2016 key figures		
	FY 2016	FY 2015	% Growth
Revenue*	1,309.2	1,265.2	+3.5%
Operating Margin before Depreciation and Amortization*	258.7	238.7	+8.4%
% of revenue	*19.8%*	*18.9%*	*+90bp*
Net income Group share	144.2	103.4	+39.5%
% of revenue	*11.0%*	*8.2%*	
Adjusted net income Group share**	129.2	119.9	+7.8%
% of revenue	*9.9%*	*9,5%*	
Free cash flow	140.4	128.5	+9.3%
Closing net cash	398.9	323.3	

* *At constant scope and 2016 exchange rates.*

** *Adjusted on restructuring, rationalization, integration and acquisition charges, disposals, PPA amortization, net of tax; and reflecting in 2015 the reclassification of equity-based compensation (IFRS2) expenses in other operating expense.*

Other 2015 key figures

(in € million)	FY 2015	FY 2014	% Growth
	2015 key figures		
Revenue*	**1,227.0**	**1,175.5**	**+4.4%**
Operating Margin before Depreciation and Amortization*	**235.3**	**21.5**	**+7.2%**
% of revenue	*19.2%*	*18.7%*	*+50bp*
Net income Group share	**103,4**	**100,4**	**+3.0%**
% of revenue	*8.4%*	*8.5%*	
Adjusted net income Group share**	**117.9**	**113.8**	**+3.6%**
% of revenue	*9.6%*	*9.7%*	
Free cash flow	**128.5**	**114.4**	**+12.3%**
Closing net cash	**323.3**	**203.1**	

* *At constant scope and 2015 exchange rates.*

** *Adjusted on restructuring, rationalization, integration and acquisition charges, disposals, carve-out and PPA amortization, net of tax.*

Other 2014 key figures

(in € million)	FY 2014	FY 2014	% Growth
	2014 key figures		
Revenue*	**1,149.3**	**1,118.2**	**+2.8%**
Operating Margin before Depreciation and Amortization*	**215.1**	**203.1**	**+5.9%**
% of revenue	*18.7%*	*18.2%*	*+50pb*
Adjusted net income Group share**	**113.8**	**110.3**	**+3.2%**
% of revenue	*9.9%*	*9.9%*	
Free cash flow	**114.4**	**121.0**	**-5.5%**
Closing net cash / (debt)	**203.1**	**-99.6**	

* *Proforma at constant scope and 2014 exchange rates.*

** *Adjusted on restructuring, rationalization and integration charges, disposals, carve-out costs and PPA amortization, net of tax.*

Other Financial Data

In addition to IFRS measures, the Group uses several additional financial measures, including (i) operating margin before depreciation and amortization (OMDA), (ii) free cash flow and (iii) EBITDA. These measures are non-IFRS measures and do not have standard definitions. As a result, the definitions used by the Group may not correspond to the definitions given to the same terms by other companies. These measures should not be used in lieu of IFRS measures. See Section 9.12, "Non-IFRS Financial Measures" for tables that provide reconciliations of these financial measures to their corresponding IFRS measures. The table below sets forth these non-IFRS financial measures for the periods indicated.

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015	12 months ended December 31, 2014
Operating margin before depreciation and amortization (OMDA)	258.7	235.3	215.1
Free cash flow	140.4	128.5	114.4
EBITDA	232.8	219.4	201.2

Risk Factors
[GRI 102-15] and [GRI 102-11]

Investors should carefully consider all of the information set forth in this Registration Document, including the risk factors set forth in this chapter. Such risks are, as of the date of this 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 and prospects. Investors should note that there may be other risks that have not yet been identified as of the date of this 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, financial condition and prospects.

4.1 Risks related to the Group's business and industry

If the Group fails to keep pace with changes in its industry or fails to continue to provide attractive and innovative services, the use of the Group's services could decline, reducing its revenue.

The global payment and digital services industry 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 these changes, which requires significant investment in, and time spent on, research and development. The Group is also optimizing its technological infrastructure, including its payment processing and other IT platforms to best position it to profit from market growth and new services. If the Group fails to keep pace with these changes or fails to continue to develop and introduce attractive and innovative services, the use of its services could decline. Any delay in offering new 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 and 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.

Moreover, a number of the services the Group expects to be a source of future growth are new and address markets that are not yet fully developed. No assurance can be given that these markets will develop as expected, that the Group's new products or services will secure wide client or consumer acceptance or be consistent with developing industry-wide standards, that the Group will succeed in gaining significant market share in these new markets, or that the Group will fully recover the investments it has made to develop such products and services. For example, although mobile commerce applications are an important element of the Group's strategy, no assurance can be given that making purchases using mobile phones and other mobile devices will develop as quickly or as successfully as research and consulting firms expect. Similarly, many of the markets for Connected Living products such as connected vehicles are still in their early stages, and these markets may not develop as quickly or to as great an extent as expected, due, in particular, to the fact that the business models that the Group's clients have developed to market such connected solutions to their own customers are in their early stages. Additionally, 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 cannot be certain that businesses will continue to pursue their "digital reinvention" or adopt new technologies as swiftly or in the same manner as they have in recent years or that the Group will be able to launch new and successful products to address their needs in a timely manner.

Security breaches could disrupt the Group's business and damage its reputation.

As part of its business, 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, cardholder 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 servers and other information systems is critical to the successful operation of its business. Accordingly, the Group has security, backup and recovery systems in place. The costs of systems and procedures associated with such protective measures could increase and therefore reduce the Group's profitability. Notwithstanding these safeguards, unauthorized access to the Group's computer systems or databases could result in the theft or publication of confidential information, the deletion or modification of records or could otherwise cause interruptions in the Group's operations. These risks are increased when the Group transmits information over the Internet. 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 attacks on its systems that could compromise the security of its data or could cause interruptions in the operations of its businesses and subject the Group to increased costs, litigation and other liabilities. Any such litigation could be protracted and result in the payment of damages and costly upgrades to the Group's safeguards. There is also a possibility of mishandling or misuse, for example, if such information were erroneously provided to parties who are not permitted to have the information, either by fault of the Group's systems, employees or subcontractors acting contrary to the Group's policies, or where such information is intercepted or otherwise improperly obtained by third parties. An information breach in the system and loss of confidential information such as credit card 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 and financial condition. Additionally, the introduction of, or changes to, existing "cyber" security rules and regulations may impose new or stricter security standards that require changes that would be costly for the Group to implement. The Group's financial exposure from the items referenced above may either not be insured against or not fully covered through any insurance maintained by the Group.

Data privacy concerns or failure to comply with privacy regulations and industry security requirements relating to personal consumer data could have a material adverse effect on the Group's business and reputation.

The Group's systems collect, process and store vast quantities of personal consumer data. Many of the value added services the Group offers its clients are designed to analyze some of that data to allow merchants, financial institutions and other clients to deliver targeted advertising and better understand consumer needs and behavior in order to develop more effective products and services that address their preferences. User and regulatory attitudes towards privacy are evolving, and future regulatory or user concerns about the extent to which personal information is shared with advertisers or others could adversely affect the feasibility or marketability of such value added services.

Moreover, as a global provider of services to financial institutions, card processing services and other digital and e-Transactional services, the Group is subject directly (or indirectly through its clients) to laws, regulations, industry standards and limitations applicable to the collection, storage, processing and transfer of personal data in various jurisdictions in which the Group operates, and in particular to the European Regulation GDPR *(General Data Protection Regulation)*. The Group's failure to keep apprised of and comply with privacy, data use and security laws, standards and regulations could result in the suspension or revocation of licenses or registrations, the limitation, suspension or termination of services and the imposition of administrative, civil or criminal penalties including fines, or may cause existing or potential customers to be reluctant to do business with the Group, damage to the Group's global reputation and its brand, any of which could have an adverse effect on the Group's business, results of operations and financial condition. In addition, to the extent more restrictive laws, rules or industry security requirements relating to personal data are adopted in the future in the various jurisdictions in which the Group operates or by specific industry bodies, such changes could have an adverse impact on the Group by increasing its costs or imposing restrictions on its business processes. The Group may be required to expend significant capital and other resources to comply with mandatory privacy and security standards required by international standards and law and industry standards, or to adapt its contracts accordingly. The Group's financial exposure from any actual or alleged breach of such regulations or standards may either not be insured against or not fully covered through any insurance maintained by the Group.

Breakdowns of the Group's processing systems or software defects could damage customer relations and subject it to liability.

The Group depends heavily on the efficient and uninterrupted operation of numerous systems, including its computer systems, software, servers and data centers. The services the Group delivers are designed to 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 performance issues 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. 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. A technical defect, errors in the application or interpretation of contractual rules within systems, or even undetected fraud, could result in cash flow accounting errors which could adversely affect the Group's financial condition, given the Group's role as systems operator, should the Group be unable to take corrective measures to redistribute such cash flows. To successfully operate its business, the Group must therefore be able to protect its systems from interruption, including from events that may be beyond its control. Events that could cause system interruptions include, but are not limited to, fire, natural disasters, telecommunications failure, computer viruses, unauthorized entry, terrorist acts and war.

Additionally, the Group's employees, on whom it is also dependent, could cause significant operational breakdowns or failures, either as a result of human error or as a result of deliberate sabotage or fraudulent manipulation of its operations or systems. Third parties with whom the Group does business could also be sources of operational risk to it, including as a result of breakdowns or failures of such parties' own systems, products or employees. Similarly, software and software updates may contain undetected errors that degrade their performance. The Group's property and business interruption insurance may not be adequate to compensate it for all losses or failures that may occur. Breakdowns in the Group's systems or those of third parties, defects in our systems, errors or delays in the processing of payment transactions or other difficulties could result in:

- loss of revenue;
- loss of clients and/or contracts;
- loss of sensitive merchant, consumer and other data;
- fines imposed by payment network associations;
- contractual penalties or trade concessions;
- damage to the hardware or software of our clients;
- harm to the Group's business or reputation resulting from negative publicity;
- exposure to fraud losses or other liabilities;
- additional operating and development costs (notably in connection with the imposition of additional security measures and remediation efforts);
- legal proceedings being brought against the Group; and/or
- diversion of technical and other resources.

Any one or more of the foregoing could have an adverse effect on the Group's business, financial condition and results of operations. Although the Group attempts to limit its potential liability through controls, including system redundancies, security controls, application development and testing controls, etc., it cannot be certain that these measures will always be successful in preventing disruption or limiting the Group's liability. Similarly, service outages could prevent the Group's merchant clients from being able to process card payments for the duration of the outage. Any of these developments could materially and adversely affect the Group's reputation for reliability or its reputation generally, and hence its business, results of operations and financial condition.

The Group is subject to economic and political risk, business cycles and credit risk of its clients and the risk of an overall decline of consumer, business and government spending and is dependent on the success of its clients, which could negatively impact the Group's business, financial condition and results of operations.

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. A reduction in the amount of consumer spending could result in a decrease in the Group's revenue and profits. If cardholders of the Group's financial institution clients make fewer transactions with their cards, the Group's merchants make fewer sales of their products and services using electronic payments, consumers using Online Banking e-Payment (OBeP) and other non-card payment methods make fewer payments or people spend less money per transaction, the Group will have fewer transactions to process and smaller average payment sizes, resulting in a potentially significant decrease in revenue. Additionally, the Group's clients and their customers, with less disposable income, might be less likely to opt for the Group's digital services offerings and other value-added solutions, which comprise an increasingly significant portion the Group's services offerings and component of its growth strategy. Moreover, during economic downturns, our existing and prospective clients may be more reluctant to renew their IT hardware and software, which may adversely impact sales of the Group's product and services upgrades. Furthermore, where the Group provides, and/or develops jointly with, its clients, such as car manufacturers, services and platforms that are then on-sold by its clients to consumers, the Group is dependent on the ability of its clients to effectively market and sell these products to their customers, the success of which the Group cannot control.

Furthermore, a renewed economic downturn and the possible imposition of governmental austerity measures or changes in government policies 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 2016, the Group derived approximately 11% of its total revenue and approximately 39% of Mobility & e-Transactional Services' total revenue from government entities. In particular, in 2016, a significant portion (approximately 26%) of the Group's revenue generated in France was attributable to contracts with government entities.

More generally, a weakening of the economies in the geographic areas in which the Group operates could increase the Group's sensitivity to price pressure vis-à-vis its competitors and to potential credit losses, including as a result of default of major financial institutions. Additionally, credit card issuers might reduce credit limits and be more selective with regard to whom they issue credit cards to, resulting in fewer and smaller transactions and therefore lower revenue and earnings for the Group. 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 and 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.

Risks related to the management of projects to develop new solutions.

The Group enters into fixed-fee contracts in relation to the development of new systems. This business entails 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 and results of operation.

If the Group is unable to effectively respond to competition, demand for its services may be adversely affected and decrease significantly.

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, and range from payment processing providers and acquiring banks, to e-Commerce software providers, payment terminal suppliers, telecommunications and information technology companies and start-ups. Some of the Group's competitors may have greater ability than the Group does to devote financial and operational resources to the development and marketing of new technologies and services, may offer a wider range of services than the Group offers, may use more effective advertising and marketing strategies to achieve broader brand recognition or merchant acceptance than the Group has or may develop better security solutions or more competitive pricing arrangements. Moreover, competitors may also introduce more innovative programs and services than the Group's. 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 Ingenico and Verifone, in particular, who maintain a dominant position within the merchant terminals market. Verifone's acquisition, in 2011, of Point, a distributor of the Group's merchant terminals, could affect the Group's ability to retain or enhance its current position within this 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. If the Group is unable to effectively respond 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 and prospects. In particular, the Group faces potentially increased competition in Belgium due to the opening of the Bancontact/Mister Cash payment scheme to other commercial acquirers. Additionally, to the extent that the Group's competitors or new industry players more effectively capitalize on potential consolidation trends within the currently fragmented payment services industry, particularly in Europe, the competitive landscape, including the nature and scale of the Group's competitors, may change significantly, possibly reducing certain competitive advantages from which it currently benefits. Furthermore, with respect to the businesses in which it currently operates without the need for a financial institution license, the Group may find itself at a disadvantage *vis-à-vis* its competitors that are fully licensed financial institutions and able to offer clients additional services, such as financing, that the Group is unable to offer.

The electronic payment industry is facing new competition emerging from non-traditional competitors, such as PayPal, Samsung, and Google, 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, are highly regarded by consumers and, as new entrants to the payments services industry, are not yet subject to the same level of legal or regulatory scrutiny in terms of pricing and business practices as are the industry's more traditional players such as the Group. 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 these non-traditional competitors gain a greater share of the electronic payment market, and the Group's services are not used to process the related transactions or cannot be offered at rates comparable to those in the Group's traditional card processing business, it could also have a material adverse effect on the Group's business, financial condition, results of operation and prospects.

Also, major industry players have launched mobile payment services. Notably, Apple launched its Apple Pay service in the United States in 2014 and subsequently in several European countries, based on NFC technology. This technology allows payment using Apple's iPhone's devices. In addition, Samsung (Samsung Pay) and Google (Google Wallet) propose mobile payment services. There is a risk that these services disrupts the economics of other participants in the payment value chain.

The Group may encounter difficulties expanding its existing services 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 risk that the regulatory frameworks or consumer preferences in the new markets entered may make the Group's products less attractive. 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 and prospects.

Consolidation in the banking and financial services industry could adversely affect the Group's revenue by reducing the number of its existing or potential clients and making it more dependent on a more limited number of clients.

In recent years, there have been a number of mergers and consolidations in the banking and financial services industry. 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. Namely, the Group faces the risk that its clients may merge with entities that are not the Group's clients, the Group's clients may sell business operations to entities that are not the Group's clients or the Group's financial institution clients may otherwise cease to exist or migrate to other platforms operated by the Group's competitors or managed internally, thereby adversely impacting the Group's existing agreements and projected revenue with these clients. Revenue of the Financial Services (previously "Financial Processing & Software Licensing") global business line, whose customer base comprises principally banks and other financial institutions, could be particularly affected. Further, if the Group's clients fail or merge with or are acquired by other entities that are not the Group's clients, or that use fewer of the Group's services, they may discontinue or reduce their use of the Group's services. It is also possible that the larger banks or financial institutions resulting from mergers or consolidations would have greater leverage in negotiating terms with the Group or could decide to perform in-house some or all of the services which the Group currently provides or could provide. Any of these developments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group incurs liability when its merchant clients in its Commercial Acquiring business refuse or cannot reimburse chargebacks resolved in favor of their customers, and when the Group's merchant clients or others engage in fraudulent activities.

In the event that a dispute between a cardholder and a merchant 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. The Group may experience significant losses from chargebacks in the future. Any increase in chargebacks not paid by the Group's merchants could have a material adverse effect on the Group's business, financial condition and results of operations, particularly with respect to its e-Commerce services. Similarly, in the context of the Group's check processing services, the Group pays indemnities to customers when checks approved by the Group are not paid.

Additionally, the Group has potential liability for fraudulent electronic payment transactions or credits initiated by merchants or others. Examples of merchant fraud include when a merchant or other party knowingly uses a stolen or counterfeit credit or debit card, card number, or other credentials to record a false sales or credit transaction, uses an invalid card, or intentionally fails to deliver the merchandise or services sold. Criminals are using increasingly sophisticated methods to engage in illegal activities such as counterfeiting and fraud. Failure to effectively manage risk and prevent fraud could increase the Group's chargeback liability, damage the Group's reputation and jeopardize its relationships with its bank clients and card management organizations, or cause the Group to incur other liabilities. Moreover, it is possible that incidents of fraud could increase in the future.

Although 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, it may experience significant losses from chargebacks in the future. 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 and prospects. Defaults by the Group's merchants on their reimbursement obligations could have a material adverse effect on the Group's business, results of operations and financial condition. No assurances can be given that insurance coverage to protect against certain such losses will be effective and adequate.

A decline in the use of credit or debit cards as a payment mechanism for consumers or adverse developments with respect to the payment processing industry in general could have a materially adverse effect on the Group's business, financial condition and results of operations.

If consumers do not continue to use credit or debit as a payment mechanism for their transactions or if there is a change in the mix of payments between cash, credit and debit cards and other payment forms which is adverse to the Group, it could have a material adverse effect on the Group's business, financial condition and results of operations. A substantial part of the Group's business is linked to credit and debit card payments. A smaller, but growing, portion of the Group's business is linked to cashless payments by means other than cards using other digital and data processing areas. To the extent that the overall card-based payment market decreases and such decrease outstrips or occurs faster than the increase in the market for payments effected through digital and data processing services, the Group's revenue could be significantly affected. Also, if margins are lower in these new areas, then the Group's profitability could decrease, at least temporarily until they reach higher maturity levels and the initial development expenses are absorbed. Moreover, if there is an adverse development in the payments industry in general, such as new legislation or regulation that makes it more difficult for the Group's clients to do business, the Group's business, financial condition, results of operations and prospects may be adversely affected.

Failure to renew agreements with customers on acceptable terms could harm the Group's business, particularly in segments of its business where customer concentration is high.

Failure to renew client contracts could negatively impact the Group's business. 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. 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 and financial condition may be adversely affected.

Although the Group's overall revenue is spread among a relatively large number of customers and no single customer represented more than c.5% of the Group's total revenue in 2016, 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 (formerly "Financial Processing & Software Licensing"), the Group's five largest customers, accounted for 30% of total revenue for that global business line in 2016, while in Mobility & e-Transactional Services, the Group's five largest customers accounted for 28% of total revenue for that global business line in 2015. In 2016, the two largest clients of the Group's Mobility & e-Transactional Services global business line accounted for 11% and 6%, respectively, of total revenue for that global business line. In France, the five largest customers accounted for 25% of total revenue in 2016. 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. If the Group loses key customers in its newer business lines, it could have a material adverse effect on the Group's ability to successfully develop these new businesses.

Revenue with the Group's parent company Atos and its customers amounted to less than 4% of its total revenue in 2016. If the Group's sales to Atos and its customers were to decline, this could have an impact on the revenue growth of the Company.

If the Group loses any of its large customers within its global business lines and divisions or key geographic regions, if any of them significantly reduces or delays purchases from the Group, if the Group is required to sell products to them at reduced prices or if contracts are renegotiated on terms that are less favorable to it, the Group's revenue, profitability, cash flows and net income on both a global business line/division and Group level could be materially and adversely affected, and the Group's ability to consolidate and expand its market position, sell its services (including cross-offerings) and implement its global strategy could be hindered.

The Group's intellectual property may be challenged or infringed and the Group may be subject to infringement claims.

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. 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). Policing unauthorized use of the Group's proprietary rights is difficult. The Group cannot make any assurances that the steps it has taken will prevent misappropriation of technology or that the agreements entered into for this purpose will be performed by the co-contracting parties. 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.

The Group may also be subject to costly litigation in the event that operating third parties claim that the Group's services and technology infringe upon or otherwise violate their intellectual property, such as patents or copyrights. Any such claim may result in a limitation on the Group's ability to freely use the intellectual property subject to these claims. Additionally, in recent years, non-operating companies have been purchasing and stacking intellectual property assets for the sole purpose of monetizing by making claims of infringement and attempting to extract settlements from companies like the Group. Even if the Group believes that most such intellectual property related claims are without merit, defending against such claims may be time consuming and expensive. If they were successfully upheld, claims of intellectual property infringement also might require the Group to redesign affected services, enter into costly settlement or license agreements, pay damage awards, or face a temporary or permanent injunction prohibiting the Group from providing or selling certain of its products or services.

Finally, the Group uses open source software in connection with some of its technology and services, including its terminal products and payment platforms. While the Group constantly strives to select and combine open source code subject to licensing terms that are compatible with the Group's strategic business objectives, closely monitor the use of open source software in the Group's technology and services and make considerable efforts to ensure that none is used in a manner that would conflict with applicable licensing terms, such use could inadvertently occur, and any consequence of non-compliance with licensing terms, including any duty to disclose the Group's proprietary source code, could be harmful to its business.

In an industry such as that of the Group, the ability to attract, recruit, retain and develop qualified personnel is critical to its success and growth.

All of the Group's businesses function 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. While a number of the Group's key personnel have substantial experience with the Group's operations, the Group must develop its personnel to provide succession plans capable of maintaining continuity in the midst of the inevitable unpredictability of human capital. However, the market for qualified personnel, particularly in the area of information and payment technology, is competitive and the Group may not succeed in recruiting additional personnel or may fail to effectively replace current personnel who depart with qualified or effective successors. The Group's effort to retain and develop personnel may also result in significant additional expenses, which could adversely affect the Group's profitability. As part of its acquisition strategy, the Group's ability to retain employees and key competences in the acquired companies is essential. Failure to retain or attract key personnel could have a material adverse effect on the Group's business, financial condition and results of operations.

If the Group fails to address the challenges and risks associated with international operations, including those arising as a result of expansion and acquisitions, the Group may incur higher costs or other financial consequences and encounter difficulties implementing its strategy, which could impede its growth or harm its operating results.

While the Group currently generates over half of its revenue from operations in France and the Benelux region, the Group also has operations throughout Europe and in Latin America and Asia. The Group is therefore subject to risks and costs associated with having widespread international operations. Furthermore, the Group currently operates in a number of emerging markets, including in Latin America and India, and intends to continue to expand both within these markets and into additional emerging and developing markets where such risks are typically amplified.

The Group's international operations expose it to a number of risks, including:

- multiple, changing, and often inconsistent enforcement of laws and regulations;
- local regulatory or industry imposed requirements, including security or other compliance requirements;
- competition from existing market participants, including strong global or local competitors that may have a longer history in and greater familiarity with the international markets in which the Group operates;
- tariffs and trade barriers;
- higher costs and complexities of compliance, and risk of non-compliance, with international and US laws and regulations such as import and trade regulations and embargoes, trade sanctions, anti-money laundering and anti-corruption regulations, export requirements and local tax laws;
- laws and business practices that may favor local competitors;
- restrictions on the repatriation of funds, including remittance of dividends by foreign subsidiaries, foreign currency exchange restrictions, and currency exchange rate fluctuations;
- 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;
- different and/or more stringent labor laws and practices, such as the mandatory use of workers' councils and labor unions, or laws that provide for broader definitions of employer/employee relationships;
- different and/or more stringent data protection, privacy and other laws;
- changes or instability in a specific country's or region's political or economic conditions;
- greater difficulty in safeguarding intellectual property in areas such as China, India and Latin America; and
- currency exchange rate exposure, to the extent that a portion of the Group's revenue is generated in currencies other than the euro (the currency in which its financial statements are denominated).

Failure to effectively manage any of the above risks, including through the development, maintenance and implementation of an effective system of internal controls, could have a material adverse effect on the Group's business, reputation, results of operation and financial condition. These risks and costs are heightened to the extent the Group pursues international expansion in emerging or developing markets. The Group is currently facing an instance of such risk, namely the investigation led by the Public Prosecutor in relation to the transport of funds by a former sub-contractor of the Group in connection with the smartcard public transportation fare collection scheme that Worldline's Argentinian subsidiary ("Worldline Argentina") operates in the city of Cordoba, Argentina. See Section 20.6, "Legal Proceedings" for a detailed discussion of this matter.

Acquisitions subject the Group to risks, including increased debt, assumption of unforeseen liabilities and difficulties in integrating operations.

As part of its growth strategy, the Group expects to actively explore 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 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), including the following:

- the Group may not be able to find suitable businesses to acquire at affordable valuations or on other acceptable terms;
- the Group may face competition for acquisitions from other potential acquirers;
- the Group may need to borrow money or sell equity or debt securities to the public to finance future acquisitions and may not be able to do so on acceptable terms or without increased risk to the Group's business;
- the Group may incur substantial costs in relation to acquisitions that would weigh on its income and cash flow;
- the Group may encounter changes in accounting, tax, securities or other regulations that could increase the difficulty or cost for the Group to complete acquisitions;
- the Group may face difficulties or additional costs complying with foreign regulatory requirements;
- the Group may encounter difficulties in enforcing intellectual property rights in some foreign countries;
- the Group may have difficulty integrating acquired businesses, notably personnel with diverse business backgrounds and organizational cultures;
- the Group may incur unforeseen obligations or liabilities in connection with acquisitions;
- the Group may inaccurately assess disclosed liabilities in connection with acquisitions;
- the Group may choose joint venture partners with whom it has difficulties forging a constructive and long-term relationship;
- the Group may need to devote unanticipated financial and management resources to an acquired business;
- the Group may not realize expected operating efficiencies or product integration benefits from an acquisition;
- the Group could enter markets where it has minimal prior experience;
- the Group may encounter difficulties entering new markets due to, among other things, customer acceptance and business knowledge of these new markets;
- the Group may have difficulty managing geographically separated organizations, cultures, systems and facilities;
- the Group may encounter challenging general economic and political conditions; and
- the Group may experience decreases in earnings as a result of non-cash impairment charges relating to the goodwill recorded upon acquisitions.

The process of integrating operations could 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 the management's attention and any delays with 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.

The Group depends upon a limited number of suppliers for certain components of its products and on the performance of certain key services by third parties.

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. For example, the Group relies on a single supplier for an important component used in all current models of its merchant terminals range. The Group relies upon these suppliers 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). Disruptions to the business, financial stability or operations, including due to strikes, labor disputes or other disruptions to the workforce, of these suppliers and service providers, or to their ability to produce the products and provide the services the Group requires in accordance with the Group's and its customers' requirements, could significantly affect the Group's ability to fulfill customer demand on a timely basis which could materially harm its net revenue and results of operations. If these suppliers and service providers were unable to continue providing their services, the Group could encounter difficulty finding alternative suppliers. Even if the Group were able to secure alternative suppliers in a timely manner, the Group's costs could increase significantly. Any of these events could adversely affect the Group's results of operations.

The Group operates in multiple tax jurisdictions and is subject to uncertainty relating to the cross-border application of tax rules.

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 (including the Reorganization Transactions), the conduct of its business and the relevant tax regime are based on the Group's interpretation of applicable tax laws and regulations. The Group cannot guarantee that these interpretations will not be questioned by the tax authorities, or that applicable laws and regulations in certain of these countries will not change, be interpreted differently or be applied inconsistently. 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 and 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.

Changes in assumptions underlying carrying values could result in impairment of the Group's goodwill.

As of December 31, 2016, € 766.4 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 2015 or 2016, no assurance can be given as to the absence of significant impairment charges in the future (see Note 13 to the consolidated financial statements).

Company's exposure to the United-Kingdom and to the Brexit situation.

The Company has approximately 10% 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. The Group's exposure to GBP fluctuation is limited, as revenue in GBP have corresponding costs in GBP and Indian Rupee. Last, in the UK, the Group does not rely on any UK or EU regulatory approvals.

4.2 Risks related to organizational structure and the Group's operation as an independent entity

The Group's principal shareholder will be able to exercise significant influence over the Group's operations and strategy.

The Atos group is the Group's majority shareholder and retains control of Worldline. It may itself control decisions submitted for the approval of shareholders at Combined Annual General Meetings and, in particular, if quorum requirements are not met at Extraordinary Shareholders' Meetings. The Atos group will be able to control decisions that are important for the Group, such as those concerning the nomination of Directors, the approval of annual financial statements, the distribution of dividends and changes to the Company's capital and bylaws. The Atos group will, therefore, be able to exercise significant influence over the Group's operations and nomination of members of management as well as the Group's dividend policy.

The Group maintains many relationships with and is dependent to a certain extent on its principal shareholder, Atos SE. The Group may encounter difficulties adapting to its status as an independent entity.

Atos SE, the Group's principal shareholder, currently provides services to the Group pursuant to services agreements entered into between the Group and the Atos group at market conditions in connection with the Reorganization Transactions. These include (i) operational services such as internal information services, subcontracting services in connection with projects, global communication and telecommunication services, sales and global marketing strategy services, and purchasing services, and (ii) support functions such as management, mergers and acquisitions, finance, legal and compliance, internal audit, accounting, human resources, insurance and innovation (see Section 19 "Related Party Transactions" and Note 27 to the consolidated financial statements). Therefore, to the extent that these functions remain with the Atos group, the Group is dependent on the Atos group for the provision of these services. The services agreements between the Group and the Atos group pursuant to which such services are provided, which are automatically renewable for successive 12-month periods, contain change of control clauses under which they terminate automatically if Atos SE ceases to hold, directly or indirectly, more than 50% of the share capital of the Company. If the Atos group were to stop providing such services and the Group were unable to replace these services, including through recruiting the necessary workforce or entering into appropriate third party agreements on terms and conditions, including cost, comparable to those with the Atos group, it could have a material adverse effect on the Group's business, financial condition and results of operations. The Group also benefits from its relationship with and support from the Atos group through cooperation with regard to sales and marketing, which, in particular, permits the Group to take advantage of cross-selling opportunities offered by Atos' large portfolio of clients. Any interruption of such cooperation could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may not be able to rely fully on the Atos group to fund its future financing requirements, and financing from other sources may not be available on favorable terms.

In the past, the Group's financing needs have been satisfied by the Atos group and, since the Company's shares have been listed on Euronext Paris, the Group benefits from a revolving credit facility initially granted by the Atos group and transferred to Bull International, subsidiary of the Atos group, on January 2, 2016. The maturity of the revolving credit facility is in June 2019 and it may be terminated by the Group at any time without charge or penalty (subject to an indemnity for breakage costs, if any, in the event of prepayment). Bull International has the right to terminate the revolving credit facility if the Atos group ceases to hold at least 25% of the share capital of the Company. The Group's future capital requirements will depend on many factors, including its rate of revenue growth, the timing and extent of product development expenditure, the expansion of sales and marketing activities, the timing of introductions of new products and enhancements to existing products, the market acceptance of its products and the extent of M&A activity. The Group may need to raise additional funds through public or private equity or debt financing. The Group may not be able to obtain financing with interest rates as favorable as those that the Atos group could provide. If the Group cannot raise funds on favorable terms, if and when needed, it may not be able to further develop its business or invest in new products and services, take advantage of future opportunities, or respond to competitive pressures or unanticipated requirements, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

4.3 Regulatory and legal risks

Changes in the laws, regulations, policies or other industry standards affecting the Group's business could impose costly compliance burdens and have a material adverse effect on the Group's business.

There may be changes in the laws, regulations or other industry standards that affect the Group's operating environment in substantial and, at times, unpredictable ways in France, at the European level or internationally. Changes to laws, regulations or industry standards, or in their interpretation and implementation, could have a material adverse effect on the Group's operating costs or its competitive position. Regulation of the payments industry has increased significantly in recent years and continues to increase. Failure to comply with laws, rules and regulations or standards to which the Group is subject in France, Europe and internationally, in particular the regulations applicable to payment institutions, 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 and results of operations, as well as damage the Group's reputation. Even if such a change to statutes, regulations or industry standards does not apply directly to the Group, the effects of such a change on the Group's financial institution clients could result in material, indirect effects on the way the Group operates or the costs to operate the Group's business and impair demand for the Group's services among its financial institution clients. In particular, the Group may need to adapt its systems to comply with new regulation requirements such as the unbundling of tariffs, which would also provide enhanced transparency to the Group's clients on the pricing components of its services.

The regulatory environment applicable to the Group is constantly changing. The Payment Services Directive n°2 (the "PSD2") enters into force January 13, 2016 followed by a transposition period of 2 years. The PSD2 enlarges the scope of the existing regulation and it may adversely affect the Group's business or operations, directly or indirectly (if, for example, the Group's clients' businesses and operations are adversely affected).

Certain activities of the Group, such as its "Cheque Service" solution, may also become subject to specific regulation. The Group was in discussions in 2012 with the French regulatory authority (*Autorité de Contrôle Prudentiel et de Resolution*) about the regulations and approvals applicable to this activity; such discussions did not lead at this date to any follow-up or requests from the regulatory authority. Should new regulatory requirements concerning this activity come into force, the Group's results of operations and financial condition could be adversely affected.

Certain changes to statutes, regulations or industry standards, such as the implementation of the SEPA project in Europe (Single Euro Payments Area – a single area for payments in euros) will significantly impact the Group's operations and financial position. To comply with the SEPA project, the Belgian domestic payment scheme Bancontact/Mister Cash has been opened to other commercial acquirers, which will induce a new source of competition in Belgium with other potential Bancontact/Mister Cash scheme members. Even though the Group has put into place a plan to mitigate the SEPA project's impact on its business in Belgium, this regulation has the potential to adversely affect the Group's results of operations. The SEPA requirements also have an effect on the Group's financial institution clients which could result in material, indirect effects on the way the Group operates or the costs to operate the Group's business and impair demand for the Group's services among its financial institution clients.

Growing enthusiasm for Internet, mobile and IP-based communication networks may lead to new laws and regulations regarding confidentiality, data protection, pricing, content and quality of products and services. Growing concern about these issues included in new laws and regulations could conceivably slow down growth in these areas, possibly reducing demand for the Group's products and therefore adversely affecting its business, results of operations and financial condition.

In addition, the Group is subject to tax laws in each jurisdiction where it does business. Changes in tax laws or their interpretation could decrease the value of tax losses and tax credits carry forwards recorded on the Group's balance sheet, cash flows and income and therefore have a material adverse effect on the Group's financial position and results of operations. Furthermore, changes in accounting policies can significantly affect how the Group calculates expenses and earnings.

Compliance with legal and regulatory rules applicable to the Group's business could impose significant additional costs and have a material adverse effect on the Group's business.

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 standards, and the corresponding costs could have a material adverse effect on the Group's financial condition and results of operations. In particular, the Group could be subject audits by the Belgian regulatory authority, the Banque Nationale de Belgique or the Dutch regulatory authority (the DBN – National Bank of the Netherlands) 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.

Changes to PCI standards could require significant costs to ensure compliance, which could have an adverse effect on the Group's business.

The security standards established by the PCI-SSC (*Payment Card Industry – Security Standard Council*) are designed to enhance Card payment data security by promoting the broadest possible dissemination and implementation of specific standards relating to the various components of card payment transactions. The main standard is the PCI-PTS standard on PIN entry (*Payment Card Industry – PIN Transaction Security*). The aim is to guarantee that the cardholder's PIN is always processed in a fully secure fashion by the PIN entry device and ensure the highest level of payment transaction security. Other PCI-SSC standards include the PCI-DSS (designed to enhance payment account data security) and the PCI-UPT (relating to security requirements for unattended payment terminals). Such standards, which can be adopted by various payment schemes, entail specific technical requirements and a certification process.

Updates to these standards involving changes to existing requirements are managed by the founding members of the PCI-SSC – Visa, MasterCard, JCB, American Express and Discover – in relation with stakeholders from across the electronic payment industry (*e.g.* hardware industry stakeholders (including the Group), regulators, merchants, banking associations, banks, transaction processors). This separate organization offers manufacturers the opportunity to take part in shaping the standards and the rules for applying them.

Changes to these standards entail changes to the Group's hardware or products or embedded software. This could therefore entail substantial capital expenditure. The Group takes all the necessary financial and engineering steps to bring its new payment terminals into compliance with the applicable PCI standard, which imposed stiffer requirements. Although the certification process is extremely robust, there is a risk that once in use, specific products might reveal defects that could subsequently lead the PCI to challenge their certification. In the event of a withdrawal of the certification, such a challenge could force the Group to offer different certified terminals to its customers. This situation may induce customers to switch to another solution, which would result in decreased revenue and financial loss.

As a provider of payment solutions, particularly centralized payment solutions deployed in large-scale retail, the Group must also comply with the PCI-SSC standard entitled "PCI-DSS (*Payment Card Industry – Data Security Standard*)". The aim of the PCI-DSS is to ensure that stored cardholder data and sensitive transaction data are always processed in a fully secure manner by systems and data bases. The new standard is compulsory for all systems that handle, store or route such data, whether the payment is made by chip card or not. Like PCI-PTS, maintaining compliance with this standard could require the Group to make changes in the architecture of data processing systems, networks and servers entailing substantial investment. The Group maintains an on-going relationship with the PCI-SSC to ensure that the Group can address all aspects of current and forthcoming standards under the best possible conditions, including being able to anticipate trends and prepare for future investments and remedial expenditures. Despite this close relationship, the Group might not be able to avoid fraud or tampering with its certified payment terminals and solutions. Such occurrences could damage the Group's reputation and results of operations.

Changes in credit card association or other network rules or standards could adversely affect the Group's business.

A significant source of the Group's revenue comes from processing transactions through payment schemes, including, in particular, Visa, MasterCard, Bancontact/Mister Cash (in Belgium) and Groupement des Cartes Bancaires CB (in France). In order to provide its transaction processing services, the Group must be registered with, or certified by, such card schemes as members or service providers for member institutions. As such, the Group and many of its customers are subject to card association and network rules that could subject them to a variety of fines or penalties that may be levied by the card associations or networks for certain acts or omissions by the Group, acquirer customers, processing customers and merchants. Payment schemes such as Visa, MasterCard, Bancontact/Mister Cash and Groupement des Cartes Bancaires CB, some of which are the Group's competitors, set the compliance standards and periodically update and modify them. Changes in the standards may increase the Group's operating costs that it may not be able to pass on to its clients or other scheme participants. Additionally, changes to payment scheme rules could have a material adverse effect on the Group's cash flows and liquidity if the payment schemes impose delays in their processing of payments that are longer than the amount of time the Group takes to process payments on behalf its merchant clients. On occasion, the Group has received notices of non-compliance and fines, which have typically related to excessive chargebacks by a merchant or data security failures on the part of a merchant. If the Group is unable to recover fines from or pass through costs to its merchants or other associated participants, the Group's results of operations and financial condition could be materially adversely affected. The termination of the Group's registration, or any changes in the payment schemes rules that would impair the Group's registration, could require the Group to stop providing payment schemes services to the Visa, MasterCard or other payment schemes, which would have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's revenue from the sale of services to merchants that accept Visa and MasterCard cards are dependent upon the Group's continued registration with Visa and MasterCard.

In order to provide its Visa, MasterCard and other payment schemes transaction processing services, the Group must be a member (commercial acquirer), and be registered as a processor, of Visa, MasterCard and other 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 none-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 adverse effect on the Group's business, financial condition and results of operations.

Changes in the regulation of interchange fees could have a material adverse effect on the Group's revenue.

The European Regulation n°2013/0265 of July 24, 2013 on interchange fees (the "Regulation") for card-based payment transactions, negotiated in the trilogue process between the EU Commission, EU Parliament and EU Council was adopted by the EU Parliament on March 10, 2015. Provisions within the IFR take effect on different dates. The interchange fee caps came into effect on December 9, 2015 and the majority of provisions relating to business rules on June 9, 2016. As a general rule, the regulation set a cap on interchange fees at 0.2% of the transaction value for consumer debit cards and at 0.3% for consumer credit cards. As well as capping interchange fees, the IFR also aims to improve transparency and competition in the card market by removing barriers to entry IFR could have a significant impact on the structure of card payments market in Europe, including card acceptance, cross-border acquiring, domestic versus international card schemes and issuing business models concerning profitability, increased competition and the ability to launch new products.

The adopted Regulation will have material adverse effect on the amount of fees collected by card issuers and payment schemes operators. Accordingly, such issuers or operators might seek to pass on these fee decreases through corresponding increases in scheme membership costs, which could have a material adverse effect on the Group's business, financial condition and results of operations.

As 4-party-schemes Visa Europe and MasterCard will fall within the scope of the Regulation and need to adapt their business models, fee models and offer portfolios within the given timelines accordingly. Consequently, the Group would be obliged to align with the International Card Schemes' requirements in particular for Commercial Acquiring, *i.e.* adapt its merchant service charges to the levels of its competitors (leading to a reduced or negative margin) and re-position itself as a pan-European acquirer, which could have a material adverse effect on the Group's business, financial condition, and results of operations.

4.4 Market risks

4.4.1 Exchange Rate Risk

The bulk of the Group's revenue, expenses and obligations are denominated in euro. In 2016, 78.8% of the Group's revenue was generated in euro-zone countries whereas 21.2% was generated in non-euro zone countries, including 9.5% in pounds sterling. Since the Group's financial statements are denominated in euros, its revenue are 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 it 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 reinvoicing of Central costs are labelled 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.

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, forward contracts and foreign currency swaps. As of December 31, 2015, the Group did not have any material foreign exchange rate exposure and did not have any such hedging instruments in place.

4.4.2 Interest Rate Risk

All of the Group's borrowings, the vast majority of which are with Atos as lender, and deposits bear interest at floating interest rates mainly based on Euribor or EONIA plus or minus a margin as indicated in the table below. The Group considers that its exposure to interest rate fluctuations is not material in light of its relatively low level of indebtedness (€ 26.3 million) and of its net cash position of € 398.9 million as of December 31, 2016.

4.4.3 Liquidity Risk

Nearly all of the Group's borrowings and cash consist of financing and cash deposits with maturities of less than two years provided by Atos through intercompany loans, current accounts and other financial instruments. As such, the Group currently benefits from the financial support of Atos for its liquidity requirements. For more information about the Group's financial liabilities, see Note 20 of the consolidated financial statements.

The Group benefit from a € 300 million revolving credit facility granted by Bull International, maturing on June 26, 2019, in order to cover the Group's liquidity requirements, including temporary fluctuations in its working capital needs. For more information, see Chapter 10, "Liquidity and Capital Resources" of this Registration Document.

4.4.4 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 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 and checks services businesses:

- ***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;
- ***Check services.*** Under its check service business, the Group pays its merchant clients indemnities for unpaid checks that have been approved by the Group based on a credit scoring system. To the extent that fees received from merchants for this service are less than the average levels of bad checks, the activity can become loss-making. The Group manages this risk by analyzing bad debt levels for each type of merchant business and adjusts fees charged to merchants accordingly.

4.5 Insurance and risk management

4.5.1 Insurance

The Atos group's management coordinates the Group's policy with respect to insurance and is tasked with identifying the principal insurable risks and quantifying their potential consequences.

The Group is insured under a series of policies maintained by the Atos group with internationally recognized insurance and reinsurance companies, covering its liabilities at levels that the Group believes are appropriate. In 2016, the total cost of its global insurance programs represented approximately 0.2% of the Group's revenue (based on the price of coverage).

The Group's entities are covered by the insurance policies maintained by the Atos group, under which they are insured parties. These policies include general professional liability (*responsabilité civile professionnelle*) and operational and business interruption liabilities (*dommages/pertes d'exploitation*). After the listing of the Company's shares on Euronext Paris, the Group continues to be covered under these insurance policies (in particular the policies maintained through the reinsurance company wholly owned by the Atos group).

The largest Atos group insurance policies under which the Group is covered are centrally negotiated by the Atos group. The general professional liability policy is renewed on January 1, and the operational and business interruption liability policy is renewed on April 1. In 2016, these two policies were renewed with coverage limits of € 200 million and € 150 million, respectively. 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 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 or to cover existing commercial premises, such as its credit risk policy, where the Group's various entities incur specific risks.

The Atos group formed a dedicated reinsurance company, which it wholly owns. This reinsurance company covers the Group's entities in respect of certain portions of the general professional liability and operational and business liability policies.

The insured risks are also monitored by the subscription committee of the reinsurance company owned by the Atos group, which ensures that capital and technical reserves are sufficient for the risks incurred and seeks a satisfactory level of diversity in reinsurers. The committee also performs studies and analyses on a regular basis to verify the adequacy of the Group's insurance coverage.

4.5.2 Risk management

Risk management refers to the means deployed by the Group to identify, analyze and manage risks. Although risk management is part of a manager's day to day decision making process, specific formal initiatives have been taken in respect of risk management, as summarized below.

4.5.2.1 Risk mapping

The risk mapping exercise was updated in 2016 on the initiative of the Group's management designed to identify and assess risks that may affect the ability of the Group to achieve its objectives. The methodology involved workshops and questionnaires to enable management to comment on and evaluate the main risks, their relative importance (inherent risk) and mitigation effectiveness (residual risk).

The scope of the assessment covered potential risks related to our environment (stakeholders, natural disasters), business development (evolution, culture, market positioning), operations (clients, people, IT, processes) and information used for decision making (financial and operational).

A risk mapping exercise is conducted annually, enabling detection of changes in risks year-on-year. The 2016 risk mapping exercise was performed in connection with the annual budget preparation and integrates action plans for the main residual risks designed at the Group level, with responsibilities and milestones established to ensure follow-up and completion in 2017.

4.5.2.2 Business risk assessment and management

Regarding business risk assessment and management, the Group has deployed the approach developed by Atos, based on the following specific processes.

Atos Rainbow

Atos Rainbow™ is a set of procedures and tools developed by Atos and implemented by the Group that provides a formal and standard approach to bid management. The objective is to ensure that the Group only bids for projects that it is capable of delivering effectively and to provide an early warning system for any project that encounters problems or diverges from its original targets. The Group operates a risk management system overseen by the Atos Risk Management Committee that facilitates the analysis (in particular *via* identification and evaluation) and treatment (in particular *via* control and financing) of business risks throughout the life cycle of a project. This process is integrated within the control and approval process when entering into new contracts and continues throughout the lifecycle of the project. Specifically, the risk management process:

- identifies potential exposures, including technical, legal and financial risks, that could have an impact during the life cycle of the project;
- evaluates, both qualitatively and quantitatively, the materiality of any such exposures;
- ensures that appropriate and cost-effective risk control or risk mitigation measures are initiated to reduce the likelihood and impact of negative outcomes on the project; and
- manages residual exposure through a combination of external risk transfer instruments and internal contingency reserves in order to optimize the resources used.

The Group's contract monitoring process has been reinforced with the introduction of a monthly "dashboard" report that provides status on financial, technology, customer, legal and supplier project KPIs. This process is managed by the "rainbow manager", who reports to the Group's CFO.

Risk Management Committee

A Risk Management Committee convenes on a monthly basis to review the most significant contracts as well as any contracts where issues have arisen. The Committee is chaired by the Group's CFO. Permanent members of the Committee include the General Manager of the Group, the heads of the global business lines, and several representatives of support functions, including finance and legal.

4.5.2.3 Specific risk management activities

Fraud risk management

The Group as an issuer processor has, to its knowledge, taken all required actions (*e.g.* PCI certification) to minimize the risk of data breaches. In its role as 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.

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.

Anti-Money Laundering Policy

Worldline SA/NV has had an anti-money laundering (AML) policy in place since 2011. This policy applies also to the companies acquired by the Group in 2016, Paysquare and KB SmartPay. It sets out the general principles of AML, the 'Know Your Customer' (KYC) principle and the allocation of responsibility between the Sales and Marketing and the Customer Services Divisions.

The Group's security risk management

The Group has put in place within its Internal Control department a specific function to manage security risk.

This function includes security awareness, security trusted services (review of access to production systems, data and functions, access to cardholder data by the banks and cryptographic key management) and security architecture and policies.

Security risk management measures relate in particular to the following:

- *Physical measures*: facility entry controls to limit and monitor physical access, video cameras and access control mechanisms, media back-up storage in secured locations, control over the internal or external distribution of any kind of media and storage and accessibility of media;
- *Network*: firewall and router configuration standards and procedures are designed and deployed for protection against unauthorized access from untrusted networks;
- *System security*: strict application of regularly reviewed and clearly described hardening rules to avoid exploitation of default passwords and system settings;
- *Protection of cardholder data*: storage kept to a minimum with data retention and disposal policies, strong cryptography and security protocols, anti-virus software deployed and regularly updated on all systems;
- *Secured systems and applications*: latest vendor-supplied security patches installed; identification and assessment of security vulnerabilities; secure coding guidelines in order to prevent vulnerabilities to be introduced in the software development processes. In addition, a review of source code prior to release to production or customers is performed in order to identify any potential coding vulnerability;
- *Logical access*: to ensure that critical data can only be accessed by authorized personnel, systems and processes are in place to limit access based on access requirements and according to job responsibilities;
- *Logging and monitoring*: logging mechanisms and the ability to track user activities are critical in preventing, detecting, or minimizing the impact of a data compromise. Therefore, the presence of logs in all environments allows for thorough tracking, alerting, and analysis when something does go wrong;
- *Security systems and processes testing*: regular security tests are performed, including the detection of unauthorized wireless access points, internal and external network vulnerability scans, intrusion-detection systems and file-integrity monitoring tools.

The annual performance of the Group's operational risk management process, supervised by the Operational Control division, analyzes security-related threats and vulnerabilities in order to avoid an unwanted increase in risk exposure.

A formal security awareness program is maintained to ensure that all personnel are aware of the importance of cardholder data security. On a yearly base, 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.

5

Group Information [GRI 102-1] [GRI 102-3] and [GRI 102-6]

5.1 History and Development [GRI 102-10] and [GRI 102-45]

5.1.1 Company Name

The corporate name of the Company is "Worldline".

5.1.2 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.

5.1.3 Date of Incorporation and Duration

5.1.3.1 Date of Incorporation of the Company

The Company was incorporated on July 31, 1990.

5.1.3.2 Duration

The Company's duration is 99 years from the date of its registration with the trade and companies register, except in the event of early dissolution or extension.

5.1.4 Registered Office, Legal Form and Applicable Legislation [GRI 102-5]

5.1.4.1 Registered Office

Worldline's registered office is located at 80 quai Voltaire, Immeuble River Ouest, 95870 Bezons

(Tel: +33 (0)1 73 26 00 00).

5.1.4.2 Legal Form and Applicable Legislation

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.

5.1.5 History and Development

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

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 "SSII"). 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/Mister Cash 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 SSII 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 ("MTS") 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.

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. The settlement and delivery of shares offered in Worldline's initial public offering occurred on July 1, 2014. Following the initial public offering, all entities of the Group removed the reference to Atos in their corporate names.

The Worldline Group has finalized on September 30, 2016 an agreement with the Equens Group in order to join forces to reinforce the Worldline's leadership in payment services in Europe. This transaction provides the enlarged Worldline Group with an extensive pan-European reach, with leading 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 is 63.6% controlled by Worldline and 36.4% by the former shareholders of Equens;
- The acquisition of Paysquare, the Commercial Acquiring subsidiary of Equens, for an enterprise value of € 72 million in cash.

Under the shareholders' agreement, from 2017, Worldline benefits notably from pre-emptive rights in case a minority shareholder of equensWorldline decides to sell its stake and also from a call option exercisable in cash or in shares earliest in 2019 on all the shares owned by minority shareholders.

Finally, as part of its expansion strategy in Merchant Services & Commercial Acquiring, Worldline has finalized on September 30, 2017 an agreement with Komercni banka (KB), subsidiary of the Société Générale group and one of the leading banks in the Czech Republic, through which the Group has taken, as a first step, a 80% interest in Cataps s.r.o., Commercial Acquiring subsidiary of Komercni banka for credit or debit cards, operating under the brand KB SmartPay. This investment of 80% in Cataps s.r.o. was made based on an enterprise value of € 34 million for 100%.

5.2 Investments

5.2.1 Historical Investments

For the period from 2015 to 2016, the Group's total capital expenditures (purchases of tangible and intangible assets recorded on, the balance sheet) were € 151.9 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, totaled € 88.5 million over the period 2015-2016 (€ 45.4 million in 2016 and € 43.1 million in 2015). Of this amount:
  - € 72.7 million were invested in internal software development in four main areas: (i) rendering the Group's processing platform compliant with SEPA Regulations,(ii) adapting the Sips Internet platform, (iii) developing Connected Living offers and (iv) developing new line of payment terminals,
  - € 13.1 million were spent developing software for specific customers,
  - € 2.7 million corresponded to convergence towards the Group's SAP ERP target.

- ***Investments in shared infrastructure.*** The Group invested a total of € 42.7 million over the period 2015-2016 in shared infrastructure – infrastructure that is not dedicated to a single client – which consists principally of network equipment and servers;
- ***Investments in infrastructure*** *dedicated to specific clients.* The Group invested a total of € 17.4 million over the period 2015-2016 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, 2016**	12 months ended December 31, 2015
Capitalized production		
Development of new software platforms	34.3	38.4
Development of software for specific customers	10.4	2.7
IT Platform	0.7	2.0
Total capitalized production	**45.4**	**43.1**
Other purchases of tangible and intangible assets		
Shared infrastructure	27.3	15.4
Dedicated infrastructure	9.8	7.6
Other	0.8	2.5
Total other purchases of tangible and intangible assets	**37.9**	**25.5**
Total capital expenditures (purchases of tangible and intangible assets)	**83.3**	**68.6**

Gross Financial Investments

Between 2015 and 2016, the Group's cumulative gross financial investments (amounts paid for financial assets) amounted to € 142.8 million, corresponding to the acquisition of 100% of Paysquare and 80% of Cataps s.r.o. (KB SmartPay).

5.2.2 Principal Investments Currently Underway and Planned

The Group estimates that its capital expenditures in 2017 for maintaining and upgrading its IT equipment and its software platforms should increase in absolute value compared with 2016, reflecting the enlarged scope of the Company.

Including the investment derived from the Equens integration plan, the Group expects its average annual level of capital expenditure to be above 6% of revenue in the short term and between 5% and 6% of revenue in the medium term.

The Group self-finances the investments currently underway, and does not use financial borrowing.

6

Business

This section discusses the Group's industry, market and business. Technical terms and acronyms are defined and explained in Annex I "Glossary".

6.1 Overview [GRI 102-7]

Worldline, an Atos company, 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. A key player in the B2B2C market, the Group has over 40 years of payment systems expertise. It operates in 22 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 China in payment software licensing). 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.

On September 30, 2016 Worldline successfully completed the merger and integration of the Equens group. Equens is a prominent payment services provider headquartered in Utrecht, the Netherlands. Through the transaction, the enlarged Worldline Group benefits from a highly comprehensive pan-European footprint and has increased its revenue size by c.+65% in Financial Processing and by c.+25% in Commercial Acquiring. It illustrates Worldline's strategy of becoming active industrial consolidator within the European payment market.

As at December 31, 2016 Worldline employed around 8,700 staff worldwide and generated total revenues of € 1,309.2 million, OMDA of € 258.7 million and net income group share of € 144.2 million. 2016 *pro forma* revenue, as if Equens, Paysquare and KB SmartPay had been consolidated from January 1, 2016, would have been € 1.5 billion (Refer to Note 2 to the 2016 Consolidated Financial Statements).

Worldline activities are organized around three axes: Merchant Services & Terminals, Financial Services (formerly "Financial Processing & Software Licensing") and Mobility & e-Transactional Services, as described in Section 6.5.

6

6.2 Industry and market overview

Payment is at the core of any commercial transaction and as we move increasingly towards a cashless society, volumes and types of electronic payments will continue to increase. Irrespective of the payment instrument and channel, the mechanism to conclude the payment is similar and complex.

6.2.1 Payment Services Ecosystem

Worldline's industry can be viewed as an extended payment services ecosystem that covers three broad categories of services:

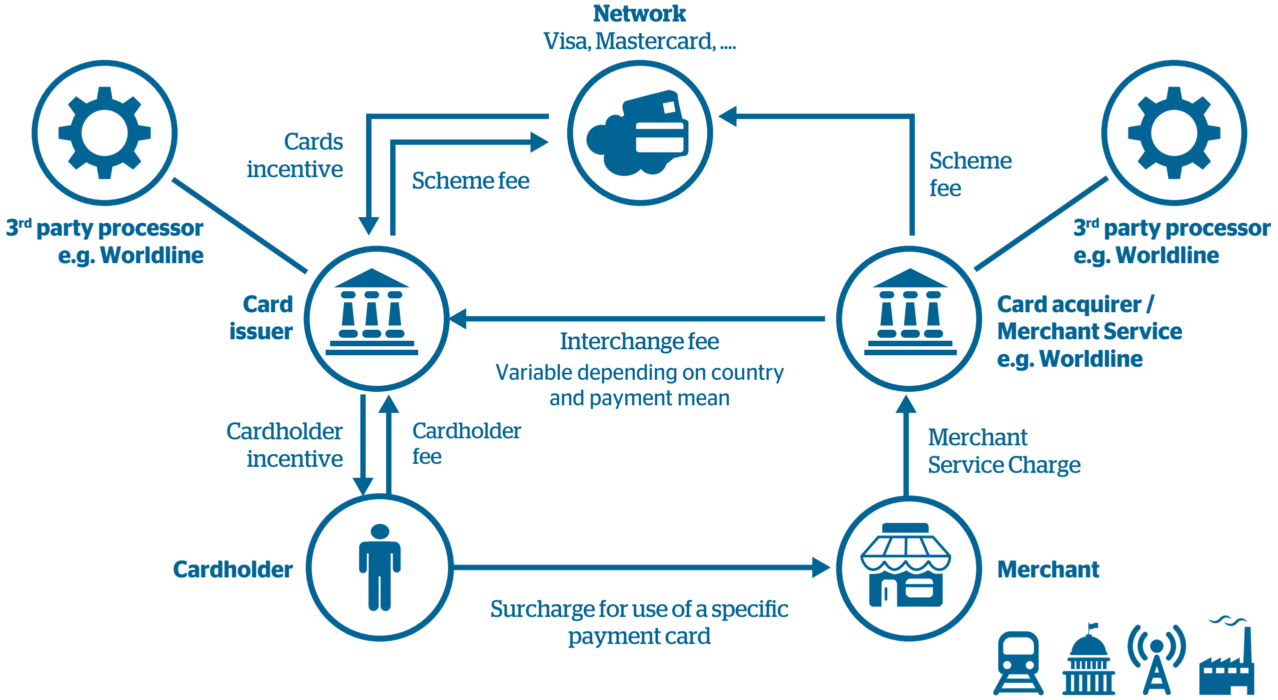
1. the "core" range of electronic payment processing and services offered to traditional merchants and banks for non-cash payments;
2. an "extended" range of stand-alone and value-added services for traditional merchants and banks that goes beyond payment processing and related functions to offer services to help them grow their businesses and respond to changing market conditions; and
3. services provided to emerging new digital businesses (e-Ticketing, e- Government [tax collection], Connected Living [connected cars, connected appliances, etc.]).

6.2.1.1 Core Electronic Payment Services Ecosystem

Electronic payment systems (card and non-card based) are made up of complex infrastructures involving multiple parties and comprising rules, processes and technologies.

Card-based payments

TODAY'S TYPICAL INDUSTRY PAYMENT FOUR-PARTY CARD CHAIN



(Source: Worldline)

The main parties involved in a typical credit or debit card transaction include

- ***The card issuer:*** Generally, but not necessarily, 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 are any party which sells good and/or services in exchange for payment. Merchants need a mechanism that enables their acceptance of card payments (online to face-to-face);
- ***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 acceptance-related services beyond core processing functions, such as enhanced reporting, loyalty programs, advertising services, quality surveys using payment terminals, dynamic currency conversion (DCC) services, etc.;
- ***The Commercial Acquirer:*** Acquirers are banks or payment institutions that provide merchants with access to the card scheme (*e.g.*, Visa, MasterCard, Carte Bleue, Bancontact/Mister Cash, 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. Acquirers may or may not also provide Merchant Services as described above. 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. Worldline, which is the largest commercial acquirer in Belgium, expanded its Commercial Acquiring activities into the Netherlands, Luxembourg, and Slovakia. The completed acquisition of Paysquare brings Worldline strong positions in merchant services in The Netherland, in Germany and to a lesser extent in Poland. Additionally, the acquisition of the merchant portfolio of Komercni banka and the accompanying strategic alliance signed with this bank gives Worldline a significant presence in the Czech Republic;
- ***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. Card schemes include both international brands such as Visa and MasterCard, and domestic schemes such as Carte Bancaire in France or Bancontact Mister Cash in Belgium;
- ***Clearing and settlement system:***
  - Clearing is a process through which a card issuing bank exchanges transaction information with a processing bank. It occurs simultaneously with the settlement. 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 reimbursement of a merchant for the amount of each card sale that has been submitted into the network. All credits and debits of a given bank are summed up and the net amount is transferred in a lump sum to the bank's account with the respective scheme network (in the case of an acquirer) or from the bank's account (in the case of an issuer).

6

Revenue Model – Interchange Fees and Service Fees

In a typical card based payment transaction, most of the key "core" players deduct their service fees from the gross amount originally charged by the merchant for the good or service.

By way of a simplified illustration, in a € 100 "off-us" credit transaction using (*i.e.*, a transaction in which the commercial acquirer is not the same institution as the issuing bank) Visa or MasterCard with an interchange fee of 0.30% and a card scheme processing fee of € 0.05 per transaction:

- the issuing bank would immediately withdraw € 100 from the cardholder's available balance and a debit of € 100 would appear on the cardholder's monthly statement at the end of the month;
- the issuing bank would then transfer € 99.70 to the card scheme, having deducted the interchange fee of 0.30%. If the issuing bank outsources Issuing Processing services, it might separately pay the issuing processor, for example, € 0.03 of the € 0.30 fee;
- the card scheme would then transfer € 99.70 to the commercial acquirer;

- the commercial acquirer would then pay the merchant € 99.40 pursuant to terms of their contractual arrangements:
  - in most instances, the commercial acquirer pays the merchant within 24 to 48 hours, having deducted from the principal transaction amount a charge comprising the € 0.30 interchange fee deducted by the issuing bank, the € 0.05 card scheme processing fee and its own acquiring fee which might, in the present scenario, amount to € 0.25. The merchant would therefore receive an amount of € 99.40 from the commercial acquirer (in the event the commercial acquirer has outsourced Acquiring Processing services, it would pay approximately € 0.04 per transaction to the provider of such services, which would be deducted from the merchant service charge),
  - various alternative payment arrangements exist between commercial acquirers and merchants, depending on the particular terms of their contractual arrangements. In some cases, the merchant receives the full € 100 from its commercial acquirer and receives a bill at the end of the month for the merchant service charge; this is known as the "interchange ++" payment method (generally limited to large-volume customers). In other cases, the commercial acquirer only pays the merchant several days after the transaction (generally for higher-risk transactions);
- the card scheme would send a bill to the commercial acquirer for its card scheme processing fees (in the current example, € 0.05 per transaction), on a monthly basis.

The example given is based on a typical card transaction, however, there are other payment methods. For example, another common non-cash payment method in many countries in Europe, particularly in Germany, is payment *via* direct debit and credit transfer from a consumer's bank account. As in the card example, many banks also choose to outsource the processing of these payments to third party processors such as Worldline.

Non-card-based payments

There are a variety of non-card based payments (alternative payments) that are increasingly popular. Such methods include:

- Sepa Credit Transfer;
- Sepa Direct Debit;
- Instant Payment;
- Account Initiated Payment;
- Online Banking e-payments (OBeP).

6.2.1.2 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:

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 behavior 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, analyzing 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.

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 analyze 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).

6.2.1.3 New digital businesses

The third component of the extended payment services ecosystem in which the Worldline group operates is services for emerging digital businesses (e-Ticketing for Transport, Trusted Digitization, Connected Living). Leveraging the digital revolution to create new businesses and new business models, these new players are driving new payment transactions and creating new opportunities. The Group focuses on three main categories of new digital businesses:

- ***e-Ticketing and Journey Management Solutions*** for Railways and Other Public Transit Systems. This market is a segment of the broader services market in Transport, which was valued by Gartner at € 18.2 billion in 2012. The transport market is at the verge of a new revolution with Open Payment. By transforming bank cards into tickets, Open Payment is helping transport companies to reduce their cost, create new revenue opportunities and reinvent customer experience;
- ***e-Government Collection.*** Digital services for governments provide tax collection services as well as secure paperless systems for public services. These systems are optimized through the digitalization of services for citizens, through automated traffic regulation and e-Health services, as well through a variety of trusted services for customers, including e-Contracts and electronic invoicing, legal archiving solutions for companies and e-Safe services for individuals. eGovernment services will yield up to $ 50 billion annual savings by 2020;
- ***e-Consumer & Mobility Services.*** This market includes Connected Living services such as connected home and vehicles, industrial IOT, as well as consumer cloud and cloud contact services. GSMA and SBD estimate that the global market for connected vehicles will increase from $ 37.5 billion in 2015 to $ 151.8 billion by 2020. Markets and Markets has also forecasted that the market for machine-to-machine solutions should reach € 32.34 billion by 2020, experiencing a CAGR of 11.57% between 2015 and 2020.

6.2.2 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 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 expectation 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.) are now part of the payment ecosystem and threaten to displace the incumbents.

6.2.2.1 The digital revolution is driving new customers behaviors

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*". Challenge for retailers is to answer these omni-channel consumer expectations immediately, and in this context, retailers need to implement new services such as Drive solutions, as well as Digital Stores through virtual shelves, mobile seller, or dynamic brand content to engage shoppers in an innovative way and to improve store efficiency. 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.

This is forcing retailers to revisit their systems and reinvent the operations; this does include a unique cross-channel repository of data (product catalogue, prices, offers, etc.), innovative payment solutions such as wallet or mobile terminals to make the sales process easier, processing of big data and advanced data analytics, and implementation of contextual advanced services such as indoor location, interactive products, or proximity marketing.

A similar process is underway in other sectors, creating new digital businesses with potential to create new markets and drive even further non cash 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.)

These trends are creating a range of new markets with significant growth potential:

- Forrester forecasts that European online retail sales will grow to € 191 billion by 2017;
- Markets and Markets forecasts that the market for machine-to-machine solutions will grow from € 15.79 billion in 2014 to € 32.34 billion by 2020, representing a CAGR of 11.57% between 2015 and 2020;
- GSMA and SBD estimate that the global market for connected vehicles will increase from € 13 billion in 2012 to € 39 billion by 2018. SBD forecasts that nearly 36 million cars embedded with factory-fitted mobile connectivity systems will be shipped in 2018, up from 5.4 million in 2012. Markets and Markets estimates the connected vehicles market is expected to reach € 42.93 billion by 2020, at a CAGR of 10.82% from 2014 to 2020.

Smartphones, tablets and other mobile devices, such as connected cars or smart watches, have experienced dramatic growth in recent years, and this growth is expected to continue. According to CounterPoint Research, shipments of smartphones reached an all-time high in 2016, exceeding the 1.5 billion mark. This represents an annual growth of 3%, however in the fourth quarter of 2016 this growth accelerated to 9 percent.

The rise of the internet, 3G and 4G mobile connectivity means consumers are used to a world of always on connectivity. As a result, their expectations when engaging with the commercial world have increased, from the moment of initial engagement through the purchase and payment, consumers expect a smooth end-to-end experience, irrespective of whether this is on the internet, face-to-face or cross-channel. New Fintechs have often been quicker to exploit this than traditional incumbents, refining the customer-facing interaction to provide a seamless experience.

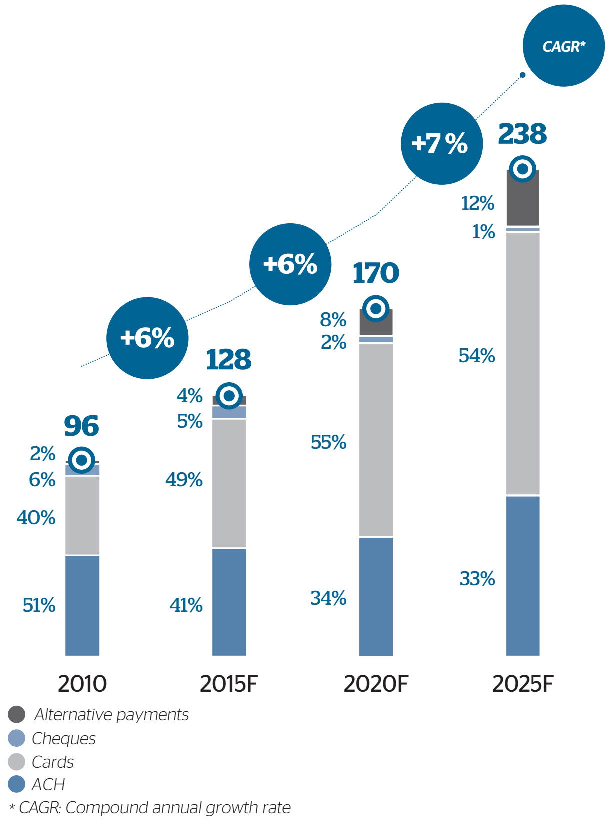
6.2.2.2 These new behaviors generates significant growth in non-cash payments

Non-cash payment transactions have grown significantly in recent years, and this growth is expected to accelerate as electronic transactions increasingly displace cash and checks. According to A.T. Kearney, the number of non-cash transactions in the European Union has grown at an annual rate of 6% over the last 10 years. A.T. Kearney also estimates that this growth rate will accelerate to 7% per year from 2020 through to 2025, reaching 238 billion transactions.

The rise in contactless payments is a significant move towards electronic means replacing cash for low value transactions. According to the BCG report "Global Payments 2016", "growth in contactless cards in Europe spiked between 2013 and 2015, growing from less than 2% of card transactions at the POS to nearly 20%".

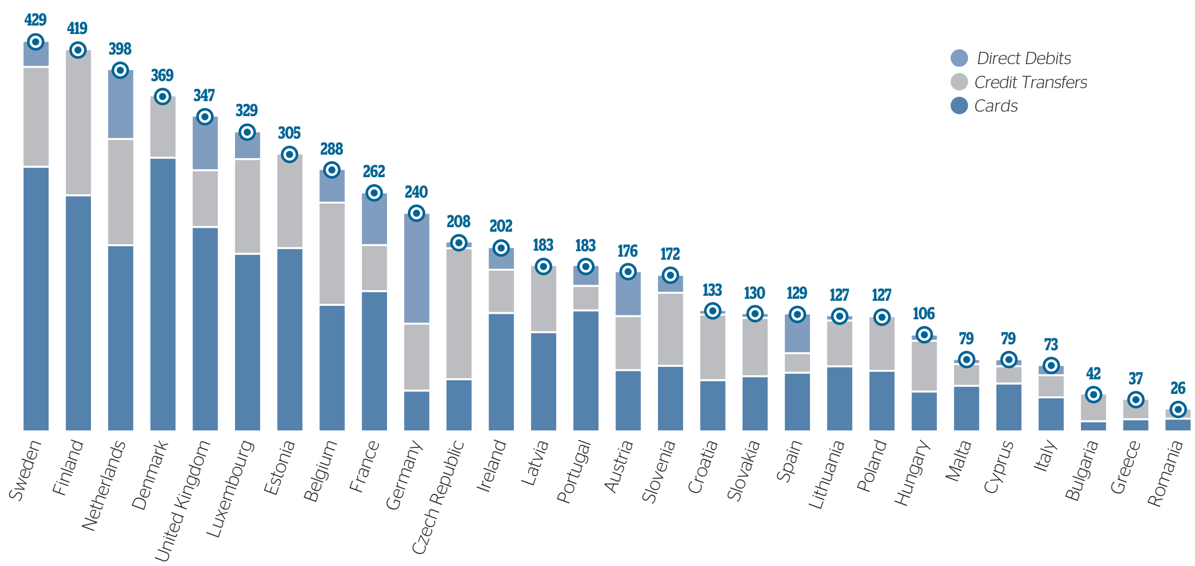
NON-CASH TRANSACTIONS IN EUROPE

(IN BILLION TRANSACTIONS)



Source: A.T. Kearney- Cashing In on Cashless Commerce (2016).

NUMBER OF NON-CASH PAYMENT TRANSACTIONS PER CAPITA AND PER YEAR IN EUROPE (2015)



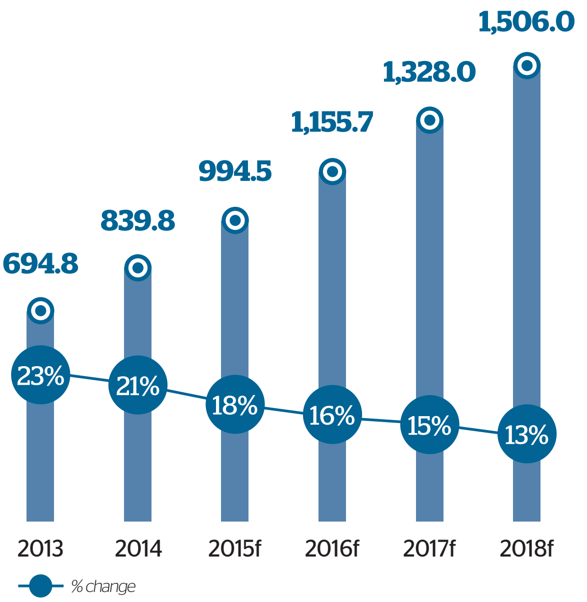
Source: European Central Bank (ECB) statistical data warehouse

e-Commerce and m-Commerce continue to grow

The rapid growth in online e-Commerce, where nearly all payments are cashless payments, is expected to be a major driver of continued growth in non-cash payment transactions. According to AT Kearney, globally e-Commerce will continue to grow but the pace of growth will slow.

GLOBAL E-COMMERCE SALES

(IN US DOLLARS BILLION)



Source : Euromonitor, AT Kearney, Global Retail e-commerce index 2015.

Mobile commerce has the potential to increase the number of payment transactions worldwide even further. The number of active telephone accounts worldwide far exceeds the number of active credit and debit accounts, and an increasing percentage of the phones sold are smartphones and feature phones. By enabling phones to be used as payment devices, mobile wallets have the potential to significantly increase the number of users worldwide with access to non-cash payment means, which should drive significant additional transaction growth. But, we 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.

Mobile Payments

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 reach 24 billion in 2019.

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

Source: Ovum Mobile Payments Forecast 2014-2019.

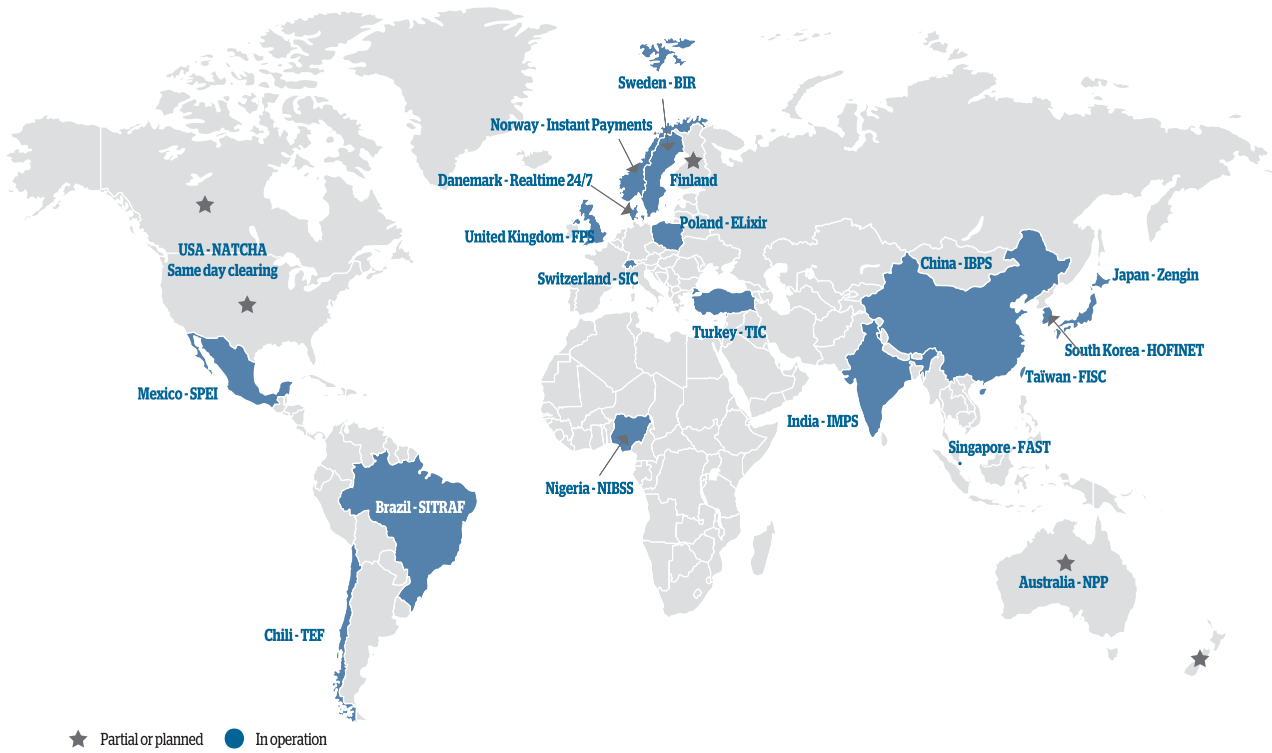
Mobile payments cover both remote use cases (paying on a web shop or merchant mobile app) and proximity use cases (paying in a physical store). Consumers are getting used to and educated about this new possibility. For example, a study from Accenture (2016 North America Consumer Digital Payments Survey) indicates that in 2016, 56% of US citizens were “extremely aware” of the technology. The support of NFC mobile payment by Apple as part of Apple Pay launched in 2014 is a strong signal for reality of this use case, which has a positive effect on other mobile payment systems. As there are far more proximity than remote transactions overall, and also because there are far more mobile phones in the world than bank deposit accounts (approximately 2.5 billion according to the World Bank), the opportunity for mobile payment is very significant.

Immediate Payments

Immediate payments (also referred to as instant or real-time payments) have incredible potential for both retail and corporate payments and the long-term impact on the payment ecosystem will be significant. Throughout the world, the number of real-time payment initiatives of one form or another is increasing. In Europe, the European Payment Council published its SEPA Instant Credit Transfer (SCT Inst) scheme rulebook and EBA Clearing, the bank-owned pan-European clearing house, recently announced it had secured the support of nearly 40 financial institutions in its efforts to build a pan-European instant payment platform.

According to the 2016 World Payment Report, Immediate Payments have many advantages over cash and cheques and are thus ideally suited to replace these instruments. However, driven by mobile applications, they also have the potential to challenge the debit card. The key success factors are all within reach, in particular ubiquity, interoperability, enhanced user experience and price.

REAL-TIME PAYMENT INITIATIVES AROUND THE WORLD



Source : Capgemini/RBS-World payment report (2015)

6.2.2.3 Key developments in technology will sustain the growth of electronic payments

Tomorrow, smart watches will be a one-stop-shop handy device for identification, to open a hotel door, to receive contextual messages/notifications or to easily pay services or goods.

Coupled with the right privacy protections, mobile devices will offer retailers opportunities to collect, on an opt-in basis, a vast amount of contextual data about consumers that can then be analyzed and shared with other brands to offer consumers (ideally in real-time) compelling targeted and personalized offers or products and services. The data collected by mobile sensors will also lead to the rise of "quantified self", meaning services relying on self-evaluation of behavior for providing advices or services around health, insurance, nutrition, and many other domains.

Blockchain is a distributed ledger, and it used in all Bitcoin transactions. Blockchain has many applications beyond cryptocurrencies. According to Capgemini World Payments Report 2015, it has the potential to improve the efficiency of financial transactions worldwide and to transform the global financial network.

Each blockchain network is based on a unique cryptographic algorithm and protocol that allows secure and direct digital transfers of value and assets (such as money, contracts, and stocks, etc.) *via* open or closed networks that are backed by exchanges. While traditional ledgers are owned and maintained by one institution and access is restricted, a blockchain is hosted on a worldwide peer-to-peer network of computers.

A key feature of blockchain technology is the distributed ledger, which enables the participatory model of the blockchain. Banks could adopt this technology to replace some existing payments infrastructures. Indeed payments have been identified by EBA as one of the use case of crypotechnologies.

Existing platforms for payment services processing have developed over time, generally as iterations of a series of platforms, each designed to handle only specific parts of the payment services value chain. This "silo" approach results in inefficiencies (lack of standardization, redundant or conflicting features, higher maintenance costs, longer waiting periods for introducing new products to the market, etc.) and lost opportunities to share and make use of data generated in one part of the value chain with applications in other parts of the value chain. According to a Capgemini/RBS study, the current payment engines and infrastructure used by most banks do not meet today's requirements in terms of functionality, capacity and flexibility, leaving banks at risk of customer erosion in the face of innovative offerings by non-banking firms that rely on new technology.

To respond to these issues, an increasing number of banks and payment service providers are investing in fully-redesigned, integrated end-to-end platforms that cover the full range of payment processing and related functions, with the ability to share payment information throughout the system. These integrated new platforms are expected to enable new services, speed time to market, and create new economies of scale that allow payment service providers with the new platforms to offer more and improved services at lower costs and across geographies.

According to a Capgemini/RBS study, while both large and small banks recognize the benefits of redesigning their systems, the significant costs and complexity involved in a redesign are difficult to justify for firms without smaller transaction volumes. This may create additional outsourcing opportunities for payment processing firms that can offer payment service hub enabled services on an outsourced basis.

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

Banks 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.

Some of the more significant regulatory changes underway in Europe include, in particular:

Regulatory changes are expected to significantly decrease interchange fees.

Since December 9, 2015, Interchange Fee Regulation (or "IFR") is enforced in Europe, by which interchange fees are capped at 0.2% of the transaction value for consumer debit cards and at 0.3% for consumer credit cards and by which transparency and competition in the card market are improved, as further described in Section 6.9.

At constant volumes, the reduction in interchange fees reduces mechanically the revenue of card issuing banks. This may create new opportunities for outsourcing, as banks reexamine their business models and look for ways to lower their costs. At the same time, it may create opportunities for providers of value added services (such as fraud detection services or card-linked offers) that banks can provide to their customers as new sources of revenue to replace the loss of the interchange fee.

At the same time, by reducing the cost of accepting non-cash payments, the reduction in interchange fee is expected to encourage more merchants to accept card-based payments and to do so for lower transaction amounts. This is expected to help drive additional non-cash transaction volume.

Regulatory changes are expected to promote the emergence of new players and the development of innovative mobile and internet payments for both existing and new payment service providers in Europe.

The regulations applicable to payment services are constantly changing. The revised Payment Services Directive (PSD2) entered into force on January 13, 2016 followed by a transposition period of 2 years, as described in Section 6.9. For implementation, the European Banking Association EBA is mandated to develop 6 Regulatory Technical Standards (RTS) and 5 sets of Guidelines (GL) within defined deadlines ranging from 12 to 24 months after the date of entry into force. The directive enlarges the scope of the existing PSD regulation by limiting the exemptions provided for in the PSD and extending its applicability to "third-party payment service providers" who provide remote access to payment account services or payment initiation services through online platforms, in relation to payment accounts held by other payment service providers. PSD2 will result in the creation of new regulations applicable to payment initiation services and services for accessing account payment balances.

This proposal could have an impact on certain payment activities carried out by the Group, in particular services related to the iDEAL and MyBank e-payment platforms and Sips card payment platform, and would require a review of the authentication and authorization procedures that would be implemented in the context of PSD2 in order to adjust the Group's payment platforms, as necessary, so as to comply with the applicable directive. For a description of these services, see Section 6.5, "The Group's business" of this Registration Document. Worldline has set up an internal PSD2 transformation program to analyze and mediate the impacts and to contribute actively to the consultation of EBA developing RTS and GL in 2016 and 2017.

6.2.2.5 New entrants and their impact on the industry business Model also create new opportunities for Payment Services Providers

The GAFA (Google, Apple, Facebook and Amazon) have not only changed the way consumers view customer service and shopping, they have now well and truly entered the world of payment and with plenty of money to invest, the pace of innovation threatens to leave incumbents trailing. Apple Pay, Android Pay, Facebook's P2P payment service *via* messenger etc. cannot be ignored.

New Fintechs, unencumbered by legacy technologies are also changing the way consumers interact with financial service providers as we see a new wave of digital only banks for example.

6.2.3 Competitive Landscape Payment Service Providers

Just as the payment ecosystem is complex, so too is the competitive landscape. Historically, payment services market participants have focused on only one or a few components of the extended payment services ecosystem without covering the full chain. The following diagram summarizes the Group's positioning relative to its main competitors in the European payment services processing market. By supporting a range of both card and non-card payment instruments, Worldline is ideally positioned to exploit the growth of alternative payments.

Payment Service Processing in Europe	Issuing transaction processing	Services to cardholders and issuers	CSM	Credit/Debit transfers	Services to merchants	Acquiring transaction processing	Commercial acquiring	Acceptance POS e-commerce	Services to new digital businesses
worldline e-payment services	●	●	●	●	●	●	●	●	●
Nets	●	●	●	●	●	●	●	●	○
First Data	●	●			●	●	●	●	
WorldPay					●		●	●	
Ingenico					●	●	●	●	
Wirecard	○				●	○	●	●	
Global Payments	○				●	○	●	●	
TSYS	●	●				○			
SIA	●	●	●	●		●		●	○
Six Payment Services	●	●	●	○	●	●	●	○	

● *Core offering* ○ *Non-core offering*

Source: The Company's best estimates based on public sources.

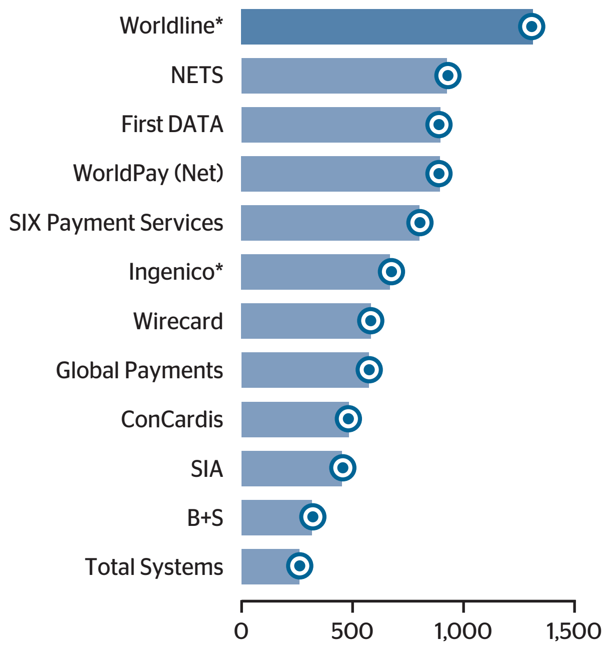
This diagram has been set up using the following definitions:

- *Issuing transaction processing*: Processing of the issuing payment transaction;
- *Services to cardholders*: Services such as call centre and VAS services (card blocking, loyalty, card-linked solutions, coupons etc.) provided for and on behalf of card issuers.
- *CSM*: Clearing and settlement mechanism;
- *Credit/debit transfers*: Processing of SEPA payment services;
- *Services to merchants*: services providing Value in or around the payment such as loyalty, gift cards, private label cards, or vertical solutions with specific functions for *e.g.* taxis, restaurants, hospitality, etc.;
- *Acquiring transaction processing*: Third party processing on behalf of direct or indirect merchant acquirers;
- *Commercial Acquiring*: Contracting with the merchant for the provision of the merchant account and access to the necessary schemes to enable the acceptance of the payment method;
- *Acceptance POS/e-commerce*: The provision of acceptance services including the terminals, maintenance etc. and provision of payment gateways in both the card present and card not present environment;
- *Services to new digital businesses*: services to companies leveraging digital to provide services using payment (transportation companies (e-Ticketing), government (tax collection), etc.).

The wide variety of participants in the payment transaction processing industry and the variations among such participants in their coverage of sub-markets within this industry make it difficult to compile specific and reliable market share data. 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 2015 EUROPEAN TURNOVER

(IN € MILLION)



** European turnover excluding payment terminal revenue*

Source: Company estimates.

6.3 Competitive strengths

6.3.1 A major player in Europe with an expanding footprint in emerging markets

The Group is one of Europe's largest payment service and electronic transaction providers in terms of revenue across its three global business lines and, in addition to its strong home market position in France, it holds market leadership positions in Belgium, in the Netherlands, in Germany and in Italy. The Group's status as one 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. More generally, the Group's scale is reinforced by the strong backing of the Atos group, itself one of the largest IT services providers in Europe with a significant global footprint. This scale helps the Group to drive innovation, be price competitive (thanks to economies of 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 (*e.g.*, acquisition and successful integration of Banksys in Belgium, successful entry into the Indian market in 2010 through its acquisition of Infotek and more recently the acquisition of Equens (The Netherlands, Germany and Italy) and the strategic alliance with Komercni banca in the Czech Republic) further underlines its ability to seize such inorganic growth opportunities and consolidate its competitive position and scale.

Please refer to Section 5.1.5 for a description of the impacts of the acquisition of Equens, Paysquare and KB Smartpay.

6.3.2 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 (*e.g.*, Commercial Acquiring, Acquiring and Issuing Processing, payment acceptance solutions, SEPA transaction processing), to "extended" value-added services for merchants and banks (*e.g.*, digital banking, mobile authentication, mobile payment & wallets, card-linked offers, private label cards, loyalty programs, and omni-commerce services), and 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. In particular, the Group's strong and broad relationships with key banks in Benelux, France, Germany and China should position it well to seize outsourcing and other opportunities that may arise from regulatory changes.

6.3.3 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 leader in France and in the Netherlands, the Group is positioned to expand its next-generation online payment services across its global footprint, leveraging the strength and success of its current portfolio of online payment solutions, including Sips (electronic payment gateway), iDEAL, and innovative Online Banking and e-Commerce services. In mobile payment solutions, the Group benefits from a technology neutral positioning, serving an array of banks, card payment schemes, merchants and telecommunications providers, and has the flexibility to offer both own-brand and white label solutions. Thanks to a clear vision and strong R&D, the Group possesses key assets for digital wallet and 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 theaters. Whether through loyalty programs and customer relationship management (CRM) services or solutions that capture "big data" opportunities and 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 (through the innovative adiVerse virtual footwear wall), and Sephora (Sephora Flash), in the digital transformation of their sales and marketing processes and customer relationship outreach and management. Going forward, the Group is well positioned to forge 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 Group's Mobility & e-Transactional Services global business line, through which the Group leverages its expertise in the areas of payments, are highly innovative. By digitizing business processes, processing large transaction volumes and data analysis, Worldline supports companies and government entities reinventing their businesses in response to the "digital revolution".

The Group has proven strength with its own intellectual property and research and development capabilities, which are supported by more than 4,500 engineers and are key enablers of the Group's capacity for innovation and improvement.

Finally, the Group is able to provide its clients with turn-key solutions that include, for example, within the context of a single contract, the development of an end-to-end platform that generates business opportunities, the transformation of such opportunities into orders or purchase decisions, the processing of all types of resulting payments, and the provision of related value added services. The Group considers this a major competitive advantage *vis-à-vis* 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 relationships.

6.4 Strategy

6.4.1 Further expand into high growth payment segments to secure long term growth

The Group intends to secure long-term growth by expanding further into the higher growth segments of the rapidly evolving payments sector and thereby capitalizing on the wealth of opportunities emerging as society undergoes a systemic digital transformation. This ambition will rely on its high-end payment technological capacities that can be seamlesslyintegrated in a larger value chain, on its exceptional successses in innovation, and on its strong research and development platform.

In order to fully capture the growth potential in the digital payments market, the Group intends to continue to design, build and always deliver faster, easier, more secure payments solutions, such as Merchant Wallets or Mobile Acceptance for merchants, marketplaces, etc. The Group will continue developing and expanding the delivery of its m-Commerce and Digital Retail products, provided either in a modular way, or bundled with acceptance and acquiring services for smaller merchants, to generate payment transactions and boost customer engagement with the brands.

The Group will also help banks and financial institutions to switch to digital payments, by enabling them to provide their own Digital Wallet, embedded into Digital Banking and enriched with new value-added services around payments that were not possible with cards; and also to generate transactions through integration in popular third party Wallets, such as those provided by OEMs, thanks to the Group's Token Service Provider offer, built in 2015. In the context of PSD2 and Interchange Fee regulations in Europe, The Group will continue to develop account-based payment, the capture of new transactions volumes. The Group will of course support as well new financial institutions and payment players who will focus directly their services on digital payments and will launch a new range of services aimed at facilitating the banks' compliance with the new PSD2 directive. These services will also allow banks and merchants to develop new payment and account integration services as authorized by the regulation and will enable the capture of new transactions volumes. The Group will of course support as well new financial institutions and payment players who will focus directly their services on digital payments.

Finally, the Group will continue to develop new services and business models around connected devices and Internet of Things, with a layered Connect/Manage/Transform approach that has already proven successful with customers, in order to monetize the value of data collected. In order to leverage its positions in public transportation and to create new Digital Journey Services, the Group will propose solutions such as Open Payments, that will completely transform the way passengers travel.

To this end, the Group will leverage its expertise in mobile, context and data, the expertise of its parent company Atos as well as that of its strategic partners such as Xerox.

6.4.2 Capture strong cross-selling opportunities within existing customers

The Group has begun and intends to continue to leverage the extensive cross-selling opportunities afforded by its comprehensive positioning across the extended payment value chain to broaden and strengthen existing relationships with clients, to whom it may currently provide only a limited range of its extensive services portfolio, by seeking to offer them its full array of end-to-end technology solutions across global business lines. This strategy has already given first results, with the launch of ACS services in Asia. The Group will continue to increase the bundling or cross selling of its offers: targeting & marketing solutions, Omni-Channel Commerce, Cloud ECR, payment acceptance & acquiring, accounting solutions. Additionally, in line with its strategy to enhance its international footprint, the Group seeks to offer its existing customers, particularly its larger merchant clients with global operations, services in other geographic regions in which they operate, whether or not the Group currently has operations in those regions. Through its globally centralized vertical organizational structure, the Group aims, over time, to provide the full range of services that it offers through all of its global business lines in each of the geographic regions in which it currently operates. The Group also plans to leverage its relationship with and continued support from the Atos group to capture cross-selling opportunities deriving from the Atos group's broad existing customer base.

6.4.3 Extend international footprint

A key component of the Group's strategy is the consolidation and extension of its international presence, both within the European markets in which it has traditionally operated and beyond, with a focus on emerging markets. The Group will seek to extend the full breadth of it product offering to all of its jurisdictions over time. In Europe, the Group intends both to consolidate its positions within the various payment services submarkets in which it currently occupies a leadership position, and to expand the scope of services and products that it offers within these countries by leveraging its ability to offer solutions across the extended payment value chain.

Ultimately, 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. For instance, the Group launched its Commercial Acquiring business in Slovakia, and more recently, its strategic alliance with Komercni banka (KB Smartpay) has enabled the Group to launch merchant services activities in the Czech Republic. The acquisition of Paysquare reinforces the Group's market position in the Netherlands, brings the Group a significant presence in Germany in Merchant Services and opportunities to expand further in Poland.

The expansion of the Group's footprint beyond the 22 countries in which it currently operates is equally fundamental to its growth strategy. To that end, by, in part, leveraging the Atos group's extensive international footprint, the Group currently extends its reach to the more than 72 countries in which the Atos group operates, notably Northern America thanks to former Xerox ITO business now integrated in the Atos group, and will seek to take full advantage of this additional reach going forward.

6.4.4 Leverage franchise and brand to attract new customers and optimize scale efficiencies

As part of its strategy to attract new customers and optimize scale efficiencies, the Group intends to continue to develop its distributor and partner sales networks to drive the expansion of its customer portfolio. Additionally, 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. Given its scale, 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 expand its banking customer base by capitalizing on the accelerated outsourcing trend among banks.

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. The Group additionally intends to leverage its scale and leading existing market position to further increase its competitive position within the payments market.

This move is and will continue to be supported by a strong brand awareness reinforcement plan, through increased visibility in the media driven by a strong PR strategy, brand positioning campaigns over digital media and social networks, innovation and co-creation workshops for customers and prospects.

6.4.5 Pursue strategic acquisitions

The Group believes that the European payment services market is at an inflection point and ripe for consolidation. As a payments market leader with a strong track record of value creation through disciplined acquisitions, as illustrated by its acquisition of Banksys in Belgium and by the value creation expected from the acquisition of Equens, the Group is ready to capitalize on such pan-European consolidation opportunities, while nevertheless maintaining its attention on organic growth by remaining among the industry leaders in innovation.

In particular, the Group intends to consolidate payment processing activities across Europe to bring scale benefits to all parties, and extend its reach by entering new geographies, either through acquisitions or alliances. 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.

The equensWorldline integration started in November 2016 further proves the Group's commitment to this strategy, bringing also a significantly increased position on non-card payments to the new group.

6.5 The Group's business [GRI 102-2]

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 & Terminals global business line primarily targets merchants, helping them build consumer intimacy through its broad portfolio of electronic payment solutions and value added services, across sales channels;
- The Financial Services (formerly Financial Processing & Software Licensing) global business line targets banks and other financial institutions. Its mission is to provide a complete range of payment services for banks 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 business and government entities 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 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.

6.5.1 Merchant Services & Terminals

The Merchant Services global business line offers merchants and retailers the unique opportunity to accompany their customers at each step of the business relationship. The Group supports merchants before the sale, through targeted origination, during the sale, by offering a range of services across the electronic payment value chain (from acquiring services to multi-channel payment acceptance and payment processing), and after the sale, through targeted loyalty programs and analysis of data generated during their interactions with their customers. The Group's payment solutions and value added services thereby allow consumers to seamlessly transition between the merchant's various physical and virtual sales platforms.

The Group Merchant Services & Terminal business actively pursued its geographic expansion and acceleration, by leveraging the acquisitions of Paysquare in the Netherlands and KB Smartpay in the Czech Republic during the course of 2016. The Merchant Services & Terminals business generated a revenue of € 439.6 million in 2016, with an OMDA margin of 22.6%.

As a result of both organic growth and the two acquisitions mentioned earlier, the Group now serves over 200,000 merchants, from micro merchants through to large international enterprises, pursuant to which it provides over 300,000 points of sale and nearly 58,000 e-Commerce websites. In Europe, the Group processed (acquired) over 1.9 billion card transactions in 2016. In the field of e-Commerce, the Group processed and/or collected over 550 million transactions in 2016 across a wide range of more than 50 on-line payment methods.

In India the Group was able to leverage on the Demonetization action which was initiated by the Indian government on November 8 resulting in doubling its transaction volumes and over 40% growth of its payment terminal install base since the announcement was made.

To respond to the needs of each business and provide merchants with solutions to help transform and grow their business, the Group has grouped its four business divisions within its Merchant Services in four global business areas:

- Commercial Acquiring;
- Acceptance;
- Terminals;
- Merchant Digital Services.

From January 1, 2017:

- Commercial Acquiring, Acceptance and Terminals are joined together as "Merchant Payment Services";
- Online Services and Private Label Cards & Loyalty Services are been grouped under "Merchant Digital Services".

In addition to those identified below, principal clients of the Group for this global business line include Tesco, Sainsbury's, SNCF, BP, Indian Oil Corporation, Bharat Petroleum, Hero Cycle, Hindustan Unilever.

6.5.1.1 Commercial Acquiring

The Group expects Merchant Payment Services to remain its first growth engine, with an organic growth rate expected at mid- to high- single digit, thanks to fast volume growth in Commercial Acquiring and e-payment acceptance, expansion in fast growing geographical areas such as Germany and Central & Eastern Europe following the recent acquisitions of Paysquare and KB Smartpay, and acceleration of sales of omni-commerce proven solutions, such as retailer's wallet, digital retail and merchant data analytics.

The Group conducts Commercial Acquiring activities principally in the following countries: Belgium, the Netherlands, Luxembourg, Germany, Czech Republic and Slovakia.

The Group is a licensed payment institution in Belgium where it is the leading commercial acquirer, handled over 1.9 billion acquiring transactions in 2016.

In order to accept payment cards through international card schemes such as Visa and MasterCard and local debit card schemes such as Bancontact Mister Cash, a merchant must contract with a payment institution (or bank) that is a member of the card scheme network. 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 effectively underwrites the credit quality and integrity of the merchant services, because the acquirer is required to refund to the issuing bank the amounts paid if a merchant does not deliver the goods to the end customer. To be an acquirer, a company must hold a license as a payment institution. See Section 6.9, "Regulation" of this Registration Document.

Through its ability to offer end-to-end solutions, the Group provides merchants with a one-stop-shop for Commercial Acquiring services. The Group manages and ensures the quality, reliability and availability of payment services, allowing merchants to focus on their business. In all the mentioned countries earlier the Group provides merchants with a contractual relationship that covers all major international payment schemes (Visa, MasterCard, Diners, UnionPay, JCB), while in Belgium, the Belgian national debit card scheme (Bancontact/Mister Cash) is also offered to its merchant base.

The Group has an attractive combination of solutions and capabilities, both in the front and back office, to deliver cutting edge, seamless multi-device payment related services. The Group's acquiring platform is built around several modules that manage 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) and from different acceptance solutions. The Group's solution includes the delivery of consolidated enhanced reporting to merchants and supports a wide range of currencies for card transactions. The Group's solutions also incorporate robust fraud prevention services to help merchants and cardholders reduce fraudulent transactions.

Beyond simply connecting merchants to the payment scheme network, the Group supports merchants at every step of their relationship with their customers, allowing them to significantly increase the number of payment transactions generated by their business. The turn-key solutions that the Group offers to its merchant clients cover all aspects of the electronic payment chain (Commercial Acquiring, payment terminals, payment processing, point-of-sale marketing campaigns, etc.).

The Group offers a number of payment-related value-added services, such as fraud detection, customer feedback surveys, loyalty services as well as end-to-end solutions for implementing company-specific gift and loyalty card programs.

Building on its strong historical position in Belgium as the leading commercial acquirer, Worldline has successfully expanded (both organically and *via* several earlier mentioned acquisitions) its Commercial Acquiring business initially to the Netherlands, Luxembourg and Slovakia and during the course of 2016 to Germany and Poland (*via* the acquisition of Paysquare) and Czech Republic (*via* KB SmartPay).

The Group's Commercial Acquiring clients cover all business sectors, from large-scale retail distributors, such as Carrefour to an international oil and gas company, travel business such as Hilton and Carlson Wagonlit, as well as small businesses such as restaurants and shops.

6.5.1.2 Payment terminals

The Group's terminals division offers two main lines of products: payment terminals and hardware security modules; and it sells, leases and maintains payment terminals.

Payment Terminals

Worldline offers a range of robust, versatile and easy-to-use payment terminals adapted for different segments of the market. The Group offers merchants terminals to rent or own, and provides installation and support services. The Group markets its terminals in the Benelux and Nordics regions, Germany, Switzerland, France Czech Republic, Slovakia, Austria, Russia and Spain. Worldline has shipped more than 200,000 payment terminals in 2016.

All Worldline terminals use the same system-on-a-chip. Custom applications developed for one type of terminal can easily be ported to other terminals, maximizing development return on investment. Built around free software, they allow partners and customers to develop their own applications. Complementary services like promotion in store, survey and advertisement on the screen of the terminals are available. Software updates and security keys can be securely downloaded when necessary, minimizing the need for on-site interventions.

Thorough lab testing and ISO 9001:2000 certification help guarantee the manufacturing quality of Worldline terminals, which are designed to have a long working life.

The Group continually renews its range of terminal products, with an emphasis on product design, high security, and reliability. The Group's terminal range includes:

- the Group's YOMANI ranges of countertop terminals, which are designed to ensure fast transactions in large retail environments. It includes the new YOMANI Touch terminals, which incorporate a large full-color touch screen and contactless reader;
- the Group's YOXIMO ranges of 3G and 2G enabled mobile POS terminals;
- the range of terminals for unattended environment XENTEO ECO, XENOA ECO, YONEO and XENTIM terminals, which are resistant to vandalism and bad weather, has been completed by the new VALINA, based on Android and including a large touch screen for a new customer experience and supporting complementary services like couponing and mobile loyalty; and
- the Group's YOMOVA, a compact all-in-one terminal, which the Group offers in a countertop and a portable version. YOMOVA is designed for restaurants and shops.

The Group's terminals also support remote management through applications such as its XENTURION POS terminal management system, which allows batch updating and management of terminal fleets.

The Group also proposes a mobile point of sale (mPOS) device together with an application for mobile devices that allows smartphones and tablets to be used as mobile payment terminals. Because this solution is less expensive to implement than renting or purchasing a dedicated POS terminal, this solution is well-suited as an entry-level solution for micro merchants, start-ups and small businesses that make in-home deliveries. The Group also provides cloud-based solutions that run cash register software on a tablet and are connected to an mPOS or a traditional payment terminal.

Some of the larger direct customers for Worldline's payment terminals include large retailers such as Casino and Darty in France, Carrefour, Colruyt, Delhaize and Fnac in Belgium, Citti, Adler, OBI, Aldi Süd in Germany, Albert Hein, Hema, and H&M in the Netherlands as well as multiple electricity, oil and gas distributors in Belgium.

Hardware Security Modules (HSM)

Worldline designs and develops hardware security modules for cryptographic purposes that are used in a range of applications where advanced encryption is required, including the generation and encryption of PIN codes and the production of credit cards. The ADYTON is the more recent device produced by the Group. ADYTON uses advanced cryptographic accelerators for outstanding speed and security in PIN-generation, transaction processing, digital signature and data protection.

6.5.1.3 Omnichannel payment acceptance

The Group's Acceptation services activity covers all the needs of Merchants allowing them to accept payments on their point of sales. It includes online payments (e-payments) and mobile payments (m-payment) thanks to Worldline Sips, its omni-channel payment acceptance service, centralized acceptance services allowing to concentrate all the payments of all the point of sales of a retailer, whatever the channel.

Worldline Sips – Cross-Channel Payment and Acceptance Services

The Worldline Sips offering is one of Europe's leading multi-channel payment gateways. Sips allows merchants to accept payment methods used for purchases on their site and manages the transaction during its lifecycle.

As a cross-channel payment gateway that complies with PCI data security standards for protecting cardholder data, Sips enables merchants to accept over 50 payment types including credit and debit card, bank transfers, electronic wallets and private label payment cards. The offer can be adapted to several payment channels (*e.g.*, web, mobile, tablet, integrated voice response…). It includes a wide range of features, including one-click payment, recurring payments, fraud detection, enhanced authentication and DCC (dynamic currency conversion) to merchants.

The Group provides Sips as a white label solution mainly to financial institutions (like Société Générale and BNP Paribas) but also directly to large merchants under the Sips brand. The Group successfully introduced the offering in the Benelux, United Kingdom and Germany in 2016, and will continue to focus on the internationalization of the offering *via* the acquisitions made during the course of 2016.

Examples of some of the larger online payment customers to whom the Group directly provides online and mobile payment services using Sips include SNCF, Cdiscount, McDonald's, HMRC, Cineworld, many British rail companies.

Central acceptance

The group also provides Acceptance services for multi-channel merchants in order to concentrate all their payments through a single platform for face-to-face and online payments. Besides the standardization of the solutions in the point of sales and the reductions of the suppliers for the merchants, concentration of payments allows new payment usages like web-to-store, store-to-web and web-in-store, an increase of fraud management efficiency, a global management of all the payment activity, dynamic choice of the acquirer or of the payment scheme in order to get better financial conditions from acquirers. Central acceptance is a major step allowing merchants to move towards omni-channel transactions.

The Group's principal clients within this business activity include Casino and Darty.

Merchant Aggregator

The Group offers Merchant Aggregator services in India leveraging on its bank relationships where Merchant Aggregators are treated like a Super Merchant by the banks and e-commerce Merchants like Sub Merchants. The Group is developing its offering based on two different models:

- Core aggregation, where Worldline undertakes end-to-end aggregation from merchant sourcing, risk underwriting along with settlement and payment;
- Hybrid aggregation, where Worldline sources merchants and underwrites risk, partner banks settle merchant payments – key differentiator between WL and competition.

As a Merchant Aggregator, the Group is a Super Merchant through which individual e-commerce Merchants (Sub Merchants) can process their payment transactions. The Group, as a Super-Merchant allow Sub-Merchants to accept credit card, debit card, various cash cards, bank transfers without having to setup a Merchant account directly with a bank. The Group provides the means for facilitating payment from the consumer *via* credit cards, stored value cards, bank transfers. The Sub-Merchant is paid by the Group on the agreed payment cycles. The Group provides the Hosted Payment Page and underwrites the risk and passes the risk or liability to the Sub-Merchants.

6.5.1.4 Online Services

The Group's Online Services division covers the full digital commerce lifecycle for Merchants from webshops and omni channel solutions using the Digital Retail offerings to the acceptance of face-to-face payments and online payments (e-Payment and mobile payments).

Digital Retail

The Digital Retail offers include the following components

Web shopping

The Group helps merchants design, implement, operate and improve digital retail shops, with a strategic focus on omni-commerce solutions that cover the full range of sales channels used by large retailers allowing simple, personalized interactions at the time and on the channels required by the customers.

The Group manages around one hundred of digital retail websites on behalf of its merchant clients, which include leading French large-scale retail distributors. In 2016, the Group processed up to 2.7 million orders per month through this channel.

Worldline currently offers its omni-commerce solutions primarily in France, Spain, the United Kingdom and Belgium. The Group's omni-commerce solutions also include revenue generated by its own e-Commerce website, redspottedhanky.com, through which the Group receives commissions on sales of train tickets and other travel-related purchases.

Merchant Wallet

The Merchant Wallet is a secure container of identity making payments easier but also any kind of services requiring an identification (like loyalty, self check-in, couponing…)

The group helps merchants to increase their conversion rate, to reduce fraud and strengthen the merchants' customers engagement with the Merchant Wallet. The Merchant Wallet simplifies transactions with a one-touch payment and an enhanced shopper experience without any compromise on security. The group's merchant wallet is managed in a centralized platform available on several channels (internet, smartphones) with an enriched, personalized and seamless experience.

The group'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 a white-box cryptography and a software tamper resistance.

Merchant Wallet is used for instance by Accor, Mc Donald's France and a major petrol company.

Digital Signage

The Group's end-to-end data-driven digital signage solutions help companies (like retailers, hotels, bank agencies) promote shopper or customer engagement and offer targeted "in-store" promotions cross-channel. The Group works closely with partners in developing these services. As an example, Worldline partnered with Metro to help heads of departments to manage and centralize communication to customers with real-time and scheduled publications, prices and promotions modifications allowing giving autonomy to End-customers in-store.

Connected Store

In addition to the signage providing content information or dynamic content, the Group also proposes the Connected Store that transforms a marketing touchpoint into a new sales channel: the connected store interacts with customers on digital touch points in order to boost sales and reinforce customer engagement with an enriched and personalized experience. It is an open and modular solution that can easily integrate an existing digital ecosystem. The combination of connected stores and online experiences (like webshop) allow a seamless journey (commerce anywhere) for the customer no matter where he is (home, street or store). The group provides Connected Store to retailers like Sephora.

Digital platform

The Digital Platform is a real-time oriented, scalable and secure core platform linked with commerce, payment, data and marketing applications. It allows to merchants a progressive digital approach by connecting new applications to legacy assets in an easier and cost-effective way and orchestrating business applications, unique referential and business data to enhance the user experience.

Digital Platform is a high-availability platform connecting all existing services, with real-time capabilities to heterogeneous legacy information system. It is leading the unified customer experience. Through API management, Worldline Digital Platform is highly customizable with minor impacts on the existing IT assets. It accelerates the pace of the digital businesses enabling our clients to run the new digital experience faster whilst optimizing IT investments.

6.5.1.5 Private Label Cards & Loyalty Services

Private Label Cards

The Group offers retailers and service providers an end-to-end set of solutions that allow them to outsource some or all of the process of offering private label payment cards, including closed loop payment cards that can be used for payment only at certain affiliated sales points. The Group offers merchants the full range of services necessary to set up a private label card, including card application processing, card issuing and replacements, online card validation and balance checking, electronic invoice generation and payment processing, credit management, collections and dedicated call center support. The Group provides private label card services primarily to oil, hospitality, leisure and fleet companies in France, the United Kingdom, and Spain and in the oil and gas sector in India. Key customers for the Group's private label cards include, Eni, Repsol, Fuelgenie, Cineworld and Premier Inn.

Loyalty Programs, BI (Business Intelligence) & Big Data

The Group offers retailers tailored solutions for loyalty program management, sales promotion tools and innovative self-service kiosks to enhance their relationships with their customers across the different stages of the customer journey, before, during and after the sales process. These services help merchants better target and adapt their offers to evolving customer expectations, increase the frequency of customer interaction to create new sales opportunities, and improve returns on marketing and promotions through a better understanding of their customers' needs.

Loyalty programs

With over 20 years of experience in implementing and managing loyalty programs, the Group manages loyalty cards primarily in France, the Benelux region, Germany and Spain. The Group offers merchants a range of services including:

- Customer database setup, storage and management to control customer data from enrollment to loyalty activity follow-up;
- a loyalty and sales promotion rules engine that provides a flexible tool to generate loyalty rewards and promotional coupons;
- Analysis and interpretation of customer data to better understand customer behavior and expectations and adapt marketing programs; and
- Marketing support to help design the loyalty program and customer offers.

The Group offers its loyalty program services primarily to large merchants such as retailers, transport and leisure companies and petrol companies in France and Spain.

BI (Business Intelligence) & Big Data

Based on its technical skills (Data cleansing/Ad-hoc analysis and reporting/Integration & hosting of BI solutions), its statistical skills (Customer segmentations and clustering/Lifestyle analysis/Predictive analysis/Fraud detection) and its marketing skills (Define high qualified profiles/Target and recruit new consumers with attractive offers/Marketing consultancy), Worldline proposes different offers:

- *BI On Demand:* Set-up and hosting of BI applications leverage by datamining consultancy skills;
- *Customer Interactive Marketing and Sales Promotion Services:* Omni-channel solution to promote personalized and geolocated offers in real-time based on big data analysis. Through the analysis of purchasing and other data collected during interaction with their customers, merchants can develop targeted and more effective offers, coupons and other promotional messages, and thereby enhance customer loyalty;
- *Connected Data:* Creation of new services by transforming machine to machine data into valuable and actionable information.

Some major retailers like U, Feu Vert, Flunch, Roche and a railway company in Scotland and England use the Group's offers.

Digital Self-Service

Worldline's Digital self-service allow merchant customers in the restaurant, hotel and travel sectors to increase customer satisfaction by speeding up the food-ordering or check-in process to reduce the amount of time customers spend standing in line. In addition to reducing the number of customer "turn-aways" due to frustration at long lines, key benefits to merchants include better use of personnel and less need to deploy staff to cover peak check-in times, as well as seamless integration with back office systems. Digital Self Services also offer the potential for revenue enhancement through systematic integration of upselling opportunities as well as on-screen advertising revenue. Around 2,000 kiosks are in operation for its customers, and Worldline has shipped or refurbished over 300 kiosks in 2016.

The Group currently offers self-service kiosks principally in the United Kingdom, but is expanding this offering to other key markets, often in connection with other solutions. The Group typically offers customers an end-to-end solution that it customizes to their needs using several components including the kiosks themselves and data processing services that are typically hosted on Worldline's servers. Many of the Group's e-Ticketing clients use its kiosks as one means for selling or delivering tickets to customers. Depending on the merchant's needs, the Group may also offer other services, such as analysis of customer data to propose targeted offers. Worldline designs the kiosks and manufactures the kiosks at its assembly plant in the United Kingdom using components sourced internally and from partners and other third parties.

The Group's digital self-service current customer base includes:

- ***Railway customers***. The Group serves more than a dozen train operating companies in the United Kingdom, providing kiosks that allow customers to purchase and pay for tickets and to collect pre-paid tickets;
- ***Hotel customers***. The Group provides kiosks for check-in, hotel restaurant reservations and payment services to a number of hotels in the United Kingdom, the Netherlands and the United States;
- ***Movie chains***. The Group provides kiosks for ordering and purchasing movie tickets or picking up prepaid tickets at movie theatres in UK.

6.5.2 Financial Services (formerly "Financial Processing & Software Licensing")

In 2016 the activities of Worldline's Financial Processing & Software Licensing global business line have been successfully merged with Equens[1] The merger resulted in the creation of equensWorldline SE, owned by Worldline at 63.6% and by the former shareholders of Equens at 36.4%. The ambition of the Company is to be the leading and most innovative payment service provider for financial institutions in Europe.

equensWorldline delivers products, services and solutions that allow financial institutions to outsource some or all of the business processes involved in

(i) issuing payment cards;

(ii) Acquiring Processing of electronic payment transactions;

(iii) processing non-card electronic payments; and

(iv) offering digital banking services. Expertise in technology is a key differentiator in our markets and financial institutions are moving more and more towards innovative digital solutions. equensWorldline is in the unique position to leverage the Group IT knowledge and provide state-of-the-art innovative products, services and solutions to financial institutions in a seamless, secure and efficient way (*e.g.* instant payments, mobile wallets, fraud & risk management, digital banking services, strong authentication solutions).

equensWorldline is the industry's largest transaction processing company in Europe. More than 250 financial institutions trust their services to equensWorldline. The Company has circa 100 million payment cards under management and processes 7.5 billion card transactions and 10 billion payment transactions per annum. The new company employs more than 3,000 payment experts and has an undisputed pan-European reach with offices in 8 European countries and leading market positions in key geographic markets including France, Germany, Benelux and Italy. Key clients of equensWorldline include major financial institutions such as BNP Paribas, DZ Bank, ICBPI and ING.

In addition to the equensWorldline activities in Europe, the Group is also present in other regions including India, APAC and Iberia. The Group believes that it is the leading independent payment services processor in India and also offers Software Licensing solutions to banks throughout the Asia and Pacific region, with a particularly strong base in China, where three of the top five banks and three major credit card companies use the Group's licensed financial processing software.

The global business line Financial Services (incl. equensWorldline SE) generated a revenue of € 500.0 million in 2016 with an OMDA margin of 26.1%.

6.5.2.1 Card Solutions for Issuers

Core Processing and Card Issuing Services

The Group offers issuing banks a complete end-to-end set of solutions for outsourcing some or all of the process of issuing and managing debit, credit, prepaid and commercial cards and processing the related authorization requests and clearing transactions. 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. In addition to technical processing of transactions, the Group offers issuing banks solutions to outsource every stage of the card life cycle, including application, card issuance and personalization, statement production, chargebacks processing, settlement and call-center support. In 2016, the Group managed over 100 million cards. The Group's largest markets for these services are Germany, Belgium, France, Netherlands, Finland and Italy.

1 *Except for Financial Processing businesses in Asia, Latin America & Spain.*

Value Added Services for Card Issuers

In addition to the card issuance and processing services, the Group offers banks and financial institutions a wide range of value added services that help them reduce risk, accommodate changing consumer preferences and generate additional revenue. Key value added services include:

- ***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 instruments credentials like debit card, bank account and other data (loyalty, coupons, etc.), 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. Cloud-based wallets also enable issuing banks to capture a richer stream of transaction data than typical credit card transactions. They can, for example, generate additional revenue from higher value targeted advertising (such as card linked offers) and other loyalty services that make use of such data.

  The Group provides a full range of services to support digital wallets, from the design, implementation and management of digital wallets to payment processing. These services support the three major kinds of digital wallet offered today:

  - *Cloud-based wallets*, such as PayLib, BCMC Mobile and MasterPass, which store a user's card data on servers "in the cloud" and allow customers to easily pay for services face-to-face or on the internet, by identifying themselves (for example through their email address or cell phone number) and authenticating. Cloud-based wallets can also be used at the point of sale *via* an application on a mobile device or by photographing a quick response (QR) code shown on a printed receipt, a bill, or a POS payment terminal. One important feature of cloud-based wallets is that they permit merchants to accept payments from their current terminals without having to acquire specially-adapted terminals as is the case for NFC technology,
  - *Online Banking Enabled Payments (OBeP)* such as MyBank or iDEAL make it possible to redirect consumers making online or mobile payments to their online banks to approve transfers or authorize direct debits. For this, the Group offers the "validation service" solution. When linked to a cloud-based wallet, OBeP allows a bank to offer a wide range of payment methods (credit transfer, direct debit, card payment authorizations) to its consumers,
  - *NFC wallets* payments and digital enablement, which render card users' card information accessible and usable from their mobile devices and uses near-field communication (NFC), Bluetooth, or other technology to transmit authorization information from users' mobile devices to POS payment terminals. Depending on the configuration and the transaction amount, payments using proximity payment wallets may require entry of a PIN code or a fingerprint biometric challenge. An increasing number of mobile phones and POS terminals incorporate NFC technology, and many wallet mobile payments solutions are being developed using this technology.

  The Group has extensive experience in the European digital wallet solutions sector. The Group designed, manages and processes transactions for the Bancontact/Mister Cash digital wallet solution in Belgium, a cloud-based wallet that offers debit card person-to-person transfers and proximity payments using mobile devices, and has also helped banks such as Société Générale and BNP Paribas integrate person-to-person payment services. The Group is working with BNP Paribas, Société Générale, Credit Agricole, Crédit Mutuel and other banks in France to develop and extend the PayLib network, a cloud-based wallet solution designed primarily for internet purchases and now exploring NFC proximity payments;

- ***Fraud Risk Management Services.*** The Group offers real-time and post-transaction fraud detection complemented by other services along the fraud risk management value chain. These services include the creation and management of rules, the deployment of the rules for alert creation and finally the operational handling of alerts. For fraud detection, these services analyze the nature of a transaction, a customer's behavior profile and other data to help identifying suspicious transactions made with a payment device;

- ***Authentication Services.*** The Group offers strong authentication services for access to Online Services or to enhance the security of internet transactions, such as through the 3-D Secure architecture, which redirects the cardholder to the issuing bank's authentication server. The strong authentication tools also include the OTP (One Time Password) sent by SMS. This additional step makes it more difficult for a person other than the cardholder to use the card to make a payment, reducing the risk of fraud. This service is delivered to 66 banks worldwide. Trusted Authentication is a strong authentication solution arising from the Group's research and development teams. This strong authentication solution is simple to use and addresses consumers' expectations (multi-device, omni- and cross-channel, online and offline functionality). It is currently used by French, Belgian and German banks to provide secure remote access to Online Services and payments, including on mobile devices and tablets. By the end of 2016 more than 5 million mobile devices had been registered to use this service and the number of strong authentication processed for our clients increased four-fold in 2016 to reach 2.2 million authentications in December 2016;

- ***Card-Linked Offers (CLO).*** The Group offers issuing banks specialized processing that give the bank's cardholder immediate benefits such as "cash back" discounts when purchasing the products or services offered by certain merchants. These "Cash Club" services are based on data mining and retail marketing expertise. They generate personalized offers for cardholders by cross-referencing their payment history with merchants' promotional offers;

- ***Payment Modulator.*** This is product that allows the cardholder to control the usage of their payment card 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* SMS or App notification or sent to their email address. The Cardholder can, for example, set the card limits, control usage in a particular country, control usage in certain points of sale;
- ***Data Analytics.*** The Group's data analytics services help banks analyze and better understand their payment data. Such services include consumer profiles based on behavioral clusters and peer group comparisons as well as predictive risk profiles and the ability to steer dynamic usage limits and restrictions;
- ***Self-Selected Pin (SSP).*** The SSP solution allows cardholders to choose their own PIN code. This offering can interface with either the issuer's card management system (CMS) or with that of a card personalization provider. This service has been deployed in Germany and in Belgium.

In addition to those mentioned above, the Group's principal clients within this business line include Rabobank, ABN AMRO, ING, OP, LCL, Caisse d'Epargne, Group Banque Populaire, Commerzbank and Landesbank Berlin.

6.5.2.2 Card Solutions for Acquirers

Core Processing Services for Acquirers

The Group's Acquiring Processing solution covers the full acquiring value chain ranging from merchant contract set-up to merchant post-settlement activities. It is optimized for domestic and international card schemes on any transactional device – POS, ATM, e/m payments.

When a cardholder presents a card for payment, card data are captured either by a terminal or ATM or entered in the payment page of a web-shop. From there, a transaction request is generated with the card being either authenticated at the POS or online by the authorization system. After authentication, an authorization request is sent to the issuing bank. The Group's servers and software applications allow a financial institution to outsource this function. The Group handles the authentication of the card, the transmission and processing of authorization requests on behalf of the acquirers as well as the processing of the related clearing and settlement process. The Group's processing systems accept payments made through a broad range of domestic and international card schemes, accommodate a full range of transactional devices, including POS terminals, ATMs, and e/m Payments and include interfaces that allow the acquirers to monitor the status of authorizations and transactions.

Value Added Services for Card Acquirers

Value added services such as self-service-tools for merchants, DCC (dynamic currency conversion) and fraud prevention solutions support acquirers in their daily business. In addition, the Group offers services to allow the acquirer as well as the merchant to reconcile transactions and to capture financial data in their respective accounting system. The Group generates special reports to help follow up on transactions that include services as DCC, surcharge or non-financial transactions such as balance inquiries. The Group also offers check processing services, and in particular its credit scoring system, for merchants through its "check service" solution.

Leveraging its centralized IT-infrastructure and cross-border connections between its subsidiaries, the Group can provide centralized reporting to acquirers or merchants doing business in different countries, together with support for multiple currencies.

A few examples of clients are: BNP Paribas, Kalixa, Postfinance, ICBPI

6.5.2.3 Payment Solutions

The Group offers financial institutions a complete end-to-end set of solutions that cover the full range of needs in the domain of payments, including

(i) clearing and settlement services;

(ii) SEPA value added services;

(iii) corporate payments services; and

(iv) back-office processing services for financial institutions including domestic & cross-border payments, high value payments, foreign exchange payments and investigations.

Clearing & Settlement Solutions

The Group operates a highly scalable Automated Clearing House (ACH) platform and provides SEPA Credit Transfers (SCT) and SEPA Direct Debits (SDD) payment services. The Group ensures full market reach across Europe. Next to its reach within the Group community, we offer 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. The Group has established reach to the USA through a partnership with the Federal Reserve Banks.

A few examples of clients are: ING, Banque Raiffeisen, Rabobank.

SEPA Value Added Services

The Group offers a full set of SEPA value added services and solutions, which gives financial institutions the freedom to build a complete SEPA payment service suite around their business model.

- *Debtor and Creditor Bank Modules*; provide user-friendly, web-based options for R-transactions (*e.g.* rejects, refusals), allowing to fully control direct debits and lower total transaction costs. The services also allows financial institutions to minimize risks thanks to enhanced clearing and settlement blocks, settlement caps, and the facility to define blocks such as country blocks, collection blocks and bank blocks;
- *Support services*; the Group offers an effective inquiry service for queries concerning processed transactions;
- *Reporting services*; financial institutions can reap the benefits of comprehensive reports, including positive settlement, positive validation, positive cancellation and recap clearing;
- *Specific business services*; services such as character filtering, calculations of refund compensation and enhancement of error codes;
- *Country-specific Value Added Services (VAS)*; services such as BIC/IBAN validation, account validation and bank switching services;

A few examples of clients are: OP, ABN AMRO.

Payments Processing Back-Office Solutions

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 increasing pace of change in the payments industry (new innovative payment instruments, new regulations, etc.). The Group comprehensive portfolio includes the following services:

- Mass Payment Processing; SEPA and domestic non-SEPA payments;
- Multi-Currency Payment Processing; Cross-border payments (with or without currency conversion) and domestic payments with currency conversion;
- International check collection; a full service portfolio for both export and import check collection processing;
- High-Value Payment Processing; processing high value and urgent payments *via* TARGET2 or EURO1;
- Additional services like archiving, embargo and FATF processing, connectivity services, manual handling.

A few examples of clients are: DZ Bank, LBBW, SEB.

Corporate Payments

Corporate Payment Services (CPS) is a convenience service which enables corporates and service agencies to submit directly to equensWorldline large volumes of SEPA credit transfers and SEPA direct debits for multiple banks in a single message and file format *via* a single type of connectivity.

The Group offers CPS to service agencies & financial institutions and they offer it to corporates.

A few examples of clients are: Bank of America Merrill Lynch International, Citibank, BNP Paribas.

Payment Innovations

The behaviors and payments needs of consumers, businesses and governments are changing driven by regulation, digitization and new technologies (incl. near-field communication, blockchain, biometrics and tokenization). Payment users expect a single user experience across multiple channels – POS, ATM, branches, internet and mobile – with real-time access to and control over their payment transactions and account balances at the highest levels of privacy and security. These developments support new business models and payment innovations. Two examples thereof in the payment processing domain are: access to account (XS2A) and instant payments.

Access to Account (XS2A)

The revised EU Payment Service Directive (PSD2) caters for access to bank accounts by third party providers. Specifically, this means that banks need to open up their infrastructure and allow third parties access. Access to account can lead to disruption of incumbent banks by flexible and innovative service providers, but it also provides business opportunities for incumbent banks if they adapt their business and operating model and use XS2A to accelerate their digital transformation.

The Group not only supports financial institutions in being compliant to the revised PSD2 by offering a standardized XS2A solution and harmonized processes, but actively supports banking-as-a-platform to financial institutions by providing Third Party Provider services with Application Programming Interfaces (APIs) in a developer portal and integration tools for merchant websites. Services can easily be extended beyond those mandated in PSD2, driving innovation, as for instance, age verification or address verification services.

Instant Payments

Across whole Europe and even beyond, the banking sector is developing new infrastructures for instant payments. Whereas funds take up to one business day or more to be available on a payee's account when credit transfers, direct debits or card payments are used, instant payments are processed within seconds. Instant payments enable new innovative service models such as mobile P2P.

As a front-runner in continental Europe the Group supports the banking sector with the development of a pan-European instant payments infrastructure based on the business rules set by SCT[inst] scheme and the ISO 20022 message formats.

6.5.2.4 Digital Banking & eBrokerage

Digital Banking Solutions

The Group's Digital Banking solutions help retail banks offer their customers access to online or mobile banking services. They allow 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 also provides solutions to banks to allow them to capture and store contracts in electronic form.

A few examples of clients are: Crédit Lyonnais, Société Générale, BNP Paribas, Fonds de Garantie des dépots

eBrokerage Solutions

The Group's online trading platform solutions allow brokers, banks, and other financial institutions to manage multi-asset orders from collection of the order to delivery to market for execution. The Group's solutions support orders for a full range of financial products (*e.g.*, securities, derivatives, mutual funds) and are designed to accommodate complex orders from any market (*e.g.*, multi-leg strategies, etc.).

A few examples of clients are: Boursorama, CortalConsors and Euronext

6.5.2.5 Deployment Models

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

(i) client licensing;

(ii) hosting services;

(iii) application management; and

(iv) business process outsourcing.

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).

Software Licensing

Full deployment at client site. The client's staff operates and hosts the application environment based on software delivered by the Group. The Group's main software solutions include its Cardlink II and ASCCEND mainframe applications, COSES, an integrated switching solution that manages communications with a bank's servers, the Worldline Pay (WLP) end-to-end integrated payment software solution and other specialized software programs. WLP is a family of solutions designed to deliver generic core functions using a service-oriented architecture (SOA). 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 also 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.

Business Process Outsourcing

Financial institutions can also choose to outsource their 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. The above-mentioned payments processing back-office services are a prominent example of this deployment model.

6.5.3 Mobility & e-Transactional Services

The Group's Mobility & e-Transactional Services global business line 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 fueled 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 € 369.6 million and an OMDA margin of 13.9% in 2015.

The Group is focusing its efforts on several areas where it believes new digital services have significant potential:

- E-Ticketing systems cover a full set of solutions and services to Transport Operators and Infrastructure Providers, including service planning, resource allocation and real time proactive decision support. Passenger service focused solutions include multi-media passenger information and ticketing from sale through to financial settlement, including paperless ticketing through digital identity and open payment technology;
- E-Government Collection provides paperless secured systems to public and private organizations for better services through the digitization of processes for citizens, including the enabling of electronic payments (taxes, fines, etc.), automated traffic enforcement solutions, and e-healthcare services, as well through a variety of trusted services for customers, including 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 and with the Industrial IoT solution highly secure solutions for the 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 Iberia, Deutsche Bahn, EFFIA, Météo France, O_2, France Télévisions, M6 and IGN.

6.5.3.1 E-Ticketing

Railways and other public transportation systems increasingly recognize the potential benefits that can be derived from electronic ticketing, improved route management and enhanced customer information systems, but frequently lack the in-house resources and expertise necessary to design and implement these solutions. The Group provides them with a range of solutions designed to help them deliver new digital services to their customers.

E-Ticketing

From sale to financial settlement, the Group provides content, 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 handheld "on-board" devices to manage the process of issuing and validating printed and electronic tickets. 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) 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 mobile technology to railway personnel that integrates industry leading digital devices with ticketing and payment. This solution is called MTIS (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 MTIS 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 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 Worldline 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 has recently delivered the latest in account and identity based travel with the Tap2Use solution. 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.

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 Avantix WebTIS online 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 replan 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.

6.5.3.2 E-Government Collection

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, automated traffic enforcement solutions, 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 safe content services for companies and administrations to help securely capture and archive digital copies of legal documents.

Automated traffic and parking enforcement solutions

The Group provides local, regional and national law enforcement authorities with efficient end-to-end automated traffic and parking enforcement services. The Group's hardware and IT services, which can be purchased together to provide a complete solution or separately to cover specific functions, 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, Luxemburg, Spain and Latin America. 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 (Direccion General de Trafico) in Spain, the Ministry of Sustainable Development and Infrastructure of the Grand Duchy, a parking payment system, which is deployed in several cities in Austria and Slovakia, and enforcement systems in cities such as Buenos Aires, Argentina.

E-Government online and data services

Worldline 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.

E-/m- Digital Signature & E-/m- Digital Preservation

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. Since January 2016, the Group has been combining their solution with Bull's assets to address new European Regulations on digital identity.

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 15 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.

6.5.3.3 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 to develop innovative services for connected vehicles and connected appliances that use machine-to-machine communication.

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's 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 telecommunications companies, including Orange and SFR in France.

Since March 2014, the Group is very active in the area of digital education. The Group provides SQOOL, 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 platforms.

Cloud Contact Services

The Group provides a range of multi-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 manages interactions through a range of contact channels (email, chat, SMS, social networks, mobile devices and web self-service) to deliver a unified contact center solution. The Group currently provides this for several clients such as C-Discount and a public sector social security body. As an extension to the payment business, the Group is expanding this service to banks in Belgium as part of the CardStop service, a service that allows customers to cancel lost or stolen bankcards. 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 and the United Kingdom.

Connected Living

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 by allowing them to offer their end consumers innovative and seamless solutions for the connected services of tomorrow. The Group's Connected Living solutions provide a unique combination of services (M2M, mobile, "Big data" and payment) for the IoT. The Group has a proven experience, replicated in several markets (automobile, household appliances, industry, retail, health, etc.), accompanying them in their digital transformation strategy to go from Product sellers to Digital Services providers, 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.

The Group focuses on user experience, a strategic and differentiating approach for its customers. The Group's Connected Living solutions provide innovative solutions and business models adapted to:

- The connected vehicle (automotive insurance, cars and truck fleets, etc.);
- The connected home (objects from daily life, household appliances, energy management and building infrastructures);
- The Industrial IoT (remote access and predictive maintenance for connected industrial devices);
- The connected city (smart cities scenarios relying on infrastructure of sensors and new mobility scenarios);
- 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 analyze 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 proven solutions being used by the Group's customers:

- 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;
- The Group assists MICHELIN® solutions, a Michelin Group company focused on fleet mobility, in the implementation of innovative connected solutions for its B2B customers. The Group's connected vehicles solution allows MICHELIN® Solutions to offer value added solutions to fleets. As a player positioned in payment processing and the exchange and enhancement of data between its customers and their users, the Group developed its connected vehicles solution to accompany its customers in the automobile and transport industry to the heart of their business development: mobility. The Group has implemented a telematics platform to retrieve and manage vehicle data for its MICHELIN® Solutions customers. This retrieval is carried out through a connected device installed in the vehicle that registers data such as mileage, fuel consumption, temperature, tire pressure and global positioning;
- Using Worldline expertise, BSH Hausgeräte 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 Worldline has developed the solution and runs the Cloud platform where the Household devices are connected to;
- Siemens is deploying in all its business units Industry, Energy and Healthcare 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;

- In March 2014, the Group announced a joint project with HERE, now owned by the three major German automotive players, in connection with its connected vehicles activities. This collaboration aims to offer end-to-end fleet management solutions that provide companies with information in real time and statistics and enable them to optimize the management of their vehicles' fuel efficiency and reduce emissions;
- Worldline has joined in 2014 the EEBus Initiative e.V, the broadest platform worldwide in terms of the definition of new content for Internet of Things (IoT) and Cloud services. Demand for connected home solutions is growing. By working with EEBus Initiative e.V, Worldline can deliver the next generation of connected home solutions that can communicate with different branded devices, security and smart energy solutions.

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 analyzes, 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, Shell, ERDF and E-Plus.

6.6 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.

6.6.1 IT Platforms

Worldline currently provides its payment acceptance, card and non-card payment data processing, support to payment mean issuance, customer relationship management (CRM) and fraud detection and dispute handling services, using a series of separately developed specialized IT platforms coming from Worldline (WIPE program) and Equens (notably the Payment 2.0 program) investments. The integration plan defined will ensure the progressive convergence of these platforms towards a unified infrastructure, between 2017 and 2021, with most of the benefits expected as soon as 2018. This will enable the full delivery on the European continent of the scale benefits linked to the combined volumes of the two companies, while enabling immediately investment sharing on new technological innovation.

6.6.2 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 6,000 m^2, and runs approximately 19,000 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) that is being finalized. 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, and Malaysia, among other countries. 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 1,200 information technology experts.

6.7 Sales and marketing

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

- global business line: under the supervision of the global and local management of each global business line, who 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: by the sales teams in each region in which the Group operates. Each sales team is led by a coordinator at the regional level; the teams cover one or more countries depending on the size of the markets in question (France, Benelux, United Kingdom, Germany, Spain, Latin America, India/Asia-Pacific).

As of December 31, 2016, the Group had approximately 475 employees dedicated to sales and sales-related activities (approximately 215 sales representatives employees and 260 employees in business development, pre-sale, bid management and marketing).

Except in Benelux, in Czech republic and in India, where the client base is composed of a large number of small merchants (the "mass market"), the Group's customers are primarily large clients. The Group's sales efforts differ according to the type of client.

For large clients, managed by dedicated manager in charge of the quality and development of the relationship, the sales teams work in close collaboration with the technical teams to answer clients' requests based on solutions from the Group's existing commercial portfolio and, where relevant, build tailored solutions using in the vast majority of the cases modules or components that already exist. The approach for developing existing business is based on a systematic process of "client account planning". For each large account, the Group sets development goals, identifies additional services that might be sold and, while ensuring the quality and satisfaction of existing contracts, establishes an annual plan, with 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.

In addition, a second approach, in constant evolution, is centered on acquiring new clients. Client acquisition initiatives of course include submitting bids in competitive public tenders initiated directly by clients, but indeed also proactive market specific prospection, in particular through industry groups (in such sectors as retail, telecommunications, and financial services), networking and lobbying. In public-sector accounts this approach is obviously different, due to the obligation to comply Public Procurement Codes, which in most countries requires public entities to launch competitive bids both for the initial contract and for each renewal.

Finally, for the "mass market" (acquiring business) clientele in Belgium, Czech Republic and India, marketing efforts are divided into direct sales and indirect sales. Direct sales include telephone sales and sales made face-to-face by sales representatives. Indirect sales are made through independent parties and corporate partners, as well as by banking partners. These sales efforts are supported by a marketing campaign management team, which determines pricing policies, creates various promotions and identifies target markets, as well as by a standard-defining team that formulates the Group's standard sales offers, which generally combine different products in one offer.

In India, direct sales rely on a team of sales representatives and a call center, which primarily markets check verification services. In Belgium, direct sales rely mainly on a call center for sales of payment acceptance services (including terminals) and payment acquisition by bank card. Indirect sales in India relate to distribution of white label electronic payment services. Indirect sales in Belgium are made through resellers who distribute the Group's branded payment services.

6.8 Procurement and suppliers

The Group's procurement division analyses markets and 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 activities in coordination with those of Atos, enabling it to benefit from scale effects (*i.e.*, volume purchasing) through framework agreements negotiated at the Atos level, while remaining focused on the specific requirements of the Group and its client projects. The Group's and Atos' 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 and 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 HP, 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, Belgacom 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, 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 (and 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, Docapost, Bpost and Pitney Bowes in this respect.

The Group's procurement strategy is to rationalize the volumes necessary for its operations and optimize purchase prices and the total cost of ownership. So as to reduce the risks of supply shortages and over-dependency on any single supplier, the Group aims to identify critical points in the supply chain and develop plans to guarantee multiple component 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.

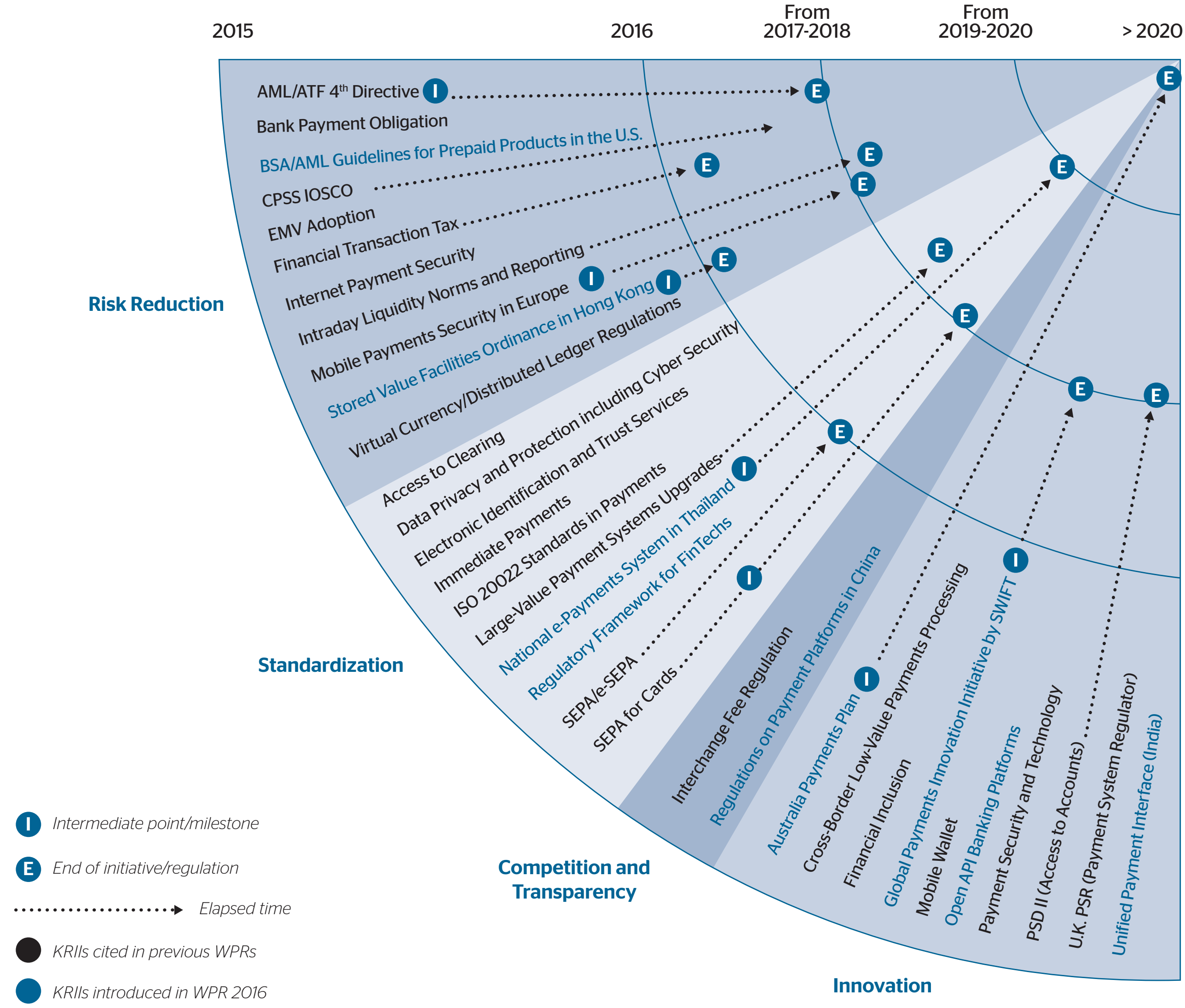
Notwithstanding its multi-source policy, there is one important component used by the Group in its business that has a single supplier: the innovative Samoa II application-specific integrated circuit (ASIC) chip used in all current models of the Group's payment terminals range. This chip is sourced from 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 sufficient 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.

6.9 Regulation

6.9.1 Global regulatory landscape

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.

Please note below an illustration of Key Regulatory and Industry Initiatives KRIIs and its relevance for the geographical regions incl. Europe which is the main focus for Worldline (source WPR 2016).



Note: Timelines have been provided for regulations where they are specified, no timelines are specified for Industry-trend KRIIs; CPSS-IOSCO - Committee on Payment and Settlement Systems (CPSS) and the Technical Committee of the International Organization of Securities Commissions (IOSCO); SEPA - Single Euro Payments Area; Payment Security and Technology includes Contactless, Near Field Communication (NFC), Tokenization, Biometric Authentication, and Mobile Point of Sale (mPOS)

Source: Capgemini Financial Services Analysis, 2016; WPR 2015, 2014, 2013, 2012 and 2011; SME Input

KRIIs	North America	Europe & U.K.	APAC
AML/ATF 4th Directive	Moderate	Moderate	Moderate
Bank Payment Obligation	Low	Low	Low
BSA/AML Guidelines for Prepaid Products in the U.S.	Moderate	Not Applicable	Not Applicable
CPSS IOSCO	Low	Low	Low
EMV Adoption	Moderate	Low	Moderate
Financial Transaction Tax	Not Applicable	Moderate	Not Applicable
Internet Payment Security	High	Moderate	Moderate
Intraday Liquidity Norms and Reporting	Low	Moderate	Moderate
Mobile Payments Security in Euro	Not Applicable	High	Not Applicable
Stored Value Facilities Ordinance in Hong Kong	Not Applicable	Not Applicable	Low
Virtual Currency/Distributed Ledger Regulations	Moderate	Moderate	Moderate
Access to Clearing	Low	High	High
Data Privacy and Protection including Cyber Security	High	High	Moderate
Electronic Identification and Trust Services	Low	Moderate	Low
Immediate Payments	High	High	Moderate
ISO 20022 Standards in Payments	High	Moderate	Moderate
Large-Value Payment Systems Upgrades	High	Moderate	Moderate
National e-Payments System in Thaïland	Not Applicable	Not Applicable	High
Regulatory Framework for FinTechs	Low	Moderate	Low
SEPA/e-SEPA	Not Applicable	Moderate	Not Applicable
SEPA for Cards	Not Applicable	Moderate	Not Applicable
Interchange Fee Regulation	Moderate	Moderate	Low
Regulations on Payment Platforms in China	Not Applicable	Not Applicable	High
Australia Payments Plan	Not Applicable	Not Applicable	High
Cross-Border Low-Value Payments Processing	Moderate	Moderate	Moderate
Financial Inclusion	Low	Low	Moderate
Global Payments Innovation Initiative by SWIFT	Low	Moderate	Moderate
Mobile Wallet	Low	Moderate	Moderate
Open API Banking Platforms	High	High	High
Payment Security and Technology	High	Moderate	Moderate
PSD II (Access to Accounts)	Not Applicable	High	Not Applicable
U.K. PSR (Payment System Regulator)	Not Applicable	High	Not Applicable
Unified Payment Interface (India)	Not Applicable	Not Applicable	High

KRIIs cited in previous WPRs · *KRIIs introduced in WPR 2016*

Impact on Banks: *High* · *Moderate* · *Low* · *Not Applicable*

Note: Payment Security and Technology includes Contactless, Near Field Communication (NFC), Tokenization, Biometric Authentication, and Mobile Point of Sale (mPOS)

Source: Capgemini Financial Services Analysis, 2016; WPR 2015, 2014, 2013, 2012 and 2011; SME Input

6.9.2 European Regulation

6.9.2.1 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 PSD, which regulates payment services in domestic markets.

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

(i) issuing and/or acquiring of payment instruments;

(ii) execution of payment transactions through a payment card, or a similar device, whether such transaction originates from a payment account or is covered by a credit line;

(iii) execution of funds transfers and debit payments, including standing orders, whether made through the payment account with the user's own payment services providers or with another payment services provider or covered by a credit line; and

(iv) execution of payment transactions where the consent of the payer to execute a payment transaction is given by means of any 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.

As an example, the Group's Commercial Acquiring activities, which, in the context of payments made by card or online, consist in receiving and transmitting the payment order to the cardholder's bank so that the bank may determine if the transaction can be effected, constitute the provision of payment instrument acquiring services. Similarly, the Group's processing and execution of debit (Bancontact/Mister Cash, Maestro and VPay) or credit (Visa and MasterCard) 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 or as a licensed payment institution. Licensed institutions are allowed to operate in the member state in which they are licensed as well as in any other member state in which they are authorized to operate either pursuant to the European principal of freedom to provide services, through a subsidiary or a branch located in the host member state or through an 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 of freedom to provide services or through a subsidiary (a system referred to as the "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 a subsidiary in the Czech Republic and a branch in Slovakia.

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

Payment institutions are subject to specific regulations resulting from the PSD, 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 regulations. 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 activities, given security flaws or failures could affect the terminals sold by the Group. Accordingly, the Group is subject to more extensive prudential constraints, especially as pertains to own funds requirements. For example, Worldline NV/SA was required to have around € 35 million in own funds during the fourth quarter of 2016.

As a provider of these services, the Company 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 6.9.1.2, "Regulations applicable to outsourced credit and payment institution activities".

The regulations applicable to payment services are constantly changing. On January 13, 2016-, the revised Payment Services Directive (PSD2) entered into force. By January 13-, 2018, Member States shall adopt and publish the measures necessary to comply with this directive -as PSD1 Directive 2007/64/EC is repealed with effect from that date. For implementation the European Banking Authority EBA is mandated to develop 6 Regulatory Technical Standards (RTS) and 5 sets of Guidelines (GL) within defined deadlines ranging from 12 to 24 months after the date of entry into force. The directive enlarges the scope of the existing PSD regulation by limiting the exemptions provided for in the PSD and extending its applicability to "third-party payment service providers" who provide remote access to payment account services or payment initiation services through online platforms in relation to payment accounts held by other payment service providers. PSD2 will result in the creation of new regulations applicable to payment initiation services and services for accessing account payment balances. This directive could have an impact on certain payment activities carried out by the Group, in particular services related to the iDEAL and MyBank e-payment platforms and Sips card payment platform, and would require a review of the authentication and authorization procedures that would be implemented in the context of PSD2 in order to adjust the Group's payment platforms, as necessary, so as to comply with the applicable regulation. For a description of these services, see Section 6.5, "The Group's business" of this Registration Document. Worldline has set up an internal PSD2 transformation program to analyze and mediate the impacts and to contribute actively to the consultation of EBA developing RTS and GL in 2016 and 2017.

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 the CORE (Compensation Retail) system in Belgium.

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

6.9.2.2 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, which may or may not be a regulated entity, 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 and, as a result, is, in France, subject to the supervision of the French Prudential Supervisory Authority (*Autorité de Contrôle Prudentiel et de Résolution*).

Similarly, a licensed payment institution may outsource some of its activities provided it comply with its internal controls procedures. In this regard Atos Worldline NV/SA entrusts to the Company certain operational functions related to the provision of payment services such as managing its data centers. As a result, Atos Worldline NV/SA is, in Belgium, subject to both the Belgian law of December 21, 2009 regarding the status of payment institutions, access to payment services providers' activities and access to payment systems and the Belgian Banking, Finance and Insurance Commission's PPB 2004/5 circular of June 22, 2004 regarding sound management practices regarding subcontracting carried out by credit institutions and investment firms.

6.9.2.3 Single Euro Payment Area Regulations

In the context of the implementation of the Single Euro Payment Area ("SEPA"), the European Union adopted SEPA Regulation n°260/2012/CE of March 14, 2012 (the "SEPA Regulation"). This regulation seeks to create a single domestic market for credit transfers and direct debits in euros. In particular, this regulation, which is directly applicable in European Union member states, harmonizes the format of credit transfers (SEPA Credit Transfer ["SCT"]) and debit transfers (SEPA Direct Debit ("SDD")). As an example of this harmonization, the bank account information for beneficiaries of credit transfers must now be presented using an International Bank Account Number (IBAN) and a Bank Identifier Code (BIC). The new regulations require a complete migration to the SEPA system as from February 1, 2014. However, credit transfers and direct debits that do not conform to this system continued to be accepted by credit and payment institutions until February 1, 2016.

As a provider of e-payment solutions to merchants and Online Banking services to credit institutions, the Group has had to adapt its services offering, including the provision of payment card statements, and has also assisted its customers in their efforts to comply with these new requirements.

The SEPA Regulation also seeks to enhance the interoperability of payment infrastructures, so that processing credit transfers and direct debits is not hindered by commercial regulations or technical obstacles, by, in particular, opening payment schemes used by payment services providers to credit transfers and direct debits.

For example, the Group participated in the transition of the Bancontact/Mister Cash payment scheme in Belgium, as required by the SEPA Regulation. In the past, in order to access the Bancontact/Mister Cash payment scheme, it was necessary that the Group and its merchant clients first enter into a payment services contract. Accordingly, a merchant was only able to accept a Bancontact/Mister Cash card if it was the Group that undertook the Commercial Acquiring activities in respect of the relevant payment transaction. Now, as required by the SEPA Regulation, the Bancontact/Mister Cash scheme would, in such a scenario, be accessible to other licensed commercial acquirers, so long as they make the necessary technical and operational investments to be able to undertake acquiring activities in respect of domestic Bancontact/Mister Cash debit cards. Additionally, the Group has collaborated with Dutch banks to render its iDEAL e-payment platform compliant with the SEPA Regulation.

6.9.3 Regulation applicable outside of the European Union

The Group is not subject to any particular regulation concerning its activities outside of the European Union, with the exception of India, where the Group conducts Commercial Acquiring and Issuing Processing activities for limited amounts, which are subject to local regulations.

6.9.4 Compliance with technical standards

Payment services providers, and, in particular, terminal manufacturers must comply with a number of security standards, including, in particular, 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. The main such standard is the Payment Card Industry – PIN Entry Device standard ("PCI-PTS," formerly PCI-PED), which applies to devices that require the entry of a PIN. 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. Other PCI-SSC standards have emerged, including PCI-DSS (Payment Card Industry – Data Security Standard) aimed at preserving the confidentiality of payment transaction data and PCI-UPT (security standard 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.). This system thus allows companies to participate in the development of standards and the rules established to implement them. The 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 Group is also subject to international certification standards such as ISO 9001, which relates to requirements for quality management systems and ISO 14001 which relates to environmental requirements for technological infrastructure. Lastly, the Group is subject to international security requirements such as the international standard for payment card security, established by the Europay MasterCard Visa User Group ("EMV User Group"), in which the Group participates.

6.9.5 Protection of personal data

In connection with its business 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 and their customers.

6.9.5.1 Personal data processing within the European Economic Area

Directive 95/46/CE of October 24, 1995 (the "Personal Data Directive") is the point of reference for personal data protection regulation within the European Economic Area (the "EEA," which includes the European Union, Iceland, Norway and Liechtenstein). In France, the Personal Data Directive was implemented through various amendments to law no. 78-17 of January 6, 1978, which relates to information technology, filing system and civil liberties, with the main amendment having been adopted through law no. 2004-801 of August 6, 2004.

The Personal Data Directive applies to automated or non-automated personal data processing when the relevant data is included or is meant to be included in a filing system. "Personal data" is broadly defined as all information relating to a natural person who has been identified or is identifiable directly or indirectly, regardless of his or her country of residence or nationality. The Personal Data Directive requires persons and entities responsible for processing personal data that are either incorporated in an EEA member state or have recourse to data processing functions in an EEA member state, to put in place a number of measures prior to and at the time the relevant data is collected, while it is stored and until it is erased. According to the Personal Data Directive, the person or entity that, alone or jointly with others, determines the purposes and means of the processing of personal data (as opposed to a simple subcontractor acting on behalf of a third-party), is considered to be a "data controller".

With respect to each of its activities that involve personal data processing, each Worldline Group entity in Europe conducts an analysis on a case by case basis in order to determine whether it is acting in a data controller or subcontractor capacity.

Where a Worldline Group entity functions as a data controller (for instance those entities that handle employees' personal data or anti-fraud measures), it is subject to the following obligations:

- to satisfy the criteria set forth in the Personal Data Directive for making data processing legitimate, which include, among others, 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;
- to ensure that the personal data is (i) processed fairly and lawfully, collected for specific, explicit and legitimate purposes, and proportionate for such processing and/or collecting purposes, and (ii) accurate and, where necessary, kept up-to-date;

- to take particular precautions before processing sensitive data (*e.g.*, health or biometric data) such as 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 the Personal Data Directive (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;
- except in certain instances set out in the Personal Data Directive, to inform the persons concerned of (a) the fact that their personal data is being processed, (b) the identity of the recipients of the data, (c) the identity of the data controller (d) the purpose of the data processing, and (e) their access and rectification rights and, in certain cases, their right to object to such processing (and, as the case may be, allow them to enforce these rights);
- to retain personal data for a term that does not exceed the time required for the purposes of the processing thereof;
- 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. In this respect, it should be noted that, in November 2013, the Atos group was the first IT service company to obtain the validation of its "Binding Corporate Rules" (or "BCR") both as a processor and as a subcontractor. The positive consequences of this validation are detailed in Section 6.9.5.2.
- 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 and can range from a simple declaration to an authority or the maintenance of an internal register, to a requirement to procure an authorization or license prior to undertaking certain types of processing activities (*e.g.*, medical data hosting in France).

Depending on the country, the violation by a data controller of such obligations may result in administrative, civil or criminal sanctions, including fines that may amount up to € 1.5 million for legal persons in France.

In respect of its other activities, the Group acts in a capacity as "subcontractor" within the meaning of the Personal Data Directive. In such cases, the Group processes personal data with which its clients entrust it and in respect of which such clients are the sole 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.

Although the law applicable to personal data has to a large extent been harmonized throughout the EEA, the implementation of the Personal Data Directive by the EEA member states has given rise to a certain degree of variation among the regulatory regimes that have been established, and some of which are more restrictive than those established by the Personal Data Directive. In order ensure a coordinated and harmonized approach respecting the applicable national laws, the Atos group has adopted a "Group Policy related to personal data protection (AP17 policy)" 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 the Personal Data Directive;

(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.

The Group's compliance with the various national laws and effective implementation of the above-described policy is ensured and managed by an department dedicated to personal data protection, relying on a twofold legal and technical expertise, comprising in a network of Data Protection Officers and designated paralegals in each Worldline Group entity, resulting in Local Offices dedicated to personal data protection that are coordinated at Atos group level by the Group Data Protection Officer, responsible for the Global Office.

The measures described above were also put in place in anticipation of the new European legal framework currently being discussed. On January 25, 2012, the European Commission proposed a draft regulation intended to replace the current Personal Data Directive that would establish a new legal framework applicable to all companies that process personal data on European territory. Among the more significant aspects of the draft regulation are the following:

- the introduction of a principal of accountability, which would require data controllers to implement internal rules and mechanisms intended to guarantee and demonstrate to each of their clients, the persons concerned and the authorities in charge of monitoring the protection of personal data that they are in compliance with the regulation;
- a requirement to appoint a personal data protection representative in the European Union where the data controller is not established in the European Union;
- a requirement to carry out impact studies relating to data protection before processing operations that present potential risks; and
- a requirement to provide notifications of personal data violations and, in particular, security breaches.

Through the deployment and the implementation of the Group Policy related to personal data protection and of the BCR, the Worldline Group develops the implementation of these various requirements in order to be prepared for the new requirements that could result from the new European legal framework currently being contemplated. The European authorities have indeed reached an agreement at the end of 2015 on the text of the new Regulation on Personal Data Protection. The corresponding EU Regulation (2016/679) was adopted on 27 April 2016 and will enter into force in the European Union on 25 May 2018.

6.9.5.2 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 Atos group, which includes the companies of the Group, chose to adopt and implement 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 processor or as a subcontractor processing on behalf of its clients.

The BCR constitutes stringent commitments for all Atos and Worldline 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 the Personal Data Protection Directive. 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 (subcontracting) or for itself as a processor. They allow Worldline entities to transfer such data out of the European Union to other Atos' entities in a simplified, easy and secured fashion.

These commitments are voluntary, unilateral, rare in the IT service industry as they cover both Atos and Worldline entities, acting not only as processors but also as subcontractors (*i.e.* when data is processed on behalf of their clients) and demonstrate the focus given to personal data protection.

7

Organizational Chart [GRI 102-4]

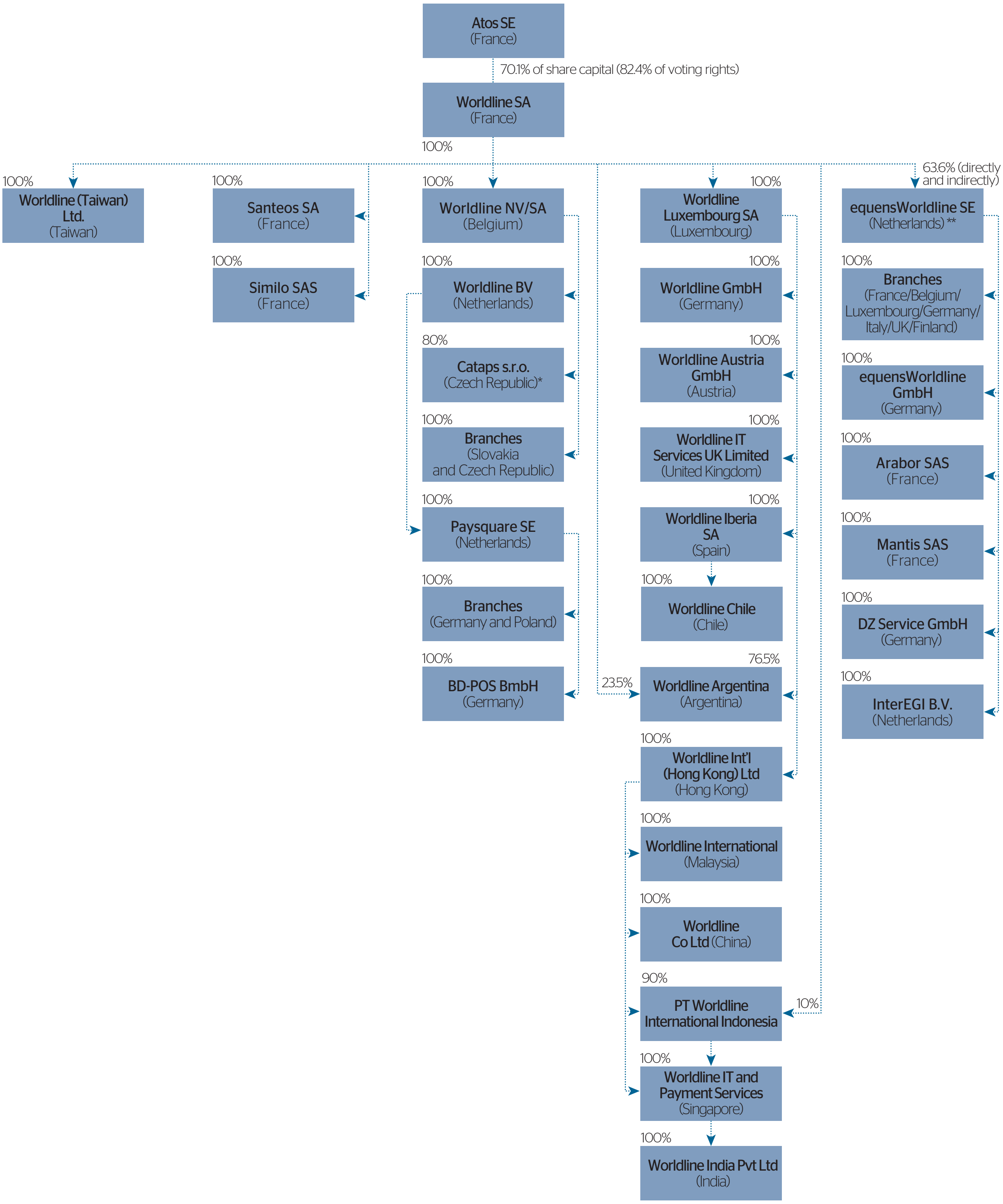
7.1 Simplified Group Organizational Chart

The organizational chart below shows the Group's simplified ownership structure as of the date of this Registration Document.

Organizational Chart

Simplified Group Organizational Chart

Unless specifically indicated, the percentage of ownership equals the percentage of voting rights.



** 20% of the share capital of Cataps s.r.o. is held by Komerční banka, a. s. (an affiliate of the Société Générale group).*
*** 36.4% of the share capital of equensWorldline SE is held by ABN Amro, DZ Bank, ICBPI, ING Bank and Rabobank.*

7.2 Subsidiaries and Equity Investments

7.2.1 Major 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 € 400,000,000. The Company holds directly and indirectly 63.6% of equensWorldline's share capital, with the remainder being held by 5 European financial institutions (ABN Amro, DZ Bank, ICBPI, ING and Rabobank). 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 or indirectly holds 100% of Worldline NV/SA's share capital and voting rights (99.99% is held directly by the Company, with Atos 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 GmbH is a German limited liability company (*Gesellschaft mit beschränkter Haftung*) with share capital of € 1,688,000. Its registered office is located at Hahnstrasse 25, Frankfurt, D-60528, Germany, and it is registered with the Trade Registry in the jurisdiction of the Court of First Instance of Frankfurt-am-Main (*Handelsregister B des Amtsgerichts Frankfurt am Main*) under number HRB 40417. The Company indirectly holds 100% of Worldline GmbH's share capital and voting rights. Worldline GmbH's main business activity is providing information technology services including software consulting, development, sales and operation.

Worldline IT Services UK Limited is an English limited liability company with share capital of £43,000,100. Its registered office is located at 4 Triton Square, Regent's Place NW1 3HG London, United Kingdom, and it is registered with the Registrar of Companies of England and Wales under number 8514184. 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 payment 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 2A, rue Nicolas Bové, L-1253 Luxembourg, Grand Duchy of Luxembourg, and it is registered with the Luxembourg Trade and Companies Register under number 79.303. 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.

Certain members of the management of these subsidiaries hold positions within the Company. Please see Section 14.1, "Composition of management and supervisory bodies" for more information about these roles.

See Chapter 19, "Related Party Transactions" for a description of the various agreements that have been entered into between Group entities.

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, 2016 and 2015 (contribution to IFRS consolidated data).

	Revenue		Net Income		Total Assets	
(in € million)	**2016**	2015	**2016**	2015	**2016**	2015
Worldline NV/SA	330.8	327.5	89.3	40.1	1,062.1	855.9
Worldline GMBH	111.0	119.1	-0.9	3.1	76.0	90.4
Worldline IT Services UK Ltd	124.0	161.4	-3.1	6.3	105.4	120.1
Worldline Luxembourg SA	0.0	0.0	18.7	16.1	213.5	208.4
EquensWorldline SE	136.7	NA	8.0	NA	930.7	NA

7.2.2 Recent Acquisitions and Disposals

Please refer to Sections 5.1.5 for a description of the transactions with the Equens, Paysquare and KOMERČNÍ BANKA (KB)/KB SmartPay.

7.2.3 Equity Investments

The Group holds 25% of the share capital and 20.75% of the voting rights of Buyster SA, due to the individual limitation on voting rights provided for in its bylaws. Buyster SA is currently under liquidation.

This equity investment was not material to the Group and was classified under "associates" in the Group's 2016 consolidated financial statements.

8

Property plant and equipment

8.1 Significant existing or planned property, plant and equipment

8

As of December 31, 2016, the Group held property, plant and equipment with a total net value of approximately € 103.8 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 Bezons site, where the Company has its registered office), Belgium, in the Netherlands, in Italy, Germany and the United Kingdom. The Group's principal data centers are located in France (at its Seclin site) as well as at its Vendôme site, in Belgium (at its Brussels site), in the Netherlands (at its Amsterdam site), in Italy (at its Pero and Settimo sites) and in Germany (at its Frankfurt site), as well as in Spain and the United Kingdom where the Group is renting some datacentre space from Atos. 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 and Argentina, as well as in the USA and in Russia;
- 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.

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.

8.2 Environment and Sustainable Development

8.2.1 Report on social and environmental information

The report containing social and environmental information, as set forth in article L. 225-102-1 of the French Commercial Code is presented in Annex III.

8.2.2 Report of one of the statutory auditor, designated as an independent third-party entity, on the review of environmental, social and societal information published in the management report on the year ended December 31, 2016

The Report of one of the statutory auditor, designated as an independent third-party entity, on the review of environmental, social and societal information published in the management report on the year ended December 31, 2016 is presented in Annex III.

9

Operation and financial review

This management's discussion and analysis provides a review of the results of operations, financial condition and liquidity and capital resources of the Company and its subsidiaries and outlines the factors that have affected recent earnings, as well as factors that may affect future earnings. The following discussion is based on and should be read together with the Group's audited consolidated financial statements as of and for the years ended December 31, 2016 and 2015, and the related notes thereto, prepared in accordance with IFRS and included elsewhere in this Registration Document, as well as the information included in Chapter 3, "Selected Financial Information and Other Data", Chapter 12, "Trend Information", and Chapter 20, "Financial Information Concerning the Group's Assets and Liabilities, Financial Condition and Results".

9.1 Overview

9.1.1 Introduction

The activities of the Group are presented in Section 6.5 of the Registration Document.

9.1.2 Principal Factors Affecting the Group's Revenue and Profitability

9.1.2.1 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 6.2, key trends include 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. See Section 6.2, "Industry and Market Overview" of this Registration Document;
- ***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. See Section 6.9, "Regulation" and Section 6.2, "Industry and Market Overview";
- ***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 (such as the integrated WIPE platform the Group is developing) 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.

9.1.2.2 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 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.

9.1.2.3 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.

Revenue of the Merchant Services & Terminals Global Business Line

The Group's Merchant Services & Terminals 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;

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- ***Online Services.*** The Group generates Online Services revenue from two main groups of solutions: omni-commerce solutions and Worldline Sips payment acceptance solutions:
  - 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,
  - The Group's Worldline Sips services revenue 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;
- ***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;
- ***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.

Revenue of the Financial Services (formerly Financial Processing & Software Licensing) 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. The Group's Acquiring Processing business also includes revenue from the processing of checks, a business line that is experiencing a steady revenue decline as consumers increasingly pay for transactions using cards and other non-cash, non-check payment methods and whose profitability is adversely affected to the extent of any bad debt losses for which the Group indemnifies merchants,
  - Part of Acquiring Processing revenue comes from payment Software Licensing fees, as described above;
- ***Digital Banking.*** The Group's Digital Banking 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;
- ***ACH & Payments.*** The Group's ACH (Automated Clearing House) and 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.

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;

- ***E-Government Collection.*** 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.

9.1.2.4 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.5% of the Group's revenue in 2016, the relative weighting of a particular contract can be higher within a business division or global business line. In this respect, about 50% of e-Government Collection revenue in 2015 derived from two significant contracts, the VOSA contract in the United Kingdom and the Radar Contract (Automated traffic offence management system) in France. These two contracts are terminated, at the end of the third quarter of 2015 for the VOSA contract and in the course of June 2016 for the RADAR contract.

9.1.2.5 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 & Terminals 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.

9.1.2.6 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 9.1.2.2 "*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 & Terminals global business line have a higher proportion of services that have reached full scale, allowing it to generate OMDA margins of 26.1% and 22.6% respectively for these two global business lines in 2016. 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 13.9% in 2016). 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.

9.1.2.7 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 91% in 2016), 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 9% in 2016, and this percentage is expected to grow over time as the Group pursues further international growth. While penetration rates in the Group's core markets in Europe still show room for growth, growth rates in adoption of card-based and other non-cash payments are significantly higher in emerging markets, notably in India, where the Government has put in place a strong policy to promote non-cash payments, notably through the demonetization of 500 and 1000 rupee bills decided on November 8, 2016.

9.1.2.8 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.

9.1.2.9 Changes in Scope [GRI 102-45] and [GRI 102-49]

The Group's scope of consolidation has evolved significantly in 2016, following the consolidation of Equens, Paysquare and KB Smartpay as detailed in Section 9.3, "Significant events of the year". The Group's scope of consolidation could further evolve given its external growth strategy.

9.1.2.10 TEAM and TEAM² projects

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 leavers, 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 TEAM² 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 news workstreams. TEAM² 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 TEAM² program for the next 3 years, with the objective to continue progressing in terms of performance and operational efficiency:

- ***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.

Five new initiatives have been added to the program:

- ***Make or buy infrastructure:*** Optimize the Group's IT infrastructure by rationalizing the solution offerings, industrializing the tools and production processes, pursuing the Cloud transformation and rationalizing the hosting and localization of the datacentres;
- ***Robotics & automation:*** Introducing in our production processes automatization and robotization of IT tasks in order to create productivity gains and increase the quality of service. This will be enabled by the quicker delivery of some IT tasks by robots in operation 24x7 and therefore by limiting to the maximum extent human errors;
- ***1st time right development:*** Promote new ways of working by promoting Agile/DevOps development methods and by adapting the associated processes, organization and tools. This will go along the automation of testing work and the unification of development tools, in order to unify the developers' practices and have them evolve towards market best practices;
- ***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;
- ***From App to Product portfolio:*** Structure our product portfolio through better management, pricing calculation and identification of new solutions to be included in the portfolio. Roll out portfolio management across all Worldline activities to push further their usability, to avoid duplication of solutions and accelerate the sales process towards customers.

In addition to the cost cutting initiatives, TEAM also includes a sales effectiveness initiative designed to enhance sales by increasing the amount of time spent by sales teams on pure marketing and client-facing activities, establishing commercial action plans to ensure clear sales priorities, address clients' needs, and pursue cross-selling opportunities to bring a fuller range of Worldline products to its existing clients, and incentivizing Worldline's sales force by further optimizing variable compensation schemes.

9.1.2.11 Atos Services

Atos provides the Group with a number of support and IT services on an arm's length basis. The amount paid to Atos for these services was € 106.9 million and 120.5 million in 2016 and 2015 respectively. For a description of the agreements related to these services, see Section 19.1.1, "Service Agreements" and Note 27 to the Consolidated Financial Statements.

The principal categories of expenses billed to the Group by Atos include:

- ***Rental costs.*** The Group pays Atos for its share of the rental cost of shared facilities. This charge is recorded under "Operating Expenses" under the line item "rent and lease expense";
- ***Subcontracting costs.*** Atos rebills the Group, at a price based on Atos' actual costs plus an agreed margin, for the cost of Atos personnel that provide IT services and maintenance services to the Group. These expenses are recorded under the line item "subcontracting costs";
- ***General and administrative expenses.*** Atos also provides the Group with support services for corporate office functions, including accounting and HR related services. These costs are recorded under the line item "Operating Expenses" under "other charges";
- ***Financing charges.*** The Atos group provides the Group with funding on an arm's length basis. These costs are recorded under "financial expenses".

9.1.3 Summary Description of Principal Income Statement Line Items

9.1.3.1 Revenue

The Group generates revenue from its three global business lines as described above. See Section 9.1.2.3, "Composition of Global Business Line Revenue".

9.1.3.2 Personnel Expenses

The Group's personnel expenses primarily consist of wages and salaries, social security charges, taxes, training and profit sharing expense and differences between pension contributions and net pension expenses. These charges are generally driven by the average number of employees and average compensation levels. Over the period under review, these charges have remained relatively consistent as a percentage of revenue at 41.0% in 2016 and 40.8% in 2015.

Please note that equity based compensation expense is now represented in Other operational income and expenses. This change in presentation has been applied retroactively in 2015, as indicated in the Note "Basis of preparation of consolidated financial statements".

9.1.3.3 Operating Expenses

The Group's operating expenses include the following categories of expenses:

- ***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. Roughly half of the Group's time & materials subcontracting costs in 2016 was related to outsourced services provided by Atos to the Group;
- ***Purchases of hardware and software.*** These expenses primarily consist of the cost of components used to manufacture the Group's terminals, hardware security modules and other devices, and to a lesser extent hardware sold as part of integration projects. The primary driver of these costs is the number and mix of terminals sold and the average cost of components per terminal;
- ***Maintenance.*** Maintenance costs relate primarily to expenses for the maintenance of the Group's software, equipment and facilities;
- ***Rent and lease expenses.*** Rent and lease expenses consist of facility rental costs, software rental fees and certain card scheme royalties. Rental costs for facilities are generally a function of the size of the relevant facility and average rental rates, which are generally driven by the location and nature of the facility;
- ***Telecommunications costs.*** The group makes significant use of postal services and communications bandwidth. These costs are generally a function of the amount of usage and average rates;
- ***Travel expenses and company cars.*** These expenses consist of travel costs and the cost of company cars, which have remained fairly constant as a percentage of sales in 2016;
- ***Professional fees.*** These fees include fees paid to professionals such as consultants, accountants and lawyer;
- ***Taxes and similar expenses (other than income tax).*** These charges include various taxes other than income taxes such as non-recoverable VAT, and have remained fairly stable as a percentage of sales over the period under review;
- ***Other expenses.*** This line item includes a number of items, including the allocation of Atos global management & global support function cost to the Group, energy costs for the Group's data centers and the cost of indemnities for unpaid checks paid to check service customers;
- ***Scheme fees*** include the fees paid to Visa, MasterCard and BCMC (Belgium debit card scheme) as part of the Group's Commercial Acquiring activities;
- ***Other operating expenses.*** Other operating expenses include depreciation charges as well as other charges such as gains or losses on disposals of assets, write offs of trade receivables and net change to provisions. Depreciation charges are driven primarily by the size and the evolution of the Group's asset base;
- ***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.

9.1.3.4 Operating Margin

The Group's operating margin is calculated by subtracting personnel costs and operating costs from revenue. The primary drivers of the Group's operating margin are the level of its revenue and the average level of its personnel costs and operating costs as a percentage of revenue.

9.1.3.5 OMDA

The Group also presents OMDA, a non-IFRS measure that it believes provides useful additional information to investors. See Section 9.12, "Non-IFRS Financial Measures" below for a reconciliation of OMDA to operating margin and further information on its calculation.

9.1.3.6 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent, and include staff reorganization costs, rationalization and associated costs, integration and acquisition costs, amortization of customer relationships and other costs. These costs include transition and reorganizational costs related to the Reorganization Transactions. The line item "other costs" under "other operating costs and expenses" primarily includes gain or loss on the sale of assets.

9.1.3.7 Net financial expense

Net financial expense consists of the cost of net financial debt, gains (losses) on exchange rates and related instruments and other financial income (expense). The main driver of net financial expense is the amount of outstanding net debt and the average rates paid.

9.1.3.8 Income taxes

The Group's income taxes are a function of pre-tax income and the effective tax rate. The effective tax rate depends on a number of factors including the relative mix of the Group's pre-tax income, the tax rates applicable in the jurisdictions where income is earned as well as factors such as the availability and usability of deferred tax assets.

9.1.4 Segment Reporting

In accordance with IFRS 8, the Group's segment reporting is based on its internal segment reporting, which is regularly reviewed by the chief operating decision maker. See Note 2 to the Group's consolidated financial statements.

Since January 1, 2014, the internal segment reporting reviewed by the chief operating decision maker is based on the global business line structure.

9.2 Critical accounting policies under IFRS

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date. The estimates, assumptions and judgments that may result in a significant adjustment to the carrying amounts of assets and liabilities are detailed in the Note "Basis of preparation of consolidated financial statements" of the consolidated financial statements andare essentially related to:

- Goodwill impairment tests;
- Revenue recognition and associated costs on long-term contracts;
- Capitalization of development costs.

9.3 Significant event of the year

After the completion of the regulatory processes in the Netherlands, in Belgium and in the Czech Republic, the transactions with Equens, Paysquare and KB Smartpay were finalized on September 30, 2016.

9.3.1. Transaction with Equens and Paysquare

It is reminded that transaction with Equens and Paysquare was made of two components:

- Regarding Financial Processing activities, the Financial Processing businesses of Worldline[1] have been merged with Equens. This merger resulted in the creation of equensWorldline, owned by Worldline at 63.6% and by the former shareholders of Equens at 36.4%. The Company equensWorldline is consolidated within the Group's Financial Services division from October 1, 2016;
- Regarding Merchant Services, Worldline has acquired from Equens its Commercial Acquiring subsidiary Paysquare for an enterprise value of € 72 million in cash, funded by the existing available cash balance of the Group. Paysquare is fully consolidated in the Group's Merchant Services & Terminal division from October 1, 2016.

equensWorldline was fully ready to start its operations on October 1, 2016 as an integrated company. The synergy plan has been launched immediately and the objective of c.€ 40 million run-rate synergy on the Group's OMDA in 2018 is fully confirmed, out of which c.€ 20 million in 2017.

9.3.2. Acquisition of Komercni banka (KB Smartpay)

The group has completed the agreement with Komercni banka (KB), subsidiary of the Société Générale group and one of the leading banks in the Czech Republic, to further develop product and services for the Czech merchants.

Under the terms of the agreement, Worldline has acquired, as a first stage, 80% of Cataps s.r.o. ("Cataps"), a 100% subsidiary of the Komercní banka banking group, based on an enterprise value of € 34 million for 100%. Cataps was established in 2014 and has assumed activities of Komercni banka in credit and debit card payment processing services (merchant acquiring). Cataps is fully consolidated in the Group's Merchant Services & Terminal division from October 1, 2016.

As part of this agreement, Worldline and Komercni banka have in addition signed a 10 year commercial alliance for the development and the growth of these activities in the Czech Republic.

Through these transactions, the enlarged Worldline Group benefits from a unique 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.

With these acquisitions, the business perspectives of Worldline broaden with a significantly reinforced product portfolio, a larger geographical footprint and the additional expertise of c. 1,300 electronic payment experts.

1 Except for Financial Processing businesses in Asia and in Spain.

9.4 Executive Summary

At constant scope and exchange rates, Worldline revenue stood at **€ 1,309.2 million** representing an organic growth of **+3.5%** compared with 2015. The Global Business Lines Merchant Services & Terminals and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was impacted by the termination of two historical contracts.

Merchant Services & Terminals, which represented 33.6% of Worldline's revenue in 2016, grew by **+7.3%** organically and reached **€ 439.6 million**. This performance was mostly due to a double digit growth in *Commercial Acquiring* driven by higher transaction volumes, good operational performances, and positive price/volume mix effects in Benelux as well as by the good dynamism of the Group's business in India. Sales of *Payment Terminals* grew very satisfactorily as well, thanks to commercial successes in the Netherlands, in Germany and with resellers on international markets. Revenue in *Private Label Cards & Loyalty Services* was impacted by lower Digital Self Service kiosks sales in the UK.

Representing 38.2% of Worldline revenue in 2016, **Financial Services** revenue reached **€ 500.0 million** growing by **+4.9%** at constant scope and exchange rates. This performance was mainly driven by *Acquiring Processing* activities, thanks to increased run revenue. Sales in *Issuing Processing* increased as well, driven by Authentication and Fraud services, as well as by good volume growth on core card issuing activities. *Digital banking* benefited from the new contract signed with NS&I in the UK. In the *Account Payments* division, the solid volume growth of SEPA transactions, in particular on the iDEAL platform, was offset by less project activity compared with last year.

Revenue in **Mobility & e-Transactional Services**, which represented 28.2% of Worldline's revenue in 2016, was **€ 369.6 million**, declining by **-2.5%** organically. As previously communicated, *e-Government Collection* was impacted by the termination of both the automated traffic offence management system (the RADAR contract) in France in June 2016 and of the VOSA contract in the UK public sector, which occurred at end of Q3 2015. Excluding the negative comparison effect arising from those contract terminations, the growth rate of Mobility & e-Transactional Services was above +15%. This performance could be achieved thanks:

- To a double digit growth in *e-Consumer & Mobility* activities, with several new contracts signed and projects ramp-up mainly in France and in Germany;
- To very dynamic *e-Ticketing* activities, with increased project delivery with railways companies in the UK and higher activity in Latin America;
- To solid *e-Government Collection* business activity, notably in healthcare and tax collection services in Latin America, and more project work delivered with French and European government agencies.

Revenue grew in all **geographies** except the United Kingdom (-13.8%), which was impacted by the termination as planned of the VOSA contract aforementioned. Revenue in Emerging markets (Latin America and Asia) increased by +16.1%, followed by Belgium (+9.2%), Rest of Europe (Finland, the Netherlands, Italy and Spain) by +8.5%, and Germany & Central and Eastern Europe (+4.5%). Revenue in France was stable (+0.3%) despite the termination of the Radar contract in June 2016.

As a percentage of revenue, Worldline's Operating Margin before Depreciation and Amortization ("**OMDA**") increased by **+90 basis points** ("bp") or €+20.0 million and reached **€ 258.7 million** (**19.8% of revenue**) compared with 2015, exceeding the objectives of the year. This improvement was recorded mainly in the Merchant Services & Terminals division (+340 basis points), thanks to growing volumes and favorable pricing mix mainly in Belgium as well as a margin improvement in the UK on private label cards contracts. In Financial Services (+160 basis points), increasing volumes in card processing led to margin improvement, while the division continued to invest in security infrastructure and exercised effective cost control over the new Equens perimeter. Mobility & e-Transactional Services new revenue, that almost offset the two terminated contracts, was generated with a lower operating margin (-240 basis points).

The **backlog** at the end of December 2016 amounted to **€ 2.6 billion**. It includes the backlog acquired from Equens on October 1, 2016 for € 889 million, reflecting mainly the application of the Group's reporting definitions to the commercial contracts with equensWorldline's banking shareholders.

The total number of employees was **8,725** at the end of December 2016 compared with 7,354 at the end of December 2015, representing an increase of +1371 employees over the year, out of which +1279 employees joining from Equens, Paysquare and KB Smartpay on October 1, 2016. The Direct hirings amounted to 808 employees, out of which 80% aged 35 or younger. Attrition rate (voluntary leavers) remained low at 5.9%, slightly reducing compared to last year.

9.5 Statutory to constant scope and foreign exchange rates reconciliation

For the analysis of the Group's performance, revenue and OMDA for 2016 is compared with 2015 revenue and OMDA at constant scope and foreign exchange rates.

Reconciliation between the 2015 reported revenue and 2015 revenue at constant scope and foreign exchange rates, per Global Business Line and by geography, is presented below:

	Revenue				
(in € million)	FY 2015 (Statutory)	Scope effect	Exchange rates effect	FY 2015*	**FY 2016 actuals**
Merchant Services & Terminals	401.9	+13.0	-5.5	409.5	439.6
Financial Services	413.8	+65.3	-2.3	476.8	500.0
Mobility & e-Transactional Services	411.3	-2.2	-30.1	378.9	369.6
Worldline	**1,227.0**	**+76.1**	**-37.9**	**1,265.2**	**1,309.2**

* *At constant scope and 2016 exchange rates.*

	Revenue				
(in € million)	FY 2015 (Statutory)	Scope effect	Exchange rates effect	FY 2015*	**FY 2016 actuals**
France	427.3	-	-	427.3	428.5
Belgium	327.5	+0.9	-	328.3	358.5
Germany/CEE	128.8	+23.4	-	152.2	159.0
UK	161.4	-	-17.6	143.8	124.0
Emerging markets	120.0	-	-20.3	99.7	115.7
Rest of Europe	62.0	+51.9	-	113.9	123.6
Worldline	**1,227.0**	**+76.1**	**-37.9**	**1,265.2**	**1,309.2**

* *At constant scope and 2016 exchange rates.*

Reconciliation between the 2015 reported OMDA and 2015 ODMA at constant scope and foreign exchange rates, per Global Business Line, is presented below:

	OMDA				
(In € million)	FY 2015 (Statutory)	Scope effect	Exchange rates effect	FY 2015*	**FY 2016 actuals**
Merchant Services & Terminals	77.8	+1.0	-0.2	78.6	99.3
Financial Services	107.7	+9.7	-0.6	116.8	130.6
Mobility & e-Transactional Services	68.3	-	-6.5	61.8	51.5
Corporate costs	-18.5	-	-	-18.5	-22.6
Worldline	**235.3**	**+10.7**	**-7.3**	**238.7**	**258.7**

* *At constant scope and 2016 exchange rates.*

Scope effects refer mainly to the acquisitions of Equens, Paysquare and KB Smartpay on September 30, 2016. Hence, Equens, Paysquare and KB Smartpay revenue and OMDA for the fourth quarter of 2015 are included in the 2015 revenue and OMDA at constant scope and exchange rates, for a like-for-like comparison with 2016.

Exchange rate effects reflect mostly the appreciation of the Euro versus the British Pound and the Argentinian Peso.

The 2015 figures presented in this Section are based on the constant scope and foreign exchange rates data.

9.6 Revenue profile evolution

Worldline's revenue profile changed in 2016, reflecting:

- The increase in scope, from Q4 2016, of Financial Services from the acquisition of Equens;
- The increase in scope of Merchant Services & Terminals, from Q4 2016 as well, from the acquisition of Paysquare and KB Smartpay; and
- The termination of the Vosa and Radar contracts in Mobility & e-Transactional Services.

Consequently, Financial Services is now the largest Global Business Line, representing 38.2% of revenue. Payments activities for merchants and banks accounted for c.72% of the 2016 Group's revenue.

	Revenue		
(in € million)	**FY 2016**	FY 2015*	% of Total
Merchant Services & Terminals	439.6	409.5	33.6%
Financial Services	500.0	476.8	38.2%
Mobility & e-Transactional Services	369.6	378.9	28.2%
Worldline	**1,309.2**	**1,265.2**	**100.0%**

* *At constant scope and 2016 exchange rates.*

Europe remained Worldline's main operational base, generating c.91% of total revenue in 2016.

	Revenue		
(in € million)	**FY 2016**	FY 2015*	% of Total
France	428.5	427.3	32.7%
Belgium	358.5	328.3	27.4%
Germany/CEE	159.0	152.2	12.1%
UK	124.0	143.8	9.5%
Rest of Europe	123.6	113.9	9.4%
Emerging markets	115.7	99.7	8.8%
Worldline	**1,309.2**	**1,265.2**	**100.0%**

* *At constant scope and 2016 exchange rates.*

9.7 Performance by Global Business Line

	Revenue			OMDA		OMDA %	
(in € million)	**FY 2016**	FY 2015*	% Growth	**FY 2016**	FY 2015*	**FY 2016**	FY 2015*
Merchant Services & Terminals	439.6	409.5	+7.3%	99.3	78.6	22.6%	19.2%
Financial Services	500.0	476.8	+4.9%	130.6	116.8	26.1%	24.5%
Mobility & e-Transactional Services	369.6	378.9	-2.5%	51.5	61.8	13.9%	16.3%
Corporate Costs				-22.6	-18.5	-1.7%	-1.5%
Worldline	**1,309.2**	**1,265.2**	**+3.5%**	**258.7**	**238.7**	**19.8%**	**18.9%**

* *At constant scope and 2016 exchange rates.*

9.7.1 Merchant Services & Terminals

	Merchant Services & Terminals		
(in € million)	**FY 2016**	FY 2015*	% Growth
Revenue	439.6	409.5	+7.3%
OMDA	99.3	78.6	
% OMDA	22.6%	19.2%	+3.4 pt

* *At constant scope and 2016 exchange rates.*

Revenue

Merchant Services & Terminals revenue was **€ 439.6 million** and increased by €+30.1 million or **+7.3%** compared to last year.

- Revenue in *Commercial Acquiring*, the main activity of this GBL, grew at a double digit rate thanks to the combination of various positive factors:
  - In Benelux, *Commercial Acquiring* revenue was boosted by increase in number of transactions (+7.6%, of which +7.4% in physical commerce and +13.9% in e-commerce) and by positive price/volume mix effects for both BCMC (Belgium local debit scheme) and international brands transactions,
  - Outside Benelux, growth accelerated significantly in India notably after the government decision to demonetize the 500 and 1000 rupees bank notes in November, which accelerated the existing trends for card penetration across India and consequently the deployment of payment terminals. As a result, the payment terminals base under management increased by more than +40% year-on-year. Strong growth was also recorded in value-added services such as DCC (dynamic currency conversion);
- Sales of *Payment Terminals* strongly grew with number of payment terminals shipped reaching 214,000 units, progressing by c.+44% year-on-year. This performance reflects the success of Worldline products in newly penetrated international markets and in Germany. Sales also progressed in Benelux, the historical market of the Company for payment terminals;
- Revenue in *Private Label Cards & Loyalty Services* business line was impacted by a decrease in sales of Digital Self Service kiosks in the UK and by lower revenue in fuel card contracts in India and in France;
- In *Online Services*, despite the increase in number of transactions processed on the SIPS internet platform, revenue declined due to less project activity compared with 2015.

Integration of Paysquare and KB Smartpay

The integration of Paysquare and KB Smartpay is well on track. The commercial offerings and processes are being harmonized and the processing activities are being progressively consolidated into a single platform, so as to deliver as soon as 2017 the expected revenue and cost synergies.

OMDA

Merchant Services & Terminals' OMDA was up by **+340 basis points** in FY 2016 compared to 2015 and reached **€ 99.3 million** or 22.6% of revenue. Key reasons for this increase were:

- Volume growth and positive price/volume mix effect in *Commercial Acquiring* for both BCMC and International brands transactions processed in Belgium;
- The very good dynamism of the *Commercial Acquiring* business in India thanks to the strong terminal base growth and to value added services (*e.g.* dynamic currency conversion – DCC); and
- Margin recovery in the Merchant Network in the UK and productivity gain in Iberia in Private Label Cards.

9.7.2 Financial Services (former "Financial Processing & Software Licensing")

	Financial Services		
(in € million)	**FY 2016**	FY 2015*	% Growth
Revenue	500.0	476.8	+4.9%
OMDA	130.6	116.8	
% OMDA	26.1%	24.5%	+1.6 pt

* *At constant scope and 2016 exchange rates.*

Following the integration of Equens on October 1, 2016, the Global Business Line Financial Processing & Software Licensing was reorganized into four new divisions and changed its name to "Financial Services". The key changes related to:

- The reallocation of revenue previously reported as *Payment Software Licensing* into *Issuing Processing* or *Acquiring Processing* depending on the nature of the software licenced;
- The reclassification of revenue from the processing of SEPA direct debit and credit transfer transactions from *Online Banking* to a new business line *Acoount & Payments*;
- The renaming of Online Banking to Digital banking.

Revenue

In 2016, **Financial Services** revenue was **€ 500.0 million**, up €+23.3 million or **+4.9%** compared to 2015.

- Revenue in *Acquiring Processing* grew double digit as a result of good volume growth for Authorization processing in France and increased project activity in Germany;
- Business grew in India as well, boosted by the demonetization of currency bills in November, which participated in the increase of above +40% in number of point of sale terminals managed;
- Growth in *Issuing Processing* was mainly driven by:
  - Authentication services for mobile/internet payments in France, Belgium and Germany (ACS, 3D secure, Trusted Authentication, wallets),
  - Good volume growth in the core issuing activities, notably on credit card services and in Fraud services in Belgium,
  - Expansion in APAC, and
  - Contract ramp-up in the Nordics;
- *Online Banking* grew, mainly thanks to the ramp-up of the NS&I contract in the UK as well as to more mobile banking projects for French banks;
- The business line Account & Payments was quasi stable, with volume growth being offset by less project work compared with last year in Germany.

Integration activities at equensWorldline

Integration activities at equensWorldline have been focused during the fourth quarter of 2016 on 18 work streams and showed a very satisfactory start, with already a few streams running ahead of schedule, fully securing the ambition to deliver c.€ 40 million of run-rate OMDA synergies in 2018, of which half in 2017.

OMDA

Financial Services reached an **OMDA** of 26.1% (**€ 130.6 million**), **+160 basis points** compared to 2015, mainly thanks to authorizations volume growth in the Acquiring business division and more authentication volumes in the Issuing business line, as well as some early synergies.

9.7.3 Mobility & e-Transactional Services

	Mobility & e-Transactional Services		
(in € million)	**FY 2016**	FY 2015*	% Growth
Revenue	369.6	378.9	-2.5%
OMDA	51.5	61.8	
% OMDA	13.9%	16.3%	-2.4 pt

* *At constant scope and 2016 exchange rates.*

Revenue

Mobility & e-Transactional Services revenue reached **€ 369.6 million** declining by €-9.4 million or **-2.5%** compared to 2015. *e-Government Collection* was impacted by the termination of both the automated traffic offence management system (the RADAR contract) in France in June 2016 and by the VOSA contract in the UK public sector, which occurred at end of Q3 2015 and therefore affected the comparison basis for the first three quarters of the year. Excluding that effect, the growth of MeTS would have exceeded +15% in 2016. This performance could be achieved thanks:

- To double digit growth recorded in *e-Government Collection*, particularly in Argentina with healthcare transactional services and Tax Collection activities and in France, with more revenue from various projects with French and European government agencies;
- To a double digit growth in *e-Consumer & Mobility* explained by:
  - Contact activities in France, with the full-year impact of Cdiscount contract and the ramp-up of other contracts such as Numericable,
  - Connected Living, with notably more revenue in France from the Renault contract and in Germany;
- To a strong growth in *e-Ticketing*, benefiting from good dynamic on its two main markets:
  - The UK, where the new Onboard Ticketing solution (MTIS) was rolled out for several customers,
  - Latin America, where Worldline benefited from volumes ramp-up and price increases.

OMDA

Mobility & e-Transactional Services OMDA reached **€ 51.5 million** or 13.9% of revenue, decreasing by **-240 basis points**. The profitability of the Global Business Line was indeed impacted by the end of two mature contracts (RADAR & VOSA), which were partly substituted by new business consisting of project activities and ramping-up volumes with, as usual, a temporary lower profitability.

9.8 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 is reported under Benelux revenue).

	Revenue			
(in € million)	**FY 2016**	FY 2015*	Var	% Var.
France	428.5	427.3	1.2	0.3%
Belgium	358.5	328.3	30.1	9.2%
Germany/CEE	159.0	152.2	6.8	4.5%
UK	124.0	143.8	-19.9	-13.8%
Rest of Europe	123.6	113.9	9.7	8.5%
Emerging markets	115.7	99.7	16.0	16.1%
Worldline	**1,309.2**	**1,265.2**	**44.0**	**+3.5%**

* *At constant scope and 2016 exchange rates.*

France posted revenue of **€ 428.5 million**, slightly positive (**+0.3%**) compared with last year, with contrasted evolutions between the 3 Global Business Lines:

- Most of the growth came from Financial Services, with solid volume growth in Acquiring Processing;
- Mobility & e-Transactional Services succeeded in more than compensating the effect of the termination of the Radar contract from the second half of 2016, with a double digit growth in Connected Living and Contact offers;
- Merchant Services & Terminals was impacted by less projects in e-Commerce during the first half of the year but resumed growth during the second semester.

Belgium had revenue of **€ 358.5 million** in 2016, up **+9.2%**. This growth is the result of the following:

- Merchant Services & Terminals grew double digit, thanks to a strong increase of transaction volumes and positive price/volume mix impacts in Commercial Acquiring as well as strong sales of Payment Terminals, in particular to the network of international resellers;
- Sales in Financial Services increased driven by volume growth in Issuing Processing.

In **Germany and CEE**, revenue amounted to **€ 159.0 million** in 2016, representing an organic growth of **+4.5%**.

- Most of the revenue increase was recorded in Merchant Services & Terminals with a strong double digit increase in Commercial Acquiring and Terminals sales;
- Sales of Mobility & e-Transactional Services were also positively oriented, notably through machine-to-machine (M2M) connectivity projects;
- Last, Financial Services slightly grew driven by Acquiring Processing activities.

UK revenue in 2016 was **€ 124.0 million**, down by €-19.9 million or **€-13.8%**, mainly due to the end of the VOSA contract on which revenue was recorded in 2016 for c.€ 24 million. Excluding the effect of that contract termination, sales rose by more than +3% mainly thanks to a solid growth in e-Ticketing, with the roll out of the MTIS solution for several customers.

Revenue in **Rest of Europe** (Finland, the Netherlands, Italy and Spain) grew by **+8.5%** and reached **€ 123.6 million**, driven by Acquiring Processing activities in Italy and good activity in Merchant Services & Terminals in the Netherlands.

Last, in **Emerging markets (€ 115.7 million, +16.1%)**:

- The **Asia** region posted a double digit revenue growth year-on-year, driven by Commercial Acquiring and processing activities boosted by the recent demonetization measures in India, and positive momentum in APAC;
- **Latin America** grew double digit as well, thanks to growth in e-Government Collection contracts in Argentina and e-Ticketing activities in Argentina and Chile.

9.9 Commercial activity

9.9.1 Main signatures

2017 Commercial activity was satisfactory, particularly in terms of new customers gained and new solutions sold to existing customers. Main achievements per Global Business Lines are presented thereafter. These signatures confirm the quality of the product roadmap of the Company and perfectly illustrate its growth strategy, which is based, beyond the secular growth trends of non-cash payment in Europe, on international expansion of value added solutions and innovation.

Merchant Services & Terminals

The commercial activity in Merchant Services & Terminals was dynamic in 2016. In Commercial Acquiring, Worldline maintained its market leader position in Benelux and notably promoted card payment for low value purchases, which increased by over 30% since the introduction of a specific pricing structure, and extended all major contracts with retailers in Belgium and in the Netherlands. The Payment Terminal division confirmed its positive momentum, with new retail customers in France and in the Netherlands, as well as the renewals of major contracts with Dutch banks for three years. In Online Services, a number of new contracts were signed with various large enterprises and governmental institutions in France. The commercial successes of Worldline omni-channel solutions included in particular the implementation of digital retail concepts and of merchant wallet solutions with several large European retailers or brands.

Financial Services

Key commercial successes of Financial Services in 2016 included the win of several new clients such as Degussa Bank in Germany for payment back-office processing, as well as the renewal and extension of key contracts in the Group's home markets across Europe. In this respect:

- In December 2016, the card processing contract with the Finnish bank OP was extended until 2025 and a new contract was signed for the outsourcing of the bank's cardholder customer service. Also, Danske Bank chose Worldline's ACS solution to secure e-commerce with 3D-Secure in Denmark, Sweden, Finland, Norway and the United Kingdom. These two contracts further strengthen Worldline's footprint in the Nordic market;
- The iDEAL processing contract with ING was extended as well, with more complete iDEAL functionalities combined with electronic identity services for the Dutch community (iDIN). Through this deal, equensWorldline has positioned itself as a trusted supplier of these functionalities and is confident its technologies will also be of interest to other Dutch banking groups;
- Capitalizing on an existing client relationship, the Group has won the ATM Global management contract for a French bank.

The Group's ambition to support financial institutions in their digital transformation was reconfirmed by the extension of the business relationship with Sparda-bank for six years, with the aim to develop further digital services for customers. Beyond Europe, the payments security services business achieved further growth with Philippine's EastWest Bank choosing the Group's ACS solution and the launch of a prepaid currency card solution by the Bank of Bhutan.

In the broader sense of innovation, the mobile payments services have shown good progress with a further HCE launch and a pilot for mobile person to person ("P2P") payments. Furthermore, Worldline's Instant Payments solution has shown good traction in continental Europe. To secure further future growth, the Group went into production of phase 1 for its development programs "Virtual Accounts" and "Payments 2.0". The Group reached a new innovative milestone by launching an API (Application Programming Interface) developer portal, which will accelerate the time-to-market for clients and supports co-creation of products, services and solutions.

Mobility & e-Transactional Services

Commercial activity in Mobility & e-Transactional Services has been solid in 2016, with a high level of new business signed (new customers or new services sold to existing customers). Indeed, significant new contracts were signed in 2016 and include in particular:

- *In e-Consumer & Mobility:*
  - The provision of a omni-channel Cloud Contact solution for a large French bank: Worldline will provide a solution in the cloud including voice, chat, email and video as well as a cutting edge semantic search service, allowing real time access to various banking services including payment services,
  - The extension of the current B/S/H "Home Connect" program to two new strategical geographies in an enlarged scope in order to connect tens of millions of B/S/H appliances;
- In e-Ticketing, the Group will implement for a city in Germany a state of the art ticketing retail system according to German regulation and eTicketing standard. 800 million passengers will be served by the connected transport companies per annum through 6 public transport companies operating in major German cities. The solution covers the provision of ticketing services, as well as the related accounting and payment;

- In e-Government Collection, Worldline's digital identity suite "ID Center" was deployed in various clinics and private companies, and a Trusted Digitization solution was sold to GIP Renater in France, for which Worldline will build and run a very large secured personal document access platform for middle and high school students. Trusted Digitization's core products include Digital Signature, Digital Preservation and Digital Identity. Those offerings allow Worldline to deliver digital transformation projects, from e-contracts to national digital ID schemes.

9.9.2 Backlog and commercial perspectives

The **backlog** at the end of December 2016 amounted to **€ 2.6 billion**. It includes the backlog acquired from Equens on October 1, 2016 for €889 million reflecting mainly the application of the Group's reporting definitions to the commercial contracts with equensWorldline's banking shareholders.

Commercial perspectives are solid, with several large contracts expected to be signed in the next few quarters, particularly around Digital Platform/Transformation in Merchant Services, Issuing Processing and ATM management in Financial Services as well as Connected Living offers and e-Ticketing in Mobility & e-Transaction Services.

9.10 Human Resources
[GRI 102-4] [GRI 102-7] and [GRI 102-8]

9.10.1 Headcount evolution

At the end of 2016 Worldline employed 8,725 employees representing an increase of +1,371 employees compared with a January opening at 7,354, out of which 1279 employees from Equens, Paysquare and KB Smartpay having joined the Company on October 1, 2016.

Headcount movements in 2016 are detailed by nature and country here below:

HEADCOUNT MOVEMENTS IN 2016 BY NATURE AND GEOGRAPHY

Headcount	Opening JAN-16	Scope effects	Hiring	Leavers	Dismiss/ Restruc	Other	Closing DEC -16	Changes	%
France	2,727	+0	+212	-113	-14	-43	2,769	+42	+1.5%
Belgium	1,034	+3	+114	-54	-23	+0	1,074	+40	+3.9%
Germany/CEE	815	+423	+59	-24	-3	-5	1,265	+450	+55.2%
UK	576	+0	+48	-59	-36	-15	514	-62	-10.8%
Rest of Europe	525	+853	+72	-20	-38	-9	1,383	+858	+52.9%
Emerging markets	1,077	+0	+256	-138	-41	-27	1,127	+50	+4.6%
Direct	**6,754**	**+1,279**	**+761**	**-408**	**-155**	**-99**	**8,132**	**+1,378**	**+20.4%**
Indirect	**600**	**+0**	**+47**	**-47**	**-3**	**-4**	**593**	**-7**	**-1.2%**
Total (D+I)	**7,354**	**+1,279**	**+808**	**-455**	**-158**	**-103**	**8,725**	**+1,371**	**+18.6%**

The Direct hirings included 80% of juniors aged 35 or younger.

The other category consists in other types of leavers (including retirement, death, agreed termination, end of temporary contract, as well as changes of classification from direct to indirect and transfers from Worldline to Atos).

The number of indirect employees does not include yet the reclassification of part of Equens, Paysquare and KB Smartpay staffs to indirect.

Direct headcount evolution compared with the opening:

France

Overall, Worldline France staff increased by **+42 employees**. Recruitments amounted to 212 staff over the period. Worldline France reinforced mainly two teams: the "Connected Living" team in the Mobility & eTransactional Services Global Service Line and the Identity, Trust and Authentication center within Financial Services. Resources that use to work on the Radar contract, which was terminated in June 2016, were successfully re-deployed to new projects.

Belgium

Worldline Belgium staff increased by **+40 employees** in 2016. Worldline Belgium hired 114 employees. Half of these recruitments aimed at compensating the 54 leavers. The other recruitments replaced subcontractors, therefore contributing to the objective of the Group to limit the use of external contractors, and reinforced the Customer Relations teams in "Merchant Services & Terminals" business line.

Germany & CEE

Worldline Germany & CEE staff grew by **+450 employees** over the year. The integration of Equens, Paysquare and KB Smartpay into Worldline increased the headcount by +423 employees, out of which 353 employees in Germany, 22 in Poland and 48 in the Czech Republic. 59 employees joined Germany & CEE in 2016. 25% of all recruits were former interns.

UK

Worldline UK direct staff decreased by **-62 employees**, out of which 48 new hires, 59 resignations, 36 dismissals in the context of a realignment of the teams in the rail activities and 15 retirements/ends of temporary contract/agreed terminations of contracts.

Rest of Europe (Finland, the Netherlands, Italy, Spain)

Worldline staff in the Netherlands, Spain, Italy and Finland increased by **+858 employees**, mainly due to the integration of Equens (+853 employees: in the Netherlands with +611 employees, in Italy with +231 employees and in Finland, with +11 employees). The other staff movements include 72 hirings, which compensated 20 resignations, 38 dismissals and 9 departures for other reasons.

Emerging markets (Latin America, India & APAC)

Worldline staff in the emerging countries increased by **+50 employees** in 2016. 256 new employees were hired.

- Worldline **Latin America** staff slightly increased by **+7 employees**. 31 employees joined Worldline in 2016 and 24 left the Company (12 resigned and 12 were dismissed);
- Worldline **Asia** recruited 225 direct employees, while 182 staff left the Company (126 resignations, 29 dismissals and 27 left for other reasons). The increase in staff in Asia **(+43 employees)** reflected the business growth in India, where 149 employees were recruited.

Indirect headcount evolution compared with the opening

Indirect (-7 headcounts)

All hirings of indirect staff (+47) are in line with the replacements of leavers. 47 employees resigned, 3 were dismissed, 4 left for other reasons (retirement, decease, agreed terminations of contracts). The number of indirect staff does not include yet the reclassification of part of Equens, Paysquare and KB Smartpay staffs to indirect.

9.10.2 Attrition

The voluntary attrition rate (YTD) for Direct employees reached a level of **-5.8%** at the end of December 2016. Overall voluntary attrition rate was **-5.9%** for the same period, slowing down from 2015 (-6.2%).

Country	Attrition
France	-4.1%
Belgium	-5.1%
Germany/CEE	-2.6%
UK	-10.9%
Rest of Europe	-2.8%
Emerging markets	-12.5%
Direct	**-5.8%**
Indirect	**-7.8%**
Total (D+I)	**-5.9%**

9.10.3 External subcontractors

The number of external subcontractors (including onshore and offshore resources) decreased from 574 FTE (full time equivalent) at the end of 2015 to 549 FTE at the end of 2016. The acquisition of Equens, Paysquare and KB added 195 new external FTEs to these 549 FTEs.

The overall number of external subcontractors consequently reached **744 FTEs**, which represents **8.1% of the productive FTEs** at the end of 2016, slightly increasing compared with 2015 (7.4% at the end of last year).

The objective of the Group is to carefully monitor the level of non-critical subcontractors.

9.11 Financial Review [GRI 102-7]

9

9.11.1 Income Statement

The Group reported a net income (attributable to owners of the parent Worldline SA) of € 144.2 million for the full year 2016 (€ 103.4 million for the full year 2015), which represented 11.0% of Group revenues for the period. The normalized net income before unusual and infrequent items (net of tax) for the period was € 129.2 million, representing 9.9% of revenues compared to € 119.9 million in 2015.

9.11.1.1 Reconciliation from operating margin to net income

(in € million)	12 months ended December 31, 2016	% Margin	12 months ended December 31, 2015[1]	% Margin
Operating margin	**196.6**	**15.0%**	**177.9**	**14.5%**
Other operating income/(expenses)	13.3		-29.8	
Operating income	**210.0**	**16.0%**	**148.1**	**12.1%**
Net financial income/(expenses)	-5.9		-5.9	
Tax charge	-53.7		-38.8	
Non-controlling interests and associates	-6.2		-	
Net income – Attributable to owners of the parent	**144.2**	**11.0%**	**103.4**	**8.4%**
Normalized net income – Attributable to owners of the parent[2]	**129.2**	**9.9%**	**119.9**	**9.8%**

1 *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*
2 *Defined hereafter.*

9.11.1.2 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, 2016	12 months ended December 31, 2015*	Variation
Operating margin	**196.6**	**177.9**	**18.7**
+ Depreciation of fixed assets	54.6	50.8	3.8
+ Net book value of assets sold/written off	7.3	0.7	6.6
+/- Net charge/(release) of pension provisions	3.0	5.2	-2.2
+/- Net charge/(release) of provisions	-2.8	0.6	-3.4
OMDA	**258.7**	**235.3**	**23.4**

* *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

Change in free cash flow and operating margin new definition

The Group decided to change the "free cash flow" and "operating margin" definitions by excluding equity based compensation effects from the calculation of financial performance, in line with sector practice.

As such, Group free cash flow excludes proceed from equity based compensation and the amortization cost of equity based compensation plans is excluded from the "operating margin" and presented in "other operating income and expenses". This change of presentation has been applied retroactively to the period presented and as a consequence of this reclassification, in 2015 "operating margin" has been increased by € 3.0 million.

9.11.1.3 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent. They represent a net income of € 13.3 million in 2016. The following table presents this amount by nature:

(in € million)	12 months ended December 31, 2016	12 months ended December 31, 2015*
Staff reorganization	-4.5	-6.6
Rationalization and associated costs	-4.5	-6.2
Integration and acquisition costs	-9.9	-7.2
Customer relationships and patents amortization	-6.1	-3.5
Other items	38.4	-6.3
Total	**13.3**	**-29.8**

* *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

Staff reorganization expenses of € 4.5 million decreased by € 2.1 million compared to last year and correspond to the restructuring costs induced by the adaptation of the organization mainly in the United Kingdom, France and the Netherlands.

The € 4.5 million of **rationalization and associated costs** resulted mainly from external costs linked to the continuation of the TEAM program and to the reorganization of office premises in France and Belgium. Those costs have decreased by € 1.7 million compared to 2015.

Integration and acquisition costs reached € 9.9 million (increase of €+2.7 million compared to the prior year) and correspond to the costs related to the execution of the Equens and Paysquare transactions and post acquisition integration costs.

The 2016 **customer relationships amortization** of € 6.1 million corresponds to:

- € 3.5 million related to the portion of the consideration paid allocated to the value of the customer relationships and backlog brought by Banksys and Siemens IT Solutions & Services;
- € 2.5 million of Equens and Paysquare customer relationships amortized over 6.5 to 9.5 years starting October 1, 2016;
- € 0.1 million of Cataps (KB Smartpay) customer relationships starting October 1, 2016.

The €+38.4 million of **other items** mainly consisted of:

- The gain on the Visa share disposal for € 51.2 million (refer to Note 3 "Other significant events of the year");
- The charge of equity based compensation (IFRS 2) for €-6.8 million (refer to Note 7 "Other Operating Income");
- Other non recurring costs for €-6.0 million.

9.11.1.4 Net financial expense

Net financial expense amounted to € 5.9 million in 2016 and in 2015 and was composed of a net cost of financial debt of € 0.6 million and non-operational financial costs of € 5.3 million.

The net cost of financial debt amounted to € 0.6 million in 2016 compared to € 1.4 million in 2015.

The other financial income/expenses were mainly composed of foreign exchange losses for € 2.9 million and pension financial costs for € 2.0 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 21, "Pensions and similar benefits").

9.11.1.5 Corporate tax

The tax charge at the end of December 2016 was € 53.7 million with a profit before tax of € 204.0 million. The annualized Effective Tax Rate (ETR) was 26.3% (27.3% in 2015).

9.11.1.6 Normalized net income

The normalized net income excluding unusual and infrequent items (net of tax) is € 129.2 million.

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015*
Net income – Attributable to owners of the parent	**144.2**	**103.4**
Other operating income and expenses	13.3	-29.8
Tax impact on unusual items	1.6	13.3
Total unusual items – Net of tax	**15.0**	**-16.5**
Normalized net income – Attributable to owners of the parent	**129.2**	**119.9**

* *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

9.11.1.7 Earning per share

The number of shares as at January 1, 2016 was 131,926,588 shares. The weighted average number of shares amounts to 132,102,935 shares for the period. As at the end of December 2016, potential dilutive instruments comprised stock subscription (equivalent to 323,007 options).

(in € million)	**12 months ended December 31, 2016**	**% Margin**	12 months ended December 31, 2015*	% Margin
Net income [a]	**144.2**	**11.0%**	**103.4**	**8.4%**
Normalized net income [b]	129.2	9.9%	119.9	9.8%
Average number of shares [c]	132,102,935		131,926,588	
Impact of dilutive instruments	323,007		119,468	
Diluted average number of shares [d]	132,425,942		132,046,056	
(in €)				
Basic EPS [a]/[c]	1.09		0.78	
Diluted EPS [a]/[d]	1.09		0.78	
Normalized basic EPS [b]/[c]	0.98		0.91	
Normalized diluted EPS [b]/[d]	**0.98**		**0.91**	

* *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

9.11.2 Cash Flow

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Operating Margin before Depreciation and Amortization (OMDA)	**258.7**	**235.3**
Capital expenditures	-85.3	-67.0
Change in working capital requirement	37.3	11.9
Cash from operation	**210.7**	**180.2**
Taxes paid	-39.1	-29.9
Net cost of financial debt paid	-0.6	-1.4
Reorganization in other operating income	-5.2	-6.5
Rationalization & associated costs in other operating income	-4.1	-6.2
Integration and acquisition costs	-9.9	-1.1
Net financial investments[1]	-1.3	-1.8
Other changes[2]	-10.1	-4.8
Free Cash Flow	**140.4**	**128.5**
Net material (acquisitions)/disposals	-111.0	-
Capital increase/(decrease)	7.5	-
Payment for acquisition of non controlling interests		
Proceeds from the disposal of the Visa Share	35.6	-
Purchase of shares	-	-2.4
Dividends paid to owners of the parent		
Change in net cash/(debt)	**72.5**	**126.1**
Opening net cash/(debt)	**323.3**	**203.1**
Change in net cash/(debt)	72.5	126.1
Foreign exchange rate fluctuations on net cash/(debt)	3.0	-5.9
Closing net cash/(debt)	**398.9**	**323.3**

1 *Net Long term financial investments.*

2 *"Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), dividends paid to non-controlling interests and other financial items with cash impact.*

Free cash flow represented by the change in net cash or net debt, excluding equity changes, dividends paid to shareholders, disposal of Visa Share, purchase of shares, impact of foreign exchange rate fluctuation on opening net cash balance, and net acquisitions and disposals, reached € 140.4 million compared to € 128.5 million in 2015 corresponding to an increase of +9.3%.

Cash From Operations amounted to € 210.7 million and increased by € 30.5 million compared to last year, including the following items:

- OMDA (€+23.4 million);
- Higher capital expenditures (€-18.3 million);
- Higher improvement in change in working capital requirement (€+25.4 million).

OMDA of € 258.7 million, representing an increase of €+23.4 million compared to December 2015, reached 19.8% of revenues against 19.2% of revenues in 2015.

Capital expenditures amounted to € 85.3 million or 6.5% of revenue above the level of 2015 at 5.5%. Main part is related to investment in software platforms through capitalized cost, in connection with the modernization of proprietary technological platforms for € 45.4 million.

The positive **change in working capital requirement** was € 37.3 million. The DSO ratio reached 40 days at the end of December 2016, while the DPO was 70 days as of December 2016.

Cash out related to **taxes paid** reached € 39.1 million increasing by € 9.2 million compared to 2015 (€ 29.9 million). This increase mainly came from advance payments and regularizations in Germany, France and Belgium.

Net outflow related to **cost of net debt** of € 0.6 million decreased by € 0.8 million compared to the year 2015.

Cash outflow linked to **reorganization costs** represented € 5.2 million.

Integration costs linked to the acquisitions and post acquisition integration costs realized in 2016 reached € 9.9 million.

Net financial investments amounted to € 1.3 million and related mainly to investments in non consolidated companies.

Other changes of € 10.1 million corresponded to:

- Foreign exchange losses and other financials costs for € 3.5 million;
- Other non recurring items for € 6.6 million.

As a result, the **Free Cash Flow (FCF**) generated in 2016 was € 140.4 million.

The **net acquisitions** of € 111.0 million represented the net cash effects linked to the acquisitions at the end of September 2016 of Paysquare and Cataps and the cash/debt included in the acquired companies at the date of the closing.

In December 2016, the € 7.5 million **Capital increase** Icorresponded to:

- The proceeds from the capital increase required for the Boost Employee Share Purchase Plan in February 2016 (€ 3.1 million);
- Issuance of common stock following employee's exercise of stock options issued in September 2014, for € 4.4 million.

The **Proceeds from disposal of the Visa Share** of € 35.6 million related to the cash impact of the Visa share disposal in Belgium.

Foreign exchange rate fluctuation which is determined on debt or cash exposure by country had a positive impact on net cash of € 3.0 million.

9.11.3 Financing Policy

9.11.3.1 Financing structure

Worldline's expected liquidity requirements are currently fully covered by the positive cash position and if needed, would be financed by long-term committed loans or other appropriate long-term financial instruments.

In this respect, on June 26, 2014, Worldline SA (as Borrower) signed a Revolving Credit Facility (RCF) with Atos SE (as Lender) for an amount € 300 million, in order to cover the Group's liquidity requirements, including temporary fluctuations in its working capital needs, that was renewed on November 2, 2015 and transferred to Bull International (subsidiary of the Atos group) on January 2, 2016. The RCF has a duration until June 26, 2019, is concluded at customary market conditions and contains no financial covenants.

9.11.3.2 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.

9.11.4 Worldline SA five years financial summary (from Parent company financial statements)

Accounting year end	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Duration *(in months)*	12	12	12	12	12
Share capital at year end					
Share capital	89,995,957.28	89,710,079.84	89,710,079.84	78,804,599.61	78,804,599.61
Number of common shares outstanding					
• ordinary	132,346,996.00	131,926,588.00	131,926,588.00	11,621,805.00	11,621,805.00
• Preferred shares					
Maximum number of future shares to be created:					
• through conversion of convertible bonds					
• through exercize of equity warrants					
Operations and results of the current year					
Operating revenue	434,778,843.00	460,935,677.12	461,939,034.56	472,568,964.10	415,323,594.06
Income before taxes, profit sharing, amortization and provisions	249,316,554.70	14,120,685.48	40,689,643.13	35,056,415.73	37,382,753.91
Income taxes	2,010,426.95	3,268,301.65	-5,488,312.39	-3,673,774.10	-2,784,177.51
Profit sharing	-5,688,900.30	-5,645,502.58	-4,967,772.81	-4,836,261.59	-7,239,452.35
Amortization and provisions	-8,504,696.88	-14,364,944.20	-21,519,741.29	-15,871,636.57	-12,453,345.86
Net income/(losses)	237,133,384.47	-2,621,459.65	-8,713,816.64	10,674,743.47	14,905,778.19
Distributed income				45,092,603.00	
Earnings per share					
before amortization and provisions	1.86	0.09	0.23	2.28	2.35
Net earning	1.79	-0.02	0.07	0.92	1.28
Dividend per share				3.88	
Employee data					
Average number of employee during the year	2,859.00	3,013.00	3,001.00	3,049.00	2,640.00
Total payroll	139,668,169.06	148,434,264.07	140,721,615.24	144,745,354.95	121,165,733.46
Total benefits	63,445,419.20	66,255,079.11	64,014,913.04	66,330,968.41	58,413,545.55

9.12 Non-IFRS financial measures

9.12.1 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, 2016**	12 months ended December 31, 2015*	Variation
Operating margin	**196.6**	**177.9**	**18.7**
+ Depreciation of fixed assets	54.6	50.8	3.8
+ Net book value of assets sold/written off	7.3	0.7	6.6
+/- Net charge/(release) of pension provisions	3.0	5.2	-2.2
+/- Net charge/(release) of provisions	-2.8	0.6	-3.4
OMDA	**258.7**	**235.3**	**23.4**

* *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

Depreciation costs remained relatively stable between 2015 and 2016 at approximately 4.1% and 4.2% of revenue respectively.

9.12.2 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, 2016**	12 months ended December 31, 2015
Operating Margin before Depreciation and Amortization (OMDA)	**258.7**	**235.3**
Capital expenditures	-85.3	-67.0
Change in working capital requirement	37.3	11.9
Cash from operation (CFO)	**210.7**	**180.2**
Taxes paid	-39.1	-29.9
Net cost of financial debt paid	-0.6	-1.4
Reorganization in other operating income	-5.2	-6.5
Rationalization & associated costs in other operating income	-4.1	-6.2
Integration and acquisition costs	-9.9	-1.1
Net financial investments[1]	-1.3	-1.8
Other changes[2]	-10.1	-4.8
Free Cash Flow	**140.4**	**128.5**

1 *Net Long term financial investments.*

2 *"Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), dividends paid to non-controlling interests and other financial items with cash impact.*

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, 2016**	12 months ended December 31, 2015
Cash from operations	**210.7**	**180.2**
• Operating Investments	85.3	67.0
Income tax paid	-39.1	-29.9
Reorganization (from other operating income and expense)	-5.2	-6.5
Rationalization and associated costs (from other operating income and expense)	-4.1	-6.2
Integration and acquisition costs	-9.9	-1.1
Other operating income and expense	-6.7	-2.1
Other financial income and expense	-3.6	-2.8
Net cash flow from operating activities	**227.4**	**198.6**

9.12.3 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, 2016**	12 months ended December 31, 2015
Operating Margin Before Depreciation and Amortization (OMDA)	**258.7**	**235.3**
Reorganization (from other operating income and expense)	-5.2	-6.5
Rationalization and associated costs (from other operating income and expense)	-4.1	-6.2
Integration and acquisition costs	-9.9	-1.1
Other operating income and expense	-6.7	-2.1
EBITDA	**232.8**	**219.4**

10

Liquidity and capital resources

10.1 Overview

The Group's principal funding needs include working capital requirements, capital expenditures, dividend payments and debt repayments.

Historically, the Group has met these requirements principally through cash flow from operating activities and financing provided by Atos through intercompany loans and current accounts.

The Group has also available uncommitted local bank overdraft lines mainly in restricted countries where intercompany financing is not possible due to local legal and regulatory restrictions, mainly in Argentina.

The following table sets forth further details regarding the composition of the Group's net cash position at December 31, 2016:

(in € million)	**December 31, 2016**	December 31, 2015
Cash and cash equivalents	425.2	353.3
Borrowings	-2.2	-1.5
Current portion of borrowings	-24.1	-28.5
Total	**398.9**	**323.3**

At December 31, 2016, the Group had net Cash of € 398.9 million.

The Group is benefiting from a € 300 million revolving credit facility granted by Bull International, subsidiary of the Atos group, in order to cover the Group's liquidity requirements including temporary fluctuations in its working capital needs. The main terms and conditions of the revolving credit facility are aligned with standard market practices and summarized below:

- Maximum amount: € 300 million;
- Maturity: June 26, 2019, terminable by the Company at any time without charge or penalty (subject to an indemnity for breakage costs, if any, in the event of prepayment). Bull International has a right to terminate the facility and request repayment in the event that the Atos group ceases to hold at least 25% of the Company's share capital, whereupon the Company would have two months to repay the borrowed amount;
- Drawdown term: one, three or six months, with any prepayment subject to an indemnity for breakage costs;
- Rate on utilization: Euribor for the relevant interest period, either one, three or six months + margin of 0.7%;
- Commitment fee: 35% of the margin.

The Group intends, in due course, to enter into a revolving credit facility with third party financial institutions to replace the Bull International revolving credit facility.

10.2 Financial resources

The Group has historically relied on the sources of financing described below. These financial resources are primarily short-term (cash on hand, cash flow from operating activities, short-term borrowings).

- *Cash on hand*. The Group's cash and cash equivalents on its balance sheet at December 31, 2016 and 2015 amounted to € 425.2 million and € 353.3 million respectively. Net of the bank overdrafts and amounts owed to Atos under the cash pooling and current account arrangements described under "Borrowings" below, net cash and cash equivalents totaled € 408.2 million and € 325.2 million respectively. See Note 19 of the consolidated financial statements.
- *Cash flow from operating activities*, which generated cash flow before change in working capital requirements, financial interest and taxes of € 229.3 million and € 216.5 million in 2016 and 2015 respectively.
- *Borrowings*. The Group had total borrowings of € 26.3 million and € 30.0 million as at December 31, 2016 and 2015 respectively. The table below reflects the breakdown of the Group's borrowings as of those dates. See Note 23 of the consolidated financial statements.

	December 31, 2016			December 31, 2015		
(in € million)	Current	Non-current	Total	Current	Non-current	Total
Finance leases	0.1	2.0	2.1	0.3	1.4	1.7
Overdrafts	14.5	-	14.5	19.1	-	19.1
Current accounts with Atos entities	2.5	-	2.5	9.0	-	9.0
Other borrowings	6.9	0.2	7.1	0.1	0.1	0.2
Total borrowings	**24.1**	**2.2**	**26.3**	**28.5**	**1.5**	**30.0**

The main categories of the Group's borrowings are:

- *Finance leases (€ 2.1 million at December 31, 2016).* This Group makes limited borrowings in the form of finance leases. The amount outstanding at December 31, 2015 relates primarily to a Worldline facility in Belgium;
- *Overdraft (€ 14.5 million at December 31, 2016).* This category consists primarily of local bank overdraft lines, primarily in countries where intercompany financing is subject to regulatory restrictions. These financing arrangements bear interest at market rates and are principally denominated in euros;
- *Current intra accounts with Atos group entities (€ 2.5 million at December 31, 2016).* This category consists primarily of financing provided by the Atos group to the Group through current account advances. These financing arrangements bear interest at market rates and are principally denominated in euros;
- *Other borrowings (€ 7.1 million at December 31, 2016).* This category consists of miscellaneous other borrowings that do not fall within the above-described categories, mainly the financial liability corresponding to the put option belonging to Cataps s.r.o. (KB SmartPay) minority shareholders on 20% of the share capital of that company.

10.3 Principal uses of funds

10.3.1 Operational investments

The Group made net operating investments of € 85.3 million and € 68.6 million in 2016 and 2015 respectively. See Section 5.2, “Investments”.

10.3.2 Financial investments

The Group has recorded net financial investment for € 111.0 million in 2016, related to the acquisition of Paysquare and Cataps (KB SmartPay), as detailed in Section 9.1.

10.3.3 Dividends

The Group paid dividends of € 45.1 million in 2014. No dividends were paid in 2015 and in 2016. During its meeting held on February 20, 2017 and considering the strategic priority given in 2017 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 2016 results. See Section 20.5, “Dividend Policy”.

10.3.4 Financing of Working Capital Requirements

The Group finances its working capital requirements through its cash flow from operations and, to the extent needed, short term borrowings. The Group posted positive changes in its working capital requirements of € 37.3 million in 2016 and € 11.9 million in 2015. The following table sets forth the composition of the Group’s change in working capital requirements for the periods indicated.

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Clients and related	-10.0	33.8
Suppliers and related	57.5	-15.7
Personnel and related	-0.1	1.5
Other	-10.1	-7.7
Total change in working capital requirements	**37.3**	**11.9**

The variation in 2016 reflects mainly the increase of the days payable outstanding (DPO) by +7 days for “Supplier and related”. For “Clients and related”, the change comes mainly from a longer day of sales outstanding (DSO) (+2 days).

The variation in 2015 reflects the decrease of the days payable outstanding (DPO) by 14 days, as a result of the acceleration of the invoicing process and of ongoing efforts to control accounts receivable overdue. As far as receivables are concerned, day of sales outstanding (DSO) ratio has decreased by 23 days (€ 15.0 million), as a result of the increase in prepaid expenses.

10.3.5 Contractual Obligations

The following table sets forth the Group's finance leases and off-balance sheet contractual obligations at December 31, 2016. See Note 26 of the consolidated financial statements.

		Maturing			
(in € million)	**December 31, 2016**	Up to 1 year	1 to 5 years	Over 5 years	December 31, 2015
Finance leases	2.1	0.1	2.0	-	1.7
Recorded on the balance sheet	**2.1**	**0.1**	**2.0**	**-**	**1.7**
Operating leases: land, buildings, fittings	102.7	18.9	52.2	31.6	97.3
Operating leases: IT equipment	0.9	0.5	0.4	-	0.2
Operating leases: other fixed assets	9.9	4.1	5.8	-	9.4
Non-cancellable purchase obligations (> 5 years)	12.0	12.0	-	-	9.9
Commitments	**125.5**	**35.5**	**58.4**	**31.6**	**116.8**
Total	**127.6**	**35.6**	**60.4**	**31.6**	**118.5**

The non-cancelable purchase obligations relate to purchase orders placed by the Belgian subsidiary for purchases of terminals and accessories

For various large long term contracts, the Group provides parental guarantees to its clients. These guarantees amount to € 30.3 million as of December 31, 2016, compared to € 3.9 million at the end of December 2015.

10.4 Analysis of cash flow

See Section 9.11.2

11

Research and development, Patents and Licenses

11.1 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 4,000 engineers in the field working with clients to implement the Group's services. The Group's research and development expense amounted to € 47.6 million in 2016 and € 47.9 million in 2015. The Group's research and development teams indeed interact with Atos' various Service Line experienced research and development teams, like for example, Atos' scientific community or BDS (formerly Bull) R&D teams.

The Group's research and development activities are detailed in Section 2.1.1 "Anticipate customers' expectations regarding innovation" Of the Group's Corporate and Social responsibility Report, presented in Annex III.

11.2 Intellectual Property, 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 the Atos group, competitors or other third parties.

The Group's intellectual property rights comprise a combination of complementary rights, including the following:

- 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 Atos group's intellectual property policy, most of such software has been registered for copyright protection purposes,
  - a portfolio of approximately 80 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 be responsible for filing most of the trademarks or patents relating to the Group's activity. The decision to file will be made in accordance with the Atos 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 Atos SE and IBM Corp., pursuant to which all the patents of IBM Corp. and its subsidiaries are licensed to the Atos group entities, including the Group's entities, and the Atos group's patents, including those of the Group, 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 Atos 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 involved in a small number of material legal disputes relating to intellectual property, as described in Section 20.6, "Legal Proceedings".

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Trend information

12.1 Business trends

For a detailed description of the Group's 2016 results, see Chapter 9, "Operations and Financial Review".

12.2 General

The objectives presented below do not constitute forecasts or estimates of the Group's profits, but are objectives resulting from its strategic orientations. These objectives are based on data, assumptions, and estimates that the Group considers reasonable. Such data, assumptions and estimates are subject to change or modification based on uncertainties in the economic, financial, competitive or regulatory environments. Moreover, the occurrence of one or more of the risks described in Chapter 4, "Risk Factors", could have an impact on the Group's business, results, financial condition or prospects and therefore jeopardize its ability to achieve the objectives presented below. The Group does not guarantee and can give no assurance that the objectives described in this section will be achieved.

12.3 Objectives for the Year Ending December 31, 2017

The objectives presented in this section were prepared on the basis of data, assumptions and estimates that the Group considers to be reasonable. Such data, assumptions and estimates may change due to uncertainties in the economic, political, accounting, competitive and regulatory environment or as a result of other factors that are unknown to the Group as of the date of this Registration Document. Moreover, the occurrence of one or more of the risks described in Chapter 4, "Risk Factors", could have an impact on the Group's business, results, financial condition or prospects and therefore jeopardize these forecasts. The Group does not guarantee and can give no assurance that the objectives described in this section will be achieved.

Revenue

The Group expects to achieve an organic growth of its revenue, at constant scope and exchange rates, of **approximatively +3.5% for the full year**, with H2 2017 at +5% to +7%.

OMDA

The Group targets an OMDA margin between **20.0% and 20.5%**.

Free cash flow

The Group has the ambition to generate a free cash flow of between **€ 160 million and € 170 million**, including c.€ 20 million of synergy implementation costs.

12.4 Medium term objectives

Worldline has presented on November 8, 2016, during the Analyst Day held by its parent company Atos in its Headquarters in Bezons (France), its ambitions for 2017-2019, reflecting the increase of its business after the recent acquisitions of the Equens, Paysquare and KB Smartpay.

Over the 2017-2019 period, the Group ambitions to deliver:

- After a first semester 2017 at a slight positive growth, organic revenue CAGR between +5% and +7%;
- OMDA percentage improvement between +350bp and +400bp in 2019, compared with 2016[1] ;
- € 210 million to € 230 million Free Cash Flow in 2019, representing over +50% increase compared with 2016 objective.

To reach its 2019 Ambition the Group will focus on the following levers:

- Take advantage of Worldline's unique Pan-European reach and undisputed leadership in Financial Processing;
- Expand strongly Worldline's Pan-European platform for Omni-Commerce Merchant Services;
- Devote a particularly strong focus to take advantage of robust market trends in Mobility & e-Transactional Services.

Take advantage of Worldline's unique Pan-European reach and undisputed leadership in Financial Processing

Following the merger of Equens within the Worldline group, equensWorldline is now the largest financial processor in Europe, with a unique Pan-European reach and leading market positions in key countries, such as France, Belgium, the Netherlands, Germany and Italy.

Beyond the benefit from structural volume growth, the Group intends to leverage on the wide offering portfolio of equensWorldline and to keep developing cross selling opportunities between Equens and Worldline historical client bases, so as to better serve the banking community with innovative solutions and payment security systems. As a result, revenue in Financial Processing & Software Licensing is expected to grow organically close to mid-single digit.

Profitability of the Global Business Line is expected to strongly improve over the 2017 to 2019 period, from a low-twenties OMDA percentage in 2016 to a high-twenties rate in 2019, thanks to the delivery at equensWorldline of c. € 40 million OMDA run rate synergies in 2018, of which 50% are expected in 2017.

Expand strongly Worldline's Pan-European platform for Omni-Commerce Merchant Services

The Group expects Merchant Services & Terminal to remain its first growth engine, with an organic growth rate expected at mid- to high- single digit, thanks to fast volume growth in Commercial Acquiring and e-payment acceptance, expansion in higher growth geographical areas such as Germany and Central & Eastern Europe following the recent acquisitions of Paysquare and KB Smartpay, and acceleration of sales of omni-commerce proven solutions, such as retailer's wallet, digital retail and merchant data analytics.

The profitability of Paysquare and KB Smartpay is expected to gradually reach the rest of Merchant Services & Terminal's OMDA levels, thanks to synergies starting in 2017 such as migration onto Worldline technological platform and harmonization of business models. In this context, the Global Service Line's profitability is expected at a low-twenties OMDA percentage.

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1 18.5% OMDA margin, 2016 pro forma financial information, as if Equens, Paysquare and KB Smartpay were consolidated from Januray 1, 2016 over a 12 month period (Note 2 to the Consolidated financial statements).

Devote a particularly strong focus to take advantage of robust market trends in Mobility & e-Transactional Services

Leveraging on its strong technological assets, its know-how, and its track record in the design and operation of next-generation platforms, the Group considers that Mobility & e-Transactional Services is in a position to benefit from the fast growing market trends for secured digital solutions for IoT and connected objects. Supported by a strong and diversified client base as well as by a healthy pipeline of commercial opportunities, the Global Business Line is expected to grow within the average of the Group over the 2017-2019 period.

Mobility & e-Transactional Services' OMDA is expected at mid-teens levels, improving over the 2017-2019 period, thanks to gradual volume growth on maturing platforms.

European payment industry consolidation

Benefitting from its European intimacy and its particularly solid financial profile, the Group maintains a considerable focus to take advantage of the structural changes in the European payment industry, as it has already done in Financial Processing and in Merchant Services with the recent acquisitions of Equens, Paysquare and KB Smartpay. It confirms therefore the strategic priority given over the period 2017-2019 to its ambitious M&A policy.

Other strategic plans

- ***Market Trends***: the strategy of the Group relies fundamentally on the 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 6.4, "Strategy";
- ***TEAM² Project.*** Through its four-year TEAM² 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, 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 equensWorldline, Paysquare and KB SmartPay, 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:*** TEAM is managed in coordination with the integration of the industrial structures of Worldline and Equens. This integration is based on the technological investment made through the WIPE program and on the best assets from the Equens investment plans, and notably its Payment 2.0 initiative. This integration plan will deliver its results as soon as 2018 and included platforms mergers that will bring additional benefits until 2021;
- **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 EBITDA) of between 1.5 and 2.5 in the medium term.

12.5 First quarter 2017 revenue, TEAM² and integration and synergy plan and commercial activity

12.5.1 First quarter 2017 Revenue

Revenue was **€ 374.3million**, representing an organic growth of **+1.4 %** at constant scope and exchange rates compared to the first quarter of 2016. The Global Business Lines Merchant Services and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was still impacted, as in H2 2016, by the termination of one historical contract in France, which occurred in June 2016 and which therefore will affect Worldline growth for the last time in Q2 this year. Excluding the comparison basis impact resulting from this contract termination, the growth rate of the rest of the businesses was +6.0%.

	Revenue		
(in € million)	**Q1 2017**	Q1 2016*	% Organic Growth
Merchant Services	122.9	120.8	1.8%
Financial Services	168.3	158.3	6.3%
Mobility & e-Transactional Services	83.1	90.1	-7.8%
Worldline	**374.3**	**369.2**	**1.4%**

* *At constant scope and at Q1 2017 exchange rates.*

Merchant Services revenue for the quarter reached **€ 122.9 million**, improving by €+2.2 million or **+1.8%** organically compared to Q1 last year.

- *Merchant Payment Services*, which includes Commercial Acquiring and Payment Acceptance (payment terminal services and online payment gateways services) grew, benefiting from:
  - A strong momentum in India as the demonetization of currency bills end of last year led to higher volumes of electronic payment transactions (c. x2.5 versus Q1-2016), and
  - A strong volume growth in *Commercial Acquiring* transactions (+8%), both in Belgium and in the new geographies where the Group operates.

  These good operational performances more than compensated the negative price/volume mix effect that was anticipated in Belgium in *Commercial Acquiring*, as the Group decided to adapt its pricing structure to quickly retrocede the interchange fee reduction benefit to its clients.
- Revenue in *Merchant Digital Services*, which consists in Digital Retail offerings, Loyalty Services and Private Label cards, grew as well, thanks to Digital Retail projects ramp up with major European retailers.

Financial Services revenue reached **€ 168.3 million**, increasing by €+10.0 million or **+6.3%** compared to Q1 2016 at constant scope and exchange rates. All four divisions of the Global Business Line contributed to that growth.

- *Acquiring Processing* was particularly dynamic during the quarter, thanks to increased volumes and more project work, mainly for ATM related services in France and in Italy;
- Growth in *Issuing processing* was fueled by good volume increase in Authentication services, notably in Belgium, and by strong project activity;
- Revenue in *Digital banking* increased as well, thanks to continued project developments in France and in the United Kingdom; and
- The business line *Account Payments* benefited from volume growth in the Netherlands and positive evolution in Germany, with more project work with existing and new clients such as Degussa.

Revenue in **Mobility & e-Transactional Services** reached **€ 83.1 million**, down **-7.8%** organically, as the *Trusted Digitization (former « e-Government collection »)* business line was impacted as planned by the termination of the French automated traffic offence management system (the "RADAR" contract) that occurred in June 2016.Excluding that effect, the growth of MeTS would have exceeded +12% in Q1 2017. This performance could be achieved thanks:

- To a double digit growth recorded in *Trusted Digitization*, particularly in healthcare transactional services and tax collection activities in Latin America and with more revenue from various projects with French government agencies;
- To a strong growth in *e-Ticketing*, benefiting from a good dynamic on its two main markets:
  - The United Kingdom, where some projects were delivered, and
  - Latin America, where Worldline benefited from volumes ramp-up and price increases, mainly in Argentina; and
- To a double digit growth in *e-Consumer & Mobility* explained by a good project activity in France and in Benelux.

12.5.2 TEAM², integration and synergy plan

Through its TEAM² program, evolution of the TEAM project initiated in early 2014, the Group aims, among other things, at achieving significant operating efficiencies from platform and infrastructure rationalization, enhanced resource allocation across its network, improved sales effectiveness and contract profitability, industrialized development methods, and generally by leveraging the Group's resources, size, and global reach to capitalize on the strong growth in the markets and industries in which it operates. With a reinforced focus on quality and customer satisfaction through first time right approach or zero-incident initiative, TEAM² constitutes a well-balanced program between operational excellence and efficiency. This program, which has been now extended to equensWorldline, Paysquare and KB SmartPay, is expected to contribute substantially to the improvement of the Group's OMDA margin.

Regarding the integration and synergy plan of equensWorldline, the Group fully confirms the objective of c.€ 40 million of OMDA run rate synergies expected in 2018, half of which in 2017. The implementation speed of the program is faster than anticipated and 23 improvement initiatives out of 98 have already been fully implemented.

12.5.3 First quarter 2017 commercial activity

Commercial activity in **Merchant Services** was very dynamic, notably in India, were c.250,000 payment terminals were deployed during the quarter, as a consequence of a high demand for electronic payment acceptance in the wake of the Demonetization Act. To this aim, the Company has implemented QR Code based acceptance (Bharat QR, an unified QR code solution common across Visa, Mastercard and Rupay) in Q1 2017, which is a cost effective solution to digitalize the bottom layer of merchant pyramid. In continental Europe, beyond the strong growth in the number of transactions in Commercial Acquiring (+8%), an important consumer credit contract was renewed with KUTXABANK, S.A. in Spain.Worldline also extended its market position in e-acquiring, where its innovative e-Bancontact mobile payments solution has been selected by a major international player in Belgium. It is also to be noted that Worldline Poland obtained the 2016 MasterCard Data Integrity Award for Regional Compliance, which rewards the high quality of transactional and data management services of the Group.

In **Financial Services**, main achievements of the quarter include the extension of the partnership with Santander Consumer Bank for payment services in Poland, which includes a real-time "instalment credit" solution. In terms of payment security, the Group launched its "Mobile Intrusion Protection" solution, aiming at protecting end users from attacks and fraud, such as the hacking of sensitive data. New payment means were successfully deployed, such as the Group Mobile P2P payment service that went live at a major Dutch bank and that paves the way for future growth in the field of peer-to-peer and instant payment services. More generally, the Group has made significant progresses toward the market readiness of its PSD2 (Payment Service Directive 2) related offerings. In particular, API management is now integrated in Worldline Digital Banking Platform, in view of enabling the PSD2 compliance of the Group's banking customers and further progress have been achieved in developing the PSD2/ Access to Account proposition.

In **Mobility & e-Transactional Services**, Worldline, together with Atos, will implement for a global leader inmedical technologies "Worldline Contact", in order to deliver a state of the art contact center. In e-Ticketing, new services were sold to a major UK rail franchise and the contract for mobile parking payment solution developed by Worldline for the City of Vienna was renewed. Last, Worldline Voucher Management System has been successfully extended for all Telefónica Germany's brands and enables Telefónica prepaid customers to charge their phone credit, reliably and comfortably from anywhere using vouchers.

Backlog remained high at **€ 2.5 billion**.

Commercial perspectives are looking very good, with several large contracts expected to be signed in the next few months, particularly around Payment processing in Financial Services, Private Label cards in Merchant Services, as well as different Connected services offers around health and control, as well as Smart Ticketing in Mobility & e-Transaction Services.

12.5.4 Reconciliation of Q1 2016 reported revenue with Q1 2016 revenue at constant scope and exchange rates

	Revenue					
(in € million)	**Q1 2016 statutory (reported)**	Scope effect	Internal Transfers	Exchange rates effect	**Q1 2016***	**Q1 2017**
Merchant Services	103.4	+14.3	+3.8	-0.7	120.8	122.9
Financial Services	102.6	+59.5	-3.8	+0.0	158.3	168.3
Mobility & e-Transactional Services	92.8	-0.4		-2.2	90.1	83.1
Worldline	**298.8**	**73.4**	**0.0**	**-3.0**	**369.2**	**374.3**

* *À périmètre constant et taux de change du T1 2017.*

Scope effects refer mainly to the acquisitions of Equens, Paysquare and KB Smartpay on September 30, 2016. Hence, Equens, Paysquare and KB Smartpay revenue for the first quarter of 2016 are included in the Q1 2016 revenue at constant scope and exchange rates, for a like-for-like comparison with Q1 2017. Internal transfers correspond to the reclassification in Merchant Services of the part of revenue from Worldline India that was previously classified in Financial Services, as this revenue relates primarily to business done directly or indirectly (through banks) with merchants. Exchange rate effects reflect mostly the depreciation of the British Pound versus the Euro.

The 2016 figures presented in this Section 12.5 are based on the constant foreign exchange rates data.

13 Profit Forecasts

None.

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Administrative, management and supervisory bodies and senior management

14.1 Composition of management and supervisory bodies [GRI 102-18] [GRI 102-22] [GRI 102-23] and [GRI 405-1]

The Company is a limited liability corporation (*société anonyme*) with a Board of Directors. A description of the main provisions of the Company's bylaws relating to the functioning and powers of the Board of Directors, as well as a summary of the main provisions of the Internal Regulations of the Board of Directors and of the special Board committees, are included in Chapter 16, "Practices of administrative and management bodies" and in Chapter 21, "Additional Information".

14.1.1 Composition of the Board of Directors from January 1, 2017 onwards

The Company's Board of Directors, during its meeting held on December 12, 2016, upon proposal by Atos and after review by the Nomination and Compensation Committee, appointed two new Directors with effect on January 1, 2017: Ms. Sophie Houssiaux, Head of Big Data and Security R&D at Atos, and Ms. Danielle Lagarde, formerly Senior Vice President Human Resources, executive management of the Atos group and currently Chief Human Resources Officer EMEA au sein de John Lang Lasalle.

The Board also registered the resignations of two Worldline Directors, Mr. Charles Dehelly and Mr. Michel-Alain Proch, and praised their remarkable contribution to its work since the Company's IPO.

Ms. Houssiaux and Ms. Lagarde were appointed as Directors for the remainder of Mr. Dehelly and Mr. Proch's mandates, *i.e.* until after the General Meeting which is called to rule on the 2017 accounts in 2018. These appointments are subject to the ratification of the Combined Annual General Meeting of Worldline shareholders which will be held in 2017.

Since January 1, 2017, four out of the total nine members of the Board of Directors are women, *i.e.* 44% of the members, thus surpassing the threshold of 40% of women set out in the Law n°2011-103 of January 27, 2011.

14.1.2 Composition of the Board of Directors

The table below shows the composition of the Board of Directors as of the date of this Registration Document and the main positions and offices held by the Company's Directors outside of the Company during the last five years. Five Directors in addition to the Chairman are appointed by Atos SE.

As of the date of this Registration Document, the Board of Directors includes nine members (including its Chairman), three of whom have been determined by the Board of Directors to be Independent Directors pursuant to the criteria set forth in the Corporate Governance Code for Listed Companies published by AFEP and MEDEF (the "AFEP-MEDEF Code") and six other Directors (including the Chairman) who were appointed by the general shareholders meeting upon nomination by Atos SE, the Group's principal shareholder.

The AFEP-MEDEF Code of Corporate Governance, as amended in June 2013, defines as independent, a Director when "he or she has no relationship of any kind whatsoever with the corporation, its group or the management of either that may colour his or her judgment". The AFEP-MEDEF Code also determines that a certain number of criteria must be reviewed in order to determine the independence of a Director:

- The Director shall not be an employee or Executive Director of the corporation, or an employee or Director of its parent or a company that the latter consolidates, and not having been in such a position for the previous five years;
- The Director shall not be an Executive Director of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an Executive Director of the corporation (currently in office or having held such office for less than five years) is a Director;
- The Director shall not be (or be bound directly or indirectly to) a customer, supplier, investment banker or commercial banker:
  - that is material for the corporation or its group,
  - for a significant part of whose business the corporation or its group accounts;
- The Director shall not be related by close family ties to an Executive Director;
- The Director shall not have been an auditor of the corporation within the previous five years;
- The Director shall not have been a Director of the corporation for more than twelve years.

Name; number of Company shares held	Date of birth	Nationality	Expiration date of term of office	Business address	Main positions and offices held outside the Company and Group during the last 5 years
Thierry Breton					
Chairman of the Board of Directors Number of Company shares held: 1	01/15/1955	French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2016	80 quai Voltaire, Immeuble River Ouest 95870 Bezons	**Positions and offices held as of the date of this Registration Document:** • Chairman and CEO of Atos SE[1] • Profit ForecastsChairman of Bull • Profit ForecastsDirector of Carrefour SA[1] • Profit ForecastsDirector of Sonatel (Senegal), SATS (Singapore) **Positions and offices held during the last five years that are no longer held:** • French Minister of the Economy, Finances and Industry • CEO of Atos International SAS
Gilles Grapinet					
Chief Executive Officer; Director Number of Company shares held: 20,000	07/03/1963	French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2016	80 quai Voltaire, Immeuble River Ouest 95870 Bezons	**Positions and offices held as of the date of this Registration Document:** • Senior Executive Vice-President Global Functions, Atos SE[1] • Chairman of the Supervisory Board of equensWorldline SE • Director of Saint Louis Re SA, Bull • Permanent representative of Atos SE, Director of Atos Participation 2 SA • Vice President of Atos IT Solutions and Services GmbH • Member of the Supervisory Board of Atos Information Technology GmbH, Worldline China **Positions and offices held during the last five years that are no longer held:** • None

Name; number of Company shares held	Date of birth	Nationality	Expiration date of term of office	Business address	Main positions and offices held outside the Company and Group during the last 5 years
Sophie Proust Houssiaux					
Director Number of Company shares held: 1		French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2018 (subject to ratification by the shareholders meeting of May 24, 2017)	80 quai Voltaire, Immeuble River Ouest 95870 Bezons	**Positions and offices held as of the date of this Registration Document:** • None **Positions and offices held during the last five years that are no longer held:** • None
Danielle Lagarde					
Director Number of Company shares held: 1500	05/03/1960	French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2018 (subject to ratification by the shareholders meeting of May 24, 2017)	80 quai Voltaire, Immeuble River Ouest 95870 Bezons	**Positions and offices held as of the date of this Registration Document:** • None **Positions and offices held during the last five years that are no longer held:** • None
Gilles Arditti					
Director Number of Company shares held: 1	11/24/1955	French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2017	80 quai Voltaire, Immeuble River Ouest 95870 Bezons	**Positions and offices held as of the date of this Registration Document:** • None **Positions and offices held during the last five years that are no longer held:** • None

Name; number of Company shares held	Date of birth	Nationality	Expiration date of term of office	Business address	Main positions and offices held outside the Company and Group during the last 5 years
Ursula Morgenstern					
Director Number of Company shares held: 1	04/12/1965	German	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2018	80 quai Voltaire, Immeuble River Ouest 95870 Bezons	**Positions and offices held as of the date of this Registration Document:** • Director of Bluekiwi Software SAS • Director of Canopy the Open Cloud Company Limited (United Kingdom) • Director of Canopy the Open Cloud Company USA, Inc. **Positions and offices held during the last five years that are no longer held:** • Director and CEO of Atos IT Solutions and Services Limited (Ireland) • Director and CEO of Atos IT Solutions and Services Limited (United Kingdom) • Director and CEO of Atos Consulting Limited • Director of Atos Scotland GP Limited • Director of Atos Scotland GP Limited, managing associate of Atos CS Scotland LP Partnership • Director and CEO of Atos Esprit Limited • Director and CEO of Atos International IT Limited • Director and CEO of Atos Investments Limited • Director and CEO of Atos IT Services Limited • Director and CEO of Atos IT Services UK Limited • Director and CEO of Atos Limited • Director of Atos Origin (Sema) Pension Trustees Limited • Director of Atos Origin CS Pension Trustees Limited • Director of Atos Origin Pension Trustees Limited • Director of Atos Scotland GP Limited • Director and CEO of Atos UK International IT Services Limited • Director and CEO of Atos UK IT Holdings Limited • Director and CEO of Atos UK IT Limited • Director and CEO of Barabas Limited • Director and CEO of BR Business Systems Limited • Director and CEO of Sema Investment UK Limited • Director and CEO of Sphere Limited

Name; number of Company shares held	Date of birth	Nationality	Expiration date of term of office	Main positions and offices held outside the Company and Group during the last 5 years
Susan M. Tolson				
Independent Director Number of Company shares held: 1,500	07/03/1962	American	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2016	**Positions and offices held as of the date of this Registration Document:** • Director of Lagardère Group[1] • Director of Take-Two Interactive Software[1] • Director of Outfront Media[1] • Director of American Cinémathèque • Member of the Los Angeles World Affairs Council, the Paley Center For Media and the Los Angeles Society of Financial Analysts **Positions and offices held during the last five years that are no longer held:** • Director of American Media, Inc. • Honorary President of the Council of the American Women's Group in Paris • Director of the Fulbright Commission • Board member of the American University of Paris • Honorary President of American Friends of the Musée d'Orsay
Aldo Cardoso				
Independent Director Number of Company shares held: 1,500	07/03/1956	French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2016	**Positions and offices held as of the date of this Registration Document:** • Director of Engie[1] • Director of Imerys[1] • Chairman of the Board of Bureau Veritas[1] • Censeur of Axa Investment Managers (France) **Positions and offices held during the last five years that are no longer held:** • Director of Accor[1] • Director of Gecina[1] • Director of Rhodia[1] • Director of Mobistar (Belgium)[1] • Director of General Electric Corporate Finance Bank SAS
Luc Rémont				
Independent Director Number of Company shares held: 1	07/09/1969	French	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2018	**Positions and offices held as of the date of this Registration Document:** • Executive Vice President International Operations, Schneider Electric • Director of DCNS **Positions and offices held during the last five years that are no longer held:** • CEO of Schneider Electric France

1 *Listed companies.*

All members of the Board of Directors are of French nationality, except Ms. Susan Tolson who is an American citizen and Ms. Ursula Morgenstern who is a German citizen.

The following members of the Company's Board of Directors were appointed by the Company's General Shareholders' Meeting held on April 30, 2014: Mr. Thierry Breton, Mr. Gilles Grapinet, Mr. Gilles Arditti and Ms. Ursula Morgenstern.

The following members of the Company's Board of Directors were appointed by the Company's General Shareholders' Meeting held on June 13, 2014: Ms. Susan Tolson, Mr. Aldo Cardoso and Mr. Luc Rémont, as Independent Directors.

The Annual General Meeting of Shareholders held on May 28, 2015 renewed the office of Mr. Gilles Arditti and Ms. Ursula Morgenstern for an additional year. During the general shareholders meeting of May 26, 2016, the term of office of Mr. Gilles Arditti was renewed for two years, and the term of office of Ms. Ursula Morgenstern and Mr. Luc Rémont were renewed for three years.

It is reminded that Ms. Houssiaux and Ms. Lagarde were appointed as Directors for the remainder of Mr. Dehelly and Mr. Proch's mandates, *i.e.* until after the General Meeting which is called to rule on the 2017 accounts in 2018. These appointments are subject to the ratification of the Combined Annual General Meeting of Worldline shareholders which will be held in 2017.

In addition, the Board of Directors, upon proposal of the Nomination and Compensation Committee, submitted to the voting of the next Company's shareholders meeting a resolution to renew the office of Mr. Thierry Breton, Mr. Gilles Grapinet and Mr. Cardoso for 3 years, and of Ms. Tolson for 2 years.

The Board of Directors is renewed each year, subject to a staggered renewal process. In order to allow for staggered renewal of Directors, the Directors making up the initial Board of Directors were divided into three groups appointed for terms of one, two and three years. In order to ensure that the Independent Directors have terms of sufficient length following the initial public offering of the Company, two Independent Directors were appointed for a term of three years and one Independent Director was appointed for a term of two years. Accordingly, the Board of Directors will be renewed each year as follows: two Directors at the end of the first year following the initial public offering of the Company, three Directors at the end of the second year and four Directors at the end of the third year.

Biographical Information about the Members of the Board of Directors

Thierry Breton is a graduate of the *École Supérieure d'Électricité* (Supelec) of Paris and of the 46th session of the *Institut des Hautes Études de Défense Nationale* (IHEDN). In 1986 he became Project Manager of the Poitiers Futuroscope theme park, then headed its teleport operations. He later served as an adviser to Education Minister René Monory in the area of new information technologies. He also served on the Poitou-Charentes Regional Council from 1986 to 1992 (as Vice-Chairman from 1988 onwards). He then joined Bull as Director of Strategy and Development before becoming Deputy Managing Director. He became a member of the Board of Directors in February 1996 and was successively named Vice Chairman of the Board and then Executive Managing Director. After being appointed Chairman and CEO of Thomson (1997-2002), and then Chairman and CEO of France Telecom (2002-2005), he was France's Minister for the Economy, Finance and Industry from February 25, 2005 to May 16, 2007, before becoming a professor at Harvard University with a chair in "Leadership, Corporate Accountability". In November 2008, he became Chairman of the Management Board of Atos Origin. He is currently Chairman and Chief Executive Officer of Atos SE.

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 currently serves 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. He received the French Légion d'Honneur (*Chevalier*) in 2011.

Sophie Proust Houssiaux graduated from the *École Supérieure d'Électricité* (Supelec). She joined Bull in 1989 where she held various technical managerial positions and, in particular, she headed the Tera100 Project which granted the CEA, in 2010, with the first petafloc calculator in Europe. She joined the Atos group in 2014 following the takeover by Atos of Bull, where she lastly held the position of Head of research & development. At Atos, she currently is Head of research & development for the Big Data & Security division.

Danielle Lagarde joined Atos in 2005 where she spent more than 11 years and where she served in several 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, and was also leading the HR for the corporates entities and for all support functions. From 2007 to 2008, she served as Group Vice President of talent management & HR for corporate entities. She started in the Group as HRD Continental Europe for Atos-Euronext in 2005. Prior to Atos, 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 started her career as Head hunter and was Consultant (Partner) at Switch One during several years. She is currently serving as Chief Human Resources Officer EMEA at John Lang Lasalle. Danielle Lagarde holds a Post Master degree (DESS) in Human Resources (IAE Aix en Provence), a Board Member Certification (IFA/SciencesPo Paris) and a "Women on Board" Certification from Harvard Business School.

Gilles Arditti holds a master in finance from the *Université de Dauphine* and a masters 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 de Techniques Industrielles et des Mines d'Alès* (ENSTIMA) and is a certified public accountant. After six years at Bull and four at KPMG, he joined Atos in 1990, where until 2004 he was, successively, Director of Mergers and Acquisitions, Director of Finance and Human Resources for Atos Origin in France, and CFO for France, Germany and Central Europe. In 2007, 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.

Ursula Morgenstern joined Atos in 2002 at the time of the acquisition of KPMG Consulting. Since the beginning of 2012, she has served as head of the United Kingdom and Ireland entities. Beginning in 2009, she had been Senior Vice President in charge of Private Sector Markets, and from 2007 to 2009 she had been Senior Vice President in charge of Systems Integration. Prior to that, she had occupied various positions in Systems Integration, including head of Profit Centers. She is currently head of Business & Platform Solutions at Atos.

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.

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 (which he recently left), where he was head of Bank of America Merrill Lynch Corporate and Investment Banking for France beginning in 2009. In April 2014, he 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.

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.

Review of the Directors' independence

The Board of Directors, during its meeting of February 15, 2017, relying on the preliminary work of the Nomination and Compensation Committee, reviewed the independent status of each of its members, on the basis of criteria determined by the AFEP-MEDEF Code. On this basis, three out of the nine members of the Board (*i.e.* one-third), are considered as independent, in conformity with the AFEP-MEDEF recommendations for companies that are controlled. In particular, the Audit Committee and the Nomination and Compensation Committee are both chaired by an Independent Director.

14.1.3 Senior management

In accordance with article 22 of the Company's bylaws, the Board of Directors has decided to separate the positions of Chairman of the Board of Directors and Chief Executive Officer of the Company.

Mr. Thierry Breton serves as Chairman of the Board of Directors.

Mr. Gilles Grapinet serves as the Company's CEO. He is party to an employment agreement with an Atos SE affiliate that provides, first, that he will serve as Senior Executive Vice President of the Atos group in charge of coordination of Global Functions (other than in respect of the financial control over the Worldline subsidiary), and second, that he will assume the role of CEO of the Company (or other comparable responsibilities within the Atos group in the event that he ceases to be CEO of Worldline).

He was appointed to the position of CEO of the Company on April 30, 2014 for a term of three years, to expire at the close of the Company's Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2016.

In order to ensure a smooth transition, the following structure was put in place for a period of approximately 18 months following the listing of the Company's shares on Euronext Paris: the CEO of the Company, assisted by a Senior Executive Vice President and three global business line Directors, including a Chief Technology Officer, devotes two-thirds of his time to managing the Company.

In the context of the merger of Worldline and Equens operations, and given the associated need to fully mobilize all the integration know-how and proven capabilities of Atos Group, the Worldline Board of Directors, based on the recommendation from the Nomination and Remuneration Committee, has unanimously decided to extend for another 12 to 18 months the current governance structure of the Company.

14.1.4 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 (Chief Executive Officer)
- Marc-Henri Desportes (General Manager)
- Lisa Coleman (CEO of Worldline UK)
- Christophe Duquenne (Chief Technology Officer)
- Claude France (Head of Operations of Worldline France)
- Tahar Garèche (General Counsel, Head of Legal & Compliance and secretary of the Group's Executive Committee)
- Patrice Gry (Human Resources Director)
- Eric Heurtaux (Chief Financial Officer)
- Wolf Kunisch (Director of the Financial Processing & Software Licensing global business line)
- Terry Lobel (Group Sales' Director)
- Vincent Roland (Director of the Merchant Services & Terminals global business line)
- Michael Steinbach (CEO of equensWorldline)
- Olivier Stuckens (Director of the Mobility & e-Transactional Services global business line);

Biographical Information about the Members of the Executive Committee

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 currently serves 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. He received the French Légion d'Honneur (*Chevalier*) in 2011.

Marc-Henri Desportes is a graduate of the *École Polytechnique* and of the *École 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 in 2009 as Director of the Global Innovation Business Development & Strategy Global Business Line (GIBS), and then became Director of the High Technology Settlement Services and Specialized Activities Business Unit in July 2011. Mr. Desportes is a member of the Executive Committee of Atos SE and has been Senior Executive Vice President of the Company since July 2013.

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. Since joining Worldline in 2014, Lisa has responsibility for all Worldline activities within the UK and Ireland which includes significant contracts to the transport and hospitality market. In addition, since 2017 her scope includes the Groups Mobility & Transactional Services business in Germany and Austria.

Christophe Duquenne is a graduate of the *École Centrale* in Paris. He joined Atos in 1987 and has held numerous managerial positions there. After directing the Group's French activities for six years, he joined the global management team in July 2011. Mr. Duquenne has been COO of the Company since July 2013 and has recently been appointed as the Group's Chief Technology Officer and Director of the Merchant Services & Terminals global business line.

Claude France is a graduate from Institut National Polytechnique de Grenoble. She started her carrer in the telecom sector at Alcatel and joined the Atos group in 1988, where she held various operationnal 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. Since July 2011, she manages the business of the Worldline Group in France.

Tahar Garèche is a graduate of the Ecole des Hautes Etudes Commerciales (HEC) and the Paris Institut d'Etudes Politiques (Sciences Po), and holds a degree in International Economic Law from the Sorbonne University. He began his career in 1999 as an investment banker at Paribas (Paris and New York) and then as an equity analyst at BNP Paribas in Paris, covering the European IT software and services sector. He then practiced as a corporate lawyer at Debevoise & Plimpton for nine years, with a practice focusing on capital markets, mergers & acquisitions and corporate governance. He has been Worldline's General Counsel and head of its Legal and Compliance department since 2014.

Patrice Gry graduated from Ecole Nationale Supérieure de l'Aéronautique et de l'Espace. After beginning his career at Air France as an operating engineer, he then held in the company various functions within the Human Resources Department. In 1991, he joined Crédit Agricole Group where he became responsible for executive management and training. Recruited by JCDecaux, a group specialized in street furniture, he was for 11 years HRD then operational vice-president of a subsidiary. In 2008, he became Head of Human Resources of the Darty group and joined in 2012 the Bull group also as HRD. In 2014, Atos acquired the Bull group, Patrice Gry then became Worldline HR Director in September 2015 after having led, on Bull side, its integration within Atos.

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, a 650 million € + global business, 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 TEAM efficiency program alongside the IT and purchasing departments.

Wolf Kunisch is a graduate of the Technische Universität Berlin and of INSEAD's 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. He is currently responsible for the Group's Financial Processing & Software Licensing global business line as well as its German and Eastern Europe geographical zones, and has been in charge of Worldline in Germany since 2010 and in Austria since 2013.

Terry Lobel is a graduate of the Ecole des Hautes Etudes en Sciences Sociales (EHESS) and holds a Master of General Management from IESE Business School. He worked for Sun Microsystems in the UK and the US between 1994 and 1996, then joined strategy consulting firm McKinsey as a Manager in Paris and New York. He moved to Spain in 1999 and became a senior consultant in Arthur D. Little. In 2001, he joined Hewlett Packard Iberia as account service manager for large accounts, then became Director of Business Development for HP Iberia in 2003. Mr. Lobel joined Atos Consulting as a partner in October 2006, and was appointed head of HTTS service line in Iberia in 2010, until Worldline carve-out in July 2013 when he became the CEO of the Spanish subsidiary. In October 2014, he was appointed Chief Sales Officer (CSO) for Worldline.

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 rejoins Worldline as manager of the Merchant Services business line.

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 division. In 2003 he was appointed as Chairman of the Board of Transaktionsinstitut fuer Zahlungsverkehrsdienstleistungen (TAI), a payment service provider, owned by DZ BANK AG and KBC. With the creation of Equens in 2006, out of the merger between TAI and Interpay, 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.

Olivier Stuckens is a graduate of the Institut National Polytechnique de Grenoble and of the University of Huddersfield in England. He joined the Atos group in 1992 and through 2005 performed various managerial roles in the Media and Banking/Finance areas. Beginning in 1999, his duties related to transaction services platforms for large international accounts. He then contributed to the development of Worldline's Health Sector business, with the creation and management of the GIE Santeos. He was director of the Telecom, Utilities and Media business unit in France beginning in 2006, before being named head of the Mobility & e-Transactional Services global business line in 2013.

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

14.1.5 Statement Regarding the Board of Directors and senior management

As of the date of the registration of this 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 any 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.

14.2 Conflicts of Interest

To the Company's knowledge, and subject to the relationships described in Chapter 19, "Related Party Transactions", as of the date of this 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 Registration Document, 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 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, each member of the Board of Directors holds a single share of the Company, with the exception of Mr. Gilles Grapinet, who currently holds 20,000 shares of the Company, and Ms. Susan Tolson, Ms. Danielle Lagarde and Mr. Aldo Cardoso, who hold respectively 1,500 shares of the Company.

15

Compensation and Benefits of Directors and Senior Executives

15.1 Director's fees [GRI 102-35] and [GRI 102-36]

The Chairman of the Board of Directors and the other members designated upon the proposal of Atos SE do not receive any Directors' fees in their capacities as Directors of the Company.

In accordance with the resolution adopted at Worldline shareholders meeting dated May 26, 2016, the 2016 envelope for Directors' fees was set at € 150,000.

The principles for allocating Directors' fees are determined by the Board of Directors, upon proposal of the Nomination and Compensation Committee. For 2016, the fees were distributed on the basis of the following principles:

- for the Board of Directors: a fixed remuneration of € 20,000 per Director plus a variable fee of € 1,000 per meeting (remuneration is based on the attendance to the Board meetings);
- for the Committees: remuneration is based on the attendance to the meetings: € 1,500 per meeting for the Chairman of the said Committee and € 750 per meeting for each member of the Committee.

The Board of Directors, upon proposal of the Nomination and Compensation Committee, decided to renew for the 2017 fiscal year the same envelope for Directors' fees and principles for allocating them, and submitted to the voting of the next Company's shareholders meeting a resolution in that regard (see Section 21.1.2.1 "Authorization granted by the Shareholders' Meeting of May 24, 2017", of this Registration Document).

The members of the Board of Directors did not receive any other remuneration from the Company in 2016 in their capacity of Director of the Company, with the exception of the Company's CEO as described in Section 9.

	2016		2015	
(in euros)	**Paid**	**Due**	Paid	Due
Aldo Cardoso	42,000	41,500	20,400	42,000
Luc Rémont	36,500	35,500	18,900	36,500
Susan M. Tolson	27,125	40,000	13,755	38,750
Gilles Arditti	-	-	-	-
Thierry Breton	-	-	-	-
Charles Dehelly	-	-	-	-
Gilles Grapinet	-	-	-	-
Ursula Morgenstern	-	-	-	-
Michel-Alain Proch	-	-	-	-
Total	**105,625**	**117,000**	**53,055**	**117,250**

Directors' fee related to the year ended December 31, 2016 will be paid in 2017.

15.2 Executive Compensation

15.2.1 Principles of the compensation of the Executive Directors

15.2.1.1 Principles governing the compensation of Mr. Thierry Breton – Chairman of the Board of Directors

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 a Director. Prior to such date, he had been Chairman of the Supervisory Board of the simplified stock company since July 31, 2013.

His term as a Director of the Company ends at the close of the Annual Shareholders' Meeting that will take place in 2017 to approve the financial statements for the 2016 fiscal year. Mr. Breton did not receive any compensation for his position with the Company in 2013 and in 2014.

In accordance with the decision of the Board of Directors of April 30, 2014, Mr. Breton will receive no compensation in his capacity as Chairman of the Company's Board of Directors.

Mr. Breton does not receive Directors' fees in his capacity as a member of the Board of Directors.

Mr. Breton will not receive any severance or compensation under a non-compete clause in the event of termination from the Company.

15.2.1.2 Principles governing the compensation of Mr. Gilles Grapinet – Chief Executive Officer

Mr. Gilles Grapinet was appointed CEO 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 a Director of the Company ends at the close of the Annual Shareholders' Meeting that will take place in 2017 to approve the financial statements for the 2016 fiscal year. Mr. Grapinet did not receive any compensation for his position with the Company in 2013.

Mr. Gilles Grapinet's compensation is determined pursuant to his employment agreement with Atos International SAS, a subsidiary of Atos SE, for an unlimited duration. This employment agreement remains in effect after the listing of the Company's shares on Euronext Paris. The portion of his fixed compensation relating to his duties as CEO 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. This portion is re-invoiced in full by Atos International SAS to the Company.

During its meeting held on July 28, 2014, the Board of Directors adopted the terms and conditions of Mr. Gilles Grapinet's compensation in relation to his functions as Chief Executive Officer of the Company.

Pursuant to article L. 225-38 of the French *Code de commerce*, the Board of Directors of the Company authorized, after review by the Nomination and Compensation Committee, the signing of a service agreement between Atos International and the Company in order to recharge the portion of Mr. Gilles Grapinet's compensation related to his functions as Worldline CEO, under the following conditions:

- Recharging of two-thirds of Mr. Gilles Grapinet's annual fixed base compensation;
- Recharging of the variable part of his compensation relating to Worldline financial performance, which will be paid upon decision of Worldline Board of Directors (depending on the achievement of targets which it determines in advance);
- Recharging of expenses incurred in the interest of Worldline (two-thirds of 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 is applicable to employees or Directors of Atos International SAS or Atos SE, members of the Executive Committee of the Atos group (*prorata* the time spent with Worldline as CEO and up to two thirds limit).

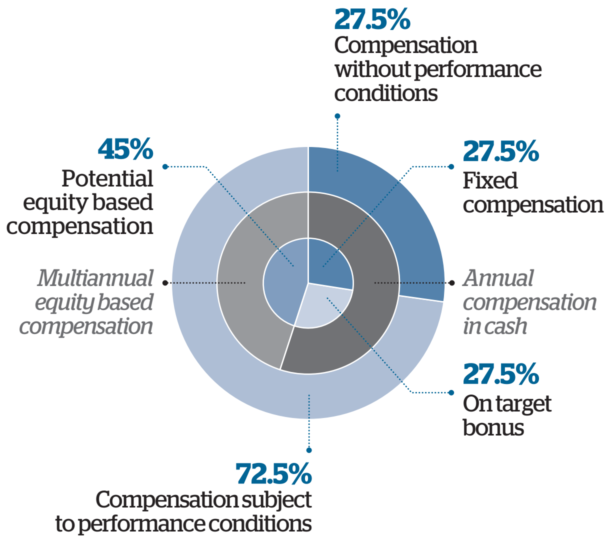
In addition, Atos International SAS receives a 2% mark-up of such recharged amounts, to compensate management costs.

The principles of the compensation of Mr. Gilles Grapinet's relating to his duties as CEO of the Company are proposed by the Nomination and Compensation Committee and approved by the Board of Directors. The Nomination and Compensation Committee's role and composition are detailed in a dedicated paragraph in the corporate governance section of this document.

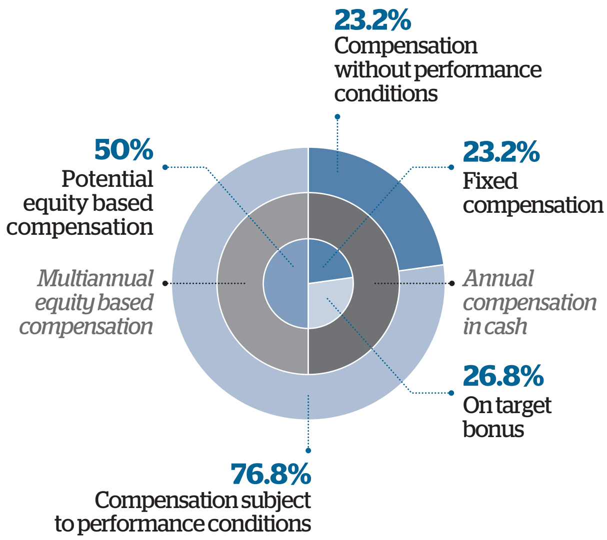
The principles governing the determination of the compensation of the CEO are established in the framework of the AFEP-MEDEF Code to which the Company is referring:

- Principle of **balance**: the Nomination and Compensation Committee ensures that no element represents a disproportionate share of the CEO's compensation;
- Principle of **competitiveness**: the Nomination and Compensation Committee also ensures the competitiveness of the remuneration of the CEO, through regular compensation surveys;
- Related to **performance**: the CEO's compensation is closely linked to **company performance**, notably through a variable compensation plan determined on a half-year basis. The payment of the semester bonuses is subject to the achievement of precise, simple, and measurable objectives which are closely linked to Company's objectives, as regularly disclosed to the shareholders. In order to develop a **community of interest with the Group's shareholders** and to associate Worldline managers and the CEO with the performance and financial results of the Company in a long-term perspective, a part of their compensation is equity based, including stock-options and performance shares. Finally, the compensation policy of the CEO supports Worldline commitment to corporate responsibility. In this context, performance criteria related to the **social and environmental responsibility** of the Company have been established in the stock-options and performance shares plans granted as from 2014.

SINCE THE APPOINTMENT AS CEO



IN THE CONTEXT OF THE COMPANY DEVELOPMENT PLAN WITHIN THE NEW ATOS THREE-YEAR PLAN "2017-2019"



The Board of Directors, during its meeting on December 12, 2016, implemented the principle of competiveness by basing its decision of setting the CEO compensation applicable in future years, on comparisons with international references of the payment sector, taking into account the Company size increase since 2011 (Company initial public offering; major acquisitions realized in 2016; increase of about 50% of the market capitalization since the IPO); this benchmarking outlined the consistency between the Company's performance and the resulting financial recognition for the CEO. Those references are European payment companies having a business profile similar to that of Worldline on a combination of criteria (revenue, EBITDA, geographical presence, number of employees).

15.2.2 Elements of the compensation of Mr. Gilles Grapinet – CEO

For the 2016 year

The elements of the compensation of Mr. Gilles Grapinet relating to his duties of Company CEO include:

- a **total compensation in cash** which is composed of:
  - a fixed annual compensation of € 400,000,
  - a variable compensation, subject to performance conditions, whose annual target is set at € 400,000, with a maximum payment capped at 130% of the target variable compensation in case of over-performance and no minimum payment.

A curve applies to each financial indicator intervening in the calculation of the variable remuneration of Mr. Gilles Grapinet. Each curve provides the following:

i. A threshold which is specific to each indicator and associated to a certain level of payout; and

ii. A maximum associated to a payout limited at 130%.

Between the threshold and maximum achievement, the curve is linear.

The External Revenue criterion counts for 40% in the total variable remuneration of Mr. Gilles Grapinet; the two other criteria OMDA and Free Cash Flow count for 30% each. The maximum payout is therefore limited to 130% of the on target bonus for the concerned period.

In order to monitor **Company's performance** more closely and establish a proactive way to support its strategic plan, the performance objectives for the CEO are set and reviewed on a half-year basis. As a consequence, the variable compensation is paid every 6 months (usually in February or March, for the payment of the second semester of the previous year's bonus, and in August for the payment of the current year first semester's bonus).

Thus, **due remuneration** reflects amounts due for the first and second semesters of the relevant year; and **paid remuneration** reflects amounts paid for the second semester of the previous year and the following first semester.

The variable compensation of the CEO is conditional, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives. The objectives are fully aligned with the Company Ambitions, as they are regularly presented to the shareholders. Thus, objectives for the first-half of the year are set on the basis of the Company's budget approved by the Board of Directors in December and objectives for the second-half of the year on the basis of the "Full Year Forecast 2" approved in July.

Regarding the 2016 year, the nature and weighting of each indicator of the variable on-target bonus of the CEO are the following:

  - Worldline Revenue Organic Growth (40%),
  - Worldline Operating Margin before Depreciation and Amortization (30%),
  - Worldline Free Cash Flow before equity changes, dividends paid to shareholders, and acquisitions/disposals (30%);

- **Equity based compensation**: according to the recommendations of the AFEP-MEDEF, and with consideration of market practices documented in the Registration Documents of CAC 40 companies, the Board of Directors ensured that compensation in the form of options and shares valued in accordance with IFRS standards, does not represent a disproportionate percentage of the CEO's total compensation.

  The CEO equity based compensation is subject to achieving several demanding performance conditions determined by the Board of Directors, whether internal or external, and based on financial criteria (such as OMDA, Free Cash Flow and Revenue Growth) and corporate social responsibility objectives of the Company;

- **Benefits in kind** granted to the CEO since his appointment remained unchanged.

  Mr. Gilles Grapinet does not receive any Director's fees in his capacity as CEO of the Company.

  Mr. Gilles Grapinet will not receive any severance or compensation under a non-compete clause in the event of termination from the Company.

As from January 1, 2017

On the occasion of the new Worldline three-year 2017-2019 strategic plan, in line with the three-year Atos "Ambition 2019" plan, recently submitted to the investors, the Board of Directors decided on December 12, 2016, upon recommendation of the Nomination and Compensation Committee the following evolutions of the **total compensation in cash** of Mr. Gilles Grapinet relating to his duties of Chief Executive Officer of the Company, as from January 1, 2017:

- a fixed annual compensation of € 415,000;

- a variable compensation, subject to performance conditions, annual target being equal to € 480,000, with a maximum payment capped at 130% of the target variable compensation in case of over-performance and no minimum payment.

The performance objectives remain set and reviewed on a half-year basis and fully aligned with the Company Ambitions, as they are regularly presented to the shareholders.

The portion of the fixed and variable compensation of Mr. Gilles Grapinet relating to his duties within the Atos Group is increased under the same proportion.

The **benefits in kind** remain unchanged.

In accordance with the provisions of the law of December 9, 2016, the so-called "Sapin 2" law, a resolution including the principles and criteria for setting, allocating, and granting the fixed, variable, long-term and exceptional elements making up the total compensation and all fringe benefits of the Executive Director will be submit to the shareholders' vote, during the next Annual General Meeting of the Company.

The re-charging conditions of the compensation of Mr. Gilles Grapinet relating to his duties of Company CEO, by Atos SE, remain unchanged.

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15.2.3 Summary of the Compensation, Stock-Options and Performance Shares granted to the Executive Directors – AMF Table 1

(in €)	2016		2015	
Thierry Breton – Chairman	Related to Atos	Related to Worldline	Related to Atos	Related to Worldline
Due remuneration for the relevant year	3,013,729	-	2,799,533	-
Value of options granted during the year	-	-	-	-
Value of Performance Shares granted during the year	2,456,445	-	2,142,282	-
Total	**5,470,174**	**-**	**4,941,815**	**-**

As a reminder, performance shares granted by the Atos Board of Directors to the Atos Chairman and CEO, on July 28, 2015 according to the authorization granted by the Atos shareholders' Combined General Meeting held on May 27, 2014 (22nd resolution), and on July 26, 2016, according to the authorization granted by the Atos shareholders' Combined General Meeting held on May 26, 2016 (20th resolution), after modulation according to the effective performance of the Atos Group in 2016, have been valued based on fair value as determined pursuant to IFRS 2 standard retained for the consolidated financial statements.

(in €)	2016		2015	
Gilles Grapinet – CEO	Related to Atos	Related to Worldline	Related to Atos	Related to Worldline
Due remuneration for the relevant year	494,344	840,167	442,801	827,797
Value of options granted during the year	-	-	-	363,670
Value of Performance Shares granted during the year	365,099	646,643	355,823	-
Total	**859,443**	**1,486,810**	**798,624**	**1,191,467**

As a reminder, performance shares granted by the Atos Board of Directors to the Company CEO, on July 28, 2015 according to the authorization granted by the Atos shareholders' Combined General Meeting held on May 27, 2014 (22nd resolution), and on July 26, 2016, according to the authorization granted by the Atos shareholders' Combined General Meeting held on May 26, 2016 (20th resolution), after modulation according to the effective performance of the Atos Group in 2016, have been valued based on fair value as determined pursuant to IFRS 2 standard retained for the consolidated financial statements.

Similarly, the Worldline Stock-Options granted by the Worldline Board of Directors to the Company CEO, on September 1, 2015 according to the authorization granted by the Company shareholders' Combined General Meeting held on June 13, 2014 (18th resolution), as well as the performance shares granted on July 25, 2016 according to the authorization granted by the Company shareholders' Combined General Meeting held on May 26, 2016 (23rd resolution) have been valued based on fair value as determined pursuant to IFRS 2 standard retained for the consolidated financial statements. Regarding the performance shares granted on July 25, 2016, a multiplier coefficient of 100% has been taken into account to calculate the number of performance shares granted to the CEO during the concerned period.

15.2.4 Summary of the Executive Directors Compensation, paid by the Company, its subsidiaries and the companies controlling it – AMF Table 2

Mr. Thierry Breton, Chairman:

	2016				2015			
	Related to Atos		Related to Worldline		Related to Atos		Related to Worldline	
(in €)	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Fixed remuneration	1,350,000	1,350,000	-	-	1,350,000	1,350,000	-	-
Variable remuneration	1,656,991	1,602,991	-	-	1,442,813	1,371,263	-	-
Exceptional remuneration	-	-	-	-	-	-	-	-
Atos SE Director's fees	-	-	-	-	-	-	-	-
Fringe benefits	6,738	6,738	-	-	6,720	6,720	-	-
Total	**3,013,729**	**2,959,729**	**-**	**-**	**2,799,533**	**2,727,983**	**-**	**-**

Please refer to the Atos Reference Document for more information.

Mr. Gilles Grapinet, CEO:

	2016				2015			
	Related to Atos		Related to Worldline		Related to Atos		Related to Worldline	
(in €)	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Fixed remuneration	200,330	200,330	400,660	400,660	200,583	200,583	401,166	401,166
Variable remuneration	292,540	277,114	436,560	440,960	240,632	231,068	423,459	392,320
Exceptional remuneration	-	-	-	-	-	-	-	-
Atos SE Director's fees	-	-	-	-	-	-	-	-
Fringe benefits	1,474	1,474	2,947	2,947	1,586	1,586	3,171	3,172
Total	**494,344**	**478,918**	**840,167**	**844,567**	**442,801**	**433,237**	**827,797**	**796,658**

In 2015, the financial objectives achievement of Mr. Gilles Grapinet relating to his duties as Company CEO has triggered a payout rate in percentage of the target variable compensation at 108.6% for the first semester and 103.1% for the second semester. For 2015, in total, the annual variable compensation due to the CEO relating to his duties as Company CEO corresponds to 105.9% of his target annual variable compensation.

In 2016, the financial objectives achievement of Mr. Gilles Grapinet relating to his duties as Company CEO has triggered a payout rate in percentage of the target variable compensation for the first and the second semester at 117.4% and 100.9% respectively. For 2016, in total, the annual variable compensation due to the CEO relating to his duties as Company CEO corresponds to 109.1% of his target annual variable compensation.

		2016		2015	
		First-half	Second-half	First-half	Second-half
Indicators	Weight	Payout[1]	Payout[1]	Payout[1]	Payout[1]
Worldline Revenue Growth	40%	> 100%	< 100%	> 100%	> 100%
Worldline OMDA	30%	< 100%	> 100%	< 100%	100%
Worldline Free Cash Flow[2]	30%	>100%	>100%	>100%	>100%
Payout in % of the semester on-target bonus		**117,4%**	**100,9%**	**108,6%**	**103,1%**

1 *On the basis of the elasticity curve capped at 130%.*

2 *Free Cash Flow, before dividends and income generated from acquisitions/disposals.*

15.3 Stock-Options and Performance Shares Plans granted to Executive Directors

Worldline is strongly committed to associating its employees with the long-term performance and results of the Company, notably through Long-Term Incentive plans. Beneficiaries of such LTI plans are mostly the first managerial lines of Worldline, including the CEO.

Upon recommendation of the Nomination and Compensation Committee, the Board of Directors decided to implement new plans based on performance criteria reflecting the key factors of the Company strategy.

Upon recommendation of the Nomination and Compensation Committee, the Board of Directors decided during its meeting held on July 25, 2016 to grant ordinary performance shares of the Company, existing or to be issued, to the Worldline first managerial lines and key-talents, including the CEO. The conditions of the 2016 performance shares plan, as well as the historical data on the previous grants of performance shares or stock-options to the Chairman and CEO by Atos and the Company are detailed below.

Finally, in order to reward and retain key-talents, Worldline implemented its third and fourth stock-options plans, which are not offered to any Directors. Early 2017, Worldline implemented an ordinary performance shares plan exclusively in favor of the operational management team of the equensWorldline company. These plans are detailed below. These plans are described in Section 17 of the Registration Document.

15.3.1 Terms and conditions of the performance shares plan decided on July 25, 2016, of which the CEO is one of the beneficiaries

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 26, 2016 (23rd resolution), the Board of Directors, during its meeting held on July 25, 2016, and upon the recommendation of the Nomination and Compensation Committee, decided to proceed with the allocation of maximum 416,614 ordinary performance shares of the Company (taking into account a mechanism to modulate the number of shares in case of over-performance, through the application of a multiplier coefficient capped at 115%), existing or to be issued in favor of the Worldline first managerial lines and key-talents, including the Chief Executive Officer.

Performance conditions to be achieved over the two years 2016 and 2017 of the new plan relate to internal financial criteria linked to Free Cash Flow, Operating Margin before Depreciation and Amortization and Revenue Growth. The plan also provides for three external conditions detailed below.

The features of the performance shares allocation plan are as follows:

A. Condition of attendance: Subject to certain exceptions provided for in the plan (such as for instance death or incapacity), the allocation of performance shares is conditioned on the preservation of employee or corporate officer status of the Worldline Group or of Atos SE or of any company affiliated with Atos SE, by the beneficiary during the vesting period (section below) in accordance with article L. 225-180 of the French Commercial Code.

B. Performance condition: The allocation of performance shares is also subject to the achievement of the following internal and external performance conditions, calculated for the two years 2016 and 2017.

Internal performance conditions

For each year 2016 and 2017, at least 2 out of 3 internal performance criteria must be met. If one criterion is not met, this criterion becomes compulsory for the following year:

- Performance condition n°1:

  The amount of the Worldline 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:

  - 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
  - the Worldline Group Free Cash Flow before dividends and income generated from acquisitions/disposals recorded in the previous year increased by 10%;

- Performance condition n°2:

  The Group Operating Margin before Depreciation and Amortization of the Worldline Group in the relevant year is at least equal to one of the following two amounts:

  - 85% of the Worldline Group Operating Margin before Depreciation and Amortization disclosed in the budget of the Company for the relevant year, or
  - the Worldline Group Operating Margin before Depreciation and Amortization recorded in the previous year increased by 10%;

- Performance condition n°3:

  The Worldline Group Revenue Growth for 2016[1] and 2017 is at least equal to one of the following two amounts:

  - the growth rate set forth in the Company's budget minus a percentage decided by the Board of Directors; or
  - +5% growth rate in reference to the growth targets of the Company.

The indicators of Performance Conditions n°1, n°2 and n°3 will be calculated at constant currency exchange rates and consolidation scope.

External performance conditions

For each year 2016 and 2017, at least 2 out of 3 performance criteria must be met (or maintained if already at the highest level):

- The Worldline Group gets the GRI G4 rating "Comprehensive" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);
- The Worldline Group gets the Eco Vadis CSR rating "Gold" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);
- The Worldline Group gets the GAIA Index Certification general rating equal or above 70% (or its equivalent if, during the plan, this terminology is modified).

Subject to the presence and performance conditions of the plan being achieved, the definitive allocation of performance shares may vary between 85% and 115% of the number of performance shares communicated to the Beneficiaries in the letter of grant, in case of, respectively, under-performance or over-performance of the Worldline Group in 2016 and 2017 compared to objectives defined by the Board of Directors.

C. Vesting and holding periods: The allocation of performance shares decided by the Board of Directors of Worldline SA dated July 25, 2016 consists of two plans (France and International). Either plan applies depending on whether the beneficiary is an employee of a Group entity located in France or abroad.

Plan France: Beneficiaries of performance shares will definitively acquire the shares on July 25, 2018, subject to achieving the performance conditions and the aforementioned condition of attendance until July 25, 2018; the beneficiaries will also be required to retain the shares thus acquired for a period of one year following this date. The Worldline Chief Executive Officer is a Plan France beneficiary.

Plan International: Beneficiaries of performance shares who are employees of companies of the Worldline Group with registered office outside France will definitively acquire the performance shares allocated to them on July 25, 2019, subject to achieving the above performance conditions and the aforementioned condition of attendance until July 25, 2019. The shares thus acquired will not be subject to any conservation obligation and will be immediately available for sale by their beneficiaries, in compliance with the "closed periods" as set by the Company according to the Guide for the Prevention of Insider Trading.

In case the performance conditions would not be achieved and/or the presence condition would not be met, the performance shares granted would be rendered void.

D. Specific supplementary provisions applicable to the Chief Executive Officer:

The Board of Directors allocated a maximum of 43,700 performance shares to the Worldline Chief Executive Officer on July 25, 2016. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code with respect to the Chief Executive Officer.

In its analysis, the Board of Directors, upon the recommendation of the Nomination and Compensation Committee, considered the following elements:

- The allocation of a theoretical maximum (see above) of 43,700 performance shares to the Chief Executive Officer representing about 10% of the total number of shares granted;
- The principle and supplemental requirement to modulate the definitive allocation of the number of performance shares for the Chief Executive Officer, relating to a possible over-performance through the application of a multiplier coefficient of maximum 115% resulting from such over-performance, and this in compliance with the threshold of a compensation in shares of 45% of his total annual compensation (even in the most favorable circumstances);
- The conservation obligation, for the duration of his duties, of 15% of performance shares allocated to him will apply to the Chief Executive Officer;
- Will also apply the prohibition to conclude any financial hedging instruments over the shares being the subject of the award during the whole duration of the mandate of the Chief Executive Officer.

1 For 2016, the percentage disclosed in the budget is the "Full Year Forecast 2".

15.3.2 Stock-options granted to or exercised by the Executive Directors during the year – AMF Tables 4 and 5

During 2016, the Directors were not granted any options to purchase or buy shares of Atos SE. In addition, the Chairman did not hold any outstanding Atos SE stock-options as of January 1, 2016. The CEO did not exercise any Atos SE stock-options during 2016.

No options were granted to the Executive Directors by Worldline SA in 2016.

Mr. Gilles Grapinet, Company CEO, did not exercise any Worldline stock-options in 2016.

15.3.3 Performance shares granted to Executive Directors during the year – AMF Table 6

The below table shows the performance shares granted to the Executive Directors, and in particular those granted during the year.

Pursuant to the authorization granted by the Worldline Shareholders' General Meeting held on May 26, 2016 (23rd resolution), the Board of Directors, during its meeting held on July 25, 2016, upon recommendation of the Nomination and Compensation Committee, decided the free grant of performance shares. The Worldline CEO is one of the beneficiaries of this grant. Performance conditions related to this Worldline plan are summarized in the "Past grants of performance shares" section. Performance conditions related to the various Atos plans are summarized in the Atos SE Reference Document.

	Related to	Plan Date	Number of shares	Vesting Date	Availability Date	Share valuation *(in €)*[2]
Mr. Thierry Breton Chairman	Atos	December 22, 2011	32,500	December 22, 2013	December 22, 2015[1]	926,957
		December 22, 2011	32,500	March 17, 2014	March 17, 2016[1]	913,680
		July 24, 2013	45,000	July 24, 2015	July 24, 2017[1]	2,250,773
		July 28, 2014	46,000	July 28, 2016	July 28, 2018[1]	1,543,058
		July 28, 2015	55,000	January 2, 2018	January 2, 2020[1]	2,142,282
		July 26, 2016	54,700[3]	July 26, 2019	July 26, 2019[1]	2,456,445
	Worldline			Not applicable		
Mr. Gilles Grapinet CEO	Atos	December 22, 2011	16,250	December 22, 2013	December 22, 2015	463,479
		December 22, 2011	16,250	March 17, 2014	March 17, 2016	456,840
		July 24, 2013	22,500	July 24, 2015	July 24, 2017	1,125,386
		July 28, 2014	6,666	July 28, 2016	July 28, 2018	223,609
		July 28, 2015	9,200	January 2, 2018	January 2, 2020	358,345
		July 26, 2016	8,130[3]	July 26, 2019	July 26, 2019	365,099
	Worldline	July 25, 2016	38,000[4]	July 25, 2018	July 25, 2019	646,643

1 *The Atos SE Chairman and CEO is subject to a conservation obligation for the duration of his mandate of:*
- *25% of the performance shares vested in respect of the plan dated December 22, 2011;*
- *15% of the performance shares vested in respect of the plans dated July 24, 2013 and July 28, 2014;*
- *15% of the performance shares which might be vested in respect of the plans dated July 28, 2015 and July 26, 2016.*

2 *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 Atos Group after the vesting period, but before spreading the load under IFRS 2 throughout the vesting period. As from 2014, a probability of realization of the performance criteria has been included by Atos and Worldline.*

3 *Actual grant according to the modulation rules established by the Atos SE Board of Directors for the Executive Director and the members of the Atos Group General management (refer to G.4.3.1 of the Atos SE Reference Document for further details).*

4 *Theoretical grant taking into account the application of a multiplier coefficient equal to 100% (see below for further details).*

15.3.4 Performance shares that have become available during the year for the Executive Directors – AMF Table 7

During 2016, the second half of the Atos SE performance shares granted on December 22, 2011 (Tranche 2) became available for possible sale to the beneficiaries according to the France plan rules. The Company Chairman and Company CEO are beneficiaries of this Atos SE plan. Acquisition and availability terms are described in the paragraph of the Atos SE Reference Document related to the Atos SE past grants of performance shares.

	Related to	Plan Date	Number of shares available during the financial year	Vesting Date	Availability Date
Mr. Thierry Breton Chairman	Atos	December 22, 2011 Tranche 2	32,500	March 17, 2014	March 17, 2016
Mr. Gilles Grapinet CEO	Atos	December 22, 2011 Tranche 2	16,250	March 17, 2014	March 17, 2016

The performance shares granted by Worldline on July 25, 2016 are not yet available.

15.3.5 Past awards of subscription or purchase options (up to December 31, 2016) – AMF Table 8

Atos SE has not issued any stock-options plan for its employees or executive officers since the stock-options granted on December 31, 2010. The past grants over the last ten years by Atos SE are detailed in the Atos SE Reference Document.

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 CEO, was granted 180,000 stock-options by Worldline SA 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 Reference Documents.

None of the members of the Board of Directors are benefitting from the stock-options plans granted by Worldline on May 25 and August 16, 2016. For further details regarding these plans, please see below.

	Date of shareholders meeting				
	06/13/2014	**06/13/2014**	**06/13/2014**	**06/13/2014**	**Total**
Date of Board meeting	09/03/14	07/27/15[2]	02/22/16[3]	07/25/16[4]	
Exercise period start date	05/15/16	05/15/17	05/25/18	05/25/18	
Exercise period end date	09/03/24	08/31/25	05/24/26	08/15/26	
Strike Price *(in €)*	17.22	22.87	26.82	28.58	
Options granted	1,527,220	1,558,500	196,000	45,000	**3,326,720**
Of which to members of the Board[1]	259,330	180,000	0	0	**439,330**
Number of beneficiaries	92	138	52	2	
Options exercised	257,279	0	0	0	**257,279**
Options cancelled or expired	99,300	116,000	2,500	0	**217,800**
Status on 12/31/2016	1,170,641	1,442,500	193,500	45,000	**2,851,641**
Value of unexercised options *(in € million)*	**20.16**	**32.99**	**5.19**	**1.29**	**59.62**

1 *Current Board of Directors*
2 *The grant date has been set by the Board of Directors on September 1, 2015*
3 *The grant date has been set by the Board of Directors on May 25, 2016.*
4 *The grant date has been set by the Board of Directors on August 16, 2016.*

The overview of the performance conditions applicable to the above plans is detailed under Section 17.3.3 of the Reference Document.

The achievement of the performance conditions relating to the stock-options plan of September 1, 2015 can be found in Section 15.3.1.

15.3.6 Stock-options granted to the top ten employees who are not company officers, and options exercised by the ten employees with the highest number of options purchased or subscribed – AMF Table 9

	Total number of options granted/shares subscribed or purchased	Average Price (Exercise Price of the year of grant)	Plans
Options granted during the year by the issuer to the ten employees having the highest number of options granted (Global Information)	61,000	26.82	May 25, 2016
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)	153,840	17.22	September 3, 2014

15.3.7 Past grants of Performance Shares – AMF Table 10

	General Meeting authorization date		
	05/26/2016	05/26/2016	**Total**
Board of Directors meeting date	07/25/2016	07/25/2016	
Plan details	France	International	
Number of beneficiaries	67	62	**129**
Number of shares granted[1]	263,650	152,964	**416,614**
of which to members of the Board	*43,700*	-	***43,700***
Change of plan due to international mobility	-	-	**-**
Number of shares[1] cancelled or void	15,813	1,725	**17,538**
Number of shares[1] vested on 12/31/2016	-	-	-
of which to members of the Board	-	-	-
Status on 12/31/2016	247,837	151,239	**399,076**
Vesting Date	07/25/2018	07/25/2019	
Availability Date	07/25/2019	07/25/2019	

1 *The number of shares takes into account the application of a maximum 115% multiplier coefficient (refer to Section 15.3.1).*

The 399,076 remaining performance shares represent 0.3% of the Worldline social capital on December 31, 2016. The terms and conditions of the performance shares granted on July 25, 2016, of which the CEO is one of the beneficiaries, are described under Section 15.3.1 of the Reference Document.

15.4 Fringe benefits of the Executive Directors – AMF Table 11

Mr. Thierry Breton, Chairman of the Company, does not have an employment contract 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.

Mr. Gilles Grapinet is a party to an employment agreement with the Atos Group that will continue after the end of his term as the Company's CEO. He 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.

	Employment contract		Supplementary Pension plan		Payments or Benefits effectively or potentially due in the event of termination or change of position		Non-Compete Clause payment	
Directors	YES	NO	YES	NO	YES	NO	YES	NO
Thierry Breton Chairman Beginning of term: April 30, 2014 End of term: Shareholder's Meeting called to approve the financial statements for the fiscal year ending on 12/31/2016		✓		✓		✓		✓
Gilles Grapinet 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 12/31/2016		✓		✓		✓		✓

Complementary pension: Like all employees of Atos International SAS members of the Executive Committee of the Atos Group, Mr. Gilles Grapinet used to be a beneficiary, until March 1, 2015, of a complementary defined contribution plan. Contributions paid by the employer correspond to 5% of compensation paid and are limited to tranches A, B and C. Employees are not required to make contributions.

Supplementary pension: The Chairman benefits from the supplementary pension plan reserved for members of the Atos Group's Executive Committee ending their career at Atos SE or Atos International SAS governed by article L. 137-11 of the French Social Security Code. The beneficiary group is thus wider than the inner circle of Executive Directors.

Being member of the Atos Group's Executive Committee, Mr. Gilles Grapinet benefits from the same supplementary pension plan, the terms of which are described hereafter. More information are also available in the 2016 Atos Reference Document.

Terms and conditions of the supplementary pension plan applicable to employees or Directors of Atos International SAS or Atos SE, members of the Executive Committee of the Atos Group

The benefit of this scheme is subject to a presence condition within the companies Atos SE and Atos International SAS upon the liquidation of pension's rights in accordance with article L. 137-11 of the French Social Security Code.

In 2015, the supplementary pension plan rules were amended including the strengthening of the acquisition rights by providing for an acquisition of these rights conditioned upon the achievement of performance criteria as set annually by the Atos SE Board of Directors.

Change of the terms and conditions for determining the amount of the pension supplement

- The annual amount of the pension supplement is 0.625% of the reference compensation per entire calendar quarters of seniority recognized by the scheme. The reference compensation is the average of the last sixty monthly compensation multiplied by twelve;
- For the assessment of this reference compensation, only the followings are taken into account:
  - the basic compensation,
  - the annual bonus actually paid excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation.

Entire calendar quarters of seniority are only taken into account to assess the amount of the pension supplement if they relate to a year during which the performance conditions set by the Board of Directors are achieved.

Cap on the pension supplement:

The annual amount of the pension supplement paid under the present scheme cannot be superior to the difference between:

- 33% of the reference compensation above mentioned;
- And the annual amount of the basic, complementary and supplementary pensions.

15.5 Compliance of the total Executive Director Compensation with the recommendations of the AFEP-MEDEF Code

Since the listing of the Company's shares on Euronext Paris, the Company commits to comply with all of the recommendations of the Corporate Governance Code for Listed Companies of the AFEP and the MEDEF (the "AFEP-MEDEF Code"), in particular, to the conditions of compensation of Executive Directors, and to regularly report thereon. The Board of Directors of the Company met on March 28, 2017 to perform the annual review of the implementation by the Company of these governance principles.

The Board assessed the implementation of these provisions by the Company and considered that the governance practices of the Company, in particular regarding the Executive Director's compensation, are compliant with the AFEP-MEDEF Code recommendations.

15.6 Amount of Provisions Made or Recorded by the Company or by its Subsidiaries for the Payment of Pensions, Retirement Plans or Other Benefits

The Company has not provisioned any amounts for payments of pensions, retirements or other similar benefits to its Directors.

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Practices of administrative and management bodies

16.1 Terms of office of members of the administrative and management bodies

The terms of office of the members of the Company's Board of Directors and senior management can be found in Section 14.1, "Composition of management and supervisory bodies".

16.2 Information on service contracts between members of the administrative and management bodies and the company or any one of its subsidiaries

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.

16.3 Internal Regulations of the Board of Directors

At its meeting on April 30, 2014, the Company's Board of Directors adopted Internal Regulations setting forth its composition, responsibilities and powers, and procedural rules (in addition to those set forth in legislative and regulatory provisions and the Company's bylaws). The Internal Regulations contain the principal provisions described below.

16.3.1 Participation in Board of Directors' Meetings by Video Conference or Other Means of Telecommunication

As permitted by article L. 225-37 of the French Commercial Code, meetings of the Board of Directors may be held by video conference or any other means of telecommunication permitting Directors to be identified and ensuring their effective participation in the meeting, at a minimum by transmitting the participants' voices and meeting technical requirements enabling the uninterrupted and simultaneous transmission of the proceedings.

Directors who wish to participate in a meeting of the Board of Directors by means of video conference or telecommunication as described above must so indicate by email to the Chairman at least 24 hours in advance of the meeting, so that the Chairman may make video conferencing or other means of telecommunication, as the case may be, available to such Directors.

Directors participating in a meeting by means of video conference or other means of telecommunication are deemed present for purposes of calculating quorum and majority. Adequate measures must be taken to permit identification of each participant and to verify the quorum. Otherwise, the meeting must be adjourned.

The above provisions do not apply to meetings at which the decisions set forth in articles L. 232-1 and L. 233-16 of the French Commercial Code are to be voted on, relating to the preparation of the Company's annual financial statements and management report and to the preparation of the Group's annual consolidated financial statements and management report, respectively.

16.3.2 Decisions Reserved for the Board of Directors

The Chief Executive Officer must submit the following decisions for the prior authorization of the Board of Directors:

- Acquisition or disposal of shareholdings in excess of € 10 million;
- Acquisition or disposal of assets in excess of € 10 million;
- Acquisition of assets or shareholdings outside the Group's ordinary course of business;
- Acquisition or disposal of real estate in excess of € 10 million;

- Strategic alliance or partnership which could have an impact on the Group's structure;
- Parent guarantees in excess of the authorized amount delegated to the Chief Executive Officer;
- Purchase by a third party of share capital of a significant subsidiary;
- Financing and loans in excess of € 10 million.

16.3.3 Evaluation of Work Performed by the Board of Directors

The Internal Regulations of the Board of Directors require the Board of Directors to evaluate its ability to meet shareholder expectations by periodically analyzing its composition, organization and procedures, as well as the composition, organization and procedures 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.

To that end, the Internal Regulations provide that once a year the Board's meeting agenda must include a discussion of its functioning. Furthermore, once a year in its Annual Report, the Board must inform shareholders of the completion of these evaluations and the results thereof.

A formal evaluation, which may be implemented under the direction of the Nomination and Compensation Committee with the assistance of an outside consultant, must also be carried out at least every three years. The shareholders must be informed each year in the Annual Report of the completion of these evaluations and the results thereof.

16.3.4 Board of Directors meetings

Pursuant to the Company's bylaws and Internal Regulations, the Board of Directors has met as often as necessary. During the 2015 financial year, the Board of Directors met eleven times. Attendance of Directors at these meetings was an average of 94%.

The Board of Directors met to discuss the following topics in particular:

- review and approval of the 2017 budget;
- review of the financial information and quarterly reports and forecasts;
- review of and closure of consolidated half year and yearly financial statements;
- review of financial presentations and press releases;
- review of the strategic trends of the Group, especially the external growth operations;
- confirming the elements of the Chief Executive Officer's compensation, setting the objectives of his variable part, and confirming his variable compensation paid for the 2016 financial year;
- review of the operation of the corporate bodies and corporate governance (review of the propositions of appointment and renewal of the Directors, review of the independence of Directors, conformity review of the Company's practices with the AFEP-MEDEF recommendations, amendment of the Internal Regulations);
- review of external growth projects.

The Board regularly heard the review of the statutory auditors as well as the works of the two permanent Committees of the Board of Directors: the Audit Committee and the Nomination and Compensation Committee. The powers of these Committees are governed by the Internal Regulations 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.

16.4 Committees of the Board of Directors

Pursuant to article 17 of the Company's bylaws as adopted at the Company's Extraordinary Shareholders' Meeting on April 30, 2014, the Company's Board of Directors may create committees charged with examining questions submitted to it by the Board or its Chairman.

Two such Board committees were put in place on the listing date of the Company's shares on Euronext Paris: an Audit Committee and a Nomination and Compensation Committee. Also, a third committee was created by decision of the Board of Directors on December 12, 2016, the Investment Committee.

The composition, responsibilities and powers, and procedural rules of these Committees are described below. Their composition complies with the recommendations of the AFEP-MEDEF Code.

16.4.1 Audit Committee

16.4.1.1 Responsibilities and Powers (article 9.3.2 of the Internal Regulations of the Board of Directors)

The Audit Committee's mission is to prepare and facilitate the work of the Board of Directors within its areas of competence, as set forth in the Internal Regulations of the Board of Directors. It assists the Board of Directors in analyzing the accuracy and truthfulness of the Company 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 any opinion or recommendation within the areas described below. In particular, the Audit Committee is tasked by the Board of Directors with the following responsibilities:

With respect to the financial statements:

- to conduct a preliminary review and give its opinion on the draft annual and interim company and consolidated accounts prepared by the Finance department;
- to assess the relevance and consistency of accounting principles and rules;
- to inform itself as to changes in the scope of consolidation;
- to meet, where necessary, with the statutory auditors, senior management, Financial and Accounting department, Internal Control department or any other management representative, if necessary outside the presence of the members of senior management;
- to review the financial documentation distributed by the Company at the closing of each year's accounts, as well as other significant financial documents and press releases.

With respect to the Company's external audit:

- to examine questions relating to the nomination or renewal of the Company's statutory auditors and to the amount of the fees to be paid for statutory audit assignments;
- to pre-approve any assignment entrusted to the statutory auditors other than the statutory audit and, more generally, to ensure compliance with the principles guaranteeing the independence of the statutory auditors; to oversee the rotation of statutory auditors; and to inform themselves of the amounts paid to the networks to which the statutory auditors belong.

With respect to internal controls and monitoring the Company's risks:

- to evaluate, together with Group-level management, the quality and effectiveness of the Group's internal control systems and procedures; to review significant off-balance sheet risks and undertakings; and to meet with the head of internal audit, give its opinion as to the organization of the Internal Audit department and remain informed of its planned work. The Audit Committee will receive internal audit reports or a periodic summary of such reports;
- to assess the reliability of the systems and procedures used in preparing the accounts, to review methods and procedures for reporting and processing accounting and financial information;
- to regularly review the Company's financial condition, cash position and significant undertakings and risks and to review the procedures used to evaluate and manage those risks.

With respect to agreements entered into by the Company:

- to review all drafts of framework agreements relating to the provision of services between Atos SE and/or its subsidiaries, on the one hand, and the Company and/or its subsidiaries, on the other hand, that involve annual payments in excess of € 10 million;
- to review all drafts of financing or cash management agreements exceeding € 10 million entered into between the Company and/or one of its subsidiaries, on the one hand, and Atos SE and/or one if its subsidiaries, on the other hand.

16.4.1.2 Composition (articles 9.2.4 and 9.3.2 of the Internal Regulations of the Board of Directors)

The Audit Committee can be composed of a minimum of three and a maximum of five members, two-thirds 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. At the date of the registration of this Registration Document, the members of the Audit Committee are Mr. Cardoso (Chairman), Ms. Tolson and Mr. Arditti. Mr. Cardoso and Ms. Tolson are independent members of the Board of Directors.

In accordance with applicable law, the Audit Committee includes members who are knowledgeable in finance and accounting. 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 the members of the Audit Committee is the same as their term 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 Compensation Committee. The Audit Committee may not include any Executive Director of the Company.

The Committee's secretary is any person designated by the Chairman of the Committee or with the Chairman's approval.

16.4.1.3 Functioning (article 9.3.2 of the Internal Regulations of the Board of Directors)

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 meeting must include an agenda and may be transmitted orally or by any other means. Audit Committee decisions are subject to a majority vote by members participating in the meeting, with each member having one vote.

The Audit Committee meets as often as necessary and, at least, twice per year on the occasion of the preparation of the annual and interim 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 interim financial statements due to be reviewed by the Board of Directors.

16.4.1.4 Works in 2016

During the 2016 financial year, the Audit Committee met six times. Attendance of members at the meetings was 100%.

During the 2016 financial year, the Audit Committee reviewed the following items in particular:

- the Group's accounting and financial documents, including the main accounting options and the new presentation of segment information (now by Global Business Lines);
- the periodic financial reports on the Group's performance and the draft financial press releases as well as the forecast information;
- the related party transactions with the Atos group;
- 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;
- the risk mapping;
- the risks of the most critical contracts 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.

16.4.2 Nomination and Compensation Committee [GRI 102-37]

16.4.2.1 Missions (article 9.3.1 of the Internal Regulations of the Board of Directors)

The mission of the Nomination and Compensation Committee's is to prepare and facilitate the decisions of the Board of Directors, within its areas of competence.

With respect to nominations, the Nomination and Compensation Committee is charged generally with researching and analyzing any candidacy for a position on the Board of Directors or for a position as a senior executive or officer, and with delivering an opinion and/or recommendation with respect to such candidacy to the Board of Directors.

The Nomination and Compensation Committee reviews important operations that involve risks of conflicts of interests between the Company and the members of the Board of Directors. The Nomination and Compensation Committee makes a preliminary assessment as to the independence of members of the Board of Directors, which is then reviewed and discussed annually by the Board of Directors prior to publication of the Company's Registration Document.

With respect to compensation, the Nomination and Compensation Committee is charged with drafting proposals with respect to the compensation of the Chairman and of the CEO (including defining the rules for determination of variable compensation, ensuring the consistency of these rules with the annual performance evaluation and with the Group's medium-term strategy, and verifying the annual application of these rules).

The Nomination and Compensation Committee also participates in preparing an incentive compensation policy for employees of the Company and its subsidiaries. In particular, it prepares proposals for grants of stock subscription and/or purchase options or of performance shares to executive officers and Directors and to all or any employees of the Company and its subsidiaries.

The rules governing the compensation of senior management are described in Chapter 15, "Compensation and Benefits of Directors and Senior Executives".

With respect to members of the Board of Directors, the Committee is charged with proposing the annual amount of Directors' fees to be submitted for the approval of the Annual Shareholders' Meeting as well as the terms for allocation of such Directors' fees among the Directors, taking into consideration, in particular, the presence of such Directors at Board and Committee meetings, the level of responsibility assumed by such Directors, and the time that they are required to devote to their responsibilities.

The Committee also makes observations and/or recommendations relating to retirement and employment insurance schemes, benefits in kind and the financial benefits accorded to officers of the Company and its subsidiaries.

16.4.2.2 Composition (articles 9.3.1 of the Internal Regulations of the Board of Directors)

The Nomination and Compensation Committee is composed of a minimum of three and 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. At the date of this Registration Document, the members of the Nomination and Compensation Committee are Mr. Rémont (Chairman), Mr. Breton and Ms. Tolson. Mr. Rémont and Ms. Tolson are independent members of the Board of Directors.

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 Compensation Committee is the same as their term as members of the Board of Directors. The term of a member of the Nomination and Compensation 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 Compensation Committee is appointed from among the independent members by the Board of Directors, upon the proposal of the Chairman of the Board of Directors.

The Committee's secretary is any person designated by the Chairman of the Committee or with the Chairman's approval.

16.4.2.3 Functioning (article 9.3.1 of the Internal Regulations of the Board of Directors)

The Nomination and Compensation 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 meeting must include an agenda and may be transmitted orally or by any other means.

Nomination and Compensation Committee decisions are subject to a majority vote by members participating in the meeting, with each member having one vote. The Nomination and Compensation 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 Directors' fees.

16.4.2.4 Works in 2016

During the 2016 financial year, the Nomination and Compensation Committee met three times. Attendance of members to the meetings was 100%.

The Nomination and Compensation Committee met in 2016 in order to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- the review of the variable compensation of the Chief Executive Officer;
- the definition of the performance objectives applicable to the variable compensation of the Chairman and Chief Executive Officer;
- the review of the conformity with the recommendations of the AFEP-MEDEF Code regarding the Chief Executive Officer's compensation;
- the setting of terms and conditions of a stock option plan (including performance conditions);
- the renewal of the composition of the Board of Directors;
- the determination of the rules for the allocation of Directors' fees (*jetons de présence*).

16.4.3 Investment Committee

16.4.3.1 Composition (article 9.3.3 of the Internal Regulations of the Board of Directors)

The Investment Committee is composed of a minimum of three and a maximum of five members, appointed by the Board of Directors among its members.

The Chairman of the Investment Committee is appointed by the Board of Directors, upon the proposal of the Chairman of the Board of Directors.

The term of office of the members of the 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 nor notice. The term of their office can be renewed. The Board of Directors may terminate their office *ad nutum*, without cause.

The three members of the Committee are Mr Thierry Breton, Mr Gilles Grapinet and Mr Aldo Cardoso. The rules related to remuneration for the other committees, described in Section 15.1, are applicable to the new created Committee,

16.4.3.1 Missions (article 9.3.3 of the Internal Regulations of the Board of Directors)

The Investment Committee's mission is to prepare and facilitate the work of the Board of Directors within its areas of competence. It assists the Board of Directors in analyzing the main external growth projects led by the Company.

In order to carry forward its mission, the Investment Committee will be assisted from time to time or permanently by any employee whose expertise is of use for the Committee's works, and whose appointment will be made upon proposal of the Committee's Chairman subject to a decision of the Board of Directors.

The Committee shall be able to resort to external experts if need be.

16.5 Statement Relating to Corporate Governance [GRI 102-22] [GRI 102-24] [GRI 102-25] and [GRI 102-26]

Since the listing of the Company's shares on Euronext Paris, the Company complies with the recommendations of the AFEP-MEDEF Code, in particular in connection with preparation of the report of the Chairman of the Board of Directors provided for by article L. 225-37 of the French Commercial Code on the composition of the Board of Directors and the application of the principle of gender balance in the Board's composition, the terms for preparation and organization of the Board's work, and the internal control and risk management procedures implemented by the Company, with the exception of the following:

Given his existing responsibilities within the Atos group, Mr. Gilles Grapinet will retain his employment agreement with an Atos SE affiliate which provides, first, that he will serve as Senior Executive Vice President of the Atos Group in charge of coordination of Global Functions (other than in respect of the financial control over the Worldline subsidiary), and second, that he will assume the role of CEO of the Company. Upon the conclusion of this transitional period, the terms of the CEO's employment agreement will be revisited by the Board of Directors of the Company.

As indicated in the February 23, 2016 press release related to the 2015 annual results, Worldline Board of Directors, based on the recommendation from the Nomination and Remuneration Committee, has unanimously decided to extend for another 12 to 18 months the current governance structure of the Company.

16.6 Internal Control

16.6.1 System of Internal Control [GRI 102-25] [GRI 102-33] [GRI 102-34] [GRI 102-16] [GRI 102-17] [GRI 103-1 Anti corruption] [GRI 103-3 Socioeconomic compliance] and [GRI 419-1]

The internal control system relies on the internal control reference framework prescribed by the AMF (*Autorité des Marchés Financiers*).

The "general principles" section of the AMF framework has been used to describe in a structured manner the components of the internal control system of Worldline. 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.

16.6.1.1 Internal control definition and objectives

Internal control system designed throughout the Group aims to ensure:

- compliance with applicable laws and regulations;
- application of instructions and directional guidelines settled by general management;
- correct functioning of company's internal processes particularly those implicating the safeguarding of its assets;
- reliability of financial information.

One of the objectives of internal control procedures is to prevent and control risks of error and fraud, in particular in the accounting and financial areas. As for any internal control system, this mechanism can only provide reasonable assurance and not an absolute guarantee against these risks.

16.6.1.2 Internal control system players

The main bodies involved in the implementation of internal control procedures at Worldline are as follows:

Board of Directors supported by Audit Committee

The Board of Directors prepares governance rules detailing the Board's role supported by its committees. Those committees enlighten the Board as to the quality of the internal control system. The Audit Committee, in particular, is informed of the content and the implementation of internal control procedures used to ensure the reliability and accuracy of financial information and stays informed about the proper implementation of the Internal Control System.

Executive Committee and Management Committees

General management defines the framework of the internal control system and defines strategic orientations to develop the Group.

The Executive Committee leads the operational performance of the Group. 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 ARC 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.

Operational Control

The role of Operational Control is to guide overall security, quality, compliance and operational governance in order to create and maintain strong relationships of trust with the Group's clients. It also deploys internal control initiatives throughout the Group.

Internal Audit

Internal Audit is outsourced to the Atos group in order to function globally in accordance with consistent methodology. 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 control.

In 2016, the Internal Audit department of the Atos group obtained the renewal of the French Institute for Internal Audit's IFACI certification. This accreditation attests to the quality of the Internal Audit (IA) function in organizations, the level of compliance with international standards and IA's degree of control over key challenges.

16.6.1.3 Components of the internal control system

Organization/control environment

The organization, competencies, systems and policies (methods, procedures and practices) represent the ground layer of the internal control system and the fundamentals of the Group. The main components are presented in this section.

Matrix organization: The Company runs a matrix organization structure that combines operational management (Regional Business Units (Geographies)/Global Business Lines) and functional management (Sales & Markets and Support Functions). This matrix structure allows a dual view on all operations and therefore enhances the control environment.

Responsibilities and powers: The following initiatives aim to frame the assignment of responsibilities:

- Delegation of Authority: In order to ensure efficient and effective management control from the country level to general management level, a formal policy sets out the authorization of officers of subsidiaries to incur legal commitments on behalf of the Group with clients, suppliers and other third parties. The delegation of authority policy has been updated in December 2014, approved by the Board of Directors and is being rolled-out under the supervision of the Group Legal & Compliance department;
- Segregation of Duties: the policy for segregation of duties (SOD) defines accountability for implementing and monitoring organizational and technical measures proportionate to the risks of errors or fraud. Tooling has been used to perform automatic assessments of those rules in the main systems.

Policies and procedures: The key policies and procedures contributing to an appropriate control environment include:

- The Code of Ethics: In line with Atos group commitment to corporate social responsibility (Atos has signed the UN Global Compact), this Code, part of each employee's work contract, outlines the importance Worldline places on:
  - complying with all laws, regulations and internal standards,
  - acting honestly and fairly with clients, shareholders and partners,
  - playing by the rules of fair competition,
  - never using bribery or corruption in any form,
  - being loyal to the Company and in particular, avoiding any conflicts of interest,
  - protecting the Group's assets and preventing and combating against fraud
  - protecting confidentiality and insider information.

  It is complemented by several codes and charts, and enforced throughout the Group by communications and training sessions;
- Whistleblowing policy: The Group implements whistleblowing policies as part of the practices put in place by the Atos Group;
- Atos Rainbow™: Rainbow is a set of procedures and tools set by Atos group that provides a formal and standard approach to bid management, balancing sales opportunities and risk management for all types of opportunities. Rainbow is the means by which Worldline's management is involved in controlling and guiding the acquisition of the Group's contracts. Above specific thresholds Rainbow reviews are performed at general management level;
- Operational policies and procedures have also been set up in all departments as part of the policies implemented by the Atos group. The main impacting policies and procedures in terms of internal control include "Payments & Treasury Security Rules", "Pension Governance", "Investment Committee", "Data Protections", "Contributions", "Safety and Physical Security" and "Credit Risk Policy". These are gathered in the Book of Internal Policies.

Process management: The Group participates in the Atos "Business process and rollout management" department, which focuses on creating an Business Process Center of Excellence (BPCOE) in coordination with business process owners and the functions related to Internal Control, Quality, security etc. The BPCOE community, supported by process analysts, is responsible for documenting existing and targeted business processes, including the supporting organization, KPIs, and internally and externally mandated compliance parameters.

Human Resource management: The Group Human Resource management policy relies on the *Global Capability Model* (GCM), which is a standard for categorizing jobs by experience and expertise across the Group. A Group Policy on bonus scheme completes this system by setting incentives.

Information Systems: Group Business Process and Internal IT department is in place to provide common internal IT infrastructures and applications for Worldline staff worldwide, either on its own resources or relying on the Atos infrastructure. It supports functions like Finance (accounting and reporting applications), Human Resources (resourcing tool, corporate directory), Communication (Group websites and intranet) or Project Managers (capacity planning and project management). Security and access to these infrastructures and applications as well as their reliability and performance are managed by this department and benefit from the core expertise and resources from the Group.

Communication of relevant and reliable information

Several processes are in place to ensure that relevant and reliable information is provided within the Group.

Monthly reviews of operational performance by Global Business Line and Regional Business Units are organized under the responsibility of the Group Chief Financial Officer and in the presence of the relevant members of the Executive Committee.

A shared ERP system is deployed across the Group, enabling easier exchange of operational information. It allows cross border reporting and analysis (cross border project analysis, customer profitability, etc.) as well as business reports through different analytical axes (Business line, geographical and market axis).

Formal information reporting lines have been defined, following the operational and the functional structures. This formal reporting, based on standard formats, concerns both financial and non-financial information. The Group participates to the various committees set by the Atos Group, such as for operational risks (through Risk Management Committees), treasury (with Payments and Treasury Security Committee), or financial restructuring (Equity Committee).

This bottom-up communication is accompanied by top-down instructions, issued regularly, and especially for budgeting and financial reporting sessions.

System for risk management

Risk management refers to means deployed in Worldline to identify, analyze and manage risks. Although risk management is part of a manager's day to day decision making process, specific formal initiatives have been undertaken concerning risk management, as described in Section 4.5, "Risk management" of this document.

Risk management activities include a yearly Enterprise risk management assessment, identifying the key challenges that may impact the Company. The ERM methodology is also used to perform the Legal Risk Mapping, targeting more specifically legal and compliance risks.

Operational risks on projects are managed by the risk management function (including a Group Risk Management Committee who meets monthly to review the most significant and challenging contracts). Similarly, the same process has been reproduced for R&D projects with a dedicated organization. Risks related to logical or physical security are managed by the Security Function.

All risk management activities include an assessment of the key risks, and a regular follow up of mitigation actions.

Control activities have also been implemented (through the Book of Internal Control), on the basis of main risks identified, as described in the next section "control activities".

Control activities

Worldline key control activities are aligned with the Atos Book of Internal Control (BIC). This document, sent out to all entities by the general management, complements the different procedures by addressing the key control objectives of each process to achieve a convenient level of internal control.

It covers not only the financial processes, but also the various operational processes (Opportunity to Order, Order to Cash, Product lifecycle, HR Management) and Risk & Compliance activities (Security, Legal, Sustainability).

An updated version of the Book of Internal Control has been released and distributed throughout the Group in January 2016, in order to take into account additional controls and some improvements in various processes. This framework will continue to evolve, according to growing maturity of processes and emerging risks.

An IT control framework (part of the BIC) has been defined, detailing control activities related to client service. This framework has been used to issue "ISAE3402" reports[1] for several of Worldline's clients.

Monitoring

Monitoring of the internal control system is the responsibility of Group and local management, and is also supported by Internal Audit missions.

Control self-assessments are performed by the main Functions through questionnaires completed by Regional Business Units, and reviewed at Group level. Action plans are initiated when deviations are reported.

Internal Audit is ensuring, through its reviews, that the internal control procedures are properly applied and supports the development of internal control procedures. Internal Audit also defined, in partnership with Group and local management, action plans for continuously improving internal control processes.

In 2016, Internal Audit carried out a total of 19 audit assignments (including investigations at the request of general management) assessing the functioning of internal control system: 12 in the domain of support functions (Finance, Human Resources, Purchasing, Sales) and 7 related to Operations/core business. All assignments have been finalized by the issuance of an audit report including action plans to be implemented by the related division or country.

Twice a year, a full review of high & medium open recommendations is performed by Internal Audit with concerned owners, and reported up to the Group Executive Committee and to the Audit Committee. In 2016, 87% of audit recommendations have been implemented in due time.

Internal audit has also actively contributed to help the business meeting the compliance requirements to maintain the "payments institution" status for Worldline Belgium. An annual assessment has therefore been included in the audit plan.

Audits on Service Organization Controls (SOC) have been performed by independent auditors for the main service providers who run processes on behalf of Worldline, notably in the areas of payroll processing, accounts payable management or general ledger accounting processing.

1 ISAE3402 (International Standards for Assurance Engagements (ISAE) No. 3402). A global assurance standard for reporting on controls at a service organization used for auditor's report on internal control of a service to a third party. Activities of the Group typically have an impact on the control environment of its clients (through information systems), which may require the issuance of "ISAE3402 reports" for the controls ensured by the Group.

16.6.1.4 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, credit risk management…;
- "Expert" functions processes: taxes, insurance, pensions, real estate transactions, most of them being outsourced to Atos;
- Operational processes: bidding, contract execution, financial business model.

Local and Group financial organization

The management of the Finance function is performed through two main committees that meet on a bi-weekly basis and are chaired by the Group CFO:

- The Group Finance Committee (FICO) gathers the managers of the main functions within the Finance organization and the Finance Controllers of the Global Business Lines. This committee deals with transversal topics critical for the Group.
- The Extended Group Finance Committee (Extended FICO) gathers in addition CFOs from the Regional Business Units ("RBU"). It deals 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 significant accounting options, as well as potential internal control weaknesses and initiates required corrective actions when needed.

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 to be followed by Atos entities 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 Worldline financial community.

Instructions and timetable: Financial reporting including budget, forecast and financial information by subsidiary is carried out in a standard format and within a timetable defined by specific instructions and procedures. Group Finance liaised with statutory auditors to coordinate the annual and half-year closing processes.

Information systems

Information systems have played a key role in the control system related to the accounting and financial information, as they have both strongly structured the processes and provided automated preventive controls, but have also provided monitoring and analysis capabilities.

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.

Monitoring and control

In addition to the financial processes defined, monitoring and control processes aims to ensure that accounting and financial information complies with rules and instructions.

The Closing File (which is closely linked with the Book of Internal Control) 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 business performance and forecasts.

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 have 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 Atos Internal Audit department. The Atos Internal Audit department works together with Group Finance to identify the main risks and to focus its audit plan accordingly.

16.6.1.5 Outlook and related new procedures to be implemented

In 2017, financial, commercial and social development programs, as well as other transformation initiatives, will continue their effects to improve and streamline processes, with resulting benefits for the Internal Control System.

Initiatives identified through the updated risk mapping will be monitored to ensure that proper attention is given to those topics.

The Internal Audit department will pursue the internal review program updated following the risk assessment performed in 2016, and monitor the implementation of its recommendations.

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Employees

17.1 Human Ressources management

Please refer to the Corporate and Social Responsibility Report in Annex III, Section 3, "Being a Responsible Employer" for detailed information on human resources management and training policy.

17.2 Shareholdings and stock subscription or purchase options held by members of the Board of Directors and senior management [GRI 201-3]

See Chapter 15, "Compensation and Benefits of Executive Directors".

17.3 Employee Shareholding Plans and Long-Term Incentive Plans [GRI 102-37]

17.3.1 Employee Shareholding Plans

The launch of the Worldline first employee shareholding plan ("Boost") took place on November 20, 2014. For a description of this Plan, please refer to the Reference Document regarding 2014. Boost 2015 was launched on December 4, 2015, pursuant to the authorization granted by the General Shareholders' Meeting on May 28, 2015 under the 17th resolution. For a description of this Plan, please refer to the Reference Document regarding 2015.

17.3.2 Long-Term Incentive Plans [GRI 102-28] and [GRI 102-37]

Worldline is strongly committed to associating its employees with the long-term performance and results of the Company, notably through Long-Term Incentive plans. Beneficiaries of such LTI plans are mostly Top Managers of the Group, including the CEO.

In order to reward and retain key-talents and top managers, Worldline implemented its two first stock-options plans in 2014 and 2015, respectively approved by the Worldline Board of Directors of September, 3rd 2014 and July 27, 2015, in accordance with the 18th resolution of the shareholder meeting held on June 13, 2014. For a description of these Plans, please refer to the Reference Documents relating to 2014 and 2015. The performance conditions applicable to these plans are also detailed below.

Upon recommendation of the Nomination and Compensation Committee, the Board of Directors decided to implement new plans based on performance criteria reflecting the key factors of the Company strategy.

In 2016, Worldline implemented its third and fourth stock-options plans, which were not offered to any Executive Directors.

Upon recommendation of the Nomination and Compensation Committee, the Board of Directors decided during its meeting held on July 25, 2016 to grant ordinary performance shares of the Company, existing or to be issued, to the Top Managers and key-talents of Worldline, including the CEO. The conditions of the 2016 performance shares plan, as well as the historical data on the grant of performance shares or stock-options granted to the CEO are detailed under Section 9 of the Reference Document.

Early 2017, Worldline implemented an ordinary performance shares plan exclusively in favor of the members of the equensWorldline Board of Directors.

17.3.3 Grant of stock subscription or purchase options

Please refer to Chapter 9 of the Reference Document regarding stock subscription or purchase options Plans ("stock-options" or "Options") and performance shares plans, where previous grants are detailed.

In order to reward and retain identified key-talents, Worldline implemented its third stock-options plan, approved by the Worldline Board of Directors on February 22, 2016 in accordance with the 18th resolution of the shareholder meeting held on June 13, 2014. 196,000 stock-options Worldline were issued on May 25, 2016 (being the date of grant set by the Board of Directors) in favor of 52 beneficiaries. The stock-options will vest on May 25, 2018. Provided the conditions below are met, the stock-options can only be exercised during the Exercise Period, *i.e.* between May 25, 2018 and May 24, 2026 included (with some exceptions provided in the Plan Rules), in compliance with the "closed periods" as set by the Company according to the Guide for the Prevention of Insider Trading.

A fourth stock-options plan was approved by the Worldline Board of Directors on July 25, 2016 in accordance with the 18th resolution of the shareholder meeting held on June 13, 2014, to reward and retain two new hired employees considered as key-talents. 45,000 stock-options Worldline were issued on August 16, 2016 (being the date of grant set by the Board of Directors). The stock-options will vest on May 25, 2018. Provided the conditions below are met, the stock-options can only be exercised during the Exercise Period, *i.e.* between May 25, 2018 and August 15, 2026 included (with some exceptions provided in the Plan Rules), in compliance with the "closed periods" as set by the Company according to the Guide for the Prevention of Insider Trading.

The exercise price of the stock-options granted under the above two plans corresponds to the average of the 20 Worldline opening share prices preceding the grant date, increased by 5%.

The Executive Directors are not benefitting from the above two stock-options plans of May 25 and August 16, 2016.

The performance conditions of the above plans are aligned with the prior stock-options plans offered by the Company and are detailed below:

Performance Conditions	Plan of 09/03/2014	Plan of 09/01/2015	Plan of 05/25/2016	Plan of 08/16/2016
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) 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%.			
And Group Operating Margin before Depreciation and Amortization in the relevant year is at least equal to one of the following two amounts:	(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%.			
And Group Revenue for the relevant year is at least equal to one of the following two amounts:	(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 Company.			
And External Performance Condition linked to Environmental and Social Responsibility	Worldline must fulfill the requirement of previous GRI B for 2014 and rating GRI G4 "Comprehensive" (previously GRI A) for 2015.	Worldline must fulfill the requirement of GRI G4 "Comprehensive" (previously GRI A) each relevant year.		
Concerned years	2014 and 2015	2015 and 2016	2016 and 2017	

	Vesting % in case of presence of the beneficiary on the vesting date
Plans of 09/03/2014, 09/01/2015, 05/25/2016 and 08/18/2016	100% if at least two of the three internal performance conditions are met for each of the relevant years (if one condition is not met in the first year, the same condition will become compulsory for the following year) and if, for each of the relevant years, the performance condition related to the Company's Environmental and Social Responsibility is met. 0% otherwise.

17.3.4 Grant of Company Performance Shares

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 26, 2016 (23rd resolution), the Board of Directors, during its meeting held on July 25, 2016, and upon the recommendation of the Nomination and Compensation Committee, decided to proceed with the allocation of maximum 416,614 ordinary performance shares of the Company (taking into account a mechanism to modulate the number of shares in case of over-performance, through the application of a multiplier coefficient capped at 115%), existing or to be issued in favor of the Worldline first managerial lines and key-talents, including the Chief Executive Officer.

This Plan is detailed under Section 9 of the Reference Document.

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 26, 2016 (23rd resolution), the Board of Directors, during its meeting held on July 25, 2016, and upon the recommendation of the Nomination and Compensation Committee, decided to proceed with the allocation, as from January 2, 2017, of ordinary performance shares of the Company existing or to be issued in favor of the members of the equensWorldline Board of Directors.

The Worldline Executive Directors are not eligible to this performance shares plan solely reserved to the operational management team of the equensWorldline company.

The allocation is subject to a condition of attendance within the equensWorldline Board of Directors during the acquisition period defined in the plan rules, as well as to internal performance conditions relating to equensWorldline and non-financial performance conditions to be met in 2017, 2018 and 2019. A multiplier coefficient of maximum 115% will be applicable in case of over-performance in the conditions defined in the plan rules. A maximum of 263,925 performance shares were allocated at grant date on January 2, 2017 (taking into account an over-performance of the internal and non-financial performance conditions triggering the application of a multiplier coefficient of maximum 115%).

The grant date was initially planned during second semester 2016 but was postponed to January 2, 2017 to take into account the closed periods relating to the grant of performance shares following the closing of the transaction with equensWorldline (on September 30, 2016). For the remaining, the above performance conditions of the plan are aligned with the strategic three-year plan of the Company covering the 2017-2019 period and allow in addition to take into account the 2017 targets which were known at the end of December 2016.

17.3.5 Achievement of the performance conditions relating to the Stock-Options plans and Performance Shares plans of the Company

The stock-options plan dated September 3, 2014 vested on May 15, 2016 and the options are exercisable since then.

Regarding the stock-options plan dated September 1, 2015, the performance conditions were achieved for each of the years 2015 and 2016. The acquisition of the stock-options in respect of this plan remains subject to the achievement of the 2016 external performance condition as well as the completion of the presence condition on the acquisition date, on May 15, 2017.

Worldline Revenue Growth	**2016**	**2015**
Criterion completion	YES	YES
Worldline OMDA	**2016**	**2015**
Criterion completion	YES	YES
Worldline Free Cash Flow	**2016**	**2015**
Criterion completion	YES	YES
External Condition linked to Environmental and Social Responsibility	**2016**	**2015**
Criterion completion*	YES	YES
Achievement of the performance conditions	**YES**	

* *In 2016, for the third consecutive year, Worldline received the highest ranking of the Global Reporting Initiative – the GRI G4 comprehensive rating – for its Corporate Responsibility Integrated Reports.*

Regarding the stock-options plans dated May 25 and August 16, 2016, as well as the performance shares plan of July 25, 2016, the internal performance conditions were achieved for 2016. The external performance conditions relating to the performance shares plan of July 25, 2016 are also met. The acquisition of the stock-options/performance shares in respect of these plans remains subject to the achievement of the external performance condition(s) for 2016 (regarding the stock-options plans of May 25 and August 16, 2016) and the 2017 internal and external performance conditions, as well as the completion of the presence condition at the applicable acquisition date of these plans.

Worldline Revenue Growth	**2017**	**2016**
Criterion completion	Pending	YES
Worldline OMDA	**2017**	**2016**
Criterion completion	Pending	YES
Worldline Free Cash Flow	**2017**	**2016**
Criterion completion	Pending	YES
External Condition linked to Environmental and Social Responsibility	**2017**	**2016**
Criterion completion*	Pending	YES
Achievement of the performance conditions	**Pending**	

* *In 2016, for the third consecutive year, Worldline received the highest ranking of the Global Reporting Initiative – the GRI G4 comprehensive rating – for its Corporate Responsibility Integrated Reports.*

17.4 Profit sharing agreements and incentive schemes

17.4.1 Group Savings Plan

A group or company savings plan is a collective savings system offering employees of the companies belonging to the plan the ability, to build investment portfolios, with the help of their employers. Funds invested in the plan may consist of amounts employees receive under a profit-sharing or incentive scheme, as well as voluntary contributions. Amounts invested in a company savings plan may not be withdrawn for five years, except in the early-withdrawal cases provided for by law. Pursuant to article L. 3332-3 of the French Labor Code, companies with profit-sharing plans are required to put in place company savings plans.

A company savings plan was created within the Atos Group on July 17, 2000 for an indeterminate duration and has been amended twelve times, most recently on November 25, 2016.

This plan is available to most of the Atos Group's companies (including the Worldline companies) and offers employees of these companies with more than three months' seniority the ability to immediately allocate all amounts paid to them to subscribe for shares in company investment funds (*fonds communs de placement d'entreprise*) (FCPE), in particular in connection with the Atos "Sprint" employee shareholding plans.

A company savings plan was created within Worldline on October 6, 2014 for an indeterminate duration. This plan is available to the participating Worldline companies and offers employees of these companies having more than three months' seniority the ability to immediately allocate all amounts paid to them to subscribe for shares in company investment funds (fonds communs de placement d'entreprise) (FCPE), in particular in connection with the Worldline "Boost" employee shareholding plans. This company savings plan has been amended on September 1, 2015.

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17.4.2 Profit-sharing agreement

Pursuant to article L. 3322-2 of the French Labor Code, profit-sharing agreements are mandatory in France for businesses with more than 50 employees and with a taxable profit representing more than 5% return on equity. As a result, a profit-sharing agreement was signed on June 11, 2012 (following a former agreement of June 30, 1998) within the Atos Group for an open-ended term. This profit-sharing agreement benefits all employees who have been employed for longer than three months by one or more French subsidiaries whose share capital is more than 50% held, directly or indirectly, by Atos SE.

The Worldline business unit management will gather the Trade Unions during the first semester 2017 in order to negotiate a profit-sharing agreement exclusively applicable to the employees of the companies part of the Worldline Business Unit, in accordance with addendum 1 of the Atos Group profit-sharing agreement dated June 29, 2016 and in accordance with the methodology agreement dated June 20, 2016 to negotiate a profit-sharing agreement within the Worldline Group.

17.4.3 Incentive Scheme

Pursuant to article L. 3312-1 of the French Labor Code, an incentive scheme is an optional mechanism whose purpose is to give employees collectively a stake in the business's success, more specifically its performance and results, by using a formula to calculate immediately available premiums. In that regard, an incentive scheme was signed on June 27, 2011 for an application from January 1, 2011 for a duration of three years by the Company and its subsidiaries Mantis and Santéos. The scheme ended on December 31, 2013. A new incentive scheme was signed on June 27, 2014 between the same companies for the years 2014, 2015 and 2016.

The Worldline business unit management will gather the Trade Unions during the first semester 2017 in order to negotiate a new incentive schemes applicable to the employees of the companies part of the Worldline Business Unit.

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Principal shareholders

As of the date of this Registration Document, the Company is controlled by Atos SE and the Company's share capital is € 89,995,957.28, divided into 132,346,996 shares of par value € 0.68, fully subscribed and paid-up, and all of the same class.

18.1 Shareholding structure as at December 31, 2016

The free-float of the Group shares excludes stakes held by the reference shareholder, namely Atos SE holding 70.12% 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, 2016	Number of shares	% of share capital	% of voting rights
Atos SE	92,802,579	70.12%	82.44%
Board of Directors	23,006	0.02%	0.01%
Employees	322,887	0.24%	0.14%
Public	39,198,524	29.62%	17.41%
Total	**132,346,996**	**100.00%**	**100.00%**

The Group's shares which are owned by employees are mainly managed by Group mutual funds. As at December 31, 2016, the shareholding of current and former Worldline Group employees into Worldline SA (within mutual funds and group savings plan) represented an overall 0.24% of the share capital.

18.2 Shareholding structure as at December 31, 2015 and 2014

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%**

As at December 31, 2014	Number of shares	% of share capital	% of voting rights
Atos SE	92,802,579	70.34%	70.34%
Board of Directors	9	0.00%	0.00%
Employees	159,758	0.12%	0.12%
Public	38,964,242	29.53%	29.53%
Worldline SA: total shares issued	**131,926,588**	**100.00%**	**100.00%**

18.3 Shareholding structure as at Registration Document filing date

The following table sets forth the Company's shareholders as of the date of the registration of this Registration Document.

To the Company's knowledge and based on notices received by it, no shareholder (except Atos SE) hold 5% or more of the Company's share capital and voting rights, as of the date of the registration of this Registration Document.

At registration date	Number of shares	% of share capital	% of voting rights
Atos SE	92,802,579	70.06%	82.38%
Board of Directors	24,504	0.02%	0.02%
Employees	322,887	0.24%	0.14%
Free float	39,316,986	29.68%	17.45%
Total	**132,466,956**	**100.00%**	**100.00%**

18.4 Threshold crossings

During 2016, the Group was not informed of any crossing of threshold mentioned in article L. 233-7 (I) of the Commercial Code, in 2015.

18.5 Shareholders' Voting Rights

Each share of the Company entitles its holder to one vote, subject to the existence of double voting rights.

18.6 Control Structure

As of the date of this Registration Document, Atos SE has exclusive control of the Company.

However, measures have been taken to ensure that Atos SE does not abuse its status as controlling shareholder of the Company. To this end, the Company has appointed three Independent Directors in accordance with the criteria established by the AFEP-MEDEF Code, representing one-third of the Company's Directors, in conformity with the AFEP-MEDEF Code's recommendations.

18.7 Treasury stock and Liquidity contract

18.7.1 Treasury Stock

As at December 31, 2016, the Company owned none of its own shares.

18.7.2 Liquidity contract

By contract dated July 28, 2014, Worldline SA entrusted Rothschild & Cie Bank, for a one-year period, renewable by tacit consent, with the implementation of a liquidity contract compliant with the Ethics Charter of the AMAFI. € 2.5 million were allocated for this purpose to the implementation of this contract.

The transactions carried out in 2016 under the liquidity contract are as follows:

Cumulated gross flows as at December 31, 2016	Cumulated Purchases	Cumulated Sales
Number of Shares	594,080	594,080
Average Sale/Purchase price *(in €)*	23.62	23.69
Total Amount of Purchases/Sales *(in €)*	14,031,976	14,076,634

18.8 Agreements Likely to Lead to a Change in Control

None.

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Related Party Transactions

19.1 Agreements entered into in connection with the reorganization transactions

19.1.1 Services Agreements

Atos SE, Atos International SAS, Atos International BV, Atos International Germany GmbH and Atos UK International IT Services Ltd (the "Atos Service Providers") provide certain services to the Atos group's operating entities, including the Company and its operating subsidiaries. These services are re-invoiced by Atos International SAS on behalf of all of the Atos Service Providers, on terms that depend on their revenue and headcount, on the basis of the costs allocated plus a margin, pursuant to the same terms used within the Atos group for all intragroup services of a similar nature.

At the time of the Reorganization Transactions described in Section 5.1.6 of the 2015 Registration Document, "The Reorganization Transactions", it was agreed that the Company and its subsidiaries would continue to receive the services provided by the Atos Service Providers pursuant to the same terms as previously. Accordingly, a services agreement (the "Group Services Agreement") and a specific group services agreement (the "Specific Services Agreement") with effective dates of July 1, 2013 and January 1, 2013, respectively, were entered into between Atos International SAS, acting on its own behalf and on behalf of the other Atos Service Providers, and the Company. The Company acts on its own behalf and on behalf of its operating subsidiaries, in accordance with the mirror agreements entered into between the Company and its subsidiaries (with respect to the Group Services Agreement and the Specific Services Agreement, the "Intra-Worldline Group Services Agreements" and the "Intra-Worldline Specific Services Agreements", respectively).

The Group Services Agreement principally covers operational services and support function services. The Specific Services Agreement principally covers specific services that may be provided, as the case may be, in connection with reorganization projects, including in connection with the implementation of the Reorganization Transactions, and includes terms relating to the re-invoicing of services provided by external service providers as well as to the equitable redistribution of the Worldline Group companies' costs. For detailed information on the extent of the services provided, see Sections 19.1.1.1, "Group Services Agreement" and 19.1.1.2, "Specific Services Agreements".

In addition, services agreements (the "Local Services Agreements") were entered into directly between an Atos group entity outside the Worldline Group perimeter 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. These countries are Argentina, Austria, Spain, Hong Kong and the United Kingdom. The Local Services Agreements establish the terms pursuant to which the local Atos group subsidiaries provide the local Worldline Group subsidiaries with certain services that are necessary in order to conduct their activities following the implementation of the Reorganization Transactions. For detailed information on the extent of the services provided under the Local Services Agreements, see Section 19.1.1.3, "Local Services Agreements".

19.1.1.1 Group Services Agreement

The operational services provided under the Group Services Agreement and the Intra-Worldline Group Services Agreements include the following: 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.

In 2016, the Company paid Atos International SAS a total of € 20.9 million in connection with the Group Services Agreements.

The Group Services Agreement and the Intra-Worldline Group Services Agreement were renewable automatically for successive 12-month terms. They may be terminated at any time by the Company, with respect to its local operational subsidiaries, and by Atos International SAS, with respect to the Company, by providing two months' prior notice. The Group Services Agreement provides for automatic termination without prior notice (in the absence of an agreement to the contrary between the parties) in the event that Atos SE ceases to hold, directly or indirectly, more than 50% of the Company's share capital. Similarly, each of the Intra-Worldline Group Services Agreements provides for automatic termination without prior notice (in the absence of an agreement to the contrary between the parties) in the event that the Company ceases to hold, directly or indirectly, more than 50% of the relevant Worldline Group subsidiary.

19.1.1.2 Specific Services Agreements

The services provided under the Specific Services Agreement and the Intra-Worldline Specific Services Agreements relate to the implementation of reorganization projects, including in connection with the Reorganization Transactions, and the terms for re-invoicing the services provided in that context by external providers.

In 2016, the Company paid Atos International SAS a total of € 1.4 million in connection with the Specific Services Agreements.

The Specific Services Agreement and the Intra-Worldline Specific Services Agreement 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, and by Atos International SAS, with respect to the Company, by providing two months' prior notice. The Specific Services Agreement provides for automatic termination without prior notice (in the absence of an agreement to the contrary between the parties) in the event that Atos SE ceases to hold, directly or indirectly, more than 50% of the Company's share capital. Similarly, each of the Intra-Worldline Specific Services Agreements provides for automatic termination without prior notice (in the absence of an agreement to the contrary between the parties) in the event that the Company ceases to hold, directly or indirectly, more than 50% of the relevant Worldline subsidiary.

19.1.1.3 Local Services Agreements

The scope of the services provided under the Local Services Agreements is specified in the Support Function Services Agreements, the Operational Level Agreements and/or the Time and Material Services Agreements annexed to the Inter-company Services Agreements.

The services provided under the Support Function Services Agreements include, as applicable, the provision of financial, legal, management, sales, marketing, IT, telecommunications and/or human resources services, with the exception of the services provided by Atos International SAS under the Group Services Agreement (see Section 19.1.1.1, "Group Services Agreement").

The services provided under the Operational Level Agreements cover, as applicable, services relating to the Group's operational activities, including data centers, call centers, technical assistance and platform administration.

The Services provided under the Time and Materials Agreements include, in particular, technical, engineering, consulting and software development services. These services are provided on a one-off basis at the request of the local Worldline entity to the Atos service provider.

The services provided under the Support Function Services Agreements and Operational Level Agreements are invoiced monthly, with the fee reviewed at the beginning of each half-year period. Payment for the services provided under the Time and Materials Agreements is based on the time spent by the service provider's employees plus, where applicable, the cost of materials used to provide such services.

The Local Services Agreements were entered into for an indefinite term and may be terminated by either party by providing between six and eighteen months' notice, depending on the agreement.

19.1.2 Cooperation and License Agreements

19.1.2.1 Atos Trademark License Agreement

Worldline Luxembourg SA, a subsidiary of the Company, entered into a corporate trademark fees agreement (the "Atos Trademark License Agreement") with Atos SE, effective as of July 1, 2013 for a twelve-month term, renewable for successive twelve-month periods, relating to certain trademarks owned by the Atos group (the "Atos Trademarks"). Pursuant to the Atos Trademark License Agreement, Atos SE has granted Worldline Luxembourg SA a non-exclusive right to use the Atos Trademarks and the right to grant sub-licenses for Atos Trademarks to any Worldline Group entity in return for a license fee equal to 0.7% of the Worldline Group's annual revenue from third parties.

Upon the definitive listing of the Company's shares on Euronext Paris, the Group's companies ceased to use the name "Atos" and their names were or will be modified to remove the reference to "Atos". As a result, the Atos Trademark License Agreement was terminated, as were the sub-licenses to the Atos Trademarks granted by Worldline Luxembourg SA to the Worldline Group companies.

The semi-figurative trademarks including the logos "Worldline, an Atos company", "Worldline, e-Payment services" and "Worldline" have been filed by Worldline Luxembourg SA.

19.1.2.2 Specific Agreements

Specific agreements have been put in place in certain geographic regions, such as Hong Kong, where the Company's local subsidiary shares premises, services, equipment or software with the local Atos SE subsidiary. Certain resources (such as applications software) and equipment (such as central servers) owned by the local Atos SE subsidiary are used by the local subsidiary of the Worldline Group. These agreements relate, in particular, to cooperation agreements with respect to the processing of personal data. These agreements (Data Processing Agreements) are entered into between certain local subsidiaries of the Company and certain Atos SE subsidiaries located in the same jurisdiction. For example, the Company's local subsidiary in Hong Kong entered into such a cooperation agreement with the local Atos SE subsidiary in Hong Kong. The agreement sets forth the rights and obligations of the parties with respect to the protection of data (including personal data) resulting from access to or exchange or processing of the other party's data in connection with their existing collaboration with one another for purposes of performing client agreements and conducting their internal business relations.

19.1.2.3 Biometrics Technology Licensing Agreements

Atos IT Solutions and Services GmbH ("Atos ISS Austria"), an Austrian subsidiary of Atos SE (outside the Worldline Group perimeter) and Worldline Austria GmbH ("Worldline Austria"), a Group entity, entered into a technology licensing agreement effective retroactively as of July 1, 2013 for a term of five years, renewable automatically for one-year periods unless terminated by either party by providing three months' notice prior to the expiration of the relevant period. Pursuant to this agreement, the parties (i) mutually authorize each other to freely use and improve shared technology composed of source code, algorithms, libraries, methodologies, and software interfaces relating to biometrics; and (ii) grant reciprocal, non-exclusive licenses to each other and each party's respective subsidiaries to any improvement made to the shared technology in all territories of the geographic area that Atos includes in its Central and Eastern Europe Business Unit. Similarly, Atos ISS Austria granted a non-exclusive license to Worldline Austria to use all of Atos ISS Austria's biometrics patents.

19.2 Other related party transactions

19.2.1 Agreements with the Atos Group

19.2.1.1 Tax Agreements

Prior to the Company's listing on Euronext Paris, the Company and its subsidiaries that were members of the Atos SE consolidated tax group were parties to a tax consolidation agreement with Atos SE governing the Company's contribution to the various group taxes for which Atos SE is the sole taxpayer, in its capacity as the Group's parent company. The listing of the Company's shares on Euronext Paris removed the Company and its subsidiaries from the Atos SE consolidated tax group as of January 1, 2014.

Accordingly, the previous tax consolidation agreement which included was terminated. The parties entered into a tax consolidation termination agreement that defines the consequences of the exit of the Company and its subsidiaries from the Atos SE tax group and the reciprocal relations that will exist between Atos SE and the exiting companies. This agreement provides, in particular, (i) that Atos SE will bear the tax consequences of the de-neutralizations triggered by the exit of the Company and its subsidiaries from the tax consolidation group, and (ii) the exiting companies will bear the consequences of any proposed assessments on their own results for the period during which they belonged to the Group, as if they had not been consolidated. The tax consolidation termination agreement also governs the terms for payment of corporate income tax installments and additional contributions payable in 2014.

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.

19.2.1.2 Assistance Agreements

In France, Belgium and Germany, where the Group had entities dedicated exclusively to Worldline activities prior to the Reorganization Transactions, the Group and the Atos group have entered into local assistance agreements, in particular with respect to shared premises, equipment and services.

In the Asia-Pacific region, the Atos SE subsidiary in Singapore and the local subsidiaries of the Company located in China, Hong Kong, Malaysia, Singapore and Taiwan are parties to a services agreement (the "Regional Services Agreement"). The services provided under the Regional Services Agreement include financial, legal, marketing, communications and IT services. The services provided under the Regional Services Agreement are invoiced monthly on the basis of the costs borne directly or indirectly by the Atos SE subsidiary in Singapore in order to provide these services, plus a margin. The Regional Services Agreement was entered into for a term of twelve months and is automatically renewable for successive twelve-month periods. It may be terminated at any time by the Atos SE subsidiary in Singapore, by providing two months' prior notice.

The Company's subsidiaries in Argentina and Chile also benefit from the assistance of the Atos SE subsidiary in Brazil, which is the regional hub for the Atos group's activities in Latin America. The services provided under these agreements include the provision of financial, legal, management, sales, marketing, IT, telecommunications and human resources services, with the exception of the services provided by Atos International SAS under the Group Services Agreement (see Section 19.1.1.1, "Group Services Agreement"). The services provided under these agreements are invoiced for a fixed monthly fee, with the fee reviewed at the beginning of each half-year period. The agreements were entered into with the Atos SE subsidiary in Brazil for an indefinite term and may be terminated by either party by providing six months' notice.

The Group entities entered into agreements with Atos SE and its subsidiaries in connection with certain Worldline Group financing aspects, in particular cash management and certain loans. Existing borrowings between the Group and the Atos group were repaid upon the listing of the Company's shares on Euronext Paris.

The Atos group has extended loans to Group entities that correspond to proceeds from the sale of trade receivables under the Atos group's securitization program. These loans were reimbursed before the listing of the Company's shares on Euronext Paris and the Group no longer participates in the Atos group's securitization program.

Since the listing of the Company's shares on Euronext Paris, the Group is no longer party to the Atos group's cash pooling arrangements. Following this listing, the Group put in place at the Company level a notional multicurrency cash pooling arrangement covering most Group entities. The Group will nevertheless have the possibility of placing short-term deposits with the Atos group at market conditions.

Since the listing of the Company's shares on Euronext Paris, the Group benefits from a € 300 million revolving credit facility granted by the Atos group, in order to cover the Group's liquidity requirements, including temporary fluctuations in its working capital needs.

19.2.2 Other Significant Intragroup Agreements

The Company and certain of its subsidiaries in Belgium and Germany that were dedicated to Worldline activities prior to the Reorganization Transactions (Worldline NV/SA and Worldline GmbH) (the "Participating Subsidiaries") are party to a research and development cost-sharing agreement (the "R&D Agreement"). The objective of the R&D Agreement is to (i) organize research and development activities relating, in particular, to electronic payment solutions ("Central Platforms") and (ii) share costs related to these activities as well as the resulting intellectual property rights. Research and development activities are coordinated by the Company and managed independently by each Participating Subsidiary pursuant to the terms of bilateral agreements with the Company. Decisions relating to the direction of the development of Central Platforms, their maintenance and protection, as well as the research budget, are made unanimously by all parties.

According to the terms of the R&D Agreement, the Company holds the intellectual property rights in respect of Central Platforms developed by the Company and the Participating Subsidiaries, and each Participating Subsidiary has committed to cede to the Company all intellectual property rights arising in connection with the development of Central Platforms realized in accordance with bilateral agreements made with the Company. In return, the Company has granted to each Participating Subsidiary a license to operate, use and distribute Central Platforms as well as grant non-exclusive sub-licenses concerning Central Platforms to its clients. These licenses have been granted for worldwide use to each Participating Subsidiary for a duration of 50 years as from January 1, 2008 and free of charge for all versions or improvements to Central Platforms as long as the parties are controlled, directly or indirectly, by a common entity.

Operating costs stemming from Central Platform-related research and development activities are allocated pro rata each year among the parties by estimating the revenues that are expected to be generated by each party in connection with its use of Central Platforms.

The R&D Agreement was established for an initial period of three years and replaced, as from July 31, 2012, an earlier research and development costs sharing agreement entered into between the Company and the Participating Subsidiaries (the "Preceding R&D Agreement"), which dealt with research and development activities relating, in particular, to electronic payment solutions and client relationship management. The bilateral agreements entered into in connection with the Preceding R&D Agreement will remain in effect unless otherwise agreed in writing by the parties. The R&D Agreement is automatically renewable for successive periods of 12 months. It can be terminated at any moment by any party subject to providing three months' notice prior to the end of each successive period. The other parties can choose to continue the R&D Agreement with the Company without the terminating party. The R&D Agreement also ascribes each party the right to terminate the agreement vis-à-vis another party that is sold to a third-party company that is not controlled by or under joint control with, or does not control, a Group entity, control being defined as indirectly or directly holding at least 50% of the share capital or voting rights and/or the right to appoint management.

In the event of a termination of the R&D Agreement due to a change in control of one of the parties, the sub-licenses relating to existing versions of Central Platforms that have been granted by such party to its clients may remain in force for a period of three years after the termination date. The termination of the R&D Agreement for any other reason will have no effect on the sub-licenses relating to existing versions of Central Platforms granted by each party to its clients. In both instances, updates and new versions of Central Platforms are subject to a separate agreement between the Company and the Company that is no longer party to the R&D Agreement.

Also, the Company and some of its subsidiaries have entered into, upon the integration of equensWorldline into the Group, some service agreements related to the business of equensWorldline.

19.3 Statutory auditors' special report on regulated agreements and commitments with third parties – Shareholders' meeting held to approve the financial statements for the year ended December 31, 2016

This is a free translation into English of the statutory auditors' special report on regulated agreements and commitments that is issued in the French language and is provided solely for the convenience of English speaking users. This report on regulated agreements should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby report to you on regulated agreements and commitments with third parties.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms, the conditions and the reasons for the Company's interest of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, pursuant to article R. 225-31 of the French Commercial Code (*Code de Commerce*), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information provided for in article R. 225-31 of the French Commercial Code 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 conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of statutory auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Agreements and commitments submitted for approval to the Shareholders' Meeting

Agreements and commitments authorized during the year

We hereby inform you that we have not been advised of any agreement or commitment authorized during the year to be submitted to the approval of the Shareholders' Meeting pursuant to article L. 225-38 of the French Commercial Code.

Agreements and commitments already approved by the Shareholders' Meeting

We hereby inform you that we have not been advised of any agreement or commitment previously approved by the Shareholders' Meeting which remained in force during the year.

Neuilly-sur-Seine, March 30, 2017

The statutory auditors

French original signed by

Deloitte & Associés	Grant Thornton
Jean-Pierre Agazzi	*French Member of Grant Thornton International*
	Victor Amselem

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Financial Information concerning the Group's Assets and Liabilities, Financial Condition and Results

20.1 Group Consolidated Financial Statements

20.1.1 Group Consolidated Financial Statements

20.1.1.1 Consolidated Income Statement [GRI 201-1]

(in € million)	Notes	**12 months ended December 31, 2016**	12 months ended December 31, 2015*
Revenue	**Note 4**	**1,309.2**	**1,227.0**
Personnel expenses	Note 5	-536.3	-501.1
Operating expenses	Note 6	-576.3	-548.0
Operating margin		**196.6**	**177.9**
% of revenue		**15.0%**	**14.5%**
Other operating income and expenses	Note 7	13.3	-29.8
Operating income		**210.0**	**148.1**
% of revenue		**16.0%**	**12.1%**
Financial expenses		-13.6	-9.5
Financial income		7.7	3.6
Net financial expenses	Note 8	-5.9	-5.9
Net income before tax		**204.0**	**142.2**
Tax charge	Note 9	-53.7	-38.8
Net income		**150.4**	**103.4**
Of which:			
• attributable to owners of the parent		144.2	103.4
• non-controlling interests	Note 11	6.2	-

(in € and number of shares)	Notes	**12 months ended December 31, 2016**	12 months ended December 31, 2015*
Weighted average number of shares		132,102,935	131,926,588
Basic earnings per share	Note 12	1.09	0.78
Diluted weighted average number of shares		132,425,942	132,046,056
Diluted earnings per share	Note 12	1.09	0.78

* *December 31, 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

20.1.1.2 Consolidated statement of comprehensive income

(in € million)	Notes	12 months ended December 31, 2016	12 months ended December 31, 2015
Net income		**150.4**	**103.4**
Other comprehensive income			
• **to be reclassified subsequently to profit/(loss) recyclable:**		**-43.9**	**45.9**
Cash flow hedging		0.1	-
Change in fair value of available for sale financial assets	Note 3	-43.7	44.9
Exchange differences on translation of foreign operations		-0.5	1.2
Deferred tax on items recyclable recognized directly on equity	Note 3	0.2	-0.2
• **not reclassified to profit/(loss) non-recyclable:**		**-17.8**	**9.6**
Actuarial gains and losses generated in the period on defined benefit plan		-22.2	13.7
Deferred tax on items non-recyclable recognized directly on equity		4.4	-4.1
Total other comprehensive income		**-61.7**	**55.5**
Total comprehensive income for the period		**88.7**	**158.9**
Of which:			
• attributable to owners of the parent		81.3	158.9
• non-controlling interests		7.4	-

20.1.1.3 Consolidated statement of financial position

ASSETS

(in € million)	Notes	12 months ended December 31, 2016	12 months ended December 31, 2015
Goodwill	Note 13	766.4	380.1
Intangible assets	Note 14	312.2	123.7
Tangible assets	Note 15	103.8	66.2
Non-current financial assets	Note 16	27.8	56.4
Deferred tax assets	Note 10	45.3	45.0
Total non-current assets		**1,255.4**	**671.4**
Trade accounts and notes receivables	Note 17	294.9	242.6
Current taxes		6.7	4.4
Other current assets	Note 18	129.0	77.0
Current financial instruments		0.3	-
Cash and cash equivalents	Note 19	425.2	353.3
Total current assets		**856.1**	**677.3**
Total assets		**2,111.5**	**1,348.7**

LIABILITIES AND SHAREHOLDERS' EQUITY

(in € million)	Notes	12 months ended December 31, 2016	12 months ended December 31, 2015
Common stock		90.0	89.7
Additional paid-in capital		248.7	241.5
Consolidated retained earnings		675.0	380.3
Translation adjustments		-26.7	-26.2
Net income attributable to the owners of the parent		144.2	103.4
Equity attributable to the owners of the parent		1,131.1	788.7
Non-controlling interests	Note 11	160.9	-
Total shareholders' equity		**1,292.0**	**788.7**
Provisions for pensions and similar benefits	Note 21	131.6	79.5
Non-current provisions	Note 22	8.0	4.7
Borrowings	Note 23	2.2	1.5
Deferred tax liabilities	Note 10	47.2	7.2
Other non-current liabilities		0.4	0.4
Total non-current liabilities		**189.5**	**93.3**
Trade accounts and notes payables	Note 24	274.9	189.0
Current taxes		37.5	31.8
Current provisions	Note 22	22.4	5.4
Current financial instruments		0.1	-
Current portion of borrowings	Note 23	24.1	28.5
Other current liabilities	Note 25	271.1	212.0
Total current liabilities		**630.1**	**466.7**
Total liabilities and shareholders' equity		**2,111.5**	**1,348.7**

20.1.1.4 Consolidated cash flow statement

(in € million)	Notes	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Profit before tax		**204.0**	**142.2**
Depreciation of assets	Note 6	54.6	50.8
Net charge/(release) to operating provisions		0.2	5.8
Net charge/(release) to financial provisions		2.0	1.8
Net charge/(release) to other operating provisions		-0.8	7.4
Customer relationships & Patent amortization		6.1	3.5
Losses/(gains) on disposals of fixed assets		-44.1	0.6
Net charge for equity-based compensation		6.8	3.0
Losses/(gains) on financial instruments		-0.2	-
Net cost of financial debt	Note 8	0.6	1.4
Cash from operating activities before change in working capital requirement, financial interest and taxes		**229.3**	**216.5**
Taxes paid		-39.1	-29.9
Change in working capital requirement		37.3	11.9
Net cash from/(used in) operating activities		**227.4**	**198.6**
Payment for tangible and intangible assets		-85.3	-67.0
Proceeds from disposals of tangible and intangible assets		0.2	0.1
Net operating investments		**-85.1**	**-66.9**
Amounts paid for acquisitions and long-term investments		-142.8	-2.0
Cash and cash equivalents of companies purchased/sold during the period		37.4	-
Proceeds from disposals of financial investments		35.9	0.1
Net long-term investments		**-69.5**	**-1.9**
Net cash from/(used in) investing activities		**-154.6**	**-68.8**
Common stock issues on the exercise of equity-based compensation		4.4	-
Capital increase subscribed by non-controlling interests		3.1	-
Purchase of shares		-	-2.4
New borrowings	Note 23	0.8	-
New finance lease	Note 23	-	0.1
Repayment of long and medium-term borrowings	Note 23	-0.6	-0.9
Net cost of financial debt paid		-0.6	-1.3
Other flows related to financing activities		-	-0.1
Net cash from/(used in) financing activities		**7.2**	**-4.6**
Increase/(decrease) in net cash and cash equivalents		**80.0**	**125.3**
Opening net cash and cash equivalents		**325.2**	**205.6**
Increase/(decrease) in net cash and cash equivalents	Note 23	80.0	125.3
Impact of exchange rate fluctuations on cash and cash equivalents		3.0	-5.7
Closing net cash and cash equivalents	**Note 19**	**408.2**	**325.2**

20.1.1.5 Consolidated statement of changes in shareholder's equity

(in € million)	Number of shares at period-end *(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
				Retained earnings	Business combination impact					
At January 1, 2015	**131,926**	**89.7**	**241.5**	**425.7**	**-200.8**	**-27.4**	**100.4**	**629.1**	**0.0**	**629.1**
• Common stock issued										
• Appropriation of prior period net income				100.4			-100.4	0.0		-
• Equity-based compensation				3.0				3.0		3.0
• Other				-2.3				-2.3		-2.3
Transactions with owners	**-**	**-**	**-**	**101.1**	**-**	**-**	**-100.4**	**0.7**	**-**	**0.7**
• Net income							103.4	103.4		103.4
• Other comprehensive income				54.3		1.2		55.5		55.5
Total comprehensive income for the period				**54.3**	**-**	**1.2**	**103.4**	**158.9**	**-**	**158.9**
At December 31, 2015	**131,926**	**89.7**	**241.5**	**581.1**	**-200.8**	**-26.2**	**103.4**	**788.7**	**-**	**788.7**
• Common stock issued	421	0.3	7.2					7.5		7.5
• Appropriation of prior period net income				103.4			-103.4	-		-
• Equity-based compensation				6.8				6.8		6.8
• Scope Changes					246.8			246.8	153.5	400.3
Transactions with owners	**421**	**0.3**	**7.2**	**110.2**	**246.8**	**-**	**-103.4**	**261.1**	**153.5**	**414.6**
• Net income							144.2	144.2	6.2	150.4
• Other comprehensive income				-62.3		-0.5		-62.9	1.2	-61.7
Total comprehensive income for the period				**-62.3**	**-**	**-0.5**	**144.2**	**81.3**	**7.4**	**88.7**
At December 31, 2016	**132,347**	**90.0**	**248.7**	**629.0**	**46.0**	**-26.7**	**144.2**	**1,131.1**	**160.9**	**1,292.0**

20.1.1.6 Appendices to the consolidated financial statements

20.1.1.6.1 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 axes: Merchant Services & Terminals, Financial Services and Mobility & e-Transactional Services.

Worldline SA is majority-owned by Atos SE, its parent company, whose shares are traded on the Euronext Paris market, under ISIN code FR0000051732.

These consolidated financial statements were approved by the Board of Directors on February 20, 2017. The consolidated financial statements will then be submitted to the approval of the General Meeting of shareholders scheduled to take place on May 24, 2017.

20.1.1.6.2 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, 2016 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31, 2016. The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

Accounting policies applied by the Group comply with those standards and interpretations, which can be found at: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

As of December 31, 2016 the accounting standards and interpretations endorsed by the European Union are similar to the compulsory standards and interpretations published by the International Accounting Standards Board (IASB). Consequently, the Group's consolidated financial statements are prepared in accordance with the IFRS standards and interpretations, as published by the IASB.

The new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1, 2016 had no material impact on the consolidated financial statements:

- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investments Entities: Applying the Consolidation Exception*;
- Amendment to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*;
- Amendment to IAS 1 *Disclosure Initiative*;
- Amendment to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*;
- Amendments to IAS 27 *Equity Method in Separate Financial Statements*;
- Amendments to IFRSs *Annual Improvements to IFRSs 2012-2014 Cycle*.

A number of new standards and amendments to standards published are effective for annual periods beginning after January 1, 2016 and earlier application is permitted. However, the Worldline Group has not early adopted the following new or amended standards in preparing these consolidated statements.

New or amended standards	Summary of the requirements	Possible impact on consolidated financial statements
IFRS 9 Financial Instruments	IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for Annual Reporting periods beginning on or after January 1, 2018, with early adoption permitted.	The Worldline Group is expecting a limited impact on its consolidated financial statements resulting from the application of IFRS 9 given the nature of its activities.
IFRS 15 Revenue from Contracts with customers	IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programs. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.	The Worldline Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.
IFRS 16 Leases	IFRS 16 introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. IFRS 16 replaces existing leases guidance 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 standard is effective for annual periods beginning on or after January 2019.	The Worldline Group has started an initial assessment of the potential impact on its consolidated financial statements.

The following other standards, potentially applicable to the Group consolidated financial statements, are not expected to have a significant impact on Worldline Group's consolidated financial statements and are

- Amendment to IFRS 2 Classification and Measurement of Share-based Payment Clarifications;
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Amendment to IAS 7 Disclosure Initiative; and
- Amendment to IAS 12 Recognition of Deferred Tax Assets for Unrealized Losses.

These consolidated financial statements are presented in euro, which is the Group's functional currency. All figures are presented in € million with one decimal.

The policies set out below have been applied in consistency with all years presented.

Accounting estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date. The estimates, assumptions and judgments that may result in significant adjustments to the carrying amounts of assets and liabilities are essentially related to:

Goodwill impairment tests

The Group tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policies stated below. The recoverable amounts of Cash Generating Units are determined based on value-in-use calculations or on their fair value reduced by the costs of sales. These calculations require the use of estimates as described in Note 13 "Goodwill".

Revenue recognition and associated costs on long-term contracts

Revenue recognition and associated costs, including forecast losses on completion are measured according to policies stated below. Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs that have a direct influence on the level of revenue and possible forecast losses on completion that are recognized.

Capitalization of development costs

The Group capitalizes development costs corresponding to technical solutions developed for its own use, for some customers or made available to a group of customers. The criteria to recognize such assets requires some judgment and a global overview of the amount of costs that can be capitalized. Such capitalized development costs are amortized over their estimated average life (cf. Note on accounting rules "Intangible assets other than goodwill" & Note 14 "Intangible assets").

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.

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.

Revenue recognition

Services

Services constitute the major part of the revenue of the Group.

Revenues arising from transactional activities, particularly in the area of payments are recognized over the period during which the treatment 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.

Payment terminals

Revenues from the sale of payment terminals installed by the technical staff of the Company are recognized at the time of installation. In the event that payment terminals are only delivered to a wholesaler, the income from their sale is recognized at the time of delivery of goods in accordance with the Incoterm agreed.

Income from the rental of terminals merchants is recognized over the term of the contract. A similar recognition of revenues from maintenance contracts is applied, that is to say, spread over the contract period.

Agent

When the Group acts as an agent between the client and the supplier, revenue is accounted for net of suppliers' billings. Factors generally considered to determine whether or not the Group acts as an agent include contractual liability towards the client, the responsibility for credit risk and the risk level of service and added value to services or products provided by the supplier.

The "Merchant Services & Terminals" external revenue is presented net of interchange bank commissions received on behalf credit card companies.

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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 itemised and presented below the operating margin, in line with the ANC (Autorité des Normes Comptables) recommendation n°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.

Other operating income and expenses

"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 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 is 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 amortization cost of equity based compensation plans or any other item that is infrequent and unusual.

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.

Earnings per share

Basic earnings per share are calculated by dividing the net income (attributable to owners of the parent), by the weighted average number of ordinary shares outstanding during the period. Treasury shares 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.

Business combination and goodwill

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or significantly improve its competitive position within a business or a geographical sector are accounted for as business combinations.

Valuation of assets acquired and liabilities assumed of newly acquired subsidiaries

Business combinations are accounted for according to the acquisition method. The consideration transferred in exchange for control of the acquired entity is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Direct transaction costs related to a business combination are charged in the income statement when incurred.

During the first consolidation, all the assets, liabilities and contingent liabilities of the subsidiary acquired are measured at their fair value.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, of the amount of any non-controlling interests in the acquiree and of the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is allocated to Cash Generating Units (CGU) for the purpose of impairment testing. Goodwill is allocated to those CGU that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. CGUs correspond to 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.

Goodwill is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on December actuals and latest 3 year plan, or more often whenever events or circumstances indicate that the carrying amount could not be recoverable.

Such events and circumstances include but are not limited to:

- Significant deviance of economic performance of the asset when compared with budget;
- Significant worsening of the asset's economic environment;
- Loss of a major client;
- Significant increase in interest rates.

Intangible assets other than goodwill

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, software and customer relationships acquired in relation with a business combination as well as internally developed IT solutions.

No intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Expenditure on research (or on the research phase of an internal project) shall be recognized as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognized if, and only if, an entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and to use or sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and;
- 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.

Development expenses that are capitalized are accounted for at cost less accumulated depreciation and any impairment losses. They are amortized on a straight-line basis over a useful life between 3 and 12 years, of 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, the standard scenario being set at 5 years in line with the standard contract duration;
- 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.

The customer relationships recognised as a business combination in accordance with IFRS 3, are valued as per the multi-period excess earning method that consists in summing future operating margins attributable to contracts, after tax and capital employed.

Intangible assets are amortized on a straight-line basis over their expected useful life in operating margin. Customer relationships and patents acquired in a business combination, are amortized on a straight-line basis over their expected useful life, generally not exceeding 10 years; their related depreciation are recorded as other operating expenses.

Tangible assets

Tangible assets are recorded at acquisition cost. They are depreciated on a straight-line basis over the following expected useful lives:

• Buildings	20 years
• Fixtures and fittings	5 to 10 years
• Computer hardware	3 to 5 years
• Vehicles	4 years
• Office furniture and equipment	5 to 10 years

Leases

Asset leases where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Assets acquired under finance lease are depreciated over the shorter of the assets' useful life and the lease term.

The corresponding liability to the lessor is included in the statements of financial position as a liability arising from a lease financing. Payments under the leases are apportioned between finance charges and reduction of the debt arising from the lease so as to produce a constant rate of interest on the remaining balance of the liability. Finance charges are recognized directly in profit or loss unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the general method used by the Group for accounting for borrowing costs.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are expensed linearly throughout the duration of the lease.

Terminals leases are treated as an operating lease and their revenue is recognized according to the accounting rules described in this note (§ "Revenue recognition").

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.

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.

Financial assets non current and current assets

Financial assets non current and current assets are accounted for at trade date.

Assets securitization programs, in which the Group retains substantially all the risks and rewards of ownership of the transferred assets, do not qualify for de-recognition. A financial liability for the consideration received is recognized. The transferred assets and the financial liability are valued at their amortized costs.

Available-for-sale financial assets include equity investments in non-consolidated entities. They are measured at fair value, with changes in fair value recognized in other comprehensive income. When an available-for-sale financial asset is sold or impaired; the cumulative fair value adjustment recognized in other comprehensive income is transferred to the income statement.

For securities listed on an active market, fair value is considered to equal market value. If no active market exists, fair value is generally determined based on appropriate financial criteria for the specific security. If the fair value of an available-for-sale financial asset cannot be reliably measured, it is recognized at cost.

Loans are part of non-current financial assets. Loans are recorded initially at their fair value and subsequently at their amortized value.

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.

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.

Inventory

Inventory recognised 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.

Cash and cash equivalents

Cash and cash equivalent include cash at bank and financial instruments such as money market funds. 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 funds are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

For entities having subscribed to the Group cash pooling agreement, the cash/debt balance sheet position which are linked to this agreement are mutualized and only the net position is presented in the consolidated balance sheet.

Borrowings

Borrowings are recognized initially at fair value, net of debt issuance costs. Borrowings are subsequently stated at amortized costs. The calculation of the effective interest rate takes into account interest payments and the amortization of the debt issuance costs.

Debt issuance costs are amortized in financial expenses over the life of the loan. The residual value of issuance costs for loans repaid in advance is expensed in the year of repayment.

Bank overdrafts are recorded in the current portion of borrowings.

Pensions and similar benefits

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution costs are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been accomplished by beneficiaries.

The valuation of Group defined benefit obligation is based on a single actuarial method known as the "projected unit credit method". This method includes the formulation of specific assumptions, detailed in Note 21 "Pensions and similar benefits", 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".

Equity-based compensation

Stocks options are granted to management and certain employees at regular intervals. These equity-based compensations are measured at fair value at the grant date using the binomial option-pricing model. Changes in the fair value of options – 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 share options is recognized in "Other Operating Income" since 2016, 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 restriction. Fair values of such plans are measured taking into account:

- The exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant;
- The 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.

Change in free cash flow and operating margin new definition

The Group decided to change the "free cash flow" and "operating margin" definitions by excluding equity based compensation effects from the calculation of financial performance, in line with sector practice.

As such, Group free cash flow excludes proceeds from equity based compensation and the amortization cost of equity based compensation plans is excluded from the "operating margin" and presented in "other operating income and expenses".

This change of presentation has been applied retroactively to the period presented and as a consequence of this reclassification the full year 2015 "operating margin" has been increased by € 3.0 million.

Cf. Note 7 "Other Operating Income".

Provisions

Provisions are recognized when:

- The Group has a present legal, regulatory, contractual or constructive obligation as a result of past events;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The amount has been reliably quantified.

20.1.1.6.3 Notes to the consolidated financial statements

Note 1 Changes in the scope of consolidation

After the completion of the regulatory processes in the Netherlands, in Belgium and in the Czech Republic, the transactions with Equens, Paysquare and KB Smartpay were finalized on September 30, 2016.

Through these transactions, the enlarged Worldline Group benefits from a unique Pan-European footprint and will increase its revenue size on a full year basis by 25%, out of which 40% in Commercial Acquiring and 65% in Financial Processing.

The business perspectives of Worldline broaden with a significantly reinforced product portfolio, a larger geographical footprint and the additional expertise of 1,300 electronic payment experts in 22 countries.

As announced at the time of the signing, the commercial contracts with the previous shareholders of Equens have been extended until 2021.

Equens – Paysquare

On September 30, 2016, Worldline acquired a 63.6% interest in equensWorldline and a 100% interest in Paysquare.

The business combination was made up of two components:

1/ equensWorldline

The merger of the Financial Services business of Worldline with Equens resulted in the creation of equensWorldline held at 63.6% by Worldline and 36.4% by Equens' previous shareholders.

In accordance with IFRS 3, this operation has been treated as a business combination with the takeover of equensWorldline by the Group and the sale to the previous shareholders of Equens of a Non-controlling interest in the Financial Services business. equensWorldline is controlled by the Worldline Group and fully consolidated within Worldline Group since October 1, 2016. The company equensWorldline is consolidated within the Group's Financial Services division ("FS") since October 1, 2016.

As the transaction is non cash, the consideration transferred by the Group to the previous shareholders of Equens corresponds to 36.4% of the fair value of the Financial Services business (on the basis of a valuation of € 700 million by an independent expert for the full business) and to the counterpart received by the Group of 63.6% of the fair value of Equens (on the basis of a valuation of € 400.3 million by an independent expert for the full business).

The net assets and liabilities acquired from Equens have been booked at fair value in the Group consolidated financial statements. The net assets and liabilities of the Financial Services business are kept at their net book value before business combination as well as the part transferred to the previous Equens' shareholders for € 7.8 million.

The impacts of the business combination in the equity of the Group are as follows:

(in € million)	Financial Services transferred to non controlling interests	Consideration transferred for the takeover of Equens	**Total**
Group share	-7.8	254.6	246.8
Non controlling interests	7.8	145.7	153.5
Total shareholder's equity	**-**	**400.3**	**400.3**

2/ Paysquare

As of September 30, 2016, Worldline acquired from Equens its commercial acquiring subsidiary Paysquare for a cash consideration paid of € 113.2 million. Paysquare is fully consolidated in Worldline Group since October 1, 2016. Paysquare is consolidated in the Group's Merchant Services & Terminal division ("MS&T") since October 1, 2016.

The fair value of Equens and Paysquare net assets acquired are set out in the table below:

(in € million)	**Assets acquired and liability assumed at the end of the measurement period**
Fixed assets	202.3
Net debt	36.6
Provisions	-54.4
Other net assets	-36.6
Fair value of acquisition	**147.8**

Preliminary Goodwill

The Group has opted to measure the non-controlling interests at fair value (full goodwill method).

(in € million)	**Preliminary Goodwill**
Consideration transferred for Equens	254.6
Consideration transferred for Paysquare	113.2
Total consideration	**367.8**
Fair value of Non Controlling Interests	**145.7**
Equity acquired (Equens & Paysquare)	84.1
Customer relationships acquired net of deferred tax	63.7
Fair value of identifiable net assets	**147.8**
Total	**365.6**

The valuation of assets acquired and liabilities assumed at their fair value has resulted in the recognition of new customer relationships for a total amount of € 88.8 million determined by an independent expert. Customer relationships are being amortized on a straight line basis over 6.5 to 9.5 years. An amortization expenses of € 2.5 million was recorded for the three-month period ended December 31, 2016.

If new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date that would lead to adjustments to the above amounts, then the acquisition accounting will be revised at that time.

The residual goodwill is attributable to Equens and Paysquare' highly skilled workforce and some know-how. It also reflects the synergies expected to be achieved from integrating Equens and Paysquare operations into the Group.

The goodwill arising from this acquisition is not tax deductible.

Acquisition-related costs

The Group incurred € 12.4 million of legal fees and due diligence costs. These costs have been recognized in "other operating income and expenses" in the Group's consolidated income statement, of which € 7.2 million in 2015 and € 5.2 million in 2016.

Equens and Paysquare 2016 revenue and net result as though the acquisition date had been January 1, 2016

If the acquisition had occured on January 2016, the twelve-month Revenue for 2016 would have been € 319.8 million and the twelve-month net results would have been € 14.7 million (included Paysquare's Visa proceeds in the first semester 2016 for € 42.9 million).

Other acquisitions

KB Smartpay/Cataps:

Worldline completed on September 30, 2016 its agreement with Komercni banka (KB), a subsidiary of the Société Générale group and one of the leading banks in the Czech Republic, to further develop products and services for Czech merchants and acquire Cataps s.r.o. This entity is fully consolidated in Worldline consolidated financial statements since October 1, 2016. This acquisition led to the recognition of customer relationships for € 8.8 million amortized over 15.3 years and a preliminary goodwill of € 21.8 million. The Group has recognized a financial liability of € 6.7 million as at December 31, 2016 corresponding to the fair value of the put option owned by Non-Controlling Interests on the outstanding 20% shares exercisable at any time from the date of the transaction.

Note 2 *Pro forma* financial information

Regulatory framework

The *pro forma* consolidated financial information, which includes *pro forma* selected items of the consolidated income statement for the year ended December 31, 2016 and a *pro forma* segment consolidated financial information, reflects the acquisitions of Equens, Paysquare and KB Smartpay (please refer to Note 1 to the consolidated financial statements), together referred to as the "Acquired Companies" or the "Acquisitions", as if they had been effective as of January 1, 2016.

This *pro forma* consolidated financial information is prepared in accordance with the provisions of Appendix II, "*Pro forma* financial information module" of European Regulation no. EC 809/2004, the recommendations issued by ESMA (formerly known as CESR) in February 2005 concerning the application of the European Regulation no. EC 809/2004, and in accordance with Guideline no. 2013-08 of the French Financial Markets Authority ("Autorité des Marchés Financiers").

The *pro forma* consolidated financial information is presented for illustrative purposes only and is not indicative of Worldline's results of operations or financial condition that would have been achieved had the Acquisitions been completed as of January 1, 2016, nor is the *pro forma* financial information indicative of the Group's current or future results of operations or financial position.

Basis of preparation

The *pro forma* consolidated financial information has been prepared based on:

- The audited consolidated financial statements of the Group as of and for the year ended December 31, 2016, prepared in accordance with IFRS as adopted by European Union;
- The unaudited consolidated interim financial statements of Equens for the period from January 1 to September 30, 2016, prepared in accordance with IFRS as adopted by European Union (a);
- The unaudited consolidated interim financial statements of Paysquare, for the period from January 1 to September 30, 2016, prepared in accordance with IFRS as adopted by European Union (b); and
- The unaudited interim financial statements of Cataps for the period from January 1 to September 30, 2016, prepared in accordance with IFRS as adopted by European Union (c).

All reclassifications were made to align the Acquisitions available historical information with Worldline's consolidated financial statement presentation.

All *pro forma* adjustments are directly attributable to the Acquisitions. These adjustments have been prepared and computed based on available information and certain assumptions that the management of the Group consider to be reasonable. The *pro forma* consolidated financial information does not include any economies of scale that may result from synergies and cost savings.

	a				b	c	d	a + b + c + d
	Audited financial information for Worldline for the twelve-month period ended December 31, 2016	Historical financial information for Equens for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline (a)	Historical financial information for Paysquare for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline (b)	Historical financial information for KB Smartpay for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline (c)	**Historical financial information for the acquired companies for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline**	Total *pro forma* reclassi-fication (Note 2.1)	Total *pro forma* adjustment (Note 2.2)	**Worldline 2016 *pro forma* financial information**
Revenue	1,309.2	206.6	52.2	23.2	282.0	-21.8	-23.8	1,545.6
OMDA	258.7	-0.2	2.5	1.5	3.8	17.9	4.8	285.2
Operating margin	196.6	-50.5	-0.2	1.5	-49.2	21.4	27.6	196.4

Please refer to Note 4 of the consolidated financial statements for a definition of OMDA (Operating Margin Before Depreciation and Amortization).

NOTE 2.1 *PRO FORMA* RECLASSIFICATIONS REFLECTED IN THE *PRO FORMA* REVENUE, OMDA AND OPERATING MARGIN FOR THE YEAR ENDED DECEMBER 31, 2016

There are certain differences between the manner in which Worldline and the Acquired Companies present their respective IFRS income statements. Therefore, the items below in the Acquired companies' income statement for the 9 month period ended September 30, 2016 were reclassified in order to align with the Group's accounting principles and policies:

(in € million)	Pass-through accounting for interchange fees[1]	Recognition of sale of payment terminals instead of pass-through accounting[2]	Harmonization of accounting treatment for unusual and infrequent items[3]	Harmonization of the accounting treatment for pension[4]	Cust. Relationship amortization booked as OOI[5]	**Total *pro forma* reclassification**
Revenue	-28.3	6.5				**-21.8**
OMDA			17.0	0.9		**17.9**
Operating margin			17.0		4.4	**21.4**

1 *the Group presents its revenue for Commercial Acquiring net of interchange bank commissions received on behalf of card issuing banks. Accordingly, pass-through accounting has been applied to the interchange bank commissions that were booked during the first nine months of 2016 by Paysquare and KB Smartpay as revenue.*

2 *Revenue for sale of payment terminals was recorded net of purchasing costs, as pass-through revenue by Equens. Revenue from these sales is recognized gross according to the Group accounting policies.*

3 *the Group presents income or expense that are unusual and infrequent as "Other Operating Income and Expense" or ("OOI"), below the OMDA and below the Operating Margin. These costs consist mainly in consultancy and acquisition expenses related to the transaction between Equens and Worldline.*

4 *The non-cash part of the pension expense has been excluded from the OMDA computation, in compliance with the Group's accounting principle for pension.*

5 *Amortization expense for customer relationships has been presented as other operating expense in compliance with the Group's accounting principle.*

NOTE 2.2 *PRO FORMA* ADJUSTMENTS REFLECTED IN THE *PRO FORMA* REVENUE, OMDA AND OPERATING MARGIN FOR THE YEAR ENDED DECEMBER 31, 2016

The following *pro forma* adjustments were recorded:

(in € million)	Intra-group transaction eliminations[1]	Prospective revenue adjustments[2]	Harmonization of accounting methods for long-term contracts[3]	Change in scope in a long-term contract[4]	Unusual and infrequent provision for loss at completion[5]	Other adjustments	**Total *pro forma* adjustments**
Revenue	-19.5	-7.6	-1.8	5.1			**-23.8**
OMDA		-5.5	2.3	6.5		1.5	**4.8**
Operating margin		-5.5	3.2	13.1	18.0	-1.2	**27.6**

1 *Consolidation elimination of transactions between Worldline, Equens and Paysquare during the first nine months of 2016.*

2 *Restatement of first nine-month revenue, OMDA and OM to reflect the economic model of one specific commercial contract.*

3 *Harmonization of accounting methods (revenue recognition and asset capitalization) for long-term contracts.*

4 *Adjustment to reflect of scope evolution of one specific commercial contract.*

5 *Unusual and infrequent provision for loss at completion on one long-term customer contract.*

NOTE 2.3 *PRO FORMA* SEGMENT FINANCIAL INFORMATION

The information in the tables below presents, for illustrative purpose only, the breakdown of consolidated operating segments' revenue and OMDA of the new group, had the Acquired Companies been consolidated from January 1, 2016:

Revenue (in € million)	Audited financial information for Worldline for the twelve-month period ended December 31, 2016	Acquired Companies from Jan. to Sep. 2016, incl. the *pro forma* adjustments/reclassifications	**Total revenue**
Merchant Services & Terminals	439.6	47.7	**487.3**
Financial Services	500.0	188.7	**688.7**
Mobility & e-Transactional Services	369.6	0.0	**369.6**
Total revenue	**1,309.2**	**236.4**	**1545.6**

OMDA (in € million)	Audited financial information for Worldline for the twelve-month period ended December 31, 2016	Acquired Companies from Jan. to Sep. 2016, incl. the *pro forma* adjustments/reclassifications	**Total OMDA**
Merchant Services & Terminals	99.4	5.6	**105.0**
Financial Services	130.6	20.9	**151.5**
Mobility & e-Transactional Services	51.6	0.0	**51.6**
Corporate costs	-22.9	0.0	**-22.9**
Total OMDA	**258.7**	**26.5**	**285.2**

Note 3 Other significant event of the year

Visa Share

Worldline Belgium was the owner of one share in Visa Europe, valued at its historical acquisition cost in its books (€ 10).

In November 2015, Visa Inc. announced its intention to acquire Visa Europe. Worldline Belgium received a letter indicating that the share proceeds to be received would amount to € 44.9 million.

As of December 31, 2015, the Visa Share was presented as shares "available for sale" and the difference between its net book value and its fair value impacted Other comprehensive income (OCI) for € 44.9 million.

The Visa share has been sold on June 21, 2016 for a total amount of € 51.2 million including:

- € 35.6 million in cash;
- € 3.3 million of cash to be received in 3 years; and
- € 12.3 million of preferred shares in Visa Inc. that will be convertible up to 12 years after closing.

This has triggered the recognition of a € 51.2 million pre-tax gain in the profit and loss statement ("Other operating income") and of the recycling of the OCI reserve.

As of December 31, the Visa Inc. preferred shares have been valued at € 13.5 million and have been classified as shares "available for sale". Their change in fair value since the date of disposal has been booked through Other comprehensive income for €+1.1 million as of December 31, 2016.

Note 4 Segment information by Global Business Line

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the company CEO who makes strategic decisions.

The internal management reporting is designed based on Global Business Lines (Merchant Services & Terminals, 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 & Terminals	Commercial Acquiring, Private Label Cards & Loyalty Services, Online Services, Payment Terminals	Argentina, Belgium, Czech republic, France, Germany, India, Luxembourg, Poland, Spain, The Netherlands and United Kingdom.
Financial Services	Issuing Processing, Acquiring Processing, Digital Banking, Payment	Belgium, China, Finland, France, Germany, Hong Kong, India, Italy, Luxembourg, Indonesia, Malaysia, Singapore, Spain, Taiwan, The Netherlands and the United Kingdom.
Mobility & e-Transactional Services	e-Government Collection, e-Ticketing, e-Consumer & Mobility	Argentina, Austria, Belgium, Chile, China, France, Germany, Spain, and 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 & Terminals	Financial Services	Mobility & e-Transactional Services	Total Group
12 months ended December 31, 2016				
External revenue by Global Business Lines	**439.6**	**500.0**	**369.6**	**1,309.2**
% of Group revenue	33.6%	38.2%	28.2%	100.0%
12 months ended December 31, 2015				
External revenue by Global Business Lines	**401.9**	**413.8**	**411.3**	**1,227.0**
% of Group revenue	32.8%	33.7%	33.5%	100.0%

The "Merchant Services & Terminals" external revenue is presented net of interchange bank commissions received on behalf credit card companies.

(in € million)	Merchant Services & Terminals	Financial Services	Mobility & e-Transactional Services	Global structures	Total Group
12 months ended December 31, 2016					
Operating Margin before Depreciation and Amortization (OMDA)	**99.3**	**130.6**	**51.5**	**-22.6**	**258.7**
% revenue	22.6%	26.1%	13.9%	-1.7%	19.8%
12 months ended December 31, 2015					
Operating Margin before Depreciation and Amortization (OMDA)	77.8	107.7	68.3	-18.5	235.3
% revenue	19.4%	26.1%	16.6%	-1.5%	19.2%

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, 2016**	12 months ended December 31, 2015*	Variation
Operating margin	**196.6**	**177.9**	**18.7**
+ Depreciation of fixed assets	54.6	50.8	3.8
+ Net book value of assets sold/written off	7.3	0.7	6.6
+/- Net charge/(release) of pension provisions	3.0	5.2	-2.2
+/- Net charge/(release) of provisions	-2.8	0.6	-3.4
OMDA	**258.7**	**235.3**	**23.4**

* *December 31, 2015 adjusted to reflect change in presentation disclosed in note "Accounting Rules and policies".*

The assets detailed above by Global Business Lines are reconciled to total assets as follows:

(in € million)	Merchant Services & Terminals	Financial Services	Mobility & e-Transactional Services	Shared (Not allocated)*	Total Group
12 months ended December 31, 2016					
Total fixed assets by Global Business Lines	**404.6**	**655.1**	**57.1**	**65.5**	**1,182.4**
Goodwill	**293.6**	**446.9**	**25.9**		**766.4**
% of Group goodwill	38.3%	58.3%	3.4%	-	100.0%
Other intangible assets	**88.9**	**182.4**	**26.2**	**14.5**	**312.1**
Tangible assets	**22.1**	**25.8**	**5.0**	**51.0**	**103.9**

* *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.*

(in € million)	Merchant Services & Terminals	Financial Services	Mobility & e-Transactional Services	Shared (Not allocated*)	Total Group
12 months ended December 31, 2015					
Total fixed assets by Global Business Lines	**292.1**	**159.9**	**51.7**	**66.3**	**570.0**
Goodwill	**221.0**	**132.1**	**27.0**	**-**	**380.1**
% of Group goodwill	58.1%	34.8%	7.1%	-	100.0%
Other intangible assets	**59.6**	**26.1**	**19.6**	**18.4**	**123.7**
Tangible assets	**11.5**	**1.7**	**5.1**	**47.9**	**66.2**

* *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	Belgium	Germany & CEE	UK	Rest of Europe	Emerging Markets	Total Group
12 months ended December 31, 2016							
External revenue by geographical area	**428.5**	**358.5**	**159.0**	**124.0**	**123.6**	**115.7**	**1,309.2**
% of Group revenue	32.7%	27.4%	12.1%	9.5%	9.4%	8.8%	100.0%
12 months ended December 31, 2015							
External revenue by geographical area	**427.3**	**327.5**	**128.8**	**161.4**	**62.0**	**120.0**	**1,227.0**
% of Group revenue	34.8%	26.7%	10.5%	13.2%	5.1%	9.8%	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.

Note 5 Personnel expenses

(in € million)	12 months ended December 31, 2016	% Revenue	12 months ended December 31, 2015*	% Revenue
Wages, salaries & social security charges	-526.9	40.2%	-491.2	40.0%
Tax, training, profit-sharing	-6.5	0.5%	-4.5	0.4%
Net (charge)/release to provisions for staff expenses	0.1	0.0%	-0.1	0.0%
Net (charge)/release to provisions for pensions and similar benefits	-3.0	0.2%	-5.2	0.4%
Total	**-536.3**	**41.0%**	**-501.1**	**40.8%**

* *31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies".*

In 2015, the net charge to provisions for pensions and similar benefits has been impacted by the transfer of staff from Atos which occurred in the course of 2015 and generated an adjustment of the provision of € 1.4 million.

Note 6 Non personnel operating expenses

(in € million)	12 months ended December 31, 2016	% Revenue	12 months ended December 31, 2015	% Revenue
Subcontracting costs direct	-244.3	18.7%	-249.3	20.3%
Hardware and software purchase	-49.6	3.8%	-44.3	3.6%
Maintenance costs	-31.4	2.4%	-30.7	2.5%
Rent & Lease expenses	-45.0	3.4%	-40.5	3.3%
Telecom costs	-38.3	2.9%	-36.8	3.0%
Travelling expenses	-11.8	0.9%	-11.2	0.9%
Company cars	-7.9	0.6%	-8.3	0.7%
Professional fees	-42.9	3.3%	-36.4	3.0%
Taxes & Similar expenses	-10.2	0.8%	-11.3	0.9%
Scheme fees	-20.7	1.6%	-13.4	1.1%
Others expenses	-55.0	4.2%	-52.7	4.3%
Subtotal expenses	**-557.14**	**42.6%**	**-534.9**	**43.6%**
Depreciation of assets	-54.6	4.2%	-50.8	4.1%
Net (charge)/release to provisions	2.7	-0.2%	-0.5	0.0%
Gains/(Losses) on disposal of assets	-7.1	0.5%	-0.6	0.0%
Trade Receivables write-off	-5.4	0.4%	-4.3	0.4%
Capitalized Production	45.4	-3.5%	43.1	-3.5%
Subtotal other expenses	**-19.1**	**1.5%**	**-13.1**	**1.1%**
Total	**-576.3**	**44.0%**	**-548.0**	**44.7%**

Note 7 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent.

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015*
Staff reorganization	-4.5	-6.6
Rationalization and associated costs	-4.5	-6.2
Integration and acquisition costs	-9.9	-7.2
Customer relationships and patents amortization	-6.1	-3.5
Other items	38.4	-6.3
Total	**13.3**	**-29.8**

** December 31, 2015 adjusted to reflect change in presentation disclosed in note "Accounting Rules and policies".*

Staff reorganization expenses of € 4.5 million decreased by € 2.1 million compared to last year and correspond to the restructuring costs induced by the adaptation of the organization mainly in the United Kingdom, France and the Netherlands.

The € 4.5 million of rationalization and associated costs resulted mainly from external costs linked to the continuation of the TEAM program and to the reorganization of office premises in France and Belgium. Those costs have decreased by € 1.7 million compared to 2015.

Integration and acquisition costs reached € 9.9 million (increase of €+2.7 million compared to the prior year) and correspond to the costs related to the execution of the Equens and Paysquare transactions and post acquisition integration costs.

The 2016 customer relationships amortization of € 6.1 million corresponds to:

- € 3.5 million related to the portion of the consideration paid allocated to the value of the customer relationships and backlog brought by Banksys and Siemens IT Solutions & Services;
- € 2.5 million of Equens and Paysquare customer relationships amortized over 6.5 to 9.5 years starting October 1, 2016;
- € 0.1 million of Cataps (KB Smartpay) customer relationships starting October 1, 2016.

The €+38.4 million of other items mainly consisted of:

- The gain on the Visa share disposal for € 51.2 million (refer to Note 3 "Other significant events of the year");
- The charge of equity based compensation (IFRS 2) for €-6.8 million;
- Other non recurring costs for €-6.0 million.

Equity-based compensation

The € 6.8 million expense recorded within "Others Operation Income" for equity based compensation (€ 3.0 million in 2015) is mainly related to the 2016, 2015 and 2014 stock option plans, 2016 free share plan and previous Atos free share plans.

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Stock option plan 2015	2.7	0.6
Stock option plan 2014	1.9	2.0
Free share plan 2016	1.2	-
Employee share purchase plans 2016	0.7	-
Stock option plans 2016	0.2	-
Free share plans Atos	0.1	0.4
Total	**6.8**	**3.0**

New Stock option plans

On May 25, 2016, and on August 16, 2016 the Group has granted stock options for a total of 241,000 options (of which 151,500 options regarding a foreign plan). The share price at grant date was respectively at € 27.10 and € 27.35. The exercise price is at € 26.82.

	May 25, 2016	August 16, 2016
Share price at grant date *(in €)*	27.10	27.35
Strike price *(in €)*	26.82	28.58
Expected volatility	21%	21%
Expected maturity of the plan	5 years	5 years
Risk free interest rate	-0.196%	-0.325%
Expected dividend yield	1.10%	1.10%
Fair value of options granted *(in €)*	**4.21**	**3.67**
Expense recognized in 2016 *(in € million)*	**0.2**	**0.0**

The Group recognized a total expense of € 4.8 million on stock options detailed as follows:

Date of Grant	2016 Expense *(in € million)*	Number of options initially granted
September 1, 2015	2.7	1,558,500
September 3, 2014	1.9	1,527,220
May 25, 2016	0.2	196,000
August 16, 2016	0.0	45,000
Total	**4.8**	**3,326,720**

Free share plan 2016

In July 25, 2016, the Group has implemented a new free shares plan detailed as follows:

	July 25, 2016	
	French plan	Foreign plan
Number of shares granted	229,250	133,000
Share price at grant date *(in €)*	26.865	26.865
Expected Life	2 years	3 years
Lock-up period	1 year	-
Risk free interest rate	-0.047%	-0.047%
Borrowing-lending spread	4.0%	4.0%
Expected dividend yield	1.10%	1.10%
Fair value of shares granted *(in €)*	**25.14**	**25.99**
Expense recognized in 2016 *(in € million)*	**0.9**	**0.3**

Employee Share Purchase Plan "Boost" 2015

In December 2015, a new Employee Share Purchase Plan called "Boost" 2015 was open to employees throughout the Group. Following the same pattern than the Boost 2014 plan, this new plan offered to eligible employees the same characteristics:

- Subscription price of shares including a 20% discount with a five-year lock-up period restriction;
- Attribution free shares for the first 20 subscribed shares.

As a consequence of the Boost 2015 plan, the Group issued 139,322 shares at a reference share price of € 23.46 (before the 20% discount application). As of December 31, 2016, the charge is amounting to € 0.4 million.

The cost related to Boost 2015 takes into account the effect of the five-year lock-up period restriction calculated based on the following parameters:

- Risk free interest rate: 0.3%;
- Credit spread: 5.0%.

Employee Share Purchase Plan "Sprint" 2016

In December 2016, Atos implemented a new Employee Share Purchase Plan called "Sprint" 2016. This plan was open to employees throughout Atos group including Worldline employees. This new plan offered eligible employees the purchase of shares at a 20% discount with a five-year lock-up period restriction and attribution of free shares for the first 3 subscribed shares.

As a consequence of the "Sprint" 2016 plan, Atos issued 297, 939 shares at a reference share price of € 95.00 (before the 20% discount application) of which 26,127 Atos shares subscribed by employees from Worldline.

As of December 31, 2016, the € 0.3 million cost related to "Sprint" 2016 takes into account the effect of the five-year lock-up period restriction calculated based on the following parameters:

- Risk free interest rate: 0.11%;
- Borrowing-lending spread: 5%.

Note 8 Net Financial Result

Net financial expense amounted to € 5.9 million for the period (compared to € 5.9 million in 2015) and was composed of:

- A net cost of financial debt of € 0.6 million (€ 1.4 million in 2015); and
- A non-operational financial costs of € 5.3 million.

Net cost of financial debt of € 0.6 million in 2016 is made of:

- € 1.4 million of cost of gross debt of the Group's subsidiaries representing an average interest rate of 0.97%; and
- € 0.9 million of remuneration of gross cash of the Group's subsidiaries representing an average interest rate of 0.40%.

The other financial income/expenses were mainly composed of foreign exchange losses for € 2.9 million and pension financial costs for € 2.0 million (Cf. Note 21 "Pensions and similar benefits").

Note 9 Income tax expenses

CURRENT AND DEFERRED TAXES

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Current taxes	-43.2	-32.7
Deferred taxes	-10.5	-6.2
Total	**-53.7**	**-38.8**

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, 2016**	12 months ended December 31, 2015
Profit before tax	204.0	142.2
French standard tax rate	34.4%	38.0%
Theoretical tax charge at French standard rate	**-70.2**	**-54.0**
Impact of permanent differences	26.2	8.2
Differences in foreign tax rates	8.1	12.2
Movement on recognition of deferred tax assets	-9.6	2.7
Equity-based compensation	-2.3	-1.0
Change in deferred tax rates	-0.6	-2.3
Withholding taxes	-1.9	-1.0
CVAE net of tax	-3.2	-2.4
French Tax credit	1.8	1.8
Other	-2.0	-3.0
Group tax expense	**-53.7**	**-38.8**
Effective tax rate	**26.3%**	**27.3%**

Note 10 Deferred taxes

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Deferred tax assets	45.3	45.0
Deferred tax liabilities	47.2	7.2
Net deferred tax	**-1.9**	**37.8**

BREAKDOWN OF DEFERRED TAX ASSETS AND LIABILITIES BY NATURE

(in € million)	Tax losses carry forward	Customer relation-ships	Fixed assets	Pensions	Other	Total
At December 31, 2014	**15.3**	**-3.0**	**14.3**	**20.0**	**0.7**	**47.3**
Charge to profit or loss for the year	-3.7	0.8	-6.7	-0.4	3.8	-6.1
Charge to equity	-	-	-	-4.1	-0.2	-4.3
Reclassification	-	-	-	2.0	-2.0	-0.0
Exchange differences	-	-	1.8	0.1	-1.0	0.9
At December 31, 2015	**11.7**	**-2.2**	**9.5**	**17.5**	**1.3**	**37.8**
Charge to profit or loss for the year	2.7	1.7	-5.5	1.6	-10.9	-10.4
Change of scope	3.2	-26.9	-36.5	9.6	19.7	-30.9
Charge to equity	-	-	-	5.2	-0.5	4.7
Reclassification	-	-	-1.7	-	1.7	0.0
Exchange differences	-	-0.2	-3.0	-0.1	0.3	-3.0
At December 31, 2016	**17.6**	**-27.6**	**-37.2**	**33.8**	**11.6**	**-1.9**

TAX LOSSES CARRY FORWARD SCHEDULE *(BASIS)*

	12 months ended December 31, 2016			12 months ended December 31, 2015		
(in € million)	**Recognized**	**Unrecognized**	**Total**	Recognized	Unrecognized	Total
2020	0.6	6.3	6.9	-	-	-
Tax losses available for carry forward for 5 years and more	12.7	-	12.7	8.7	14.9	23.5
Ordinary tax losses carry forward	**13.3**	**6.3**	**19.5**	**8.7**	**14.9**	**23.5**
Evergreen tax losses carry forward	**48.8**	**21.1**	**69.9**	**30.6**	**1.0**	**31.6**
Total tax losses carry forward	**62.1**	**27.4**	**89.4**	**39.3**	**15.9**	**55.1**

Countries with the largest tax losses available for carry forward were France (€ 25.7 million), Spain (€ 19.9 million), Netherlands (€ 12.7 million), Germany (€ 11.8 million), Italy (€ 9.1 million) and Poland (6.3 million).

DEFERRED TAX ASSETS NOT RECOGNIZED BY THE GROUP

(in € million)	**December 31, 2016**	December 31, 2015
Tax losses carry forward	6.1	4.4
Temporary differences	17.8	-
Total	**23.9**	**4.4**

Note 11 Non-controlling Interests

(in € million)	December 31, 2015	2016Income	Capital Increase	Dividends	Scope Changes	Other	**December 31, 2016**
Equens	-	6.2	-	-	153.5	1.2	160.9
Total	**-**	**6.2**	**-**	**-**	**153.5**	**1.2**	**160.9**

Note 12 Earnings per Share

Basic and diluted earnings per share are reconciled in the table below. Potential dilutive instruments comprise stock options, which do not generate any restatement of net income used for the diluted EPS calculation. The average number of stock options not exercised in 2016 amounted to 2,680,266 shares. As of end of December 2016, potential dilutive instruments comprised stock subscription (equivalent to 323,007 options).

(in € million and shares)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Net income – Attributable to owners of the parent [a]	**144.2**	**103.4**
Impact of dilutive instruments	-	-
Net income restated of dilutive instruments – Attributable to owners of the parent [b]	**144.2**	**103.4**
Average number of shares outstanding [c]	132,102,935	131,926,588
Impact of dilutive instruments [d]	323,007	119,468
Diluted average number of shares [e] = [c] + [d]	132,425,942	132,046,056
Earnings per share *(in €)* **[a]/[c]**	**1.09**	**0.78**
Diluted earnings per share *(in €)* [b]/[e]	1.09	0.78

Note 13 Goodwill

(in € million)	December 31, 2015	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	**December 31, 2016**
Gross value	380.7	-	387.4	-1.1	767.0
Impairment loss	-0.6	-	-	-	-0.6
Carrying amount	**380.1**	**-**	**387.4**	**-1.1**	**766.4**

(in € million)	December 31, 2014	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	December 31, 2015
Gross value	375.4	-	-	5.3	380.7
Impairment loss	-0.6	-	-	-	-0.6
Carrying amount	**374.8**	**-**	**-**	**5.3**	**380.1**

Goodwill mainly corresponds to:

- € 243.3 million related to Banksys acquisition; and
- € 387.4 million related to the acquisitions of the year Equens/Paysquare and Cataps, as detailed in Note 1.

Goodwill is allocated to Cash Generating Units (CGUs) which correspond to the three operating segments disclosed in Note 4 "Segment information by Global Business Line".

(in € million)	**December 31, 2016**	December 31, 2015
Merchant Services & Terminals	293.6	221.0
Financial Services	446.9	132.1
Mobility & e-Transactional Services	25.9	27.0
Total	**766.4**	**380.1**

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 6.91%, in order to reflect the long-term assumptions factored in the impairment tests.

The discount rate of 8.1% is used for all the CGUs (Merchant Services & Terminals, 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, 2016.

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.

Note 14 Intangible assets

(in € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
Gross value				
At January 1, 2016	**209.8**	**31.2**	**27.2**	**268.2**
Additions	5.9	-	0.1	6.0
R&D capitalized	45.4	-	-	45.4
Impact of business combination	80.1	97.6	-	177.7
Disposals	-6.0	-	-	-6.0
Exchange differences	-2.0	-0.4	-2.1	-4.5
At December 31, 2016	**333.2**	**128.4**	**25.2**	**486.7**
Accumulated depreciation				
At January 1, 2016	**-96.3**	**-25.2**	**-23.0**	**-144.5**
Depreciation charge for the year	-32.2	-6.1	-	-38.3
Disposals/reversals*	6.1	-	-	6.1
Exchange differences	0.6	-0.2	1.9	2.3
Impairment	-0.2	-	-	-0.2
At December 31, 2016	**-122.0**	**-31.5**	**-21.1**	**-174.6**
Net value				
At January 1, 2016	**113.5**	**6.0**	**4.2**	**123.7**
At December 31, 2016	**211.2**	**96.9**	**4.1**	**312.2**

* *Writte-off of fully depreciated assets.*

(in € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
Gross value				
At January 1, 2015	**162.9**	**31.4**	**25.9**	**220.2**
Additions	2.6	-	0.2	2.8
R&D capitalized	43.1	-	-	43.1
Exchange differences	0.7	-0.2	1.1	1.6
Other	0.5	-	-	0.5
At December 31, 2015	**209.8**	**31.2**	**27.2**	**268.2**
Accumulated depreciation				
At January 1, 2015	**-73.6**	**-22.2**	**-19.4**	**-115.2**
Depreciation charge for the year	-22.3	-3.5	-2.5	-28.3
Exchange differences	-0.1	0.5	-1.1	-0.7
Other	-0.3	-	-	-0.3
At December 31, 2015	**-96.3**	**-25.2**	**-23.0**	**-144.5**
Net value				
At January 1, 2015	**89.3**	**9.2**	**6.5**	**105.0**
At December 31, 2015	**113.5**	**6.0**	**4.2**	**123.7**

Development capitalized cost is related to the modernization of proprietary technological platforms for € 45.4 million.

Note 15 Tangible assets

(in € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1, 2016	**66.2**	**225.5**	**29.3**	**321.0**
Additions	1.4	25.9	4.6	31.9
Impact of business combination	4.7	31.1	0.0	35.8
Disposals	-9.7	-56.8	-2.0	-68.5
Exchange differences	-0.1	-1.9	-0.8	-2.9
Other	0.2	2.2	-2.1	0.2
At December 31, 2016	**62.6**	**225.9**	**29.1**	**317.6**
Accumulated depreciation				
At January 1, 2016	**-40.0**	**-196.8**	**-18.0**	**-254.8**
Depreciation charge for the year	-5.1	-20.2	-2.1	-27.4
Disposals/Reversals	6.6	58.3	1.8	66.7
Exchange differences	0.1	2.0	0.4	2.6
Other	0.1	-1.0	-0.0	-0.9
At December 31, 2016	**-38.2**	**-157.7**	**-17.9**	**-213.8**
Net value				
At January 1, 2016	**26.2**	**28.7**	**11.3**	**66.2**
At December 31, 2016	**24.4**	**68.2**	**11.2**	**103.8**

(in € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1, 2015	**63.0**	**213.5**	**29.7**	**306.2**
Additions	3.2	17.0	2.6	22.7
Disposals	-0.0	-5.8	-0.7	-6.5
Exchange differences	0.1	1.6	-1.7	-0.1
Other	-0.0	-0.8	-0.6	-1.4
At December 31, 2015	**66.2**	**225.5**	**29.3**	**321.0**
Accumulated depreciation				
At January 1, 2015	**-34.6**	**-183.0**	**-16.0**	**-233.6**
Depreciation charge for the year	-5.3	-18.2	-2.5	-26.0
Disposals/Reversals	0.0	5.2	0.6	5.8
Exchange differences	-0.1	-1.3	0.5	-0.9
Impairment	-0.1	-	-	-0.1
Other	0.0	0.6	-0.6	0.0
At December 31, 2015	**-40.0**	**-196.8**	**-18.0**	**-254.8**
Net value				
At January 1, 2015	**28.4**	**30.5**	**13.7**	**72.6**
At December 31, 2015	**26.2**	**28.7**	**11.3**	**66.2**

Tangible capital assets of the Worldline Group mainly include computer equipment used in the production centres, particularly in the processing datacentres, and terminals rented to merchants. Land and buildings are mostly composed of technical infrastructures of datacentres.

Note 16 Non current financial Assets

(in € million)		**December 31, 2016**	December 31, 2015
Pension prepayments	Note 21	1.5	4.7
Fair value of non-consolidated investments net of impairment	Note 3	17.5	48.1
Other*		8.8	3.6
Total		**27.8**	**56.4**

* *"Other" include loans, deposits, guarantees and investments accounted for under the equity method.*

Note 17 Trade accounts and notes receivable

(in € million)	**December 31, 2016**	December 31, 2015
Gross value	299.6	247.5
Provision for doubtful debt	-4.7	-4.9
Net asset value	**294.9**	**242.6**
Prepayments	-12.9	-9.0
Deferred income and upfront payments received	-92.7	-47.7
Net accounts receivable	**189.3**	**185.9**
Number of days sales outstanding (DSO)	**40**	**38**

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)	**December 31, 2016**	December 31, 2015
0-30 days overdues	23.9	8.1
30-60 days overdues	4.3	3.4
Beyond 60 days overdues	4.4	7.5
Total	**32.6**	**19.0**

Note 18 Other current assets

(in € million)		**December 31, 2016**	December 31, 2015
Inventories		17.7	13.8
State – VAT receivables		24.2	21.5
Prepaid expenses	Note 24	60.1	28.4
Other receivables & current assets		24.8	11.9
Advance payment		2.1	1.4
Total		**129.0**	**77.0**

Note 19 Cash and cash equivalents

(in € million)	**December 31, 2016**	December 31, 2015
Cash and cash equivalents	171.1	98.5
Current accounts with Atos entities – Assets	1.4	0.1
Short-term bank deposits	250.0	250.0
Money market funds	2.8	4.7
Total cash and cash equivalents	**425.2**	**353.3**
Overdrafts	-14.5	-19.1
Current accounts with Atos entities – Liabilities	-2.5	-9.0
Total overdrafts and equivalents	**-17.0**	**-28.1**
Total net cash and cash equivalents	**408.2**	**325.2**

Note 20 Shareholder equity

On February 5, 2016, Worldline decided to proceed to a share capital increase as part of the Boost Employee Shares Purchase Plan.

The Company issued 163,129 new shares increasing the total number of shares from 131,926,588 to 132,089,717.

In June, in September and December 2016, 257,279 new shares were created following the exercise of the stock-options plan from the September 2014 plan.

At the end of December 2016, the total of shares reached at 132,346,996 with a nominal value of € 0.68. Common stock was increased from € 89,710,079.84 to € 89,995,957.28.

Note 21 Pensions and similar benefits

The total amount recognized in the Worldline balance sheet in respect of pension plans and associated benefits was € 130.1 million at December 31, 2016. It was € 74.8 million at December 31, 2015. Worldline's obligations are located predominantly in Germany (33.0% of total obligations), the United Kingdom (29.0%), Belgium (19.0%) and France (14.0%).

Characteristics of significant plans and associated risks

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.

In the **United Kingdom**, these obligations are generated by legacy defined benefit plans, which have been closed to new entrants. The plans are final pay plans and are subject to the UK regulatory framework where funding requirements are determined by an independent actuary based on a discount rate reflecting the plan's expected return on investments. The plans are governed by an independent board of trustees with representatives of the employer and beneficiaries. Recovery periods are agreed between the plans' trustees and the sponsoring companies and may run up to 20 years if appropriate securities are provided by sponsors. Since the plan only has active members the current asset allocation across United Kingdom plans is predominantly return seeking, with 60.0% invested in equity and the rest in government and non-government bonds, property and infrastructure.

In **Belgium**, the majority of obligations flow from a defined benefit pension plan which is closed to new entrants. The 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.

Worldline's obligations are also generated, but 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 asset ceiling effects generated in the period in other comprehensive income.

Events in 2016

In 2016, Worldline acquired Paysquare and formed a joint venture with Equens. This led to an increase in pension liabilities of € 55.2 million covered by plan assets amounting to € 22.5 million.

Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31, 2016 rely on the following components, determined at each benefit plan's level:

(in € million)	**December 31, 2016**	December 31, 2015
Amounts recognized in financial statements consist of:		
Prepaid pension asset – post employment plans	1.5	4.7
Accrued liability – post employment plans	-128.0	-78.5
Accrued liability – other long term benefits	-3.6	-1.0
Net amounts recognized – Total	**-130.1**	**-74.8**
Components of net periodic cost		
Service cost (net of employees contributions)*	7.6	9.1
Prior service cost	-1.5	-
Actuarial (gain)/loss in other long term benefits	-0.5	-
Operating expense	**5.6**	**9.1**
Interest cost	5.2	4.7
Interest income	-3.2	-2.8
Financial expense	**2.0**	**1.9**
Net periodic pension cost – Total expense/(profit)	**7.6**	**11.0**
Of which, net periodic pension cost – post employment plans	*7.5*	*10.9*
Of which, net periodic pension cost – other long term benefits	*0.1*	*0.1*
Change in defined benefit obligation		
Defined benefit obligation – post employment plans at January 1	184.8	178.6
Defined benefit obligation – other long term benefits at January 1	1.0	1.0
Total Defined Benefit Obligation at January 1	**185.8**	**179.6**
Exchange rate impact	-10.5	4.5
Service cost (net of employees contributions)	7.6	9.1
Interest cost	5.2	4.7
Employees contributions	0.7	0.8
Plan amendments	-1.5	-
Business combinations/(disposals)	52.5	1.8
Benefits paid	-3.5	-2.9
Actuarial (gain)/loss – change in financial assumptions	22.9	-9.8
Actuarial (gain)/loss – change in demographic assumptions	6.6	0.7
Actuarial (gain)/loss – experience results	0.7	-2.7
Defined benefit obligation at December 31	**266.5**	**185.8**

* *Including – in 2015 – € 1.4 million linked to the transfer of staff from Atos – Note 5 "Personnel expenses".*

The weighted average duration of the liability is 17.7 years.

(in € million)	**December 31, 2016**	December 31, 2015
Change in plan assets		
Fair value of plan assets at January 1	**111.0**	**99.1**
Exchange rate impact	-8.7	3.6
Actual return on plan assets	11.8	4.7
Employer contributions	1.6	2.9
Employees contributions	0.7	0.8
Benefits paid by the fund	-2.5	-1.9
Business combinations/(disposals)	22.5	1.8
Fair value of plan assets at December 31	**136.4**	**111.0**
Reconciliation of prepaid/(accrued) Benefit cost (all plans)		
Funded status-post employment plans	-126.5	-73.8
Funded status-other long term benefit plans	-3.6	-1.0
Prepaid/(accrued) pension cost	**-130.1**	**-74.8**
Reconciliation of net amount recognized (all plans)		
Net amount recognized at beginning of year	**-74.8**	**-80.5**
Net periodic pension cost	-7.6	-11.1
Benefits paid by the employer	1.0	1.1
Employer contributions	1.6	2.9
Business combinations/(disposals)	-30.0	-
Amounts recognized in Other Comprehensive Income	-22.2	13.7
Other (exchange rate)	1.9	-0.9
Net amount recognized at end of year	**-130.1**	**-74.8**

The obligations in respect of benefit plans which are partially or totally funded through external funds (pension or insurance funds) were € 207.5 million at December 31, 2016 and € 146.3 million at December 31, 2015, representing almost 78% of Worldline total obligations.

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	
(in € million)	**2016**	2015	**2016**	2015
Discount rate as at December 31	2.80%	3.90%	1.40% ~ 1.95%	2.05% ~ 2.65%
Inflation assumption as at December 31	3.25%	3.10%	1.45%	1.75%

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	-5.5%	+5.5%
German main pension plan	-4.6%	-
Belgian main pension plan	-1.8%	-

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 Belgium and Germany are not sensitive to the inflation assumption.

Plan assets

Plan assets were invested as follows:

	December 31, 2016	December 31, 2015
Equity	27%	42%
Bonds	25%	9%
Other*	48%	49%

* *Of which 46% of insurance contracts in 2016 and 48% in 2015.*

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 equensWorldline financial statements can be summarized as follows:

Profit and loss

	December 31, 2016			December 31, 2015		
(in € million)	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total
Operating margin	-5.5	-0.1	-5.6	-9.0	-0.1	-9.1
Financial result	-2.0	-	-2.0	-1.9	-	-1.9
Total (expense)/profit	**-7.5**	**-0.1**	**-7.6**	**-10.9**	**-0.1**	**-11.0**

Cash impacts of pensions

The cash impact of pensions in 2016 was mainly composed of cash contributions to pension or insurance funds for € 1.6 million, the remaining part of € 1.0 million being benefit payments directly made by the Group to the beneficiaries.

Contributions in 2017 are expected to be of the same order of magnitude.

Note 22 Provisions

(in € million)	December 31, 2015	Charge	Release used	Release unused	Business combination	Other*	December 31, 2016	Current	Non-current
Project commitments	4.6	0.7	-2.1	-0.6	-	-0.2	2.3	2.0	0.3
Litigations and contingencies	3.6	2.0	-0.6	-2.1	21.6	-0.1	24.5	17.5	7.1
Reorganization	1.6	1.9	-2.4	-0.3	2.8	-0.0	3.6	2.8	0.7
Rationalization	0.4	0.0	-0.2	-	-	-0.0	0.1	0.1	-
Total provisions	**10.1**	**4.6**	**-5.3**	**-3.1**	**24.4**	**-0.3**	**30.4**	**22.4**	**8.0**

* *Other movements mainly consist of currency translation adjustments.*

(In € million)	31 December 2014	Charge	Release used	Release unused	Business combination	Other*	31 December 2015	Current	Non-current
Project commitments	4.2	2.8	-1.7	-0.7	-	-	4.6	3.5	1.1
Litigations and contingencies	5.0	1.3	-0.4	-2.0	-	-0.2	3.6	1.2	2.4
Reorganization	1.3	1.0	-0.7	-	-	-	1.6	0.7	0.9
Rationalization	0.5	-	-0.1	-	-	-	0.4	-	0.4
Total provisions	**11.0**	**5.0**	**-2.9**	**-2.8**	**-**	**-0.2**	**10.1**	**5.4**	**4.8**

* *Other movements mainly consist of currency translation adjustments.*

The closing position of contingency provisions of € 24.5 million included a number of long-term litigation issues, such as tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers.

The Legal department and the lawyers of the Group closely monitor these situations with a view to minimize the ultimate liability.

Note 23 Borrowings

	December 31, 2016			December 31, 2015		
(in € million)	Current	Non-current	Total	Current	Non-current	Total
Finance leases	0.1	2.0	2.1	0.3	1.4	1.7
Overdrafts	14.5	-	14.5	19.1	-	19.1
Current accounts with Atos entities	2.5	-	2.5	9.0	-	9.0
Other borrowings	6.9	0.2	7.1	0.1	0.1	0.2
Total borrowings	**24.1**	**2.2**	**26.3**	**28.5**	**1.5**	**30.0**

Current accounts with a short-term maturity – less than one month – have no remuneration.

Under "Other Borrowings", the Group has recognized a financial liability of € 6.7 million related to Cataps acquisition as at December 31, 2016 corresponding to the fair value of the put option owned by Non-Controlling Interests on the outstanding of 20% shares exercisable at any time from the date of the transaction.

BORROWINGS IN CURRENCIES

(in € million)	EUR	Other currencies	Total
December 31, 2016	**26.0**	**0.3**	**26.3**
December 31, 2015	29.7	0.3	30.0

NON-CURRENT BORROWINGS MATURITY

(in € million)	2018	2019	2020	2021	> 2021	Total
Finance leases	0.7	0.1	0.1	0.1	0.9	2.0
Other borrowings		0.1				0.1
As at December 31, 2016 long-term debt	**0.7**	**0.2**	**0.1**	**0.1**	**0.9**	**2.1**

(in € million)	2017	2018	2019	2020	> 2020	Total
Finance leases	0.1	0.1	0.1	0.1	1.0	1.4
Loans with Atos entities	0.0	0.0	0.0	0.0	0.0	0.0
Other borrowings	-	0.1	-	-	-	0.1
As at December 31, 2015 long-term debt	**0.1**	**0.2**	**0.1**	**0.1**	**1.0**	**1.5**

The evaluation of financial liabilities has been conducted based on:

- Exchange rates prevailing as at December 31, 2016, and
- Interest rate presented hereafter.

The effective interest rates in 2016 were as follows:

(in € million)	Carrying value	Fair value	Effective interest rate
Finance leases	2.1	2.1	2.91%
Other borrowings	7.1	7.1	
Total borrowings	**9.2**	**9.2**	

CHANGE IN NET CASH/(DEBT) OVER THE PERIOD

(in € million)	December 31, 2016	December 31, 2015
Opening net cash/(debt)	**323.3**	**203.1**
New borrowings	-0.8	-
Repayment of long and medium-term borrowings	0.6	0.9
Variance in net cash and cash equivalents	80.0	125.4
New finance leases	-0.2	-0.1
Long and medium-term debt of companies acquired during the period	-7.1	-
Impact of exchange rate fluctuations on net long and medium-term debt	3.0	-5.9
Closing net cash/(debt)	**398.9**	**323.3**

NET CASH/(DEBT)

(in € million)	December 31, 2016	December 31, 2015
Cash and cash equivalents	425.2	353.3
Borrowings	-2.2	-1.5
Current portion of borrowings	-24.1	-28.5
Total	**398.9**	**323.3**

Note 24 Trade accounts and notes payable

(in € million)	December 31, 2016	December 31, 2015
Trade payables and notes payable	274.9	189.0
Trade payables and notes payable	**274.9**	**189.0**
Advance payments	-2.1	-1.4
Prepaid expenses	-60.1	-28.4
Net accounts payable	**212.7**	**159.2**
Number of days payable outstanding (DPO)	70	63

Trade accounts and notes payable are expected to be paid within one year.

Note 25 Other current liabilities

(in € million)	**December 31, 2016**	December 31, 2015
Advances and down payments received on client orders	12.9	9.0
Employee-related liabilities	76.0	64.2
Social security and other employee welfare liabilities	35.3	36.0
VAT payable	39.2	41.5
Deferred income	81.8	40.0
Other operating liabilities	25.9	21.3
Total	**271.1**	**212.0**

Other current liabilities are expected to be settled within one year, except for deferred income that is released over the particular arrangement of the corresponding contract.

Note 26 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.

		Maturing			
(in € million)	**December 31, 2016**	Up to 1 year	1 to 5 years	Over 5 years	December 31, 2015
Finance leases	**2.1**	**0.1**	**2.0**	**-**	**1.7**
Recorded on the balance sheet	2.1	0.1	2.0	-	1.7
Operating leases: land, buildings, fittings	102.7	18.9	52.2	31.6	97.3
Operating leases: IT equipment	0.9	0.5	0.4	-	0.2
Operating leases: other fixed assets	9.9	4.1	5.8	-	9.4
Non-cancellable purchase obligations (> 5 years)	12.0	12.0	-	-	9.9
Commitments	**125.5**	**35.5**	**58.4**	**31.6**	**116.8**
Total	**127.6**	**35.6**	**60.4**	**31.6**	**118.5**

COMMERCIAL COMMITMENTS

(in € million)	**December 31, 2016**	December 31, 2015
Bank guarantees	**32.6**	**15.4**
• Operational – Performance	17.9	13.3
• Operational – Bid	0.1	0.1
• Operational – Advance Payment	2.0	2.0
• Financial or Other	12.6	-
Parental guarantees	**30.3**	**3.9**
• Operational – Performance	30.3	3.9
Pledges	**1.4**	**-**
Total	**64.3**	**19.3**

For various large long term contracts, the Group provides parental guarantees to its clients. These guarantees amount to € 30.3 million as of December 31, 2016, compared to € 3.9 million at the end of December 2015.

Note 27 Related parties

The related parties include:

- Worldline's parent company (Atos SE) 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 Chief Executive Officer.

Transactions between Worldline and its subsidiaries, which are related parties, have been eliminated in consolidation and are not disclosed in this note.

Transactions between the related parties

The main transactions between the related entities are composed of:

- The reinvoicing of the premises;
- The invoicing of delivery services such as personnel costs or use of delivery infrastructure;
- The invoicing of administrative services; and
- The interest expenses related to the financial items.

These transactions are entered into at market conditions.

The related party transactions are detailed as follows:

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Revenue	47.7	50.6
Operating income/expenses	-104.8	-118.4
Other operating expenses	-1.4	-1.0
Net cost of financial debt	-0.7	-1.1

The receivables and liabilities included in the statement of financial position linked to the related parties are detailed as follows:

(in € million)	**12 months ended December 31, 2016**	12 months ended December 31, 2015
Trade accounts and notes receivables	12.1	23.0
Other current assets	22.7	19.7
Current accounts & cash agreement – Assets	1.4	0.1
Trade accounts and notes payables	47.0	26.1
Other current liabilities	2.2	7.1
Current accounts & cash agreement with Atos entities – Liabilities	2.5	9.0

The off balance sheet commitments regarding the related parties are detailed as follows:

		Maturing			
(in € million)	**December 31, 2016**	Up to 1 year	1 to 5 years	Over 5 years	December 31, 2015
Operating leases: land, buildings, fittings	29.4	5.6	20.9	2.9	31.7
Operating leases: IT equipment	0.1	0.1	-	-	0.1
Non-cancellable purchase obligations (> 5 years)	0.5	0.1	0.3	0.1	0.5
Commitments	**30.0**	**5.8**	**21.2**	**3.0**	**32.3**
Total	**30.0**	**5.8**	**21.2**	**3.0**	**32.3**

Cost of key management personnel of the Group

In 2016, the expenses related to key management personnel included:

- Those related to the Worldline CEO in accordance with the regulated agreement entered into with Atos in relation to his dedication and remuneration;
- The expenses related to the General Manager;
- The cost of the members of the Board (Director's fees expensed in 2016).

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 December 31, 2016**	12 months ended December 31, 2015
Short-term benefits	1.5	1.5
Employer contributions	0.5	0.6
Free share plans & stock options*	1.2	0.5
Total	**3,2**	**2,6**

* *Worldline stock options and free shares plans granted to key management personnel of Worldline as of September 03, 2014, September 01, 2015 and July 25, 2016.*

Short-term benefits include salaries, bonuses and fringe benefits. 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 bonuses effectively paid during the year, the accruals related to current year and the release of accruals relating to previous year. No post-employment compensation has been paid to the key management personnel during the year.

Note 28 Market risk

Foreign exchange risk

Majority of the Group's revenues, expenses and obligations are denominated in euro. In 2016, 81.7% of the Group's revenues were generated in euro-zone countries whereas 18.3% were generated in non-euro zone countries, including 9.5% in pounds sterling.

Since the Group's financial statements are denominated in euros, 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, forward contracts and foreign currency swaps. As of December 31, 2016, the Group did not have any material foreign exchange rate exposure and did not have any such hedging instruments in place.

Interest rate risk

All of the Group's borrowings, the vast majority of which are with Atos group as lender, and deposits bear interest at floating interest rates mainly based on Euribor or EONIA plus or minus a margin. The Group considers that its exposure to interest rate fluctuations is not material considering it does not bear any net debt. Net cash (Borrowings net of cash and cash equivalents) of the Group as of December 31, 2016 was € 398.9 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 and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

In line with this policy, Worldline SA as Borrower signed on June 26, 2014, a Revolving Credit Facility (RCF) with Atos SE as Lender for an amount € 300 million revolving credit facility in order to cover the Group's liquidity requirements, including potential temporary fluctuations in its working capital needs. The RCF has a duration extended in 2015 until June 26, 2019 and contains no financial covenants. There is no utilization of the RCF since Worldline is holding a position of net cash.

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 and checks services businesses:

- *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;
- *Cheque services*. Under its Cheque Service business, the Group pays its merchant clients indemnities for unpaid Cheques that have been approved by the Group based on a credit scoring system. To the extent that fees received from merchants for this service are less than the average levels of bad Cheques, the activity can become loss-making. The Group manages this risk by analysing bad debt levels for each type of merchant business and adjusts fees charged to merchants accordingly.

Note 29 Operating entities part of scope of consolidation as of December 31, 2016

	% of Interest	Consolidation method	% of Control	Address
France				
Worldline SA	100	FC	100	80, quai Voltaire – 95870 Bezons
Mantis SAS	63.6	FC	100	55 rue de Tivoli – 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
Arabor	63.6	FC	100	80, quai Voltaire – 95870 Bezons
Similo SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Germany				
equensWorldline GmbH	63.6	FC	100	Hahnstraße 25 – 60528 Frankfurt – Germany
Worldline Germany GmbH	100	FC	100	Hahnstraße 25 – 60528 Frankfurt – Germany
DZ Service GmbH	63.6	FC	100	Dieselstrasse 1 – 76227 Karlsruhe – Germany
BD-POS GmbH	100	FC	100	Hörselbergblick 1 – 99820 Hörselberg-Hainich – Germany
The Netherlands				
Worldline BV	100	FC	100	Wolweverstraat 18 – 2980 CD Ridderkerk – The Nederlands
equensWorldline SE	63.6	FC	100	Eendrachtlaan 315 – 3526 LB Utrecht – The Netherlands
InterEGI BV	63.6	FC	100	Eendrachtlaan 315 – 3526 LB Utrecht – The Netherlands
Paysquare SE	100	FC	100	Eendrachtlaan 315 – 3526 LB Utrecht – The Netherlands
Belgium				
Worldline NV/SA	100	FC	100	Chaussée de Haecht 1442 – B-1130 Brussel – Belgium
Worldline PropCo SA	100	FC	100	Chaussée de Haecht 1442 – B-1130 Brussel – Belgium
Other Europe – Middle East – Africa				
Austria				
Worldline Austria GmbH	100	FC	100	Siemensstraße 92 – 1210 Vienna – Austria
Czech Republic				
Cataps s.r.o.	100	FC	100	Lazarská 11/6 – 120 000 Praha 2 – Czech Republic
Luxembourg				
Worldline Luxembourg SA	100	FC	100	2, rue Nicolas Bové – L1253 Luxembourg
Spain				
Worldline Iberia SA	100	FC	100	Avda. Diagonal, 210-218 – Barcelona 08018 – Spain
The United Kingdom				
Worldline IT Services UK Limited	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom

	% of Interest	Consolidation method	% of Control	Address
Asia Pacific				
China				
Worldline (China) Co Ltd	100	FC	100	Building B, No. 7, Zhonghuan South Road WangJing, Chaoyang District Beijing 100102People Republic of China
Hong Kong				
Worldline International (Hong Kong) Co Limited	100	FC	100	8/F Octa Tower, 8 Lam Chak Street, Kowloon Bay, Kowloon, Hong Kong
India				
Worldline India Private Ltd	100	FC	100	Raiaskaran Tech park, 2nd Floor of Tower I, Phase II, Sakinaka, M.V. Road, Andheri (East), Mumbai – 400072 India
Indonesia				
PT Worldline International Indonesia	100	FC	100	Plaza Sentral – 19th Floor, Jl. Jend. Sudirman No. 47 Jakarta 12930 Indonesia
Malaysia				
Worldline International (Malaysia) Sdn. Bhd	100	FC	100	Suite 19.02, Level 19 Centrepoint South Mid Valley CityLingkaran Syed Putra 59200 Kuala Lumpur Malaysia
Singapore				
Worldline IT and Payment Services (Singapore) Pte Ltd	100	FC	100	Blk 988 Toa Payoh North, #07-02/03, Singapore 319002
Taiwan				
Worldline (Taiwan)	100	FC	100	5F, No. 100, Sec. 3, Min Sheng E. Road – Taipei 105 – Taiwan – R.O.C.
Americas				
Argentina				
Atos IT Solutions and Services SA	100	FC	100	Cnel. Manuel Arias 3751 – piso 18 – C.A.B.A
Chili				
Worldline Chile SA	100	FC	100	Av. Andres Bello 2115, piso 7, Providencia7510094 – Santiago de Chile – Chile

Note 30 Auditors' Fees

	Deloitte				Grant Thornton			
	Deloitte & Associés		Réseau		Grant Thornton		Réseau	
(in € thousands and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	330.0	80%	0.0	0%	200.0	90%	0.0	0%
Subsidiaries	11.0	3%	817.0	35%	21.0	10%	135.0	100%
Sub-total Audit	**341.0**	**83%**	**817.0**	**35%**	**221.0**	**100%**	**135.0**	**100%**
Non audit services*								
Parent company	71.0	17%	1,335.0	57%	0.0	0%	0.0	0%
Subsidiaries	0.0	0%	171.0	7%	0.0	0%	0.0	0%
Sub-total Non Audit	**71.0**	**17%**	**1,506.0**	**65%**	**0.0**	**0%**	**0.0**	**0%**
Total fees 2016	**412.0**	**100%**	**2,323.0**	**100%**	**221.0**	**100%**	**135.0**	**100%**

* *In 2016, non audit services notably include € 0.8 million of fees related to the transaction between Worldline and Equens.*

	Deloitte				Grant Thornton			
	Deloitte & Associés		Réseau		Grant Thornton		Réseau	
(in € thousands and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	248.0	33%	-	-	122.0	80%	-	-
Subsidiaries	34.0	5%	482.0	26%	-	-	90.0	100%
Sub-total Audit	**282.0**	**38%**	**482.0**	**26%**	**122.0**	**80%**	**90.0**	**100%**
Non audit services*								
Parent company	454.0	61%	1,267.0	68%	30.0	20%	-	-
Subsidiaries	6.0	1%	124.0	7%	-	-	-	-
Sub-total Non Audit	**460.0**	**62%**	**1,391.0**	**74%**	**30.0**	**20%**	**-**	**-**
Total fees 2015	**742.0**	**100%**	**1,873.0**	**100%**	**152.0**	**100%**	**90.0**	**100%**

* *In 2015, non audit services notably included € 1.6 million of fees related to the transaction between Worldline and Equens.*

Note 31 Subsequent events

There is no subsequent event post 2016 closing.

20.1.2 Statutory Auditors' report on the consolidated financial statements for the year ended December

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report also includes information relating to the specific verification of information given in the management report.

This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you for the year ended December 31, 2016 on:

- the audit of the accompanying consolidated financial statements of Worldline;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sample testing techniques or other selection methods, to obtain audit evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and assets and liabilities of the Group as at December 31, 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of Article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

The Note 1 to the consolidated financial statements outlines the terms and conditions of the takeover of equensWorldline (formerly Equens) and Paysquare, and their impact on the consolidated financial statements of your company. Our audit included checking the proper accounting treatment of those acquisitions in accordance with IFRS 3 revised and that the related information was appropriately disclosed in Notes 1 and 2 to the consolidated financial statements.

The purchase prices were allocated to the identifiable assets and liabilities of the acquired entities, based on their fair value. Accordingly, the company hired an independent appraiser to determine the fair value of intangible assets relating to the customer relationships. Our procedures mainly consisted in analyzing the independent appraiser's report, familiarizing ourselves with the measurement data and method used, assessing the appropriateness of future income assumptions applied to the customer relationships, and verifying the consistency of the discount rate calculation method with that used for the impairment tests.

Furthermore, the allocations of the purchase price to the other identifiable assets and liabilities was determined on a provisional basis by the company. Our work mainly consisted in assessing the methodology implemented and the assumptions on which these estimates were based and reviewing, on a sampling basis, the calculations performed by the company.

As outlined in the Note "Accounting estimates and judgments" under Section 20.1.1.6.2 of the consolidated financial statements, the preparation of the consolidated financial statements requires management to issue judgments and use estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses recorded in the financial statements, as well as the information disclosed in the notes on contingent assets and liabilities at the closing date. This note specifies that the estimates, assumptions and judgments, which may result in a significant adjustment to the carrying amount of assets and liabilities in the subsequent fiscal year, mainly concern the following items:

- Goodwill amounting to Euro 766.4 million as of December 31, 2016, was subject to impairment testing by the company, as described in the Note "Goodwill" under Section 20.1.1.6.2 and in Note 13 to the consolidated financial statements. Based on the information provided to us, our work consisted in assessing the appropriateness of the methodology applied, as well as the data underlying the values in use, reviewing the outlooks for each of the smallest groups of cash-generating units (CGU) in terms of profitability and the fulfilment of objectives, and verifying the overall consistency of the assumptions adopted with the forecast data taken from the strategic plans prepared by each of these CGUs under management's supervision. We have reviewed the calculations performed by your company and verified that Note 13 to the consolidated financial statements provides appropriate disclosure.

- The Note "Intangible assets other than goodwill" under Section 20.1.1.6.2 of the consolidated financial statements outlines the principles and methods used to recognize development costs. Based on the information made available to us, our work consisted in analyzing the procedures used to capitalize and amortize these costs and assessing the capitalized amounts and the valuation of internal development costs recognized in the balance sheet with regard to the business plans of the underlying projects. We also verified that the Note 14 to the consolidated financial statements provides appropriate disclosure.
- The Note "Revenue recognition" under Section 20.1.1.6.2 of the consolidated financial statements outlines the methods applied with respect to revenue recognition. Based on the information made provided to us, our work consisted in ensuring that the methods were correctly applied, and in assessing the appropriateness of the information provided in the note mentioned above. In addition, our work also consisted in assessing the reasonableness of the accounting estimates used by management.

These assessments were performed as part of our audit approach for the consolidated financial statements taken as a whole and therefore contributed to the expression of our opinion in the first part of this report.

III. Specific verification

As required by French law, in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine, March 30, 2017

The Statutory Auditors

French original signed by

Deloitte & Associés	Grant Thornton
Jean-Pierre Agazzi	*French member of Grant Thornton International*
	Victor Amselem

20.2 Parent company summary financial statements

20.2.1 Parent company Summary Financial Statements

20.2.1.1 Balance sheet

ASSETS

(in € thousand)	Notes	December 31, 2016	December 31, 2015
Intangible fixed assets	Note 1	4,217	2,666
Tangible fixed assets	Note 2	32,491	31,306
Participating interests	Note 3	643,320	380,562
Other financial investments	Note 3	1,331	1,380
Total fixed assets		**681,359**	**415,913**
Inventory			8
Advances paid on orders in progress		877	546
Trade accounts and notes receivable	Note 4	108,009	113,537
Other receivables	Note 5	20,170	21,626
Cash and securities	Note 6	252,594	252,902
Total current assets		**381,650**	**388,618**
Prepaid expenses	Note 7	26,751	21,045
Total assets		**1,089,761**	**825,577**

LIABILITIES AND SHAREHOLDERS' EQUITY

(in € thousand)	Notes	December 31, 2016	December 31, 2015
Common stock		89,996	89,710
Additional paid-in capital		248,698	241,494
Legal reserves		8,316	8,316
Other reserves and retained earnings		5,657	8,278
Net income for the period		237,133	-2,621
Shareholders' equity	**Note 8**	**589,801**	**345,177**
Provisions for contingencies and losses	**Note 9**	**14,362**	**19,945**
Borrowings	Note 10	325,371	273,603
Payments on account		713	855
Trade payables & associated accounts	Note 11	78,528	75,025
Tax and social security	Note 11	58,955	82,532
Debts on fixed assets and associated accounts	Note 11	935	1,231
Other liabilities	Note 11	8,681	11,046
Total liabilities		**473,183**	**444,293**
Deferred income	Note 12	12,415	16,162
Total liabilities and shareholders' equity		**1,089,761**	**825,577**

20.2.1.2 Income statement

(in € thousand)	Notes	December 31, 2016	December 31, 2015
Sales of goods		13,323	11,586
Sales of services		421,456	449,350
Revenue	**Note 13**	**434,779**	**460,936**
Operating subsidies		483	0
Reversals of depreciations and provisions; transfers of costs		3,116	7,374
Other income		12,846	12,342
Total operating income		**451,223**	**480,652**
Cost of sales		-10,563	-10,187
Other purchases and external charges		-169,588	-164,096
Taxes (other than corporation tax)		-10,188	-7,958
Salaries and stipends		-139,668	-148,434
Social security costs		-63,445	-66,255
Depreciation amortisation and provisions		-14,657	-15,690
Other expenses		-47,548	-45,618
Total operating expenses		**-455,657**	**-458,238**
Operating result		**-4,434**	**22,415**
Financial income		2,637	3,413
Financial expenses		-1,876	-2,004
Net financial result	**Note 14**	**761**	**1,409**
Non-recurring items income		268,433	3,693
Non-recurring items expenses		-23,948	-27,760
Non-recurring items result	**Note 15**	**244,485**	**-24,067**
Employee profit sharing		-5,689	-5,646
Corporate income tax	Note 16	2,010	3,268
Net income for the period		**237,133**	**-2,621**

20.2.2 Notes to Worldline statutory financial statements

20.2.2.1 Worldline Activity

Worldline continued its main activities through three global business lines:

- Merchant Services & Terminals (2016 revenue: € 75,5 million, 17% of total revenue). Worldline's Merchant Services & Terminals 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: Online Services, Private Label Card & Loyalty Programs and Terminals;
- Financial Processing & Software Licensing (2016 revenue: € 109.0 million, 25.1% of total revenue). Revenue covers the first three quarters of 2016 due to the contribution of FPL activities to Equens as of September 30, 2016 (See Note 1.1.2.2 Highlights). Worldline's Financial Processing & Software Licensing global business line delivers solutions that allow banks and financial institutions to manage cashless payments by outsourcing some or all of the key business processes involved in (i) issuing credit and debit cards (credit or payment), (ii) acquiring and processing electronic payment transactions, (iii) offering multi-platform online banking services (including online banking e-payments) to their customers, and (iv) providing new payment options such as electronic wallets. In addition, Worldline offers banks and financial institutions that prefer to perform processing in-house a range of payment software solutions on licensed basis. This global business line has four business divisions: Acquiring Processing, Online Banking, Issuing Processing and Payment Software Licensing;
- Mobility & e-Transactional Services (2016 revenue: € 203.3 million, 46.8% of total revenue). Worldline's Mobility & e-Transactional Services global business line goes beyond its traditional client base of merchants and 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, e-Government Collection and e-Consumer & Mobility.

2016 revenue amounts to € 434.8 million, decreasing by 5.7% compared with last year, with contrasted evolutions between the 3 Global Business Lines:

- Financial Processing & Software Licensing activities cover only three quarters due to the transfer to Equens as of September 30, 2016;
- Mobility & e-Transactional Services is impacted by the termination of the Radar contract from the second half of 2016;
- Merchant Services & Terminals was impacted by less projects in e-Commerce during the first half of the year but resumed growth during the second semester.

Worldline posted an Operating result of €-4,4 million impacted by the termination of Radar and Cedicam contracts in second halfyear.

The company Worldline SA is the parent company of the Worldline Group and consequently establishes consolidated financial statements.

Worldline acts as the parent company for the Worldline Group and as such supports a significant share of the costs related to overhead, corporate and central functions. It also establishes financial flows with its subsidiaries to reflect the services rendered from the parent company to the companies of the Group.

20.2.2.2 Highlights

The Worldline Group has reached an agreement with the Equens group in order to join forces to reinforce the Worldline's leadership in payment services in Europe. Equens is a major player in payment services in Europe, based in Utrecht. This transaction provides the enlarged Worldline Group with an extensive pan-European reach, with leading positions and a strong commercial presence in key countries (France, Belgium, The Nederland's, Germany, Italy, Nordics).

This transaction is 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 is 63.6% controlled by Worldline and 36.4% by the historical shareholders of Equens;
- A cash transaction on the Commercial Acquiring activity, whereby Worldline will buy 100% of Paysquare from Equens for € 113 million.

As per the terms of transaction, Worldline SA brought to Equens BV its French Financial Processing & Software Licensing activities, in exchange a participation in equensWorldline (see tab after).

Under the shareholder's agreement, from 2017, Worldline SA will benefit notably from pre-emptive rights in case a minority shareholder's of equensWorldline decides to sell its stakes and also from a call option exercisable in cash or in shares earliest in 2019 on all the shares owned by minority shareholders.

The transaction has been closed as of September 30, 2016. The impact of this transaction in the Company accounts of Worldline SA are as follows, the net assets having been contributed at fair value and paid for by Equens securities.

(in € thousand)	**December 31, 2016**
Net book value intangible asset	549
Net book value tangible asset	1,010
Net book value Investments Mantis and Arabor	6,759
Other Assets/liabilities	-1,667
Assets at historical value	**6,651**
Assets at Fair value	**254,517**
Net P&L Impact	**247,866**

This transaction is exempt from taxation insofar as Worldline benefits from a preferential treatment granted by the tax authorities.

20.2.2.3 Rules and accounting methods

In application with ANC n° 2015-06, 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*). General conventions were applied, in the respect of:

- Principle of prudence;
- Principle of going concern;
- Permanence of the accounting methods from one exercise to another;
- Cut-off principle.

As a principle, items are booked 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 need be, 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 10 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. An impairment loss is recognized when the acquisition cost exceeds the value-in-use.

The value-in-use takes in account net assets and earnings outlooks.

Trade accounts and notes receivable

Trade accounts and notes receivable are recorded at their nominal value. They are individually analyzed 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.

Revenue

Services constitute the major part of the revenue of the Group.

Revenues arising from transactional activities, particularly in the area of payments are recognized over the period during which the treatment 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 which are part of this tax consolidation are:

- Worldline participations 1;
- Similo;
- Santeos;
- Worldline Bourgogne.

Following Equens's operation, the subsidiaries Mantis and Arabor are not part of the tax consolidation anymore.

Worldline as parent company of the Group is designated as the only entity liable for the corporate tax of the group tax consolidation.

The main features of the agreement are:

- The result of the consolidated companies is determined as if they had been taxed individually;
- Tax savings related to the use of the tax losses of the tax consolidation members will be only temporary since the subsidiaries concerned will still be able to use them.

This tax consolidation agreement is in line with the neutrality principle and each subsidiary will recognize in its financial statements during the participation to the tax agreement a tax charge or a tax profit equivalent to the one it would have booked without being part of such tax agreement

The tax losses of the tax group can be indefinitely carried forward.

Tax credit for competitiveness and employment (CICE)

The relative income to CICE is of € 3.4 million for 2016. CICE is reported as a reduction in staff costs.

During 2016, this CICE was used to invest in different projects, to develop new features which reinforce offers to our customers.

20.2.2.4 Identity of Worldline Holding Company

Worldline is fully consolidated by Atos SE, its parent company.

20.2.2.5 Notes to the financial statements

Note 1 Intangible assets

NET VALUE OF INTANGIBLE FIXED ASSETS

(in € thousand)	December 31, 2015	Increase	Decrease*	December 31, 2016
Software	28,991	4,177	-12,548	20,621
Concessions and similar rights	3,521		-2,487	1,034
Goodwill	2,272		-685	1,587
Intangible assets	**34,784**	**4,177**	**-15,720**	**23,242**
Software	-27,190	-2,077	11,998	-17,269
Concessions and similar rights	-3,521		2,487	-1,034
Goodwill	-1,407		685	-722
Total of amortisation & depreciation	**-32,119**	**-2,077**	**15,170**	**-19,026**
Software	1,801	2,101	-550	3,352
Concessions and similar rights	0	0	0	0
Goodwill	865	0	0	865
Net value of intangible assets	**2,666**	**2,101**	**-550**	**4,216**

* *The net impact of contribution in Equens amounts to € 0.5 million on Intangible assets (€ 10.8 million on Gross value and € 10.3 million on depreciation).*

Goodwill was generated through the merger of Atos Worldline Financial Market in 2013 for a net book value of € 0.8 million.

Note 2 Tangible fixed assets

NET VALUE OF TANGIBLE FIXED ASSETS

(in € thousand)	December 31, 2015	Increase	Decrease*	December 31, 2016
Land	869			869
Buildings	1,715	5	-162	1,557
Fixtures and fittings	117,041	7,632	-46,037	78,636
Other tangible assets	62,713	1,397	-12,221	51,890
Tangible assets in progress	1,321	3,254	-818	3,756
Tangible fixed assets	**183,659**	**12,287**	**-59,238**	**136,708**
Land	-51	-11		-61
Buildings	-340	-124	140	-325
Fixtures and fittings	-109,803	-6,032	49,340	-66,495
Other tangible assets	-42,160	-3,931	8,756	-37,336
Tangible assets in progress	0			0
Total of depreciation & amortization	**-152,354**	**-10,098**	**58,235**	**-104,218**
Land	818	-11	0	808
Buildings	1,374	-120	-23	1,232
Fixtures and fittings	7,239	1,600	3,303	12,141
Other tangible assets	20,553	-2,534	-3,465	14,553
Tangible assets in progress	1,321	3,254	-818	3,756
Net value of tangible fixed assets	**31,305**	**2,189**	**-1,003**	**32,491**

* *The net impact of contribution in Equens amounts to € 1.0 million on tangible assets (€ 6.3 million on Gross value and € 5.3 million on depreciation).*

Note 3 Financial fixed assets

NET VALUE OF THE FINANCIAL FIXED ASSETS

(in € thousand)	December 31, 2015	Increase[1]	Decrease[2]	December 31, 2016
Investments in associates	389,663	254,517	-6,759	637,421
Loans and accrued interests	72	350	-371	51
Deposits	1,308	16,304	-1,330	16,282
Financial assets	**391,043**	**271,171**	**-8,460**	**653,754**
Investments in associates	-9,101			-9,101
Loans and accrued interests	0			0
Deposits	0			0
Total of depreciation & amortization	**-9,101**	**0**	**0**	**-9,101**
Investments in associates	380,562	254,517	-6,759	628,320
Loans and accrued interests	72	350	-371	51
Deposits	1,308	16,304	-1,330	16,282
Net value of financial assets	**381,942**	**271,171**	**-8,460**	**644,653**

1 *Impact of Equens SE: shares received due to Equens carve out for € 254.5 million and grant of a new loan for € 15 million.*

2 *Impact of contribution of Mantis and Arabor investments in Equens carve out for €-6.8 million.*

MATURITY OF LOANS AND OTHER FINANCIAL FIXED ASSETS

(in € thousand)	Gross amount December 31, 2016	Up to 1 year	1 to 5 years
Loans and accrued interests	51	50	
Deposits	16,282	15,000	1,281
Total	**16,333**	**15,050**	**1,281**

MAIN SUBSIDIARIES AND INVESTMENTS

(in € thousand)	Gross value at December 31, 2016	Net value at December 31, 2016	% interest	Net Income at December 31, 2016	Shareholders' equity
A – Subsidiaries (50% or more of common stock)					
France					
Santeos	4,294	4,294	100%	1,322	2,844
Worldline Bourgogne	373	373	100%	706	766
Similo SAS	1	1	100%	-434	-713
Worldline participation 1 SA	2,426	-	100%	-5	21
Benelux					
Worldline SA (Luxembourg)	33,900	33,900	100%	19,638	93,985
Worldline NV/SA	324,466	324,466	100%	337	779
Equens SE*	254,517	254,517	63.6%	2,094	247,694
Asia					
Worldline (Taiwan)	900	900	100%	122	449
B – Others (Less than 50%)					
Buyster	6,655	0	25%	-	2
Atos Intégration	620	620	5%	-27,137	-49,496
Atos IT Solutions and Services SA (Argentina)	9,211	9,211	24%	105	8,883
Other participations	58	39			
Total	**637,421**	**628,321**			

* *See "1.1.2.2 Highlight" for detail regarding fair value of investments in Equens SE.*

For Equens SE, the Net income reported corresponds to period from October 1 to December 31, 2016.

Note 4 Trade accounts and note receivable

ACCOUNTS RECEIVABLE AND OTHER DEBTORS NET

(in € thousand)	Gross amount at December 31, 2016	Depreciation	Net value December 31, 2016	Net value December 31, 2015
Trade accounts and note receivable	74,972		74,972	77,639
Doubtful debtors	1,025	-894	130	160
Invoices to be issued	32,907		32,907	35,739
Total	**108,904**	**-894**	**108,009**	**113,537**
Of which – operating		-894		

The maturity of trade accounts and note receivable is less than one year.

Note 5 Other receivables

Other receivables

(in € thousand)	**December 31, 2016**	December 31, 2015
Debtor suppliers	1,395	1,536
Staff	125	69
Social-security receivables	49	41
Tax (Corporation tax, VAT, R&D tax credit…)	15,656	16,367
Group current accounts	2,945	3,613
Other		0
Total	**20,170**	**21,626**

The maturity of other receivables is less than one year.

ACCRUED INCOME

(in € thousand)	**December 31, 2016**	December 31, 2015
Trade accounts, notes receivable and other receivables	32,907	35,739
Other receivables	1,395	1,536
Total	**34,301**	**37,275**

Note 6 Cash and securities

(in € thousand)	Gross amount at December 31, 2016	Depreciation	**Net value December 31, 2016**	Net value December 31, 2015
Securities	252,594	0	252,594	252,549
Cash at bank		0	0	353
Total	**252,594**	**0**	**252,594**	**252,902**

At year end, Worldline owned no treasury shares in the frame of its liquidity contract signed with Rothschild & Cie Bank.

Securities correspond to short-term investments of available cash surpluses.

Note 7 Prepaid expenses

(in € thousand)	**December 31, 2016**	December 31, 2015
Support fonctions services	14,662	14,355
Maintenance	959	1,362
Rentals	3,959	1,914
Insurance	1,989	1,911
Other external expenses	5,183	1,503
Total prepaid expenses	**26,751**	**21,045**

Note 8 Shareholders' equity

COMMON STOCK

	December 31, 2016	December 31, 2015
Number of shares	132,346,996	131,926,588
Nominal value *(in €)*	0.68	0.68
Common stock *(in € thousand)*	**89,996**	**89,710**

In 2016, number of shares increased by 420,408 shares following the exercise of stock-options by employees of the Worldline Group.

CHANGES IN SHAREHOLDERS' EQUITY

(in € thousand)	December 31, 2015	Dividends	Appropriation of result	Capital increase	Net Income 2016	December 31, 2016
Common stock	89,710			286		89,996
Additional paid-in capital	241,494			7,205		248,699
Legal reserve	8,316					8,316
Retained earnings	8,278		-2,621			5,657
Net income for the period	-2,621		2,621		237,133	237,133
Total of the shareholders' equity	**345,177**	**0**	**0**	**7,491**	**237,133**	**589,801**

Note 9 Provisions

(in € thousand)	December 31, 2015	Charges	Release used	Release unused	Scope	December 31, 2016
Pensions	16,674	2,524	-515		-5,543	13,139
Litigations and contingencies	1,075	295	-90	-205	-222	854
Termination loss contracts	122		-87		-33	2
Other provisions	2,073	270	-404		-1,572	366
Total	**19,944**	**3,089**	**-1,097**	**-205**	**-7,370**	**14,362**
Of which						
• *operating*		*2,451*	*-684*	*-205*		
• *financial*		*514*				
• *exceptional*		*124*	*-413*			

PENSIONS

Pension evolution over 2016 is presented below:

(in € thousand)	
Pensions at January 1, 2016	**16,674**
Service cost	2,005
Interest costs	518
Contributions paid	-515
Scope	-5,543
Amortization of actuarial gain and loss	
Pensions at December 31, 2016	**13,139**

Reconciliation between pension commitments and computed provision is presented below:

(in € thousand)	
Commitment at January 1, 2016	**26,867**
Service cost	2,005
Interest costs	518
Contributions paid	-515
Actuarial gain and loss generated in 2016	6,791
Scope impact	-9,469
Commitment at December 31, 2016	**26,197**
Non recognized actuarial gain and loss	-13,058
Pensions provision at December 31, 2016	**13,139**

Evaluation is carried out on an individual basis and main parameters of the calculation are described below:

- Discount rate: 1.4%;
- Future reevaluation of wages: 1.6%;
- Estimated turnover rate:
  - Executives (*i.e.* cadres): Decreasing (from 7.80% at the age of 25 years old) according to the age and zero as from 56 years old,
  - Non cadres (*i.e.* non-cadres): Decreasing (from 5.46% at the age of 20 years old) according to the age and zero as from 56 years old.

Note 10 Financial borrowings

CLOSING NET DEBT

(in € thousand)		Up to 1 year	1 to 5 years	**Gross value December 31, 2016**	Gross value December 31, 2015
Bank overdraft		324,686		324,686	272,886
Other borrowings			686	686	717
Group current accounts					
Total Borrowings		**324,686**	**686**	**325,371**	**273,603**
Group current accounts		-991		-991	-3,029
Securities	Note 6	252,594		252,594	252,549
Cash at bank	Note 6				353
Closing net debt		**-73,083**	**-686**	**-73,768**	**-23,730**

Note 11 Trade accounts, notes payable and other liabilities

(in € thousand)	**Gross amount December 31, 2016**	Gross amount December 31, 2015
Accounts payable	78,528	75,025
Personnel	22,407	29,171
Social security and other employee welfare liabilities	21,630	31,769
VAT payable	14,918	21,593
Intercompany current account liabilities	3,936	6,642
Other liabilities	5,680	5,636
Total	**147,099**	**169,834**

Maturity of accounts payable is up to one year.

ACCRUED LIABILITIES

(in € thousand)	**December 31, 2016**	December 31, 2015
Invoices to be received	56,290	51,932
State and employee related liabilities	28,381	45,061
Other accrued liabilities	3,026	3,757
Total	**87,697**	**100,750**

Note 12 Deferred incomes

At the end of 2016, deferred incomes reach € 12.4 million and mainly relates to timing difference on project revenue versus invoicing.

Note 13 Revenue

REVENUE SPLIT

	December 31, 2016		December 31, 2015	
(in € thousand)		**%**		%
Merchant Services & Terminals	75,468	17.4%	74,671	16.2%
Financial Processing & Software Licensing	109,010	25.1%	143,417	31.1%
Mobility & e-Transactional Services	203,331	46.8%	209,786	45.5%
Other revenue from Group services	46,970	10.8%	33,062	7.2%
Total revenue by Global Business Lines	**434,779**	**100%**	**460,936**	**100%**
France	373,087	85.8%	410,234	89.0%
Foreign countries	61,692	14.2%	50,702	11.0%
Total revenue by geographical area	**434,779**	**100%**	**460,936**	**100%**

Revenue decreased from 5,67% due to:

- The sale of the Financial Services activities of the Company to EquensWorldline SE on September 30, 2016;
- The termination of the Automated Traffic Offence Management contract with the French government (the RADAR contract) in June 2016.

Other revenue refers mainly to the revenue performed with the other entities of the Worldline Group.

Note 14 Financial result

(in € thousand)	**December 31, 2016**	December 31, 2015
Dividends received	1,206	1,710
Investment banking revenues	876	1,551
Other financial income	555	152
Total of the financial income	**2,637**	**3,413**
Intercompany loans interests		
Intercompany current accounts interests		
Provision for depreciation on investments in non consolidated companies		
Other financial provisions	-514	-446
Short term borrowing interests		-43
Foreign exchange losses	-39	-100
Other financial expenses	-1,323	-1,415
Total of the financial expenses	**-1,876**	**-2,004**
Net financial result	**761**	**1,409**

Dividends received in 2016 were paid by WL Bourgogne and Mantis, two French subsidiaries.

Other financial expenses include mainly non utilization fees related to the € 300 million Revolving Credit Facillity granted by Atos and € 0.3 million for consulting fees to Rotschild.

Note 15 Non recurring items

(in € thousand)	**December 31, 2016**	December 31, 2015
Selling price from disposal of financial investments[1]	254,517	
Reversal of provision for tangible assets	5,488	979
Reversal of provision for trade accounts receivable	413	534
Other income	8,015	2,179
Total of non recurring income	**268,433**	**3,693**
Net book value of financial investments sold[2]	-6,651	
Provisions for liabilities and charges	-124	-1,927
Other expenses	-17,173	-25,833
Total of non recurring expenses	**-23,948**	**-27,760**
Non recurring items	**244,485**	**-24,067**

1 *Impact of Equens carveout: FPL Equens shares received for €+245.6 million and Mantis and Arabor contribution to Equens €+2.2 million.*

2 *Impact of the contribution of the Mantis and Arabor entities to Equens for € 6.7 million.*

Other expenses mainly include Corporate costs (Quadrant and Team) of € 10.65 million and the disposal of fixed assets related to the Radar project for € 4.7 million (disposal compensated by reversal of provision for € 5.5 million). Other revenue mainly correspond to the re-invoicing of the Team, Quadrant and Marsh costs.

Note 16 Tax

Tax consolidation agreement

Worldline fiscal tax group presents indefinably usable loss carry forward which reach € 29 million at 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	15,062	-
Total	**15,062**	**-**

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	-3,673		-3,673
Non recurring items, tax credit and employee participation	238,796	2,010	240,806
Total	**235,123**	**2,010**	**237,133**

During the year, Worldline received a tax credit for the research tax credit for € 1.8 million, the tax consolidation bonus for € 0.6 million, with a withholding tax of €-0.3 million.

Note 17 Off-balance sheet commitments

COMMITMENTS GIVEN

(in € thousand)	**December 31, 2016**	December 31, 2015
Other guarantees	2,900	2,900
Total	**2,900**	**2,900**

COMMITMENTS RECEIVED

(in € thousand)	**December 31, 2016**	December 31, 2015
Bank guarantees	-	-
Other guarantees	498	498
Total	**498**	**498**

Note 18 Related parties

(in € thousand)	December 31, 2016
Income statement	
Financial expenses	-747
Financial income	1,566
Other operating expenses	-9,306
Other operating income	262,531
Total	**254,044**

(in € thousand)	December 31, 2016
Assets	
Trade accounts and notes receivables	52,144
Group current accounts	2,945
Other current assets	540
Total	**55,629**

(in € thousand)	December 31, 2016
Liabilities	
Trade accounts and note payable	33,959
Group current accounts	3,936
Other current liabilities	
Total	**37,895**

During 2016 there was no transaction referring to the article R. 123-198 11 of "Code du commerce" with related parties.

Transactions made by the Company with those related parties were performed under market conditions.

Note 19 Other information

AVERAGE WORKFORCE PER CATEGORY

	December 31, 2016	December 31, 2015
Engineers and managerial staff	2,376	2,523
Employees, technicians and supervisory staff	365	490
Total	**2,741**	**3,013**

Cost of key management personnel of the Group

In 2016, the expenses related to key management personnel include:

- Those related to the CEO since its appointment and in accordance with the regulated agreement entered into with Atos in relation to the dedication and the remuneration of the Worldline CEO; and
- The expenses related to the General Manager that have been taken at 100% for the full year.

No cost was recorded in relation to the Chairman of the Board of Directors.

These expenses amounted to € 2 million.

Director fee expense for 2016 amounted to € 0.2 million.

Note 20 Subsequent events

No events

20.2.3 Statutory Auditors' report on the financial statements for the year ended December 31, 2016

This is a free translation into English of the Statutory Auditors' report on the financial statements issued in the French language and is provided solely for the convenience of English-speaking readers.

The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report also includes information relating to the specific verifications of information given in the management report and in the documents addressed to the shareholders.

This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you for the year ended December 31, 2016 on:

- The audit of the accompanying financial statements of Worldline;
- The justification of our assessments;
- The specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit involves performing procedures, using sampling techniques or other selection methods, to obtain audit evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the financial position and the assets and liabilities of the Company as of December 31, 2016 and the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- Participating interests, with a net book value of Euro 628.3 million in the balance sheet as of December 31, 2016, are valued at acquisition cost and depreciated based on their value in use according to the procedures described in the note "Financial assets" under Section 20.2.2.3 "Rules and accounting methods" of the financial statements. Our work consisted in appreciating the data and assumptions underlying these estimates, especially the cash flow forecasts prepared by the Company's operational departments, reviewing the calculations performed by the Company, and analyzing the procedure adopted by management to approve such estimates;
- The note "Revenue" under Section 20.2.2.3 "Rules and accounting methods" of the financial statements outlines the methods used to recognize revenue. Based on the information made available to us, our work consisted in verifying that the accounting policies were correctly applied and assessing the estimated margins at contract completion determined by the Company's management.

These assessments were performed as part of our audit of the financial statements taken as a whole and therefore contributed to the expression of our opinion in the first part of this report.

III. Specific verifications and information

We have also performed the specific verifications required by French law in accordance with professional practice standards applicable in France.

We have no matters to report regarding the fair presentation and the consistency with the financial statements of the information provided in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code 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 companies controlling your Company or controlled by it. Based on these procedures, we attest the accuracy and fair presentation of this 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.

Neuilly-sur-Seine, March 30, 2017

The statutory auditors

French original signed by

Deloitte & Associés	Grant Thornton
Jean-Pierre Agazzi	*French member of Grant Thornton International*
	Victor Amselem

20.3 Date of Latest Financial Information

The latest financial information on the Group that was examined by the statutory auditors and included in this Registration Document is the consolidated financial statements as of and for the year ended December 31, 2016.

20.4 Interim Financial and Other Information

Not applicable.

20.5 Dividend Policy

In accordance with French law and the Company's bylaws, which were adopted by the Company's general ordinary and Extraordinary Shareholders Meeting, the General Assembly may decide, upon the recommendation of the Board of Directors, to distribute a dividend.

The Company's dividend policy takes into account the Company's financial results, its financial situation, the achievement of its objectives and its liquidity requirements.

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.

The following table sets forth the total dividend amount and net dividend per share distributed by the Company over the last three years:

Year of distribution	**2016**	2015	2014
Total dividend *(in € million)*	0	0	45,1
Net dividend per share *(in €)*	0	0	3,88

During its meeting held on February 20, 2017 and considering the strategic priority given in 2017 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 2016 results.

20.6 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 Group's aggregate amount of provisions for legal proceedings was approximately € 1.3 million as of December 31, in order to cover litigations with personnel who left th group.

As of the date of this Registration Document, other than the matters described below, the Group is not aware of any governmental, legal 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.

TrustSeed Litigation

An action for patent infringement was brought before the regional court of Paris by TrustSeed ("TrustSeed") against Banque Palatine and the Company, as well as three of the Company's clients: La Caisse d'Epargne et de Prévoyance d'Ile de France, the Economic Interest Group IT-CE, and Natixis Paiements. TrustSeed claims that it holds a patent relating to a procedure for authenticating a bankcard user who makes an online payment by sending a code by text message. It claims that this patent was infringed by the five defendant companies and asks that they be ordered jointly and severally to pay damages in the amount of € 42.5 million. Pursuant to an agreement between the Company and the other defendants, any damages will be paid exclusively by the Company. On March 7, 2014, the court dismissed TrustSeed's action for failure to state a claim, finding that TrustSeed had not shown that it had the patent rights that it claimed to have. On September 23, 2014, TrustSeed decided to file its appeal submissions asking the Court of Appeal to consider its claim admissible in order to have the case tried on the merits by the first instance judge. On October 27, 2015, the Paris Court of Appeal confirmed the Paris court's judgement of March 7, 2014 and thus rejected TrustSeed's claims. TrustSeed decided to file a final appeal (*pourvoi en cassation*) with the French civil Supreme Court (*Cour de cassation*).

This legal proceedings does not have an impact on the Group's consolidated financial statements and no provisions nor liabilities have been recorded in connection therewith in the Group's consolidated financial statements.

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 checks 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 Argentine 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 Argentine anti-corruption laws. The Group understands that the PROCELAC investigation is ongoing. It is therefore impossible to indicate at this stage the likely or probable consequences of this matter for the Group.

20.7 Material Change in Financial or Commercial Position

To the Company's knowledge, there has been no material change in the financial or commercial position of the Group since December 31, 2016, other than the information related to the first quarter 2017 revenue, TEAM², integration and synergy plan and commercial activity, described in Section 12.5 of this Registration Document.

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Additional Information

21.1 Share Capital and other information subject to shareholder's approval

21.1.1 Subscribed Share Capital

As of the date of this Registration Document, the Company's share capital is € 90,077,530.08, divided into 132,466,956 shares of par value € 0.68, fully subscribed and paid-up, and all of the same class.

Worldline SA shares are traded on the Paris Euronext Market under code ISIN FR0011981968. The shares have been listed in Paris since June 27, 2014. The shares are not listed on any other stock exchange.

As of the date of the registration of this Registration Document, no share comprising the share capital of the Company is the subject of a pledge.

21.1.2 Share caplital authorized but not issued and other information subject to shareholders' approval

21.1.2.1 Authorizations granted by the Shareholders Meeting of May 24, 2017

The table below presents the financial authorizations to be granted to the Board of Directors which will be submitted to the voting of the Company's Ordinary and Extraordinary General Meeting of Shareholders to held on May 24, 2017.

Authorization	Duration of Authorization	Maximum Amount
To enter into transactions involving the Company's shares	18 months	€ 200 million
Share capital increase by capitalization of share premiums, reserves, profits or other items that may be capitalized	26 months	Maximum amount of share capital increase: € 500 million[1]
Share capital increase with preferential subscription rights	26 months	Maximum amount of share capital increase: 50% of the share capital[1] Maximum amount of debt instruments: € 1 billion
Share capital increase without preferential subscription rights	26 months	Maximum amount of share capital increase: 45% of the share capital[1] Maximum amount of debt instruments: € 1 billion
Share capital increase without preferential subscription rights by an offer made pursuant to article L. 411-2 of the French Monetary and Financial Code (*i.e.*, private placements to qualified investors)	26 months	Maximum amount of share capital increase: 30% of the share capital[1 2] Maximum amount of debt instruments: € 600 million
Share capital increase in consideration for contributions in kind	26 months	10% of the Company's share capital[1 2]
Increase of the number of shares to be issued with or without preferential subscription rights	26 months	Maximum percentage under applicable French law (as of the date of this Registration Document, 15% of the initial share capital increase) [1 2]
Share capital increase in connection with an employee share savings plan without preferential subscription rights	26 months	2.5% of the Company's share capital[1]
Free share plans	38 months	0.5% of the Company's share capital[1]
Decrease in share capital by cancellation of shares	18 months	10% of the Company's share capital for any 24-month period

1 *The total maximum nominal amount for the capital increases that may be effected under this authorization is to be deducted from the overall limit fixed at 80% of the share capital in connection with a capital increase, whether immediate or deferred.*

2 *The total maximum nominal amount for the capital increases that may be effected under this authorization is to be deducted from the overall limit fixed at € 40 million in connection with a capital increase, whether immediate or deferred.*

Resolutions submitted to the shareholders' vote will be published in the "Bulletin des Annonces Légales Obligatoires" (official legal gazette for listed companies) in a notice of meeting which will be followed by a convening notice to the Annual General Meeting which will be held on May 24, 2017. These notices will be posted on the Group website ("Investors" section) as required by applicable laws and regulations.

21.1.2.2 Elements of the compensation due or awarded at the end of the closed financial year to the Executive Director, submitted to the shareholders' vote

According to the article 26 of the revised AFEP-MEDEF Code of November 2016, Code to which Worldline is referring in accordance with article L. 225-37 of the French Commercial Code (*Code de commerce*), the elements of the compensation due or awarded to the Executive Director related to 2016 must be submitted to the shareholders' vote at the Annual General Meeting.

ELEMENTS OF THE COMPENSATION DUE OR AWARDED AT THE END OF THE CLOSED FINANCIAL YEAR TO MR. THIERRY BRETON, CHAIRMAN, SUBMITTED TO THE SHAREHOLDERS' VOTE

Compensation Components	Amounts	Comments
Fixed and variable remuneration **Directors' Fees** **Severance Pay**	**€ 0**	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 a Director. Prior to such date, he had been Chairman of the Supervisory Board of the simplified stock company since July 31, 2013. His term as a Director of the Company ends at the close of the Annual Shareholders' Meeting that will take place in 2017 to approve the financial statements for the 2016 fiscal year. Mr. Breton did not receive any compensation for his position with the Company during the period 2013 to 2016. In accordance with the decision of the Board of Directors of April 30, 2014, Mr. Breton will receive no compensation in his capacity as Chairman of the Company's Board of Directors. Mr. Breton does not receive Directors' fees in his capacity as a member of the Board of Directors. Mr. Breton will not receive any severance or compensation under a non-compete clause in the event of termination from the Company.

ELEMENTS OF THE COMPENSATION DUE OR AWARDED AT THE END OF THE CLOSED FINANCIAL YEAR TO MR. GILLES GRAPINET, CEO, SUBMITTED TO THE SHAREHOLDERS' VOTE

Compensation Components	Amounts	Comments
Fixed compensation	**€ 400,000** On an annual basis	Mr. Gilles Grapinet was appointed CEO 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. Mr. Gilles Grapinet's compensation is determined pursuant to his employment agreement with Atos International SAS, a subsidiary of Atos SE. This employment agreement remains in effect after the listing of the Company's shares on Euronext Paris. The portion of his fixed compensation relating to his duties as CEO 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. This portion is re-invoiced in full by Atos International SAS to the Company.
Variable compensation	**€ 440,960** paid in 2016 (110.2% of the annual on-target bonus) corresponding to H2 2015 and H1 2016. **€ 436,560** due in 2016 (109.1% of the annual on-target bonus) corresponding to H1 and H2 2016.	Mr. Gilles Grapinet's variable compensation in his capacity as the Company's CEO is determined in accordance with the decision of the Company's Board of Directors upon proposal of the Nomination and Compensation Committee. It is based on the compensation criteria established by the Board. Such criteria are based exclusively on the Company's achievement of specific performance objectives. The variable part is subject to performance conditions and can vary between 0% and 130% of the fixed compensation, according to the level of achievement of criteria exclusively quantitative, with a target bonus at 100% of the fixed compensation i.e. € 400,000. The variable compensation of the CEO is conditional, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives. The objectives are fully aligned with the Worldline ambitions, as they are regularly presented to the shareholders. In 2016, the nature and weighting of each indicator of the variable on-target bonus of the CEO are the following: • Worldline Group External Revenue (40%); • Worldline Group Operating Margin before Depreciation and Amortization (30%); • Worldline Group Free Cash Flow (30%). In order to monitor Company performance more closely and establish a proactive way to support its strategic plan, the performance objectives for the CEO are set and reviewed on a half-year basis by the Board of Directors upon recommendation of the Nomination and Compensation Committee. Thus, the objectives for the first-half of the year are set on the basis of the Company's budget approved by the Board of Directors in December and the objectives for the second-half of the year on the basis of the "Full Year Forecast 2" approved in July by the Board of Directors. Achievement of the performance criteria and the resulting variable compensation amount have been validated by the Board during the meetings held on July 25, 2016 and February 20, 2017: for the first semester of 2016, the variable bonus of Gilles Grapinet, CEO, stood at **€ 234,760** (**117,4%** of the semester on-target bonus), and at **€ 201,800** (100,9% of the semester on-target bonus) for the second semester of 2016.

	2016		
		First-half	**Second-half**
Indicators	Weight	Payout*	Payout*
Worldline Revenue Growth	40%	> 100%	< 100%
Worldline OMDA	30%	< 100%	> 100%
Worldline Free Cash Flow[1]	30%	> 100%	> 100%
Payout in % of the semester on-target bonus		**117,4%**	**100,9%**

* *On the basis of the elasticity curve capped at 130%.*

1 *Free Cash Flow, before dividends and income generated from acquisition/disposals.*

Compensation Components	Amounts	Comments
Fringe benefits	**€ 2,583** (2/3 of total paid in 2016)	Mr. Gilles Grapinet, CEO, has a company car.
Extraordinary compensation	**N/A**	For the year 2016, there is no extraordinary compensation due to Mr. Gilles Grapinet, CEO.
Severance Pay	**N/A**	There is no severance pay of any kind (golden parachutes, non-compete clauses etc.).
Multiannual variable compensation	**N/A**	Mr. Gilles Grapinet, CEO, receives no variable multiannual compensation.
Director's fees	**N/A**	Mr. Gilles Grapinet does not receive Directors' fees in his capacity as a member of the Board.
Grant of Stock Options	**N/A**	During 2016, Gilles Grapinet, CEO, received no stock-options of the Company.

Compensation Components	Amounts	Comments
Grant of Performance Free Shares	Grant of **38,000 Performance Free Shares** on July 25, 2016 (taking into account a multiplier coefficient of 100%) Performance Free Shares valuation (based on the grant of 38,000 shares) **€ 646,643** Performance Free Shares valuation method according to the IFRS 2 method recognized by the consolidated accounts of the Company.	In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 26, 2016 (twenty-third resolution), the Board of Directors, during its meeting held on July 25, 2016, and upon the recommendation of the Nomination and Remuneration Committee, allocated **38,000** performance shares (taking into account the application of a multiplier coefficient of 100%) to the Worldline CEO. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code with respect to the Chief Executive Officer. Those shares are valuated at € 646,643 according to the IFRS 2 method recognized by the consolidated accounts of the Company. In its analysis, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, considered the following elements: • The allocation of a theorical maximum of 43,700 performance shares to the Chief Executive Officer (taking into account an over-performance and the application of a multiplier coefficient of maximum 115%); • The principle and additional requirement to adjust the definitive attribution of the number of performance shares to the Chief Executive Officer, relating to a possible over-performance through the application of a multiplier coefficient of maximum 115% resulting from such over-performance, and this in compliance with the threshold of a compensation in shares of 45% of his total annual compensation (even in the most favorable case); • The conservation obligation, for the duration of his duties, of 15% of performance shares allocated to him will also apply to the Chief Executive Officer; • Will also apply the prohibition to conclude any financial hedging instruments over the shares being the subject of the award during the whole duration of the mandate of the Chief Executive Officer. On top of a condition of attendance during the acquisition period, the allocation of performance shares is also subject to the achievement of the following internal and external performance conditions, calculated for the two years 2016 and 2017: **Internal Performance Conditions:** For each year 2016 and 2017, at least 2 of 3 internal performance criteria must be met. If one criterion is not met, this criterion becomes compulsory for the following year. • **Worldline Group Free Cash Flow** before acquisition/disposal and variation of equity and dividends (above or equal to 85% of the amount disclosed in the Group Budget for the concerned year, or, above or equal to the previous year's results +10%); • **Worldline Group Operating Margin Before Depreciation and Amortization** (above or equal to 85% of the amount disclosed in the Group Budget for the concerned year, or, above or equal to the previous year's results +10%); • **Worldline Group Revenue** (Revenue Growth Rate as mentioned in the Company's Budget for the year minus a percentage decided by the Board of Directors or+5% per reference to the Group Growth targets). **External Performance Conditions:** For each year 2016 and 2017, at least 2 of 3 performance criteria must be met (or maintained if already at the highest level): • The Worldline Group gets the GRI G4 rating "Comprehensive" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified); • The Worldline Group gets the Eco Vadis CSR rating "Gold" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified); • The Worldline Group gets the GAIA Index Certification general rating equal or above 70% (or its equivalent if, during the plan, this terminology is modified). Subject to the achievement of the performance conditions of the plan and the condition of attendance, the definitive allocation of shares will vary between 85% and 115% of the number of performance shares communicated to the beneficiaries in the letter of grant, respectively in case of under-performance or over-performance of the Worldline Group in 2016 and 2017 compared to the objectives defined by the Board of Directors. The Worldline CEO is a Plan France beneficiary. According to this Plan, beneficiaries of performance shares will definitively acquire the shares on July 25, 2018, subject to achieving the performance conditions and the aforementioned condition of attendance until July 25, 2018; the beneficiaries will also be required to retain the shares thus acquired for a period of one year following this date.

Compensation Components	Amounts	Comments

Defined Benefit Supplementary Pension scheme	No defined amount	Like all employees of Atos International SAS members of the Executive Committee of the Atos group, Mr. Gilles Grapinet used to be a beneficiary, until March 1, 2015, of a supplemental defined contribution plan. Contributions paid by the employer correspond to 5% of compensation paid and are limited to tranches A, B and C. Employees were not required to make contributions.
		In addition, Mr. Gilles Grapinet is a beneficiary under a supplementary pension plan applicable to employees or Directors of Atos International SAS or Atos SE, members of the Executive Committee of the Atos group, the terms of which are described hereafter.
		The benefit of this scheme is subject to a presence condition within the companies Atos SE or Atos International SAS upon the liquidation of pension's rights in accordance with article L. 137-11 of the French Social Security Code.
		In 2015, the supplementary pension plan rules were amended including the strengthening of the acquisition rights by providing for an acquisition of these rights conditioned upon the achievement of performance criteria as set annually by the Atos SE Board of Directors.
		Change of the terms and conditions for determining the amount of the pension supplement
		• The annual amount of the pension supplement is 0.625% of the reference compensation per entire calendar quarters of seniority recognized by the scheme. The reference compensation is the average of the last sixty monthly compensation multiplied by twelve.
		• For the assessment of this reference compensation, only the followings are taken into account:
		  • The basic compensation;
		  • The annual bonus actually paid, excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation.
		Entire calendar quarters of seniority are only taken into account to assess the amount of the pension supplement if they relate to a year during which the performance conditions set by the Atos SE Board of Directors are achieved.
		Cap on the pension supplement
		The annual amount of the pension supplement paid under the present scheme cannot be superior to the difference between:
		• 33% of the reference compensation above mentioned; and
		• the annual amount of the basic, complementary and supplementary pensions.
		Pursuant to an agreement, the Company undertook to bear the costs related to the acquisition of rights by Mr. Gilles Grapinet under this defined benefit plan (prorata the time spent with Worldline as CEO and up to two thirds limit).

21.1.2.3 Principles and criteria for setting, allocating and granting the compensation components of the Company's Executive Director, in respect of the 2017 year, submitted to the shareholders' vote

Pursuant to the provisions of the law n° 2016-1691 dated December 9, 2016, the so-called "Sapin 2" law, a resolution including the principles and criteria for setting, allocating, and granting the fixed, variable, and exceptional elements making up the total compensation and all fringe benefits of the Chief Executive Officer due to his mandate and underpinning the remuneration policy that is relevant to him in 2017, must be submitted to the shareholders' vote, during the Annual General Meeting which will be held on May 24, 2017 (13th resolution).

Principles of the compensation of the Chief Executive Officer

Mr. Gilles Grapinet's compensation is determined pursuant to his employment agreement with Atos International SAS, a subsidiary of Atos SE, for an unlimited duration. This employment agreement remains in effect after the listing of the Company's shares on Euronext Paris. The portion of his fixed compensation relating to his duties as CEO 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. This portion is re-invoiced in full by Atos International SAS to the Company.

During its meeting held on July 28, 2014, the Board of Directors adopted the terms and conditions of Mr. Gilles Grapinet's compensation in relation to his functions as Chief Executive Officer of the Company.

Pursuant to article L. 225-38 of the French *Code de commerce*, the Board of Directors of the Company authorized, after review by the Nomination and Compensation Committee, the signing of a service agreement between Atos International and the Company in order to recharge the portion of Mr. Gilles

Grapinet's compensation related to his functions as Worldline CEO, under the following conditions:

- Recharging of two-thirds of Mr. Gilles Grapinet's annual fixed base compensation;
- Recharging of the variable part of his compensation relating to Worldline financial performance, which will be paid upon decision of Worldline Board of Directors (depending on the achievement of targets which it determines in advance);
- Recharging of expenses incurred in the interest of Worldline (two-thirds of 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 is applicable to employees or Directors of Atos International SAS or Atos SE, members of the Executive Committee of the Atos group (prorata the time spent with Worldline as CEO and up to two thirds limit).

In addition, Atos International SAS receives a 2% mark-up of such recharged amounts, to compensate management costs.

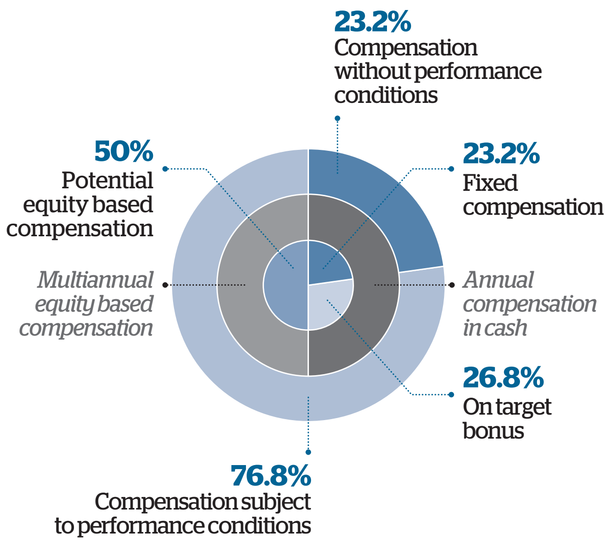
The principles of the compensation of Mr. Gilles Grapinet's relating to his duties as CEO of the Company are proposed by the Nomination and Compensation Committee and approved by the Board of Directors.

The principles governing the determination of the compensation of the CEO are established in the framework of the AFEP-MEDEF Code to which the Company is referring:

- Principle of **balance**: the Nomination and Compensation Committee ensures that no element represents a disproportionate share of the CEO's compensation;
- Principle of **competitiveness**: the Nomination and Compensation Committee also ensures the competitiveness of the remuneration of the CEO, through regular compensation surveys;
- Related to **performance**: the CEO's compensation is closely linked to **Company performance**, notably through a variable compensation plan determined on a half-year basis. The payment of the semester bonuses is subject to the achievement of precise, simple, and measurable objectives which are closely linked to Company's objectives, as regularly disclosed to the shareholders. In order to develop a **community of interest with the Group's shareholders** and to associate Worldline managers and the CEO with the performance and financial results of the Company in a long-term perspective, a part of their compensation is equity based, including stock-options and performance shares. Finally, the compensation policy of the CEO supports Worldline commitment to corporate responsibility. In this context, performance criteria related to the **social and environmental responsibility** of the Company have been established in the stock-options and performance shares plans granted as from 2014.

The Board of Directors, during its meeting on December 12, 2016, implemented the principle of competiveness by basing its decision of setting the CEO compensation applicable in future years, on comparisons with international references of the payment sector, taking into account the Company size increase since 2011 (Company initial public offering; major acquisitions realized in 2016; increase of about 50% of the market capitalization since the IPO); this benchmarking outlined the consistency between the Company's performance and the resulting financial recognition for the CEO.

IN THE CONTEXT OF THE COMPANY DEVELOPMENT PLAN WITHIN THE NEW ATOS THREE-YEAR PLAN "2017-2019"



Compensation of the CEO

Elements of the compensation

On the occasion of the new Worldline three-year 2017-2019 strategic plan, in line with the three-year Atos "Ambition 2019" plan, recently submitted to the investors, the Board of Directors decided on December 12, 2016, upon recommendation of the Nomination and Compensation Committee the following evolutions of the **total compensation in cash** of Mr. Gilles Grapinet relating to his office of Chief Executive Officer of the Company, as from January 1, 2017:

- A fixed annual compensation of € 415,000;
- A variable compensation, subject to performance conditions, annual target being equal to € 480,000, with a maximum payment capped at 130% of the target variable compensation in case of over-performance and no minimum payment.

In order to monitor Company's performance more closely, the performance objectives for the Chief Executive Officer are set and reviewed on a half-year basis.

It is also important to specify that the variable compensation of the Chief Executive Officer is a conditional compensation, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives (such as revenue growth, profitability and free cash flow). These objectives are closely aligned with the Worldline ambitions, as they are regularly presented to the shareholders. Thus, H1 targets are set on the basis of the budget as approved by the

Board of Directors in December, and those of H2 on the basis of the "Full Year Forecast 2", approved in July.

The portion of the fixed and variable compensation of Mr. Gilles Grapinet relating to his duties within the Atos group is increased under the same proportion.

Mr. Gilles Grapinet, CEO, also benefits from an **equity based compensation**: the total equity based compensation of the Chief Executive Officer is limited, based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements, to circa 50% of the global compensation of the Chief Executive Officer.

Since 2014, Worldline has exclusively granted stock-options or performance shares to its Executive Director, on the occasion of collective grants in favor of the first managerial and technology experts lines.

Similarly, the Board of Directors, upon proposal of the Nomination and Remuneration Committee, could decide, in the context of the strategic plan 2017-2019, for the Worldline Chief Executive Officer and the first managerial and technology experts lines to be closely associated to performance and financial results of Worldline through long-term incentive plans. In line with previous plans already implemented, the Board of Directors would define the final granting conditions by combining serious and challenging performance conditions, internal as external, regarding the achievement of performance criteria acknowledged over a minimum period of three years.

The **benefits in kind** remain unchanged.

The re-charging conditions of the compensation of Mr. Gilles Grapinet relating to his duties of Company CEO, by Atos SE, remain unchanged.

Compensation components

Pursuant to the general principles of the compensation, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, adopted a specific structure of compensation for the CEO, including the following components:

- Directors' fees

  The CEO does not receive Directors' fees.

- Fixed compensation

  The fixed compensation paid to the CEO as from January 1, 2017 will amount € 415,000. Such remuneration will be stable over several years and might be reviewed, for instance at the moment of renewal of the CEO mandate.

- Variable compensation

  This variable compensation relies on the achievement of the objectives stated below, as deriving from the annual objectives announced to the market, and cascaded in the Worldline budget-setting exercise.

  The on-target annual variable compensation amounts to € 480,000, with a maximum payment capped at 130% of the target variable compensation in case of over-performance and no minimum payment.

  In order to monitor Company's performance more closely, the performance objectives for the Chief Executive Officer are set and reviewed on a half-year basis.

  It is also important to specify that the variable compensation of the Chief Executive Officer is a conditional compensation, based on clear and demanding operating performance criteria exclusively related to quantitative and financial objectives. These objectives are closely aligned with the Worldline ambitions, as they are regularly presented to the shareholders. Thus, H1 targets are set on the basis of the budget as approved by the Board of Directors in December, and those of H2 on the basis of the "Full Year Forecast 2", approved in July.

  For the two semesters 2017, the nature and weighting of each indicator of the variable on-target bonus of the Chief Executive Officer are as follows:

  - 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 Board of Directors sets out the biannual objectives on which the variable compensation of the CEO is based on in connection with the financial objectives of its 3-year strategic plan, relating to the revenue organic growth, operating margin and free cash flow. The underlying biannual objectives are determined by the Board of Directors in order to carry out the achievement of the financial objectives announced to the market .

  Due variable compensation for the first semester 2017, based on actual achievement of the performance conditions set by the Board of Directors, will be paid in August 2017. Pursuant to the provisions of the so-called "Sapin 2" law, the payment of the variable compensation due for the second semester 2017 will be subject to the approval of the Shareholders' General Meeting which will be called to validate the 2017 consolidated financial statements.

- Multiannual variable compensation

  The Chief Executive Officer benefits from the annual grant of stock-options or performance share plans for which the first managerial and technology experts lines are entitled to (please refer to section below).

- Grant of stock-options

  No stock-options will be granted in 2017.

- Grant of performance shares

  The total equity based compensation of the Chief Executive Officer is limited, based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements, to circa 50% of the global compensation of the CEO. For 2017, during the General Meeting held on May 24, 2017, the shareholders will be invited to approve a performance share plan with the following features:

Performance conditions to be achieved over the three years 2017, 2018 and 2019 of the new plan relate to internal financial criteria linked to Free Cash Flow, Operating Margin before Depreciation and Amortization and Revenue Growth. The plan also provides for three external conditions detailed below.

The features of the performance shares allocation plan are as follows:

A. Condition of attendance: Subject to certain exceptions provided for in the plan (such as for instance death or incapacity), the allocation of performance shares is conditioned on the preservation of employee or corporate officer status of the Worldline Group or of Atos SE or of any company affiliated with Atos SE, by the beneficiary during the vesting period (section below) in accordance with article L. 225-180 of the French Commercial Code;

B. Performance condition: The allocation of performance shares is also subject to the achievement of the following internal and external performance conditions, calculated for the three years 2017, 2018 and 2019.

Internal performance conditions

For each year 2017, 2018 and 2019, at least 2 out of 3 internal performance criteria must be met. If one criterion is not met, this criterion becomes compulsory for the following year:

- Performance condition n° 1

  The amount of the Worldline 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:

  - 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
  - the Worldline Group Free Cash Flow before dividends and income generated from acquisitions/disposals recorded in the previous year increased by 10%.

- Performance condition n° 2

  The Group Operating Margin before Depreciation and Amortization of the Worldline Group in the relevant year is at least equal to one of the following two amounts:

  - 85% of the Worldline Group Operating Margin before Depreciation and Amortization disclosed in the budget of the Company for the relevant year; or
  - the Worldline Group Operating Margin before Depreciation and Amortization recorded in the previous year increased by 10%.

- Performance condition n° 3

  The Worldline Group Revenue Growth for 2017[1], 2018 and 2019 is at least equal to one of the following two amounts:

  - The growth rate set forth in the Company's budget minus a percentage decided by the Board of Directors; or
  - +5% growth rate in reference to the growth targets of the Company.

The indicators of Performance Conditions n°1, n°2 and n°3 will be calculated at constant currency exchange rates and consolidation scope.

1 *For 2017, the percentage disclosed in the budget is the "Full Year Forecast 2".*

External performance conditions

For each year 2017, 2018 and 2019, at least 2 out of 3 performance criteria must be met (or maintained if already at the highest level):

- The Worldline Group gets the GRI G4 rating "Comprehensive" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);
- The Worldline Group gets the Eco Vadis CSR rating "Gold" (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);
- The Worldline Group gets the GAIA Index Certification general rating equal or above 70% (or its equivalent if, during the plan, this terminology is modified).

Subject to the presence and performance conditions of the plan being achieved, the definitive allocation of performance shares may vary between 85% and 115% of the number of performance shares communicated to the Beneficiaries in the letter of grant, in case of, respectively, under-performance or over-performance of the Worldline Group in 2017, 2018 and 2019 compared to objectives defined by the Board of Directors.

C. Vesting and holding periods: Beneficiaries of performance shares will definitively acquire the performance shares allocated to them 3 years after the grant date, subject to achieving the above performance conditions and the aforementioned condition of attendance until the vesting date. The shares thus acquired will not be subject to any holding obligation and will be immediately available for sale by their beneficiaries, in compliance with the "closed periods" as set by the Company according to the Guide for the Prevention of Insider Trading, with the exception of the shares allocated to the Chief Executive Officer, who has an obligation to keep a certain number of vested performance shares to be determined for the entire duration of his term of office

In case the performance conditions would not be achieved and/or the presence condition would not be met, the performance shares granted would be rendered void.

- Exceptional compensation

  The CEO does not receive exceptional compensation.

- Benefits for taking up the position

  Not applicable.

- Severance Pay

  The CEO 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.

- Benefits in kind

  The benefits in kind granted to the CEO since his appointment remained unchanged and include a company car. The total amount of the benefits in kind in favor of Mr. Grapinet, relating to his office of CEO, are valued at € 2,947 for the year 2016 and should remain comparable for the year 2017.

21.1.3 Shares controlled by the Company, Treasury Shares and purchase by the Company of its own shares

The Ordinary and Extraordinary General Shareholders' Meeting of May 26, 2016 authorized the Board of Directors, for 18 months as from May 25, 2015, to implement a program to buy back the Company's shares within the framework of the provisions of article L. 225-209 of the French Commercial Code, under the following terms and conditions:

Transaction Concerned	Duration of Authorization	Maximum Amount	Maximum Number of Shares
Share buyback program	18 months	€ 475 million	10% of the Company's share capital

These shares may be acquired for the following purposes at any time to the extent permitted under applicable law or regulations, outside of tender offer periods, and by any means, in particular for the following purposes:

- To keep them and subsequently use them for payment or exchange in the context of possible external growth operations, in the respect of market practices as agreed by the AMF, being precised that the maximum number of actions acquired by the Company for this purpose cannot exceed 5% of the share capital;
- To attribute or sell these shares to the executive officers and Directors or to the employees of the Company and/or companies which are affiliated to the Company in connection with (i) profit-sharing plans, (ii) the share purchase option regime, (iii) the free share issuance regime and (iv) a company savings plan;
- Generally, to satisfy obligations relating to stock options plans or other allocations of shares to the employees or executive officers and Directors of the Company or affiliated companies;
- To remit the shares acquired upon the exercise of the rights attached to securities giving the right to the attribution of shares of the Company;
- To cancel them as a whole or in part through a reduction of the share capital.

This authorization is also intended to allow the Company to trade in own shares for any other authorized purpose or which would subsequently enjoy a legitimacy presumption under the relevant legal and regulatory provisions or that may subsequently be admitted as market practice by the AMF. In such case, the Company shall inform its shareholders by press release.

The maximum purchase price per share is fixed at € 36, excluding acquisition costs.

21.1.4 Liquidity contract

Please refer to Section 18.6 "Liquidity contract" for a description of the liquidity contract entered into with Rothschild & Cie Banque.

21.1.5 Information on stock

Number of shares	132,466,956
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

The shares of the Group have been included in the SBF120 index from March 21, 2016.

Main tickers are:

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

21.1.6 Securities Not Representing Share Capital

As of the date of this Registration Document, the Company has not issued any securities not representing share capital.

21.1.7 Other Securities Giving Access to Share Capital

21.1.7.1 Stock option plans

The following table summarizes the stock-option plans granted by the Company:

Date of Shareholders Meeting	Date of Board meeting	Exercise period start date	Exercise period end date	Options granted	Options exercised	Options cancelled or expired	Status on 12/31/2016
06/13/2014	09/03/2014	05/15/2016	09/03/2024	1,527,220	257,279	99,300	1,170,641
06/13/2014	07/27/2015[1]	05/15/2017	08/31/2025	1,558,500	0	116,000	1,442,500
06/13/2014	02/22/2016[2]	05/25/2018	05/24/2026	196,000	0	2,500	193,500
06/13/2014	07/25/2016[3]	05/25/2018	08/15/2026	45,000	0	0	45,000
Total				**3,326,720**	**257,229**	**217,800**	**2,851,641**

1 *The grant date has been set by the Board of Directors on September 1, 2015.*
2 *The grant date has been set by the Board of Directors on May 25, 2016.*
3 *The grant date has been set by the Board of Directors on August 16, 2016.*

If all stock options were to be exercised at year end, 2,851,641 new shares would have been created, representing a dilution percentage of 2.15%.

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21.1.7.2 Performance share plans

	General Meeting authorization date		
	05/26/2016	05/26/2016	Total
Board of Directors meeting date	07/25/2016	07/25/2016	
Plan details	France	International	
Number of beneficiaries	67	62	129
Number of shares granted *	263,650	152,964	416,614
Number of shares cancelled or void	15,813	1,725	17,538
Number of shares vested on 12/31/2016	-	-	-
Status on 12/31/2016	247,837	151,239	399,076
Vesting Date	07/25/2018	07/25/2019	
Availability Date	07/25/2019	07/25/2019	

* *The number of shares takes into account the application of a maximum 115% multiplier coefficient.*

The 399,076 remaining performance shares represent 0.3% of the Worldline social capital on 31 December 31, 2016.

21.1.8 Terms Governing any Right of Acquisition and/or any Obligation Attached to Subscribed but not Paid-Up Capital

None.

21.1.9 Share Capital of any company of the Group that is the Subject of an Option or of an Agreement to Put it under Option

None.

21.1.10 History of the Company's Share Capital

The Company's share capital has not changed during the last five years, with the exception of the following transactions, which occurred in 2014:

- 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, 257,276 shares have been created following the exercise of stock-option rights by executives and employees of the Group.
- On March 31, 2017, 119,960 shares have been created following the excercice of stock-option rights by executives and employees of the Group.

At December 31, 2015, Worldline SA common stock consisted of 132,346,996 shares with a nominal value of € 0.68 per share.

21.1.11 Share trading performance

21.1.11.1 Stock market overview

Worldline's share price finished the year at € 26.78 or +12.2% over one year.

Worldline's market capitalization reached € 3,544 million at the end of 2016.

21.1.11.2 Key figures

	2016
Highest *(in €)*	29.09
Lowest *(in €)*	18.99
Closing as of 12/31 *(in €)*	26.78
Average daily volume processed on Euronext platform *(in number of shares)*	88,060
Average daily volume processed on other electronic and OTC platforms *(in number of shares)*	136,553
Free-float	29.62%
Market capitalization as of 12/31 *(in € million)*	3,544
Enterprise Value as of 12/31 *(in € million)**	3,145
EV/revenue	2.4
EV/OMDA	12
P/E (year-end stock price ÷ normalized and adjusted EPS)	27.4

* *Assuming that (Enterprise value) = (Market capitalization)-(Net Cash).*

21.1.11.3 Traded volumes (all platforms)

	Trading Volume (all platforms)	
	(in shares)	*(in €)*
January 2016	4,583,543	101,311,197
February 2016	4,796,656	96,058,747
March 2016	4,552,184	98,934,132
April 2016	3,162,041	74,010,581
May 2016	5,930,250	155,282,248
June 2016	8,654,636	224,965,461
July 2016	5,707,631	149,428,497
August 2016	1,714,647	47,166,957
September 2016	4,759,714	133,025,352
October 2016	4,970,221	128,163,065
November 2016	4,481,276	110,821,955
December 2016	4,412,622	110,918,608
Total	**57,725,421**	**1,430,086,802**

21.1.11.4 2016 and subsequent key trading dates

February 23, 2016

2015 annual results

Worldline revenue reached € 1,227.0 million in 2015, up +4.4% organically compared with 2014. The Group's OMDA improved by +50bp, reaching € 235.3 million or 19.2% of sales fully in line with the guidance for the year. Net income Group share stood at € 103.4 million and net income Group share adjusted for non-recurring expenses reached € 117.9 million, which compares to € 113.8 million in 2014. Diluted adjusted earnings per share[1] was € 0.89 in 2015, compared with € 0.86 in 2014 (+3.5%). Free cash flow in 2015 was € 128.5 million, exceeding the € 120 million to € 125 million target set for the year and increasing by 12.3% compared with 2014.

April 20, 2016

First quarter 2016 revenue

Revenue was € 298.8 million, representing an organic growth of +6.5% at constant scope and exchange rates compared to the first quarter of 2015. All three global business lines contributed to the growth, with a strong acceleration in particular in Merchant Services & Terminals, which grew by 11.2%. Free cash flow was € 35.3 million, up 10.7%.

May 26, 2016

Worldline's Combined General Meeting

Worldline held its Annual General Meeting on May 26, 2016 chaired by Mr. Thierry Breton, Chairman of the Board of Directors of the Company. All resolutions submitted by the Board of Directors were approved. In particular, the General Meeting approved the parent company and Group consolidated accounts for the financial year ending December 31, 2015. The General Meeting also renewed the terms of office of Mrs. Ursula Morgenstern, Mr. Gilles Arditti, Mr. Charles Dehelly, Mr. Michel-Alain Proch and Mr. Luc Rémont as Directors, and gave authorizations to the Board of Directors to proceed with share capital increases. The voting results of the Combined General Meeting are available on the Company's website (section investors – Annual General Meeting). During the Annual General Meeting, the CEO gave an update on the status of the merger project with Equens.

July 26, 2016

First half 2016 results

First half 2016 revenue amounted to € 614.8 million, up +6.0% organically. OMDA reached € 117.2 million or 19.1% of revenue, increasing by +80 basis points, fully in line with the circa +80 basis points improvement target set for the full year. Net income Group share includes the profit from the disposal of the visa share and stood at € 92.1 million, +89.1% compared with the same period last year. Normalized net income[2] was € 62.0 million and progressed by +11.7%. First half 2016 free cash flow was € 71.2 million, representing a +10.9% increase compared to h1 2015. Net cash reached € 434.9 million, increasing by €+170.4 million compared with the net cash position as at June 30, 2015.

1 *EPS including the impacts of potentially dilutive instruments, calculated on the net result adjusted for non-recurring items, net of tax (€+14.5 million in 2015 and €+13.4 million in 2014) and based for the year 2014 on the number of shares existing as at December 31, 2014.*

2 *The normalized net income excludes unusual and infrequent items (net of tax).*

September 30, 2016

The Group announced the completion of the transactions with Equens, Paysquare and KB Smartpay.

Completion of the transactions with Equens and Paysquare

Under the terms of the agreement, it is reminded that the completed transaction is made of two components:

- Regarding Financial Processing activities, the Financial Processing businesses of Worldline[1] have been merged with Equens. This merger resulted in the creation of equensWorldline, owned by Worldline at 63.6% and by the former shareholders of Equens at 36.4%. The company equensWorldline will be consolidated within the Group's Financial Processing & Software Licensing division from October 1, 2016;
- Regarding Merchant Services, Worldline has acquired from Equens its commercial acquiring subsidiary Paysquare for an enterprise value of € 72 million in cash, funded by the existing available cash balance of the Group. Paysquare will be fully consolidated in the Group's Merchant Services & Terminals division from October 1, 2016.

Completion of the agreement with Komercni banka in Commercial Acquiring

Under the terms of the agreement, Worldline has acquired, as a first stage, 80% of Cataps s.r.o. ("Cataps"), a 100% subsidiary of the Komercni banka banking group, based on an enterprise value of € 34 million for 100%. Cataps was established in 2014 and has assumed activities of Komercni banka in credit and debit card payment processing services (merchant acquiring).

As part of this agreement, Worldline and Komercni banka have in addition signed an 10 year commercial alliance for the development and the growth of these activities in the Czech Republic.

October 19, 2016

Third quarter 2016 revenue

During the third quarter of 2016, Worldline's revenue was at € 294.3 million, slightly increasing compared with the third quarter of 2015 (€+0.6 million or +0.2% at constant scope and exchange rates), more than compensating a c.-8 points of temporary negative base effect arising from the termination of two historical contracts in the Mobility & e-Transactional business line.

2016 objectives

Regarding the scope before the recent acquisitions (Equens, Paysquare and KB Smartpay consolidated as of October 1, 2016), the Group confirms its objectives for the full year 2016: revenue organic growth above +3%; OMDA rate improvement of +c. 80 bp vs 2015; and free cash flow generation between € 135 million and € 140 million (including the exceptional cash-out linked to the Equens transaction costs (c. € 12 million)).

The additional contribution from acquired companies in q4 2016 is expected as follows:

- Revenue: c. €+80 million;
- OMDA: c. €+10 million;
- Positive net contribution to the free cash flow.

October 20, 2016

Eric Heurtaux appointed Chief Financial Officer of Worldline

Worldline announced the appointment of Eric Heurtaux as Chief Financial Officer, effective December 1. He will be replacing Bruno Vaffier who, after 15 years within the Group, has decided to start a new professional challenge in another company at the same date.

Eric Heurtaux will oversee the Company's finance and accounting organizations and will also be in charge of the TEAM efficiency program alongside the IT and purchasing departments.

November 8, 2016

2017-2019 Group objectives

Worldline announces during the Analyst Day held by its parent company Atos in its Headquarters in Bezons (France), its ambitions for 2017-2019, reflecting the increase of its business after the recent acquisitions of the Equens, Paysquare and KB Smartpay.

The Group ambitions to deliver:

- After a first semester 2017 at a slight positive growth, organic revenue CAGR between +5% and +7%;
- OMDA percentage improvement between +350bp and +400bp in 2019, compared with 2016[2];
- € 210 million to € 230 million Free Cash Flow in 2019, representing over +50% increase compared with 2016 objective.

To reach its 2019 Ambition the Group will focus on the following levers:

- Take advantage of Worldline's unique Pan-European reach and undisputed leadership in Financial Processing;
- Expand strongly Worldline's Pan-European platform for Omni-Commerce Merchant Services;
- Devote a particularly strong focus to take advantage of robust market trends in Mobility & e-Transactional Services.

February 21, 2017

2016 annual results

At constant scope and exchange rates, Worldline revenue stood at € 1,309.2 million representing an organic growth of +3.5% compared with 2015. The Global Business Lines Merchant Services & Terminals and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was impacted by the termination of two historical contracts. Excluding the impact of these contract terminations, the growth of the rest of the businesses was +8.4%.

1 Except for Financial Processing businesses in Asia and in Spain.
2 c. 18.5% OMDA margin, 2016 pro forma as if Equens, Paysquare and KB Smartpay were consolidated for 12 months, from January 1, 2016.

The Group's OMDA improved by +90bp, reaching € 258.7 million or 19.8% of sales. Net income Group share included the profit from the disposal of the Visa Europe share for € 51.2 million and stood at € 144.2 million. Net income Group share adjusted for non-recurring expenses reached € 129.2 million, which compares to € 119.9 million in 2015.

Diluted adjusted earnings per share[1] was € 0.98 in 2016, compared with € 0.91 in 2015 (+7.7%).

Free cash flow in 2016 was € 140.4 million, at the high end of the € 135 million to € 140 million target set for the year and increasing by +9.3% compared with 2015. Net cash reached € 398.9 million, increasing by €+75.6 million compared with the net cash position as at December 31, 2015. This net cash position includes the proceeds from the sale of Worldline's investment in Visa Europe for € 35.6 million and the net disbursement of € 111.0 million linked to the acquisition of Paysquare and KB Smartpay.

21.2 Constitutive Documents and Bylaws

The Company's bylaws were prepared in accordance with the laws and regulations applicable to French limited liability corporations (*sociétés anonymes*) with Boards of Directors. The principal provisions described below have been taken from the Company's bylaws.

21.2.1 Corporate Purpose (article 2 of the Bylaws)

Pursuant to article 2 of its bylaws, the Company's purpose is to:

- Conduct research, study, development and production in regard to 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 sector, transactional services, digital services and telecommunications;
- 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 checks 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 in order to develop its own business;
- Do everything, 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.

1 EPS including the impacts of potentially dilutive instruments, calculated on the net result adjusted for non-recurring items, net of tax.

21.2.2 Fiscal Year (article 36 of the Bylaws) [GRI 102-50] and [GRI 102-52]

The Company has a fiscal year of twelve months, beginning on January 1 and ending on December 31 of each year.

21.2.3 Board of Directors and senior management

21.2.3.1 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 twelve 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 appointed for a three-year term. A maximum of one-third of the members of the Board of Directors may be more than 70 years old. Within six months after being nominated and for the duration of the term of office, each member of the Board of Directors (other than Directors representing employee shareholders) must hold at least one thousand five hundred (1,500) shares of the Company.

21.2.3.2 Chairman (articles 19 and 21 of the Bylaws)

The Board of Directors elects a Chairman from among the members who are natural persons. The Chairman represents the Board of Directors. 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.

21.2.3.3 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 CEO 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 CEO represents the Company in its relations with third parties.

21.2.3.4 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 CEO 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 meeting's Chairman prevails.

21.2.3.5 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 CEO's authority, as the case may be, pursuant to its rules of procedure, by establishing the transactions for which Board authorization is required.

21.2.3.6 Related-Party Agreements (article 25 of the Bylaws)

Any agreement entered into either directly or through an intermediary party between the Company and its CEO, any Deputy Managing Director, 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.

21.2.3.7 Compensation of Directors (article 20 of the Bylaws)

Members of the Board of Directors may receive Directors' fees, 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 a larger portion to those Directors serving on committees.

21.2.4 Rights, Privileges and Restrictions Attached to Shares

21.2.4.1 Voting Rights

Each share gives the right to one vote. The Company's Bylaws confer double voting rights on fully paid-up, registered nominal shares held by the same person for at least two years. The amount of time that such shares have been held prior to the listing of the Company's shares on Euronext Paris shall not be taken into account for the purpose of calculating such two-year period.

21.2.4.2 Limitation on Voting Rights

The Bylaws do not contain any provisions restricting the voting rights attached to the shares.

21.2.4.3 Preferential Subscription Rights

The Company's shares have a preferential right to subscribe for capital increases in accordance with the French Commercial Code.

21.2.4.4 Participation in General Shareholders' Meetings (article 28 of the Bylaws)

Every shareholder has the right to attend General 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 General Shareholders' Meetings is subject to his shares being registered in his name or in the name of the intermediary registered on his behalf on the third day preceding the Shareholders' Meeting at 12 am (Paris time), either in the registered-share account kept by the Company or in a bearer-share account kept by an approved intermediary. An owner of bearer shares may participate in the General 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 General Meetings by videoconference or other means of telecommunication, including the Internet, in particular through an electronic voting form available on the Company's website.

21.2.4.5 Identifiable Bearer Shares (article 9 of the Bylaws)

The Company may at any time verify the identity of 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 delayed until such date.

21.2.4.6 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.

21.2.4.7 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.

21.2.4.8 Crossing of Statutory 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 comes to hold, acting alone or in concert, 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.

21.2.5 Financial Statements (articles 37, 38 and 39 of the Bylaws)

21.2.5.1 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.

21.2.5.2 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.

21.2.5.3 Control of the Issuer

There are no provisions either in the Company's Bylaws or in any internal charter or rules of procedure that could have the effect of delaying, postponing or preventing a change of control of the Company.

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Material Contracts

The material contracts that the Group has entered into outside the ordinary course of business in the past two years are presented in Chapter 10, “Liquidity and Capital Resources” and Chapter 19, “Related Party Transactions”.

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Information from third parties, expert certifications and interest declarations

Certain information found in Section 6.2, "Industry and Market Overview", 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.

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Publicly available documents

24.1 Shareholder Documentation

Copies of this Registration Document, which is published in English and in French, are available free of charge at the Company's registered office. This document may also be consulted on the Company's website (www.worldline.com) and on the AMF's website (www.amf-france.org).

While this Registration Document is valid, the following documents (or a copy of such documents) may be viewed:

- The Company's bylaws;
- Any report, correspondence or other historical financial information or document, assessment or statement prepared by an expert upon the Company's request, of which a portion is included or referred to in this Registration Document;
- Regular press releases, regulated information and general Group's information; and
- The historical financial information included in this Registration Document.

All such legal and financial documents relating to the Company and made available to shareholders in accordance with applicable regulations may be viewed at the Company's registered office.

24.2 Contacts

Institutional investors, financial analysts and individual shareholders may obtain information from:

David Pierre-Kahn,
Head of Investor Relations
80, quai Voltaire
95870 Bezons
T: +33 (0)1 3434 9066
M: +33 (0)6 2851 4596
David.pierre-kahn@worldline.com

Requests for information can also be sent by email to investor-relations@worldline.com

24.3 Financial calendar

May 24, 2017	Annual General Meeting
July 25, 2017	First half 2017 results
October 23, 2017	Third quarter 2017 revenue

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Information on Equity Investments

Information relating to companies in which the Company holds equity that could have a material impact on the value of its assets, financial condition or results is included in Section 7.2.3, "Equity Investments".

A

Annex

Annex I

Glossary

"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.
"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.
"data center"	Physical site used to house the equipment comprising a business' 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 10 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.
"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 check.
"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.
"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.

Annex II

Report of the Chairman of the Board of Directors on Corporate Governance and Internal Control

Dear Shareholders,

Pursuant to article L. 225-37 of the French Commercial Code, as Chairman of the Board of Directors of Worldline SA (hereinafter the "Company"), let me first of all present the preparation and organization conditions of the works of the Board of Directors since January 1, 2015, and secondly, the internal control procedures set up within the Worldline Group.

The Board of Directors approved this report during its meeting of March 28, 2017.

A. Corporate Governance

This Registration Document includes all corporate governance-related items required by article L. 225-37 of the French Commercial Code to be included in the Chairman's report on Corporate Governance and Internal Control. The following table shows the correspondence between the "Corporate governance" section of the report of the Chairman of the Board of Directors and the corresponding chapters of this Registration Document.

	Chapter of the Registration Document
Composition of the Board of Directors and ratio of women Directors at the Board	14.1
Reference to a Corporate Governance Code	16.5
Independence of the members of the Board of Directors	14.1.1
Conditions of preparation and organization of the work of the Board	16
Assessment of the composition and functioning of the Board of Directors	16.3.3
Principles and rules for determining the remuneration and benefits of the Chairman and Chief Executive Office	15.2
Principles and rules for the payment of Directors' fees	15.1
Formalities for participation of shareholders in the Shareholders' General Meeting	21.2.4.4
Information relevant in a context of public offering	21.2.5.3

Information referred to in article L. 225-100-3 of the French *Code de commerce* are provided in the Annual Financial Report which is incorporated in this Registration Document (see Annex IV for a cross-reference table related to the Annual Financial Report).

B. Internal control

The internal control system relies on the internal control reference framework prescribed by the AMF (Autorité des Marchés Financiers).

The "general principles" section of the AMF framework has been used to describe in a structured manner the components of the internal control system of Worldline. 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.

	Chapter of the Registration Document
Internal control and risk management procedures put in place by the Company	16.6

Conclusion

Based on the above, we have no other observation with regard to internal control and procedures implemented by the Group.

The above elements participate to guarantee the appropriate level of internal control even if they cannot provide an absolute guarantee that the Group's goals in this respect will be achieved and that all risks will have been completely eliminated.

Thierry BRETON,

Chairman, Worldline

Statutory Auditors' report prepared in accordance with article L. 225-235 of French Commercial Code (*Code de commerce*) on the report prepared by the Chairman of the Board of Directors of Worldline SA

This is a free translation into English of the Statutory Auditors' report issued in French prepared in accordance with article L. 225-235 of French Commercial Code on the report prepared by the Chairman of the Board of Directors issued in French and is provided solely for the convenience of English speaking users.

This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of Worldline SA and in accordance with article L. 225-235 of French Commercial Code (*Code de commerce*), we hereby report on the report prepared by the Chairman of your Company in accordance with article L. 225-37 of French Commercial Code (*Code de commerce*) for the year ended December 31, 2016.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the Company and containing the other disclosures required by article L. 225-37 of French Commercial Code (*Code de commerce*), particularly in terms of corporate governance.

It is our responsibility:

- To report to you on the information contained in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information; and
- To attest that this report contains the other disclosures required by article L. 225-37 of French Commercial Code (*Code de commerce*), being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control procedures and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- Obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- Obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- Determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the Company's internal control procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with article L. 225-37 of French Commercial Code (*Code de commerce*).

Other disclosures

We attest that the Chairman's report includes the other disclosures required by article L. 225-37 of French Commercial Code (*Code de commerce*).

Neuilly-sur-Seine, March 30, 2017
The statutory auditors
French original signed by

Deloitte & Associés

Jean-Pierre Agazzi

Grant Thornton
French member of Grant Thornton International
Victor Amselem

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Annex III

Corporate and social responsibility report

A.1 Integrating sustainability in Worldline's business

A.1.1 Building an integrated thinking

A.1.1.1 Market trends, opportunities and risks in the digital area [GRI 102-15] and [GRI 103-1 Economic Performance]

The digital revolution is gradually extending to the payment industry to which it is bringing significant changes. The arrival of new digital players, often with different economic models and mindsets, such as the GAFA, neo-banks and Fintech, as well as the continuing pressure of regulatory changes, such as the PSD2 Directive which is in the process of being applied, are the main disruptive elements that are driving the entire payment ecosystem towards a new business model which has not yet stabilized.

Digitization of processes

The digitization of processes allows a better fit between offers and customer needs by improving responsiveness and geographical proximity for the latter, *via* a more "push" than "pull" model that is more based on supply. Furthermore, the digitization of processes facilitates a seamless digital experience to the consumer with no interruption of his/her interaction with the Company, irrespective of the mean used.

Worldline encourages simple and efficient systems that optimize the use of resources, for example, by removing unnecessary paper or cards.

Investment for the future

Data analysis is still a fairly green field and continuous innovation is gradually facilitating the processing of very large data flows. As mentioned previously, the analysis of this information provides very valuable elements on how to improve and optimize services and products and to create new ones.

The classic payment value chain is very complex, costly and involves a lot of stakeholders. Legacy and evolution have made it extremely intertwined. New technologies will enable us to simplify the way financial transactions are realized with fewer participants (lower costs), less computer processing (lower energy consumption), and fewer customer interactions (enhancing the customer experience).

In response to this demand, and as a key actor committed to social progress for society at large, Worldline has significantly invested in payment and digital services assets. The Company wants to provide better support for its clients' sustainability challenges while developing new revenue streams and complying with their corporate objectives as well as committing to economic transparency by fighting the shadow economy, fraud, money laundering and, all types of financial violation in general.

By contributing to its customers' economic growth and sustainability offerings, Worldline's solutions have the following impacts:

Economic

Worldline's sensitive activities, in terms of risk, take place in an ecosystem which involves more and more stakeholders. This ecosystem is ruled by international and local regulations defining payment industry sector standards, but also by user practices and habits which must also be taken into account.

Worldline has a key role to play in this context by making the economy more open and transparent and by improving markets access beyond payment as online services, personal services, mobility, digitalization and secure confidence in traceability. Thanks to its innovative solutions and corporate commitment, Worldline is recognized as a trusted third party partner supporting its customers' growth.

Social

In order to meet those challenges, Worldline fully aligns Human Resources strategy with operational needs, to better anticipate growth and its impact on personnel needs. This means having the right skills for a qualified workforce on a global scale, delivering development programs for its collaborators to grow, retaining talents and as a result, being considered as an attractive player on the market.

Environmental

The IT sector has grown very significantly over the last 10 to 15 years and is still a major energy consumer. Worldline believes that technological progress also brings valuable solutions for a better use of resources and more specifically of energy.

Worldline acts as a responsible player in terms of resource management and is conscious of its energy consumption and waste production, optimizing its use of resources with a special focus on cost reduction. This enables it to be environmentally-friendly by seeking every opportunity to save resources, while improving its bottom line.

A.1.1.2 Vision, strategy and governance [GRI 102-13] [GRI 102-18] [GRI 102-19] [GRI 102-20] [GRI 102-21] [GRI 102-26] [GRI 102-27] [GRI 102-28] [GRI 102-29] [GRI 102-30] [GRI 102-31] and [GRI 102-32]

A.1.1.2.1 Vision

As part of the Atos group, Worldline shares its vision, strategy and governance. Strengthened by a long history of shared experience, strong corporate values and a wide footprint in markets, Worldline has developed Corporate Social Responsibility (CSR) specificities which are reflected in its solutions and its customers' needs.

Like the Atos group, Worldline's goal is to be recognized as a responsible European champion at a global reach, providing solutions to its customers to reinvent their models of future growth at a time of massive change which is affecting them financially, technologically, environmentally and socially.

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

A.1.1.2.2 Strategy

To achieve its goal of integrating its lines of business into its sustainability operations, Worldline's Corporate Social Responsibility strategy is based on three strategic axes:

Reinforce IT leadership to promote sustainability

Consolidating and improving Worldline's position in recognized sustainability rankings such as the Global Reporting Initiative, EcoVadis, Great Place to Work, etc., as well as its investor rankings (Gaïa Index, OEKOM, Vigeo, etc.) require constant attention on its part. This enables the Company to take on the non-financial performance challenge and consolidate its credibility in the market. The many prizes and awards received by the Group reflect the growing importance of its commitment worldwide.

Embed corporate responsibility at the core of Worldline's business and processes

As a subsidiary of the Atos group, Worldline makes sustainability a component of its DNA through its corporate values, innovation, environmentally-friendly operational excellence, social responsibility and business development. Sustainability is part of Worldline's innovation process, enabling the creation of new solutions in different fields of expertise as energy and carbon management, social collaboration, public services, etc.

By making sustainability part of its business and of the IT transformation process, Worldline is convinced that its clients can better improve their organization, create new opportunities, encourage innovation and ensure competitive advantage.

Worldline's goal is to gradually embed Corporate Social Responsibility in its employees' everyday working life regardless of their culture or location. Continuous efforts are made to bring all the regions within a coherent approach that strengthens Worldline's position as a multinational company that takes into account local needs and concerns.

Identifying challenges, establishing priorities, measuring performance

Worldline intends to strengthen dialog with its stakeholders in order to share the Company's strategic challenges as well as the key performance indicators that will measure and publicly report the progress made by its sustainability approach. Managing stakeholders' expectations in line with existing regulations helps to better focus on relevant areas of action and improve transparency on appropriate topics. The essential part of Worldline's engagement toward its stakeholders is the integration of CSR matters in the exchanges with investors' community.

In 2016, Worldline took the decision to commit to CSR on a long-term basis with its various stakeholders by announcing the launch of its CSR program: "TRUST 2020: Trust at the heart of everything we do". The program is intended to bolster the sustainability of Worldline's operations in years to come, thereby improving its non-financial performance and consolidating Worldline's position as a CSR market leader. This program is a key market differentiating factor and a crucial element for building and developing a trusting relationship with its clients and partners as well as with its employees, investors and suppliers.

Worldline has defined its "TRUST 2020" CSR 2020 ambition for each of its material challenges in order to reinforce its leadership and define its roadmap for the coming years. The program covers operational, employment, supply chain and environmental issues.

The Company has set specific and measurable CSR objectives that it hopes to achieve by 2020, and will announce progress on a yearly basis. The program's objectives are based on Worldline's four strategic areas of focus: business operations, employees, the value chain and the environment:

1. Ensure the full alignment with the Service Level Agreements (SLA) on service availability and response time;
2. Guarantee all incident responses are compliant with Worldline security policy;
3. Increase employee satisfaction as measured by the Trust Index of the Great Place to Work® survey;
4. Ensure more than 90% employee satisfaction with the trainings provided by Worldline;
5. Reduce the female capital gap to 0 (target range of +/- 10%);
6. Be cited in at least 5 employer brand studies;
7. Reach an Overall Customer Satisfaction (OCS) above 8/10;
8. Generate €725 m in revenue through sustainable solutions that contribute to societal and environmental progress;
9. Improve the responsible supply chain performance by obtaining the EcoVadis "Gold" Label and by monitoring supplier performance improvement;
10. Deliver carbon neutral services and products and produce carbon neutral services payment terminals.

The 2010 CSR commitments included in this program are a strong mobilization catalyst for the entire organization. 14 Key Performance Indicators (KPI) cover the objectives enabling progress to be measured on a regular basis.

The momentum created by this transformation program will enable Worldline to speed up its progress, year on year, and will benefit its various stakeholders:

- Customers will continue to benefit from better quality services and high-level communications as well as increasingly innovative energy-saving solutions;
- Employees will see the quality of their working environment improve with the introduction of new technologies, as well as career opportunities;
- Investors and analysts will be able to access transparent and certified information, year on year, which they can use to measure progress in terms of operational efficiency;
- Suppliers and partners will receive a great deal of attention, thus enabling them to strengthen their business links and creating growth;
- Communities will have a partner that is increasingly aware of the social, environmental and economic aspects of the ecosystem of the region where the Company is located;
- Public bodies will be able to continue to guarantee that Worldline complies with various regulations and standards, a source of sustainability within its sector.

Awards and recognitions

In 2016, Worldline's CSR outcomes were excellent, with a significant increase in the number of certifications obtained:

- Compliant with all the reference guidelines of the Global Reporting Initiative in accordance with the new GRI Standards of 2016, pioneered by Worldline worldwide;
- It obtained the EcoVadis "Gold" Label for the responsible management of its supply chain as an independent company;
- Renewal of its ISO 14001 certification for the Environmental Management System in place for all its data centers and offices with over 500 employees;
- Entered the Gaïa Index (non-financial information rating agency) TOP 10 with a score of 91/100;
- First-time "Prime" C+ rating by OEKOM, the responsible investment rating agency;
- Entered the MSCI Index (independent research provider for institutional investors) obtaining an AA rating for its first certification;
- First European assessment by the Vigéo group which measures the sustainability performance of companies.

Partnerships and associations

With a view to keeping abreast of the latest market trends and best industry practices, Worldline is an active member of three bodies recognized for their expertise in the field of CSR:

- United Nations Global Compact: Worldline joined the United Nations Global Compact, committing to improve human rights, to comply with employment and environmental regulations and to fight against corruption;
- Global Reporting Initiative Gold Community: Worldline is a member of the GOLD Community and support the mission of GRI to empower decision makers everywhere, through GRI Sustainability Reporting Standards and its multi stakeholder network, to take action towards a more sustainable economy and world;
- Sustainability Directors' Club: Worldline is an active member, making regular presentations at conferences organized by C3D with a view to sharing latest practices and regulations.

A.1.1.2.3 Governance

The Corporate Social Responsibility Officer, a member of the Worldline Management Committee reporting directly to Worldline's CEO, drives the Worldline CSR strategy and promotes CSR values internally and externally. He is responsible for the Worldline Corporate Social Responsibility department composed of an international team of 35 people, present in the 17 countries in which Worldline is located and the Company's 7 support functions. Weekly follow-up calls and monthly work and exchange sessions are held to monitor the progress of action plans and coordinate the work of all local CSR counterparts.

The Worldline CSR Officer works in close cooperation with the Atos CSR Officer to ensure full alignment with the Group CSR initiatives and the associated teams. He is responsible for defining the Company's CSR Strategy, taking into account the Group policy and Worldline's business specificities according to the materiality analysis defined through the dialog engaged with Worldline's internal and external stakeholders.

Worldline's Management Committee is associated with the implementation of the CSR strategy and with the CSR program's action plan. The CSR Officer presents the results of the CSR initiatives and their upcoming roadmap during the Worldline Management Committee's quarterly "CSR Session". The CSR Officer highlights the key successes in accordance with the committed roadmap and the agreed strategy. The Worldline Management Committee is deeply involved in local implementation of the CSR initiatives and provides permanent support and sponsorship for the projects.

The Corporate Social Responsibility and Sustainability program is part of Atos group's wellbeing@work global program which is intended to transform the Group into a Tier 1 leader and one of the best companies to work for.

A.1.1.3 Value creation for stakeholders

A.1.1.3.1 Worldline stakeholders' approach and materiality analysis [GRI 102-40] [GRI 102-42] [GRI 102-43] [GRI 102-21] [GRI 102-27] and [GRI 103-1 sector specific disclosures]

Worldline's Corporate Social Responsibility approach is supported by an ongoing dialog with all stakeholders including clients, employees, suppliers, local government, public authorities, non-profits and financial analysts. Dialog with stakeholders plays a critical role in business operations by showcasing Worldline's capacity for innovation, enhancing its appeal among customers, investors and employees, creating opportunities to develop services and solutions with high growth potential or by protecting Worldline's reputation.

Dialog takes place at every level of the organization under the direction of the CSR Officer:

- At global level: corporate headquarter teams act as the primary interface to coordinate all of the Company's global initiatives and projects;
- At country level: local teams strive to foster close ties with local stakeholders, especially national authorities.

In order to comply with the Atos group's framework regarding stakeholders' relations, Worldline's approach has been launched in order to:

- Map its own stakeholders' current expectations and define the changes required; prioritize Corporate Social Responsibility issues and action plans in accordance with their relative importance to stakeholders and their criticality to the Company's business activities;
- Define the Key Performance Indicators to be tracked to assess Worldline's CSR performance.

This approach is in keeping with several international standards such as the AA1000 Standard and the GRI Standards (Comprehensive option) on which Worldline focused all its efforts with the aim of structuring its dialog with stakeholders and materiality matrix, as well as steering the reporting process.

A.1.1.3.2 Mapping of Worldline stakeholders' expectations [GRI 102-40] [GRI 102-42] [GRI 102-43] [GRI 102-44] and [GRI 103-1 sector specific disclosures]

The image below depicts the main stakeholders, the key challenges and the channels of communication used between these actors and Worldline.

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 are stakeholders influencing Worldline's activities?
- How can Worldline impact them?

Employees

Worldline relies on its human capital to develop permanent innovation in products and solutions. It is a critical strength in an industry that is constantly evolving in terms of technologies and customer's experience.

Suppliers and Partners

Worldline leverages a selected number of third parties who supply IT hardware, software and services, able to meet high level of quality of service. Those suppliers and partners demonstrated their reliability to support Worldline's platforms and services.

Customers

Customer's use of Worldline products and services is based on trust, security and data protection that makes the key strength of Worldline. The overall revenue is spread among a relatively large number of customers. However, a significant percentage of revenue is nevertheless attributable to a limited number of customers.

Investors and analysts

The financial community and shareholders expect profitability and efficiency from Worldline. They need to trust the capacity of Worldline to achieve its goals and therefore require information and data about its strategy and its CSR components including achievements and objectives. Above all, clarity and transparency are requested.

Institutional actors

Regulation concerning e-transactions (in particular payment transactions) has recently increased significantly and will be reinforced in the coming years. To sustain the growth of its activities, Worldline has to comply with international and local laws, rules and regulations defined by the institutional actors.

Communities

To develop its activities, Worldline needs to be fully recognized by its local stakeholders in order to recruit the best talents, comply with local standards and create new offers that fit with the local context and perfectly meet the needs and expectations of clients.

A.1.2 Worldline's materiality assessment & the 4 Worldline's challenges [GRI 103-2 sector specific standards]

A.1.2.1 Materiality matrix

A.1.2.1.1 Worldline materiality assessment and Corporate Social Responsibility dashboard [GRI 102-46] and [GRI 102-47]

Worldline's Corporate Social Responsibility approach is based on a materiality analysis in order to prioritize its actions on the most relevant subjects, taking into account its business activities and the expectations of stakeholders. Therefore, the materiality analysis is a quality tool used to connect and prioritize financial and non-financial subjects. It allows focusing on issues that are really strategic and critical to the sustainability of the Company's business model and enable it to achieve its objectives and manage its impact on the Company.

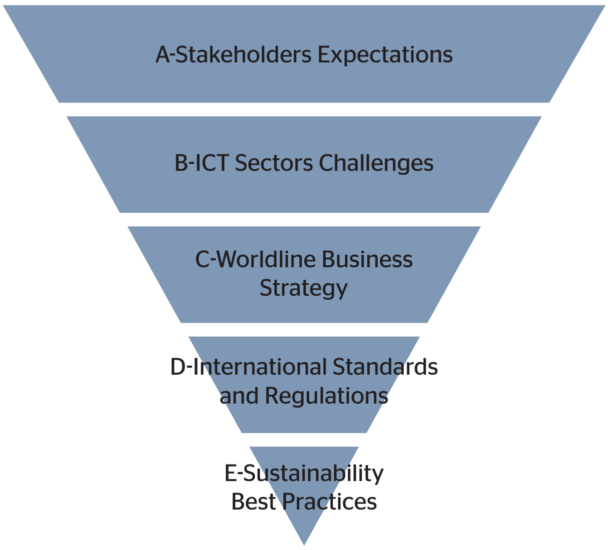
The 2016 materiality analysis and associated reporting process were structured and delivered in compliance with the guidelines of the New Standards form the Global Reporting Initiative and the practices of the Atos group. The approach has been also developed in accordance with the principles of the AA1000 standards. Consequently, Worldline's reporting is processed through two documents:

- The Registration Document includes a 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 and the Energy Transition for Green Growth law;
- The Corporate Social Responsibility report, including the main KPIs, highlights the key initiatives and case studies on topics important to Worldline. This report has been prepared ¨In Accordance¨ with the GRI Standards Comprehensive Option and contains a cross-reference table establishing the links between GRI information and the expectations of the French law Grenelle II and Energy Transition contained in the Registration Document.

A.1.2.1.2 **Materiality matrix** [GRI 102-14] [GRI 102-44] [WL1] [WL2] [WL3] [WL4] [WL5] [WL6] [AO2] [AO3] [AO10] [AO11] [AO14] [AO17] [GRI 103-1 Economic Performance] [GRI 103-1 Market Presence] [GRI 103-1 Indirect Economic Impacts] [GRI 103-1 Anti-Corruption] [GRI 103-1 Energy] [GRI 103-1 Emissions] [GRI 103-1 Occupational Health and Safety] [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 Socioeconomic Compliance] and [GRI 103-1 Procurement Practices]

Identification and prioritization of relevant topics

Worldline performed a materiality assessment in 2014 that was revised in 2016 following extensive dialog with its stakeholders. The materiality assessment aims to identify the essential challenges that the market and the main stakeholders consider critical for Worldline. As presented in Section 1.1.3, the prioritization was based on the materiality review performed in 2014 and updated in 2015 and 2016, following Global Reporting Initiative New Standards of reporting.



A: Worldline takes into account its stakeholders' expectations identified thanks to its regular exchanges and communication with them.

B: Worldline regularly analyzes how its peers' practices are evolving in order to spot trends and adapt its processes.

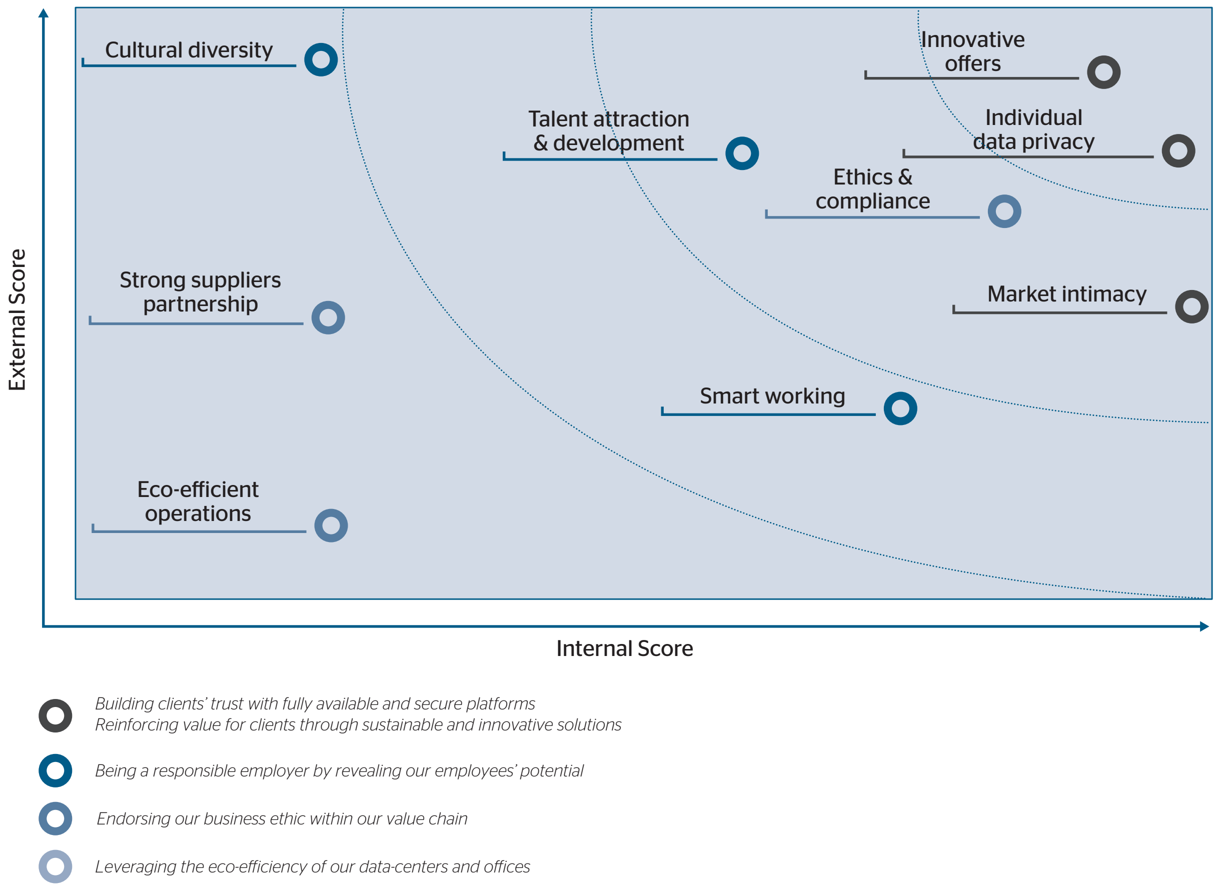
C: During the materiality review, several internal and external interviews were held to identify the impact of the expectations on the business strategy and to challenge those expectations. The result was included in the materiality matrix, taking into account some specificities of the e-payment sector that are not covered in the GRI Standards guidelines. For instance, the innovation-related topic, which was the main topic raised during the interviews, was included in Worldline's materiality matrix.

D: International standards and regulations were also taken into account in the materiality review to help the managers and the CSR team to prioritize the different challenges for Worldline.

E: A comparative study of the e-payment industry identified the industry's best practices related to sustainability strategies and reporting.

Worldline materiality matrix

Worldline defined its priority topics in accordance with its stakeholders' expectations. The result is formalized in the following Worldline materiality matrix. This matrix was reviewed by the top management of the Company and shared with Atos' CSR team.



A.1.2.2 4 challenges [GRI 103-2 sector specific standards]

As a result of the material assessment process, four challenges have been selected and prioritized according to Worldline's stakeholders' expectations.

Prioritization of Corporate Social Responsibility issues/Worldline areas of action

1. Building clients' trust with fully available and secured platforms and helping them create value through sustainable & innovative solutions

During past years, Worldline has developed a strong and recognized market intimacy that enables the Company to anticipate new trends. The global payment and digital services industry in which Worldline competes is subject to rapid and significant technological changes, new products and services introductions, evolving industry standards, changing customer's needs and preferences, and the entrance of non-traditional competitors.

People value chain and Worldline's talents are a key element to deliver innovation and increase value for clients. Worldline creates inspired, sustainable and innovative solutions and is committed to ensure a high level of customer's satisfaction. To implement its solutions, Worldline must ensure a high level of safety and permanent real-time platform availability for its clients.

Client satisfaction, innovation, confidentiality and data privacy are the main challenges for Worldline towards its customers. These essential issues correspond to the following GRI Standards elements: **Product and service labeling**, **Product responsibility and Customer Privacy**. For more information on GRI standards aspects, see Section 2.

All of these challenges are covered by dedicated indicators, which are detailed in the Trust 2020 program and are regularly monitored. In 2016, progress has been made and Worldline is increasingly closed to its targets by 2020: the revenue of sustainable offers increased from € 575 million to € 586 million, as well as the Worldline customer satisfaction increased from 7.26 to 7.67.

2. Being a responsible employer by revealing our employees' potential

In Worldline's industry, the ability to have a qualified workforce and cultural diversity is critical to the growth and the success of the Company. Worldline's business functions evolve in a context of fast changing technologies, social, economic and regulatory developments that require a wide-ranging set of expertise and intellectual capital. In order to compete and grow successfully, Worldline must attract, recruit, develop and retain employees who can provide the expertise necessary to meet its clients' needs. Worldline must ensure that its workforce defines and follows individual succession plans securing and developing essential human capabilities requested to remain the leader in its industry.

This target is supported by a strong well-coordinated and optimized use of recruitment, performance management, learning and development, mobility and succession, orchestrated by the Human Resources department.

Talent management, diversity, working conditions and employee motivation are the main challenges for Worldline vis-à-vis its employees. These essential issues 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 3.

All of these challenges are covered by dedicated indicators, which are detailed in the TRUST 2020 program and are regularly monitored. In 2016, progress has been made and Worldline is increasingly close to its targets by 2020: the Great Place to Work Trust Index increased from 50% to 57% in 2016 and Worldline has been quoted in one employer brand publication. Also, the gap between the share of women in the managers population and the share of women in the employees population has reduced from 10 points to 9 points in 2016.

3. Endorsing our business ethics within our value chain

Worldline has to comply with a complex regulatory framework that has to be managed to ensure the development of its business activities. Within Worldline, high ethical standards supported by a Group-wide strategy, policy and training procedures underpin the delivery of excellent business technology solutions in a secured, ethical and responsible way. Worldline has engaged a permanent dialog with its partners and suppliers to enforce strong and fair relationships and to ensure the respect of its rules and values. Working together in these conditions is a pre-requisite to build trust and long-term relationships. With its business offers, Worldline contributes to develop local economies and therefore, involving communities is critical to secure its license to operate.

Compliance and ethics, supply chain management and local impact are the main challenges for Worldline regarding its value chain and communities. These essential issues 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 4.

4. Leveraging the eco-efficiency of our data centers and offices

Operational excellence and environmental efficiency, including the reduction of energy consumption, are keys to limit the impact of Worldline's activities on the environment and propose sustainable solutions to customers. Reducing its environmental footprint is a key challenge for Worldline towards society at large but also to improve efficiency and develop trust with clients and partners.

These essential issues correspond to the following GRI elements: **Energy**, **Emissions** and **Product Responsibility**. For more information on GRI Standards aspects, see Section 5.

All those challenges are covered by the dedicated indicators detailed in the TRUST 2020 program which are monitored on a regular basis. In 2016, Worldline offset all the carbon emissions related to the life cycle of its terminals and the carbon emissions produced by its data centers.

A.1.2.3 French legal requirements of information of listed companies

In France, the Grenelle II law was passed in 2010 in order to further strengthen the duties of companies and the publication requirements for Corporate Social Responsibility and Sustainability. This law is based on the principle of transparency, verifiability and certification by an independent third party. This law, followed by Worldline, aims to promote a comparability of reports with common calculation methodologies and assessment. There are penalties for companies that fail to meet regulatory requirements.

Furthermore, Worldline's Corporate Social Responsibility approach follows the principles of the ISO 26000 international voluntary guidance standard and the Energy Transition for Green Growth Law, thus enabling it to make a more effective contribution to the fight against climate change.

A.1.2.3.1 Respect of AA1000 Standards [GRI 102-12] and [GRI 103-3 sector specific standards]

Worldline's Corporate Social Responsibility report is prepared in accordance with the principles of inclusion, materiality and responsiveness defined in the AA1000 SES (2011) standard. The Corporate Social Responsibility report and Section 1.1.3 of this Registration Document present in detail how Worldline has integrated these principles in its mode of operation.

Inclusion

To ensure that Worldline's Corporate Social Responsibility strategy meets the expectations of its valuable stakeholders (employees, clients, partners, suppliers and shareholders), meetings and discussions have been engaged and will continue to occur on a regular basis to share the materiality matters of concern to Worldline and discuss the different business activities of the Company. The aim is to build a common vision of a more sustainable environment for Worldline, its partners and the community as a whole.

Worldline is permanently engaged in a recurring and proactive structured stakeholder dialog to review its strategy and ambitions, and accelerate Corporate Social Responsibility actions and initiatives. In 2016, the CSR team once again called on several internal and external stakeholders in order to confirm and adjust the results of the materiality matrix prepared in 2014 and updated in 2015.

Materiality

The sustainability challenges considered to be most significant for Worldline business activities were selected in 2014. Worldline's materiality assessment is described in Section 1.2. 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. Worldline's materiality was confirmed in 2016 following dialog with stakeholders.

Responsiveness

Worldline's Corporate Social Responsibility report is published annually and incorporated in its Registration Document. It contains all the key performance indicators regarding sustainability monitored by Worldline. These documents are produced on a yearly basis. They outline the main sustainability challenges and associated actions, and include interview reports and case studies. Combined, these documents structure an appropriate response to Worldline's stakeholders' expectations.

KPI monitoring and the reporting methodology are presented in Section 6.2. The content index also included in the Corporate Social Responsibility report summarizes the KPIs used in the two documents.

A.1.2.3.2 Global Reporting Initiative [GRI 102-12] [GRI 102-46] and [GRI 102-54]

Worldline's Comprehensive approach

Since its first reporting in 2014, Worldline has prepared its sustainability report in accordance with the GRI – G4 Guidelines. In 2016, Worldline decided to become an international pioneer in terms of taking CSR reporting further and initiating the transition to the new GRI standards. This is why this report has been prepared ¨In Accordance¨ with the GRI Standards Comprehensive option.

Besides including the essential elements of a sustainability report and providing background on the context in which Worldline operates, the report provides information on the impact of its economic, environmental, social and governance performance. Worldline chose to provide additional information about its strategy, vision, materiality analysis, governance, ethics and integrity. The Comprehensive Option of the new GRI Standards best meets Worldline's reporting needs and, above all, its stakeholders' expectations.

To ensure full compliance with the Standards comprehensive option, the GRI content index was designed to comply with the stipulated format in order to assess Worldline's sustainability report.

In 2016, Worldline continued to better categorize and prioritize a consistent set of issues. In 2014, Worldline took advantage of the change to GRI – G4 guidelines in order to review the prioritization of its relevant sustainability issues and its strategic axes. A series of interviews were conducted with internal and external stakeholders in order to confirm the importance of each topic based on their impact on the evolution of Worldline's business strategy and the targets set by the Group and their implications with respect to the applicable regulations.

For each aspect, an internal score and an external score were determined. All the aspects 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 aspects. Worldline integrated these topics in its materiality matrix to reflect its business specificities and challenges. The Worldline materiality matrix presented better emphasizes the prioritization of Worldline's Corporate Social Responsibility challenges and enables structuring of its strategy.

Material issues and new strategic axes have been validated by the members of the Worldline Executive Committee.

A.1.3 Table of main KPIs [GRI 103-3 Sector specific standards]

					Worldline			2016		2015	
Priority	**Worldline challenges**	**Aspects**	**Link with the GRI**	**Relevant KPIs**	**2016**	**2015**	**2014**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
1	Building client's trust with fully available and secured platforms and reinforcing value for clients through sustainable & innovative solutions	Market intimacy	WL1	Services availability rate	99.88%	99.81%	99.74%	-	100%	-	100%
			GRI102-44	Overall customer Satisfaction from Tactical surveys (from 0 to 9)	7.67	7.26	6.67	-	100%	-	100%
		Innovative solutions	AO10	Customer innovation workshops delivered in GBU's	10	17	18	-	100%	-	100%
			WL2	Number of WIN members	44	45	42	100%	-	100%	-
			WL2	Percentage of PhD and PhD students at R&D department	45%	46%	30%	100%	-	100%	-
			WL2	External awards success rate	50%	20%	30%	100%	-	100%	-
		Fully available and secured platforms	GRI418-1	Total number of substained complaints	0	0	0	100%	-	100%	-
			WL3	Number of security incidents	110	126	89	-	100%	-	100%

					Worldline			2016		2015	
Priority	Worldline challenges	Aspects	Link with the GRI	Relevant KPIs	**2016**	2015	2014	**Per employee**	**Per revenue**	Per employee	Per revenue
2	Being a responsible employer by revealing our employees potential	Talent attraction and develop ment	GRI 404-1	Average hours of training that employees have undertaken during the year	21.47	18.99	19.23	100%	-	100%	-
			GRI 404-3*	Percentage of total employees who received a regular performance and career development review during the year	94.23%	96,62%	97%	81%	-	88%	-
		Employee engage ment	WL4	Participation rate to the Great Place to Work ®	79%	84%	86%	100%	-	97%	-
			AO2	Great Place to Work ® Trust index rate	57%	50%	50%	100%	-	97%	-
			WL5	Employees stockplan	Quali tative	Quali tative	Quali tative	-	-	-	-
			WL6	Global turnover rate	8.42%	9.35%	7.75%	100%	-	100%	-
		Cultural diversity	GRI 405-1	Percentage of females	29%	29%	29%	100%	-	100%	-
			AO6	Diversity perception (GPTW®)	81%	79%	76%	100%	-	97%	-
			WL7	Percentage of female in Worldline's top positions	20.97%	17.74%	24.56%	100%	-	100%	-
		Smart working	GRI 403-2*	Absenteeism rate %	2.50%	2.73%	3.02%	76%	-	71%	-
			AO11	Total number of collaborative working communities	218	271	285	100%	-	100%	-

Priority	Worldline challenges	Aspects	Link with the GRI	Relevant KPIs	Worldline 2016	Worldline 2015	Worldline 2014	2016 Per employee	2016 Per revenue	2015 Per employee	2015 Per revenue
3	Endorsing our business ethics within our value chain	Ethics and Compli ance	GRI 205-2	Percentage of management employees trained in Code of Ethics – Virtual Classroom	-	68%	-	100%	-	100%	-
			GRI 205-2	Percentage of employees trained in Code of Ethics – E-learning	79%	71%	50%	100%	-	100%	-
			GRI 419-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulation	0	0	0	-	100%	-	100%
		Strong suppliers partner-ship	GRI 204-1*	Proportion of spending on local suppliers at significant locations of operation	87.67%	84%	85%	-	93%	-	98%
			AO17*	Percentage of strategic suppliers evaluated by EcoVadis	26%	Not dis-closed	Not dis-closed	-	98%	-	98%
			AO17*	Percentage of total expenses assessed by EcoVadis	47%	Not dis-closed	Not dis-closed	-	98%	-	98%

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					Worldline			2016		2015	
Priority	Worldline challenges	Aspects	Link with the GRI	Relevant KPIs	**2016**	2015	2014	**Per employee**	**Per revenue**	Per employee	Per revenue
4	Leveraging the eco efficiency of our data centers and offices	Eco efficient operations	GRI 302-1*	Energy consumption within the organization *(Gj)*	265,636	248,258	290,552	-	98%	-	97%
			GRI 302-3*	Energy intensity revenue *(Gj/€ million)*	239.80	232.39	292.22	-	91%	-	87%
			GRI 302-3*	Energy intensity employee *(Gj/employee)*	42.18	41.17	52.64	85%	-	82%	-
			GRI 305-4*	Total CO_2 emissions *(t)*	11,841.8	10,329.6	11,415.6	-	92%	-	92%
			GRI-305-4*	CO_2 emissions by revenue *(tCO_2/€ million)*	11.05	9.7	11.48	-	92%	-	92%
			GRI-305-4*	CO_2 emissions by employee *($tCCO_2$/employee)*	1.96	1.7	2.07	87%	-	89%	-
			AO14	Number of sites certified ISO 14001	9	9	4	-	100%	-	100%

Exclusions:

- *GRI 404-3: Exclusion Germany and Austria;*
- *GRI 403-2: Exclusion Germany, Netherlands, India, Chile, Taiwan and Belgium;*
- *GRI 204-1: Included France, Germany, Argentina, Belgium and United Kingdom;*
- *AO17: Exclusion Netherlands and Indonesia;*
- *GRI 302-1 and GRI 302-3: Included Belgium, Germany, France, United Kingdom, Spain and Argentina;*
- *GRI 305-4: Inclusion Germany, France, Belgium, United Kingdom and Spain.*

A.2 Building client's trust with fully available and secured platforms and reinforcing value for clients through sustainable and innovative solutions

A.2.1 Meet clients' needs and expectations

A.2.1.1 Anticipate customers' expectations regarding innovation [AO10]

Client innovation workshops are events where Worldline presents new emerging technologies and trends to its clients. 10 innovation Workshops [AO10] were organized in 2016 to exchange with clients about their needs and expectations and the best ways to meet them.

Worldline is focusing its innovation research and development efforts on three main areas with the potential to create new opportunities and new services for its clients:

- Trusted Services;
- User eXperience;
- High Processing and Volumes.

Trusted Services

This area focuses on innovations designed to make transactions and services more secure for the end-customers. The key areas of focus include 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:

- Context oriented proposals. These allow authentication requests to be adapted to the user, their habits, their current location and their recent actions in order to require the least amount of information possible from the customer's stand point yet sufficient from the issuer's side for authentication. They can be used for all traditional authentication, including mobile payment wallets, online banking and e-commerce payment services;
- Multi-factor authentication. As no single means of authentication is foolproof, services requiring strong authentication, like payments, increase the level of trust by combining several authentication methods that would be considered insufficient if used individually. Many rigorous identification technologies are available, including biometrics (fingerprint, face or voice recognition, etc.), secured element, password and use-cases. Connected services have increased the need for integrated authentication solutions. Worldline has been working upstream with researchers on continuous "biometric recognition" so as to constantly offer new authentication solutions. In contrast with fingerprint, face or voice-type recognition, where users are obliged to present their finger, face or voice at a specific time, Worldline is looking into "upstream" biometric authentication. For example, smartphones can tell their users by the way they walk. Smartphones will analyze their user's gait, which is unique, and will recognize it. Every time users unlock their smartphones, they will tap in their code in a very personal way. This is also authenticated by the system. We are, therefore, creating an array of converging biometric user authentication solutions.

User eXperience

This area focuses on innovations that leverage technology to improve the user experience across the spectrum of activities that Worldline's clients engage in, including banking, shopping, driving, communication and entertainment. Key areas of focus include augmented reality solutions, solutions to make interactions more intuitive, solutions to enable payments across multiple platforms, solutions to analyze data generated by connected devices, peer-to-peer solutions, recommendation services and new devices and accessories. Key innovations that have come out of this process include:

- Connected Kitchen. This enables users to save time by ensuring they never forget an item when shopping. You can use the smart magnet to "scan & remind you" of the products to buy. You're pouring yourself the last of bottle of milk? Scan the bottle and your shopping list in the cloud will be updated. Need to buy some tomatoes? Press the magnet button and say "tomatoes". Worldline provides the whole end-to-end service, from magnet to cloud. Connected Kitchen is launching pilots for both B2B and B2C clients;
- PayGgy. This innovative banking service concept is personified by a connected piggy bank that provides an educational and playful experience for children and their families while improving bank brands and loyalty. The "Internet of Things" and digitalization services have changed consumer habits, and now banks will also be impacted by the emergence of new uses. Nevertheless, coins and the need to save money will always exist: parents will always need to teach their children the value of money, how to save and how to manage it. Banks need to innovate and our solution aims to evolve with young users. As children grow, they have access to more and more services. They start by saving by putting coins in their piggy bank, then have access to educational content, including managing personal finances, payments (thanks NFC and QRcode solutions for beginners), mobile credit top-up... and much more;

- As one solution leads to another, our ongoing dialog with our customers led us to shift the PayGgy box concept towards another vertical market, for another use: as a Donation Box. This time, the connected object takes the form of a box (instead of a piggy bank) which can promptly accept users' individual donations simply and securely. As easily as a coin or a note can be placed in a box, a card can be presented and the set, or selected, amount can be transferred to the recipient's organization. To give donors a better idea of the real impact of their donation and the donations made by all the other donors, a digital screen shows the real-time total as it increases with each donation made.

High Processing and Volumes

This area focuses on innovative solutions for processing high volumes of data, proposing new generations of tools for equipment and infrastructure architecture, as well as in terms of algorithms, in order to enable "device-to-cloud" application processing and off-loading. The primary areas of focus include high-performance computing, liquid computing solutions, cloud and context services, artificial intelligence and machine learning and support for emerging business activities. Key innovations that have come out of this process or that are currently in development include:

- Liquid IT. Worldline is currently developing Liquid IT, an "intelligent" IT implementation that will analyze and adapt to the available hardware to execute a cloud-hosted application. The application aims to efficiently allocate software processes in real time to the available hardware components best suited to handling them;
- Industrial Data Analytics Platform: as Prescriptive Data Analytics are now required by almost all of its services, Worldline decided to embed all of the resources to provide best-in-class data analytics services, whether structured, contextual or real-time. Worldline is now preparing the next generation of software to benefit fully from such an infrastructure, in the form of the AïDA program (Artificial Intelligence for Data Analytics), a three year research program with four different European universities;
- To supplement its data analytics work, Worldline is also working on "Machine Intelligence" and "Deep Learning". This work is very important because it enables our computers to learn for themselves, to create reasoning or rules by which to analyze information in order to take the decisions expected of them. This work is vital for all real-time information processing services. Fraud detection in payments is an excellent example.

Worldline has close links and has established long-term partnerships with leading European universities on data analytics and encryption (University of Passau in Germany, Université Libre de Bruxelles in Belgium). Worldline's international research and development teams are working with researchers and students to find increasingly innovative solutions, pooling their knowledge and expertise to identify future technological challenges on an international scale. These close, long-term relationships between the business and academic worlds promote both university research, by providing real business opportunities to test algorithm models, and innovation for Worldline, by orienting research to critical business needs that require advanced expertise on fraud, encryption, security and data analytics. The partnerships also provide a great opportunity for Worldline to implement a worldwide technology watch, which is a key competitive advantage for meeting Worldline's international growth goals.

Worldline's innovative approach [WL2]

Worldline actively seeks to promote a culture of innovation designed to spur its employees to greater creativity and to encourage the design and the implementation of value creating initiatives. Worldline's Research and Development department is a key enabler of Worldline's capacity for innovation and improvement of its products and solutions, a critical strength in an industry that is constantly evolving.

Worldline's research and development teams comprise over 350 engineers located in most of the countries in which the Company is present. Many of Worldline's research and development engineers are closely integrated within Worldline'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. Worldline's dedicated research and development team supports a more extensive operational team of more than 6,000 digital specialists who work with clients in the field to deliver the Company's solutions.

Worldline's staff is highly skilled and creative, as is demonstrated every year by the WIN Awards' (Worldline Innovation Network) projects. Bottom-up processes enable employees to present their innovative projects to their peers and to get the best projects awarded and sponsored by the management for further development. Within Worldline, 45% of R&D department employees are PhDs and PhD students [WL2]. Moreover, the Worldline Innovation Network (WIN) had 44 members around the world in 2016. [WL2].

Projects can only be launched internally or with the support of university labs and teams with which Worldline employees join forces to discover next-generation technologies and services to be amongst the first companies to bring them to market.

These bonds are also present with the major industrial and service players with which Worldline collaborates on national and European programs like H2O (following on from the eGo program on which Worldline had previously worked), a skin conductivity biometric authentication system that Worldline developed with Gemalto, STMicroelectronics and others.

Worldline has a twofold approach to innovate:

Incremental Innovation

A part of Worldline's innovations represents improvements on existing services and processes that Worldline develops in the course of its day-to-day work with clients. Existing solutions are improved and new services are developed in response to changing business and market trends. Worldline believes that its client oriented approach fosters a culture of trust and intimacy that allows to better understand client needs and issues. The engaged roadmap enhanced Worldline's ability to proactively design, offer and implement solutions that solve issues and furnish the means to improve existing processes for the clients.

Worldline's presence in multiple markets and its end-to-end approach to the design and development of solutions are a valuable asset which enables it to offer its solutions in new markets by applying the feedback it receives in one market to other markets. For example, one of the incremental innovation processes that have emerged from this strategy is the evolution of Worldline's offering in the telecommunications sector which grew from basic webmail services to a more advanced and innovative offering of multi-device consumer cloud solutions using convergent messaging technology. Worldline's incremental approach to innovation has also led to cross-fertilization within its connected vehicles' business, as illustrated by Worldline's connected trucks applications, which have been built upon its earlier experience with connected cars.

Disruptive Innovation

While Worldline continues to innovate and upgrade the business activities of its existing clients, it also focuses its research and development efforts on proactively developing disruptive innovations. Worldline believes in having the potential to create new markets that displace earlier technologies and approaches. First, Worldline develops disruptive technology that solves customers' current and future issues from a new standpoint, from a new angle. Worldline then adapts its innovations to its clients and markets them through client innovation workshops, "proof-of-concept" demonstrations and other means to promote their adoption. In these areas, Worldline often partners with other companies with relevant expertise to accelerate some "non-critical" developments and share risk to bring the innovation to the point where it can be more broadly marketed to target clients.

Examples of disruptive innovation processes that have emerged from this strategy include Worldline's early and proactive development of BlockChain technology. Since this technology can be applied to many different markets and uses, Worldline combined its experts and engineers in one common workforce, primarily focusing on: training teams to work with the technology, sharing information, market requests and customer interests, and pooling work and developments. The very first projects integrated BitCoin payments into SIPS (Worldline on-line payment solution) and with Worldline terminals to enable physical use of this crypto-currency. Other uses of the BlockChain technology, such as the management of financial obligations, blacklists, digital identification and the management of vehicle service manuals were developed. Those new implementations, thanks to this technology, are valuable assets in the data traceability/accountability, yet preserving privacy.

A.2.1.2 Permanent improvement of customer's experience [GRI 102-44]

Listening to and addressing the expectations of its customers is at the heart of Worldline's business. The Worldline Customer Experience Program is built on that foundation. That is why the Company strives to build strong relationships with its customers in order to understand their objectives and to embrace their culture and values, to add value to their business working together to achieve these objectives.

In this context, customer satisfaction surveys are conducted on a regular basis and results are used to analyze whether changes need to be made in Worldline's business processes to increase its customers' overall satisfaction and loyalty:

- It allows Worldline to consistently measure customer satisfaction;
- It provides baselines for each customer contract to improve upon;
- It identifies generic areas of concern to be addressed;
- It supports communication to all stakeholders demonstrating Worldline's commitment to sustainability.

The outcome of the surveys leads to a set of fit for purpose improvement plans elaborated and implemented in close collaboration with the customers.

Customer satisfaction process

In 2012, a worldwide initiative was launched under the leadership of the Atos Head of Quality and the Customer Satisfaction Officer and the Head of Sales and Marketing Support to drive a harmonized customer satisfaction management.

Since 2013, Atos group has further enhanced its customer satisfaction management by systematic development of actions following each survey, associated plan being shared with Clients to secure that Atos group properly responded their feedback. As part of Atos group, Worldline is deeply involved in the initiative and organizes strong interactions with the customers to follow the client satisfaction process.

More than 60% of Worldline's contracts are surveyed once per year. The survey targets IT management, IT coordinators and contract managers. Using a proven methodology aligned with leading expertise from Gartner, Satmetrix and Forrester, Worldline uses the measured satisfaction together with service KPIs to help drive continual improvement and address the needs of our clients.

The client engagement and customer experience is continually enhancing in 3 areas:

- Strategy;
- Governance;
- Employee's awareness.

Strategy

Since 2014, Worldline has achieved the harmonization of the customer satisfaction process that provides standard and benchmarked KPIs for its business lines across all its geographies.

During 2015, additional measures were implemented to increase the overall maturity of the customer satisfaction process, and to ensure its end to end execution. These sustained efforts resulted in a significant improvement of the Worldline customer satisfaction process performance featuring an Overall Customer Satisfaction metric of 7.67 by the end of 2016 [GRI 102-44].

The challenge for the coming years will consist in putting Customer perspective in everything we do in order to achieve TRUST 2020 ambitions linked to Customer Satisfaction. Worldline has committed to achieve an Overall Customer Satisfaction metric of above 8 by 2020. Looking at the 2015 results we notice a positive trend towards the achievement of that goal. During the period of 2014 to end 2016 Worldline has been focusing on addressing problems and issues of its customers. The objective for the coming years will consist in promoting a more proactive approach to better anticipate the expectations of our customers not only in terms of quality of delivery but also value for money and innovation.

Governance and monitoring of action plans

Worldline has implemented a set of governance measures around Customer Satisfaction process to ensure the achievement of process targets. The implementation of improvement actions is measured, reported and reviewed on a monthly basis during the dedicated meetings and is communicated to Worldline's Management Committee members. CSAT performance indicators are linked with management bonus scheme. These good governance measures ensure that the right level of management time and attention is given to the process.

Employees' awareness

A dedicated training has been designed to enhance customer experience across the Company.

Besides the customer experience training, regular awareness sessions are organized globally to drive the necessary behaviors – importance of understanding the clients' business needs and pro-actively adapt Worldline's solutions and services, maximize value and manage the relationship with customers to become a true partnership.

A.2.1.3 Building client's trust with a robust and proved IT system

A.2.1.3.1 Security [GRI 418-1]

Worldline's comprehensive asset protection approach

Worldline's security organization has defined a set of 78 Global Security and Safety policies, standards and guidelines. Worldline security policies are mandatory and binding for all Worldline entities and employees in order to guarantee the safety and the security of Worldline's internal and external (*i.e.* "Customer related") business processes. This process applies to all staff, contractors and consultants throughout the Worldline organization.

Worldline's Safety and Security policies encompass the protection of all Worldline's assets, whether owned, used or held in custody by Worldline (information, intellectual property, sites, network, personnel, software and hardware).

In order to meet the business specificities, Worldline has developed since 2009, a comprehensive set of information security policies and standards that can include some local variations for more clarity or specific local constraints. Those policies are aligned with the Worldline Group Safety and Security policies and are compliant with the ISO 27001:2013 standard.

A Security Policies Governance is in place to define, support the implementation and maintain those policies.

In addition, Worldline has implemented measures and policies to protect its 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 dealt with and in compliance with applicable laws.

Worldline is also engaged in an ISO 27001 multisite certification program with Atos group to clearly state that Worldline is engaged in a continuous security improvement process. In 2016 Worldline certified successfully 22 of its 23 eligible sites.

In 2016, 90% of Worldline's employees have attended "Security & Safety" mandatory e-learning courses in order to develop their awareness.

In addition to it, Worldline's Security department organized in 2016, 3 special awareness events at local and global level to provide its employees with a more concrete view on cyber and physical threats that they can face, through concrete examples and practical prevention actions.

Security Key Performance Indicators and reporting

In addition to these high-level indicators, technical monitoring and reporting are in place to act proactively on security anomalies (weekly security watch analysis, monthly monitoring of firewall configurations, weekly vulnerability scans, yearly penetration tests, reviews of access rights, intrusion detection systems including DDoS mitigation systems, and monitoring and logging of system events). All these measures are part of the Worldline security framework.

Data Protection Procedures

As "privacy by design" drives data protection at Worldline, the second pillar is constituted of procedures which are also described in the Atos group Data Protection Policy. These procedures ensure that privacy is embedded in all processing of personal data made by Worldline on its behalf or on behalf of its customers. Thus, in 2016, Worldline did not receive any complaints regarding breaches of customer privacy [GRI 418-1].

Reported security incidents provide the basis for a thorough root cause analysis supporting the continuous improvement of risk mitigating measures.

Thanks to proactive and regular Security Risk Assessments the existing risks should be remediated to the agreed upon residual risk level. Nevertheless, the in-place remediation might not be as effective as intended or the outcome of the security risk assessment was based on wrong assumptions. It might as well be that new threats and attack vectors are evolving which all over sudden negatively impact Worldline's information security.

So reporting and recording Security Incidents supported by sound root cause analysis helps to keep existing risk mitigation at the right level and provides valuable input for the regular Security Risk Assessments. This practice gets even more valuable in the international context Worldline is providing its services to customers around the globe.

Weekly calls between the Worldline Chief Security Officer and all regional Security Officers ensure tight monitoring of Security Incident registration and follow up on agreed upon improvement actions.

To secure and support this, the Worldline Chief Security Officer initiated in 2016:

- Global set-up and rollout of one Incident Ticketing solution;
- Training to all Worldline Security Officers in using this Incident Ticketing Solution;
- Hands on workshop in using the Incident Ticketing Solution;
- Reviewed and updated the existing Security Incident Handling Policy;
- Improved the handling of incidents related to actual or announced (*e.g. via* black mailing) DDoS attacks.

A.2.1.3.2 Industry 4.0: Robust business IT infrastructure [WL1]

Robust business IT infrastructure

Worldline delivers its customer services through redundant state of the art platforms. In 2016, Worldline's services availability rate was over 99,88% for SIPS Solution highlighting a secured and robust platform [WL1].

Worldline provides services with its own IT infrastructure solutions. This strategy gives to the Company all the necessary levers to minimize the delivery impacts on costs and environment, with a special focus on Green datacenter.

Platforms' robustness

Worldline provides to its customers the delivery of highly available services. These strong levels of availability are achieved by including redundancy at multiple levels: robust base hardware (redundant components, RAID…), sub-services running on several distinct servers, servers located in separate datacenters, datacenters located in different countries. This design allows a high global resiliency, preventing a single element outage to generate an unavailability of the global service. Worldline integrates the high availability requirement at the earliest design step of all platforms.

In practice, this is implemented by traffic load-balancing (active-active) or failover (active-passive) on multiple sites. In case of breakdown, traffic is directed to another available site, ensuring that users always reach an available service. Similar redundancy principles are applied for servers, databases and storage, to avoid 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).

Regular tests are conducted for each key component of our infrastructure to verify the redundancy effectiveness and the robustness of the platforms.

Security is at the heart of Worldline's systems and therefore security audits, penetration tests and scans are regularly performed on its platforms. Moreover, a patching process is in place to cover the security breaches detected by software vendors or open-source community. This is translated in our diverse security certifications (PCI, ISO 27001, TÜV IT).

In order to optimize the infrastructure's efficiency, Worldline has implemented a worldwide technical operational organization to benefit the most from shared international infrastructures (datacenters, internet, storage, virtualization etc.). Worldline is able to deliver scalable and evolving solutions at an optimized cost through its implementation of a high level of standardization and industrialized infrastructure services.

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, configuration management, incident management.

Worldline has developed a strong expertise on datacenter infrastructure design and management. From the building to the cooling, energy and data room equipment, every asset is managed by a real-time centralized monitoring. This end to end management is key for the delivery of High Critical Real-time Services with strict Service Level Agreements (SLA). In this area, energy consumption and carbon emission optimization are also sensitive topics managed through dedicated continuous improvement programs to reduce the environmental footprint. Those key topics are shared frequently with the market and many customers. Based on Power Usage Efficiency (PUE) metrics, Worldline has carried out an audit on the entire scope of the infrastructures and identified levers of improvement. This study leads to main evolutions as free chilling and adiabatic systems deployment, low power servers implementation and carbon free contracts with electrical energy providers.

In addition to the PUE enhancement, an ISO 14001 certification project was completed in 2016. The datacenters: La Pointe, Dassault, Vendôme, Brussels and the technical room in Frankfurt are certified today, rewarding the efficient work done by all the teams in charge of IT infrastructure and meeting client's expectations. This certification also brings new levers on IT wastes reduction, especially on servers recycling process.

Virtualization is systematically considered for all deployments, allowing significant consolidation and optimal use of technical resources. The largest part of new deployments including rebuild of existing platform, use virtualization technologies, contributing to better energy management area.

In addition, to offer a best in class solution for new Big Data demands, Worldline has designed and developed a specific object storage solution: "REDCURRANT". This intelligent storage system based on grid computing approach addresses the massive volume/low cost segment, allowing consolidation and reducing environment impacts.

Thanks to those Green IT Solutions, the main benefits are:

- Energy consumption efficiency;
- IT infrastructure optimization;
- Reduction/neutralization of carbon emission;
- High quality and agility for services production;
- Costs reductions (virtualization, SaaS, Red Current).

Worldline monitoring process

To ensure the highest platforms' availability, Worldline datacenters and the services delivered to its customers are monitored by a 24/7 First Line Support team. The role of the First Line Support team is:

- To ensure the permanent follow-up of the correct availability of the client services;
- To fix any incident with a maximum of autonomy in accordance with the SLA;
- To track all the incidents and report to the management;
- To coordinate with the second Level Support teams if needed.

To reach a high quality of delivering in problem solving, the First Line Support team is trained to get a large range of technical skills. The team is dispatched on 2 different sites to ensure a non-stop service in case of major disaster.

The Monitoring is fully automated and industrialized:

- Any risk of potential dysfunction is automatically detected and send to a centralized tool;
- The information received is analyzed in a global context and then a predefined procedure is applied;
- Any alert received or any action launched is tracked and auditable.

Worldline is engaged in a permanent process to strengthen the monitoring by providing its pilots with reliable monitoring tools including a high level of industrialization and robustness.

The high availability of Worldline's platforms is related to secured and redundant technical infrastructure and to the monitoring team who is responsible to ensure that applications, network, servers remain fully operational to deliver the services to its customers.

A.2.2 Driving client's sustainability challenges with Worldline sustainable portfolio [GRI 203-1] [AO7] and [GRI 103-2 Indirect Economic Impacts]

Worldline supports actively its clients to manage efficiently the sustainability challenges that they face in their business and marketplace. Worldline customers get a large range of sustainable offers that takes into account the clients' environmental, economic and social needs adding value to the provided services.

In order to measure its high business value and the contribution to the sustainability performance of its clients, Worldline has performed with the Atos group a detailed and analytical sustainability analysis of each one of its offers. Each sustainable offer has been screened by the product managers and the sustainability experts against 24 criteria over 4 dimensions: Environment and climate change, Social progress, Economic benefits and Citizen comfort.

As a result, Worldline payment and digital solutions and products positively leverage the different dimensions of sustainability of the markets where it operates by contributing to the clients' business transformation:

- The Environmental benefits of Worldline's solutions produce a positive impact in the fight against climate change by reducing the pollution and production of waste thanks to the encouragement of a paperless society and improving the efficiency of transportation and therefore the reduction of CO_2 emissions thanks to its Live Traffic solutions and remote payment solutions among others;
- The Economic benefits of Worldline's solutions enable its clients to save time thanks to a quicker user journey that reduces the processing timings and reduces the need of a physical wallet and to increase their customers' loyalty by interacting in real time with them thanks to personalized notifications of Worldline's CRM services among others;
- The Social benefits of Worldline favor digital inclusion and online accessibility by easing the payment phase and making accessible to all operations that before represented some level of restriction like the payment terminals that can be used by blinded people among others;
- The governance, trust and compliance benefits of Worldline reinforce the fight against fraud and corruption by delivering services that allow securing process from end to end also guaranteeing security, privacy and data protection.

A.2.2.1 Improving operational effectiveness and transforming business models by meeting the sustainability challenges of Worldline's clients

As a champion of the digital transformation, Worldline has engaged on creating value for customers by illustrating the sustainability of its solutions. As a result of the sustainability analysis performed on 2016, Worldline's sustainable portfolio represents 46% [AO7] of the total revenue and the offers screened as the ones having a bigger impact on sustainability are the following:

Digitization

Worldline offers e-contract, e-signature, e-archiving and e-safe solutions that are secure, simple and efficient that enable an improved citizenship empowerment by providing easily accessed digital services and information for everyone and also that favor digital inclusion by the increasing of connectivity that allows to provide services available everywhere and anytime. Also, the digitization solution contributes, thanks to the paperless processes, to fight against deforestation and to reduce energy costs such as for document storage and transportation.

Helping to reduce costs by half compared with traditional paper based processes mean for customer greater efficiency, accuracy and traceability in line with the European Identification and Authentication Services and therefore reducing fraud and cyber threats.

Online banking

Worldline's online banking solution enables customers to provide digital banking services anytime and anywhere contributing to the reduction of transportation and fostering paperless process that contribute to the saving of natural resources because it is possible to consult digital versions of account documents.

Worldline's online banking service also allows the end user to save time in daily life by consulting account balances, transfer funds and purchase securities online. It facilitates the transactions thanks to mobile applications. Finally, this service help banks and financial institutions to develop and enhance their customized secure online banking services in countries with limited access to banking services boosting the digital inclusion.

SEPA OBeP

Thanks to the SEPA OBeP solution, the payment process moved from card only to alternative payment means with Direct Debit and Credit Transfer. This change, required to face the revolution in payment usages by capitalization of the digital channel proposed by banks, allows companies to improve their sustainability performance.

SEPA OBeP powers the development of citizen services (e-Government) and more collaborative ways of working (scheme organization). More generally, it provides greater accessibility (online banking, mobile app) and flexibility to citizens and consumers in a global economy (universal access in all circumstances whatever the electronic device). Furthermore, it allows mutualization of resources and drives a reduction of the need of physical infrastructure.

Terminals

Worldline's terminals count with the ECMA 370 declaration that integrates essential environmental measures positioning its devices in the industry best of class of the addressed parameters. With this, the Company ensures that its terminals are integrated within a certified system for collection and recycling of end of life products, batteries and packaging material free from ozone depleting substances and in fully compliance with the Reach and RoHS directives.

In addition, thanks to its Voice Over POS terminal, that was an idea coming from its employees, Worldline makes the disabled people's life easier by providing to blind people a secured way to pay in the physical world thanks to and audio assistance provided on their smartphone and guiding them all along the transaction on the payment terminal.

Transport E ticketing

Thanks to the digitalization and automation of processes that provide the transport e ticketing services from Worldline, it is possible that the railway and bus operators to improve their route management and with this their internal efficiency and service provided.

Therefore, more real time, digital and secured information as well as advanced analytics allow reducing pollution and waste by the reduction of paper printing. Just by providing accurate travel information it is possible to improve the energy efficiency by making route optimization.

A.2.3 Strategic partnership ambition

The digital world is evolving quickly and innovations are multiplying, particularly in the field of electronic transactions. To manage the complexity of this new world, Worldline needs to reach the highest level of agility and credibility through partnerships and alliances with specific solutions that complement its capabilities and geographic footprint.

These partnerships and alliances can also result in acquisitions, but not necessarily through a traditional M&A process. The first objective is to generate new business opportunities at the local level, to win deals by teaming with local partners and to generate additional profit by pooling marketing, listing and training costs.

Medium-term partnership objectives are to:

- Bring to market disruptive and innovative offerings and pursue strategic partnerships with technology leaders;
- Further expand Worldline's foothold in Europe and accelerate growth in emerging markets.

To achieve these objectives, Worldline is creating its own ecosystem through leveraging:

- The experience of innovative partners and customer relationships to pro-actively propose transformation initiatives to customers;
- Long-term bilateral industrial partnerships with large industrial groups to improve the innovation portfolio;
- Commercial partnerships to deploy joint projects to improve the new contract signature rate.

In 2016, Worldline implemented several methods to increase the number of partnerships. A dedicated team reporting to the global sales management team under the responsibility of the Chief Sales Officer has been set up to accelerate the first partnership signing.

The composed team is led centrally and has built a dedicated network in main Worldline geographies to be able to deal with global strategic partners. The team has engaged in focused discussions with key market players to leverage Worldline's strengths and quickly capture significant opportunities.

A.2.4 KPIs overview

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
WL1	Services availability rate							
	Services availability rate	99.88%	99.81%	99.74%	-	100%	-	100%
WL2	Innovation & Business							
	Percentage of PhD and PhD students at R&D department	45%	46%	30%	100%	-	100%	-
	Number of WIN members	44	45	42	100%	-	100%	-
	External awards success rate	50%	20%	30%	100%	-	100%	-
GRI102-44	Customer satisfaction survey							
	Overall customer satisfaction from Tactical surveys (range from 0 to 10)	7.67	7.26	6.67	-	100%	-	100%
GRI201-2	Financial implications and other risks and opportunities due to climate change							
	Financial implications and other risks and opportunities due to climate change	Qualitative	Qualitative	Qualitative	-	-	-	-
GRI203-1	Development and impact of infrastructure investments and services supported							
	Development and impact of infrastructure investments and services supported	Qualitative	Qualitative	Qualitative	-	-	-	-
AO7	Revenue of "Sustainability offering"							
	Total revenue of "sustainability offering" *(in € million)*	586	575	Not disclosed	-	100%	-	100%
	Mobility & e-Transactional Services – Total revenue of "sustainability offering"	180	186	Not disclosed	-	100%	-	100%
	Mobility and eTransactional Services – Percentage of total revenue of "sustainability offering"	31%	32%	Not disclosed	-	100%	-	100%
	Merchant Services & Terminals – Total revenue of "sustainability offering"	175	166	Not disclosed	-	100%	-	100%
	Merchant Services & Terminals – Percentage of total revenue of "sustainability offering"	30%	29%	Not disclosed	-	100%	-	100%
	Financial Processing & Software Licensing – Total revenue of "sustainability offering" *(in € million)*	231	224	Not disclosed	-	100%	-	100%
	Financial Processing & Software Licensing – Percentage of total revenue of "sustainability offering"	39%	39%	Not disclosed	-	100%	-	100%
AO10	Initiatives regarding Innovative Services/Products Developments							
	Customer Innovation Workshops delivered in GBU's	10	17	18	-	100%	-	100%

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
GRI418-1	**Customer complaints**							
	Number of third party complaints regarding breaches of customer privacy higher than € 100,000	0	0	0	-	100%	-	100%
	Number of customer complaints regarding breaches of customer privacy higher than € 1,000,000	0	0	0	-	100%	-	100%
AO3	**Data Security incidents**							
	Number of security Incidents	110	126	89	-	100%	-	100%
	Percentage of Open Security Incidents Open vs closed	1.06%	0.79%	1.12%	-	100%	-	100%
	Percentage of Employees attended Safety & Security E-learning	90%	86%	77%	-	100%	-	100%
	Percentage of Employees attended Data Protection E-learning	89%	77.86%	77%	-	100%	-	100%
	Percentage of Compliance to Virus Defense Policy	75%	79%	75.55%	-	100%	-	100%

A.3 Being a responsible employer

A.3.1 Ambition, challenges and opportunities

Wellbeing@worldline program

Worldline pays very special attention to its employees and places them at the heart of its business plans as the true catalyst for innovation and the creation of value for its customers and the driver of growth for the Company. Through its Wellbeing@worldline program initiated by the Human Resources department in 2015, Worldline's priorities are the wellbeing, health, motivation and creativity of its employees. Worldline therefore fosters a working environment and the right conditions for the development of skills and talents and to encourage a work-life balance for its employees. That is why Worldline's company strategy is to be acknowledged as a Great Place to Work.

The Wellbeing@worldline program is structured around top-down and bottom-up actions.

Top-down actions consist mainly of the hiring and integration of young digital technology talents and experts and supporting them during their career with the Company (integration@worldline). These actions are also intended to strengthen the skills and talents of Worldline's employees with the deployment of staff development programs, training, qualifications and technical or digital oriented courses, as well as leadership programs (growing@worldline and learning@worldline).

In order to ensure a greater sense of belonging and commitment among employees at all levels of the organization, the bottom-up actions are rolled out in all areas of the Company:

- workingconditions@worldline;
- sharing@worldline;
- recognition@worldline.

These pragmatic and realistic action plans are the result of consultation, discussions and sharing the best practices between Worldline employees, and are systematically approved by the local management and Human Resources department in each country before being implemented. Furthermore, the best practices produced by these local working groups are shared and implemented on a global basis. Senior management in each country is involved in the process of motivating its management staff for the deployment of the wellbeing@worldline action plans.

The year 2016 saw the acquisition of Equens, a major provider of payment services in Europe, which has a presence in the Netherlands, Germany, Belgium, Poland, Italy and Finland. Worldline is thus more exposed than ever to the human challenges represented by cultural integration, diversity and international mobility. This decisive step toward achieving Worldline's strategic goal of being one of the leaders in the European market for payment consolidation means that the Company must be beyond reproach in its management of human resources and further strengthen the local and global actions it undertakes as part of the wellbeing@worldline program. Worldline therefore continues the roll-out of its local programs and initiatives, begun in 2015, in all the countries in which it operates, in order to stimulate creativity, promote cultural diversity and develop the network dynamic.

In order to drive this dynamic and the strategy of continuous improvement in its performance, the Human Resources department at Worldline has committed, through the "TRUST 2020" CSR initiative, to making further progress in terms of the following objectives:

- Increase employee satisfaction as measured by the Trust Index of the Great Place to Work® survey.
- Be cited in at least 5 employer brand studies;
- Reduce the female capital gap to 0 (target range of +/- 10%);
- Ensure more than 90% employee satisfaction with the trainings provided by Worldline;

The action plans deployed to achieve these goals as part of the TRUST 2020 program have delivered the first successes and gained recognition, thus enabling Worldline to publish, in 2017, a progress report on its goal of becoming a responsible employer by developing the potential of its people. As a case in point, Worldline France has received the Happy Trainees 2016–2017 label for the quality of the internships it offers to students attending its target schools. This has all been made possible thanks to the work done to remodel the Worldline employer brand to attract the best talents from schools and universities that run information technology courses.

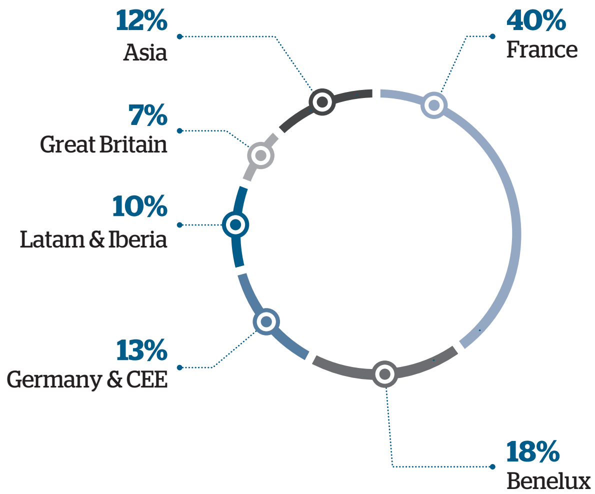
New initiatives to promote mobility have started to flourish in many countries, including France, Germany and Spain. For example, in 2016 Worldline set up "Job Cafés", and a "Mobility Community" was established to create opportunities greater visibility. In 2017, Worldline will launch its first "Career Days" on a global level, with local versions and adaptations. The purpose of this week-long event is to raise awareness and promote all the schemes and career support programs that exist within the Worldline Group. The event will take place during the week of International Women's Day and will provide an opportunity to address the issues of diversity in the workplace and the work-life balance through case studies and presentations from outside experts in these fields. The "reverse-mentoring made in Worldline" program has also been created in pilot form: it is designed to encourage intergenerational collaboration and accompany the digital transformation.

Finally, in 2017, Worldline decided to roll out, on a global scale, a satisfaction survey about the training programs attended by its employees during the previous year in order to assess their levels of satisfaction with the range of training courses offered by Worldline, measure the effectiveness of these courses in terms of acquiring and further developing skills, and finally to help improve and enrich the catalogue of available courses.

The WellBeing@Worldline program and the CSR commitments made by TRUST 2020 are therefore the essential drivers and catalysts to support the Human Resources policies and strategies and Worldline's ambition of being a responsible employer by developing the potential of its employees over the long term.

PEOPLE, WORLDLINE'S MAIN ASSET [GRI 102-7] AND [GRI 102-8]

Worldline's human capital consists of 7426 people [GRI 102-8] and is broken down as follows:



For further information regarding Human Resources, including resignations and subcontractors (indirect jobs), please refer to Section 9.10, Human Resources, in this document.

A.3.2 Starting my career at Worldline: Integration@worldline [WL6]

The hiring of talent and the integration of each employee within Worldline are key components of its corporate social responsibility policy and are one of the major commitments of the wellbeing@worldline program.

A.3.2.1 Hiring of talent [GRI 401-1] [GRI 103-2 Employment] and [WL6]

Worldline is a dynamic company in constant growth. The Company hires people from various backgrounds, mainly in information technologies, but also from Big Data, security, etc., to meet the demanding requirements of its customers and ensure the development of the Company whose core culture consists of expertise and innovation.

Worldline achieved its strategic objectives in 2016 thanks to a hiring team that worked closely with Operations, and whose mission is to attract the best talents in the market by calling on their spirit of initiative and innovation.

Being hired by Worldline is the opportunity to develop your career through various programs. The career paths offered by Worldline are recognized by employees as a source of motivation and illustrate the Company's commitment to providing engaged, personalized career management for its people. Throughout their careers, employees are offered training, support schemes such as mentoring, alternative career development paths such as functional expert or the project management internal qualification, and opportunities for business, international, geographic, functional and sector mobility. Employees can also take part in talent development programs if they are identified as such by their line management and so benefit from access to certain management positions.

Every year, Worldline offers numerous internships in IT development, infrastructures management and support functions. These internships provide opportunities for future young graduates to complete their academic courses through the practical application of their theoretical knowledge in the Company, and open the door to the professional world. After their internship, most of the talented and best performing students have an opportunity to join Worldline with a long-term employment contract.

To ensure a high quality level of its workforce, Worldline has launched a "Campus Manager" program to attract young talents from the best universities and, in France, the best major engineering and business schools.

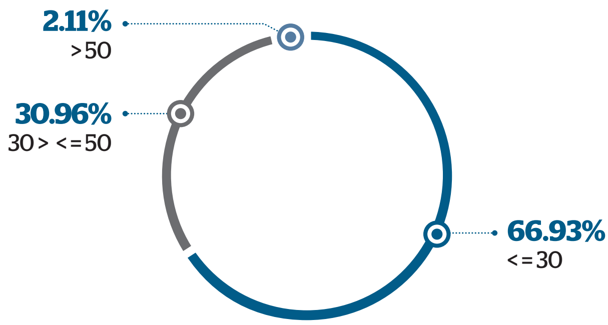
Worldline also works on its employer brand in order to enhance its visibility on the market, and therefore its appeal, by means of a deliberate strategy of relations with academia and career development programs.

To ensure high-quality recruitment, Worldline has implemented a selective and qualitative hiring process, including an interview with HR, an operational interview, and a behavioral test in the working environment. These different stages, which are regularly updated, help to guarantee that the Company finds the best candidates in the marketplace.

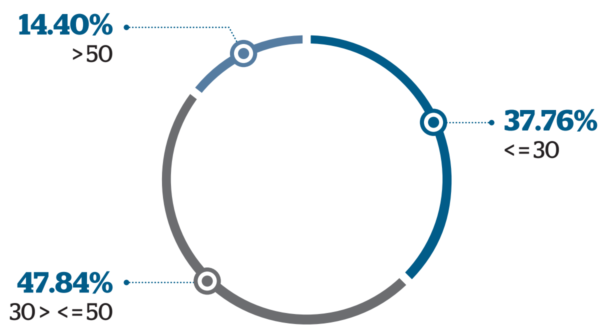
In terms of hiring, the past 12 months have proven to be positive, with a 10.2% increase in headcount, of which 25% women, who joined the Company around the world in 2016 [GRI 401-1]. Worldline plans to continue with this dynamic of hiring young talent in 2017.

Against this backdrop, Worldline has made a commitment through the CSR program, TRUST 2020, to appear on five "Hiring" rankings by 2020 in order to enhance its visibility and appeal, and to position itself as a first choice employer. For further information on social issues, please refer to Section 9.10. Human Resources.

BREAKDOWN OF NEW EMPLOYEES BY AGE [GRI 401-1] AND [WL6]



BREAKDOWN OF LEAVERS BY AGE [GRI 401-1] AND [WL6]



Turnover 2016 [WL6]	Women	Men	Total
Entries	24.64%	75.36%	10.22%
Leavers	25.60%	74.40%	**8.42%**

A.3.2.1.1 Interns and trainees recruitment campaigns and programs

In order to be recognized as a first choice employer, Worldline's Human Resources has set up a recruitment campaign to hire trainees and interns in order to attract students from universities and leading schools (business and engineering schools) by offering them interesting internship opportunities to help them develop their skills and knowledge of the world of business. Worldline thinks of itself as a learning organization that supports its employees with their career development. To boost the hiring of interns, trainees and young graduates, Worldline has launched a career page on Jobteaser.

For 2016, Worldline received the Happy Trainees label, a system that rewards companies which place a special emphasis on the integration, support and management of their trainees. This initial recognition is a result of the action plans launched as part of the initiative designed to help achieve the responsible employer objective that the Company has set for itself by 2020.

A.3.2.1.2 Worldline's best practices, programs and partnerships to attract top-notch interns and trainees [GRI 103-2 Employment]

This initiative arises from the recruitment policy of Worldline. It allows Worldline to synchronize the required profiles with the business needs and create agility in new technologies and new geographies business opportunities.

Campus Manager Program

Worldline's strategy of relations with academia has been based on its Campus Manager Program since 2010.

The Campus Manager Program is used to coordinate events and manage the relationship between a volunteer internal network of alumni and universities and major schools, with the aim of forming a community of about fifty members to manage these partnerships.

The activities of the Worldline Campus Manager community are varied: participation in student forums, running conferences, organizing visits to datacenters, round table discussions with students, participation in judging panels, lending Worldline's technological platforms, organizing workshops to prepare for job interviews, etc.

The Campus Managers play a decisive role in the success of the program: Campus Managers are the leaders of different initiatives; they provide the link between universities and major schools and the Company, they give talks about their careers (local relationships, communication about jobs and careers, attendance at specific events, etc.). They bring people together, and take responsibility for coordinating an internal community, but they are also the points of contact for ongoing initiatives.

In 2016, a review was undertaken on the best way to continue to build on the program, enrich it, adapt it to the expectations of new generations, and reinforce the integration of new technologies as a source of innovation for the Company.

In 2017, in order to support the Campus Manager, there will be also the role of the Campus Student. The objective is to co-work with the Campus Manager and to introduce Worldline in his/her university and provide information to interested students about the experience of working for Worldline.

The Company makes available different means of communication and a dedicated logo for the Campus Manager community, both internally to attract and motivate Campus Managers, and also externally to further develop the network created with the universities and major schools.

This program has already borne fruit and made it possible to develop long-term relationships with leading universities and major schools with a link to Worldline's core business. The Campus Manager from each school/university provides a regular and visible presence in his/her school/university, and so becomes the driver for transmitting the Company's values and its advantages in terms of creativity and innovation. Regular meetings (discussion groups, committees, etc.) contribute to better shared knowledge and strengthen the ties between the Company and the student world.

Brand awareness to bring a differentiated message

In 2016, Worldline began an extensive program to improve its brand awareness in the marketplace. This strategy was built on 4 distinct pillars:

- Talent attraction;
- Talent development;
- Wellbeing@work;
- Pride.

The campaign put in place to communicate these 4 pillars was built around the brand with an emphasis on authenticity, plain speech and concrete examples to promote the Company values and the everyday experience of its employees. Worldline chose to rely on its employees to testify, talk about, and share their experiences and daily lives within the Company. The campaign was very well received both internally and externally for its tone.

Also, the Company has launched an internal survey and the Happy Trainees survey that aim to have an integral overview of the strong and weak points of the Company and in terms of resources (career path, exciting challenges, close management) and networking. These two surveys give the opportunity to Worldline to capture student's point of view and feedback that are kay to be able to draw to new generations expectations.

Graduate Day, Startup Day (status)

This program is organized around recruitment sessions for small groups: introduction to the Company and its innovations, individual interviews with the Human Resources department and operations managers, and tests that are the differentiating tools compared to competitors (group hiring sessions/job offers within a few days in order to secure the best talent).

A.3.2.2 Taking into account employee expectations [WL4] and [AO2]

Employees satisfaction – Great Place to Work ® survey [AO2]	2016
Great Place to Work Trust Index	57%

Great Place to Work ® survey [WL4]	2016
Response rate	79%

	2016
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	51%
Management genuinely seeks and responds to suggestions and ideas	53%
Management involves people in decisions that affect their jobs or work environment	51%

In addition to holding formal discussions with staff representative bodies, Worldline asks all of its people to complete the annual satisfaction survey, Great Place to Work. This international survey, which is administered by the independent Great Place to Work institute ®, provides a detailed view of employee objectives and expectations and the areas for improvement that they would like to see the Company address.

The survey is structured around five dimensions: credibility, respect, fairness, pride and camaraderie. In 2016, 17 countries took part in the Great Place to Work® survey, representing 100% of Worldline's employees [AO2].

The response rate for the participating countries was between 65% and 100%. This clearly means that the results obtained can be considered as representative. A global action plan will be established for Worldline and for each individual country based on analysis of the results. The purpose of the action plans will be to increase the overall level of employee satisfaction by 10 points by 2020.

A.3.2.3 Raising awareness and encouraging dialogue (local initiatives)

To promote individual initiatives, personal creativity and local diversity, Worldline supports local geographies to set up their own initiatives. On a quarterly basis, each geography defines, updates and enriches its action plan.

Worldline India

Many activities have been set up in order to improve employees' wellbeing at Worldline in India. The 3 tracks of WB@W that we have chosen for India are: My Working Conditions, Working together & Collaboration and Pride and Recognition.

Also, in order to improve participation and have higher involvement from all departments, the Company counts with the group of employees "Dhamaal Buddies" (*i.e.* fun buddies) that is involved on each activity by evaluating how effective it will potentially be and the best way to execute it.

Some of the activities that have been implemented are:

- Standard Chartered Mumbai Marathon: every year, some of Worldline India employees participate in the massive marathon held in Mumbai (half marathon and Dream Run categories);
- Republic and Independence Day: the entire office wore in patriotic vigor and sang the national anthem with gusto, tri color sweets were distributed to all employees;
- Women's day celebration: a representative of "Art of Living" held an educative session for women on the secret of healthy relationships. Also, offices were decorated in a special way and a health checkup was organized for all women employees as well;
- Worldline Se: Worldline India published the fifth edition of its 100% "home made" local magazine with enthusiastic contributions from employees coming from different departments and regions;
- Town hall: is an opportunity for employees and top management to interact and provide business updates. Also, it is the moment where employees receive team and individual rewards and recognition;
- Various activities: football and cricket tournaments were organized, also an event where employees showcased their talents.

Worldline Latam

The management team has visited sites outside Buenos Aires in order to have meetings and roundtables with employees, to share with them the strategy of the Company, the market opportunities and to get their feedback. Also, leadership development activities are implemented by making managers the protagonists of building success and allowing them to create their own Great Place to Work action plans.

There is also the monthly birthday celebration in all Worldline's Argentina locations and the Company has improved offices accommodations by replacing chairs, set up coffee machines and spaces for employees to make a pause.

Worldline Belgium

For 2016, the accent has been put on a more diversified approach than in the previous years. Although successful practices were kept such as News & Fun Events, the Sports & Wellness Week and the Accolade celebration, Worldline asked all Heads of Departments to set up specific action plans for their own teams that have been actively followed resulting in quick wins as well as larger transformations.

Worldline Germany

Every month, the German CEO invites 10 employees on a random basis for having breakfast together, share business topics and address questions to the CEO. Also, plenary information sessions and after works were organized where the management team shared strategies and projects held to inform employees on important topics and to have fun and meet in an informal and friendly atmosphere.

In addition to this, five working groups have been organized in order to work on critical issues of the results of the GPTW survey in order to improve work ambiance. These groups are: Management & Responsibility, Enthusiasm & Appreciation, Work environment, Tools & Processes, Diversity.

Worldline United Kingdom

A dedicated resource and budget has been put in place in order to implement initiatives that meet employees' expectations. Some of them are:

- The commitment from the Executive team to undertake at least one roundtable session at each UK site each half year to have informal discussions with employees and share personal life events;
- The commitment to permit each staff member to take at least one day per year dedicated to help their local community;
- The implementation of a training month in September that covers topics such as diversity, innovation, digitalization and life hacks at work;
- Various small initiatives like redecoration of building interiors for important dates and a pizza party to thank all staff for their efforts in H1 2016.

Worldline Iberia

Many initiatives have been set up in order to improve employees' wellbeing:

In terms of communications, CEO breakfasts are organized every two months in order to share information with employees and there is also a BlueKiwi Community "Iberia Communication WL" that aims to publish weekly newsletters and to improve communication within the Company about new projects. Regarding the Equality Plan, the Company has implemented a guide to the use of Non Sexist Language and the sponsoring of "Women Techmakers" events.

Also, remote working proposals have been proposed towards employees to improve their work life balance and engagement to work independently. After presenting the GPTW survey results, four volunteer Work Groups have been created to elaborate action plans to improve the wellbeing in Worldline Iberia and some actions have been implemented like the Welcome Pack and the publication of internal and international job positions to improve mobility.

Worldline APAC

Promotion and encouragement of social volunteering activities have been put in place. For instance, in Worldline Singapore, employees have volunteered to help a non-profitable organization where they cooked, packed and deliver food to needy families.

In addition to this, a training calendar has been set to equip staff with more knowledge to create added value to their current work processes. The program Lead@APAC for managers has been completed and helped managers to develop their capacities. In parallel to this, promotion of continuous relationship with universities has taken place and the Company has engaged interns to join the Company and built a talent pool for oncoming projects, for example in Worldline China the Company arranged boot camps for fresh graduates that were trained by Worldline staff.

Worldline France

- The purpose of the bottom-up initiative is to encourage employees to speak up so that their concerns can be addressed effectively. It consists of around ten working groups that help to understand the everyday reality and identify areas for improvement, which are then presented to the management;
- More than 110 volunteers have joined these working groups to address issues in the wellbeing@worldline program. These working groups represent a special channel for communication with the employees as the participants are regularly informed about latest events and other changes in the Company;
- Great Place to Work®, or GPTW Workshops, are held on a regular basis in response to requests from managers in order to share information about the results of Great Place to Work® and what they mean;
- Working groups are therefore also organized to discuss the presence and closeness of the HR teams to employees and the support received from management;
- A number of roadshows have been set up: general meetings between Claude France and the Technical Operations (TO) entity, meetings to present the strategic guidelines for the TO and those of Worldline senior management where Gilles Grapinet and Marc-Henri Desportes brought together all the employees to present the new equensWorldline joint venture; Ces 3 paragraphes n'existent pas dans la version fraçaise
- Fresh Connection is a group consisting of trainees, interns and employees younger than 30 that was formed to promote the notions of sharing and networking. Every month, they organize after-work gatherings at all the Worldline sites, and various competitions;

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- The personal assistants at the Technical Operations entity in Seclin regularly organize "flash meetings" and invite TO employees to come together over cake, ice cream or a drink;
- Various activities have been organized such as the "Corporate Games," an inter-company sporting event where employees proudly represented the Company colors, monthly breakfasts for employees hosted by Gilles Grapinet, and Christmas decoration competitions entered by more than five hundred people who took up the challenge of decorating their offices to win the prizes offered at each site.

A.3.2.4 Promoting diversity and equality [GRI 202-2] [GRI 405-1] [GRI 103-2 Diversity and equal opportunity] and [GRI 103-2 Market Presence]

Worldline seeks to ensure that all forms of diversity are represented within the Group: cultural differences, experienced staff, disabled employees and gender equality. For this purpose, various task forces have launched long-term action plans. These actions are related to:

- Cultural differences: capitalizing on Worldline's international diversity by learning to work better together and encouraging the development of talent wherever Worldline operates. International diversity is the guarantee of the development of Worldline's global and cross-functional organizations;
- Experienced staff and 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;
- Disability: inclusion of disabled people, ensure continued employment, 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;
- 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 within Worldline enables innovation, creativity and collaboration within each team.

Some of these measures have already been implemented, among which:

- Including more women in the Executive Committee;
- Diversity training in the workplace;
- Specific initiatives with regard to disabilities.

The local initiatives are analyzed so that Worldline can assess their possible development across the Company.

Since 2013, Worldline has organized workshops on diversity and equity, in which senior managers are involved. Some measures have already been implemented:

- Including women in top management succession plans;
- Encouraging top executives to manage junior female employees;
- Central gender equality committees for yearly intakes;
- Leaders who are aware of these diversity issues and are involved in diversity training.

Although most of Worldline's employees are located in Europe, the Company employs people of 81 different nationalities and is present in 17 countries [GRI 405-1]. Furthermore, Worldline supports local recruitment [GRI 202-2]: 91,36% of experienced managers are local, and 92,54% of Company employees in 2016 were local.

Besides, Worldline is opposed to any kind of discrimination and works daily to ensure that every decision is made without any discriminating factors.

A.3.2.4.1 Promoting gender equality [GRI 401-1] [GRI 103-3 Diversity and Equal Opportunity] and [WL7]

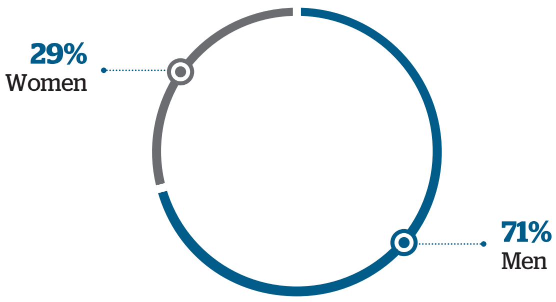
Many countries have adopted laws to enforce equal compensation for men and women for equal work value. This issue is the subject of Convention 100 of the ILO concerning "equal remuneration for men and women workers for work of equal value".

Worldline has made gender equality one of its top priorities. Although the fields of IT and engineering mostly appeal to men, Worldline employs 28,75% of female employees across the world and strives constantly to improve this proportion. 62 people are employed in Worldline's top management team, 20,97% of whom are women (top 750). [WL7].

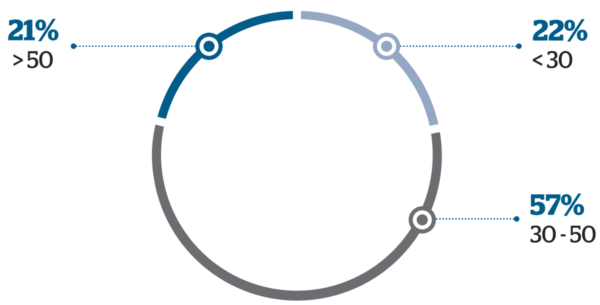
In Europe – France and Spain notably – plans and agreements in favor of professional equality have been signed with the social partners. Among other things, these plans aim to promote gender equality at all organizational levels, ensure equal pay between men and women, and secure conditions favorable to the women's career development. Joint bodies have been created to manage and follow up on these measures. This is why Worldline has decided to engage in the long term and with its CSR ambition TRUST 2020 the Company aims to reduce the female capital gap to 0 by 2020 (target range of +/-10%).

Leadership development programs exist across the organization, mostly in Europe. For instance, 25% of the participants to the mentoring program in 2016 are women and initiatives to promote gender equity have been implemented like: partnership sponsored by Technical Operations to give a scholarship to 3 girls in the University Lille 1 to encourage them to perform a career in the informatics areas and some additional free days have been allocated to employees in order to promote associations ("Duchess Ingénieurs et femmes ingénieurs") that encourage women to pursuit an engineer career and to provide small talks about the place of women in the digital world.

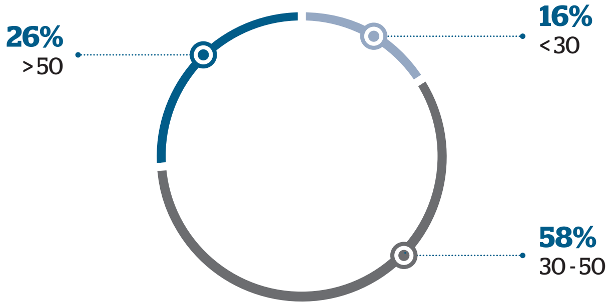
BREAKDOWN OF THE COMPANY HEADCOUNT BY GENDER [GRI 401-1]



BREAKDOWN OF MEN BY AGE [GRI 401-1]



BREAKDOWN OF WOMEN BY AGE [GRI 401-1]



A.3.2.4.2 Taking disabled people into account [GRI 405-1]

Specific programs have been set up on various sites, mostly in Europe, in collaboration with the employees' representative bodies. They aim to attract and train disabled people by offering them interesting jobs that accommodate their disabilities. In 2016, the percentage of disabled employees was 1.4% and the proportion of disabled people hired by Worldline varies between 0.7% and 1% depending on the country.

In France, Worldline promotes the training of disabled people, not only during their initial training periods, but also as part of the continuous training of the people who have to face disability at some point in their careers. In 2016, Worldline applied the first social inclusion clauses for public procurement in France for the purpose of providing a year of work experience for employees in partnership with a social inclusion enterprise for an outsourcing project with a company specializing in software testing.

In this way, Worldline calls on the services of specialized businesses, such as "Le petit plus" in Blois for recycling waste and "Illunion" in Madrid for the reception desk.

Worldline provides all of its employees with training programs in order to foster the inclusion of disabled people in their teams:

- Sign language lessons are provided to make communication between deaf employees and their colleagues easier;
- In 2016, 60 people were trained in the inclusion of employees in order to satisfy the growing expectations of our customers, and prior to expected changes to European legislation in 2017.

Once again, these initiatives aim to support employees and applicants who are permanently or temporarily disabled, and also to encourage people to be open-minded about disability, both inside and outside of the Company. Thanks to this, some initiatives have taken place like for instance in Worldline China, where the facilities have been transformed with the aim to build a disabled access friendly office.

Also, some awareness events on this topic have been implemented like the accessibility day counting with the presence of international references on digital accessibility topics like Noémie Watson from WACG and also during the Learning Days diversity days took place and a special focus on this topic in countries like Argentina, Spain, Germany and UK thanks to the promotion of e learning trainings on cultural diversity.

In January 2014, Worldline was added to the Group-wide Agreement signed with the French staff representative bodies, and which concerns the employment and professional inclusion of disabled people. This agreement was renewed until 2016 year-end.

A.3.2.4.3 Promoting intergenerational collaboration [AO6]

To enrich the role of every employee in the Company, staff development programs have been deployed on a large scale. Worldline provides conditions that encourage intergenerational transfer and the sharing of everyone's knowledge to foster a better working environment.

Through these programs, Worldline seeks to develop the Company's human potential through proximity and the development of intergenerational networks. Some programs like the Young Worldline in Belgium and the Fresh Connection in France are having place to promote a closer relation within different generations as well as the Reverse Mentoring where young employees support more experienced ones in the use of digital tools.

A.3.3 My development within Worldline: Growing@worldline [GRI 404-2] and [GRI 404-3]

A.3.3.1 Promotion within Worldline [GRI 103-2 Training and Education]

Keeping skilled, enthusiastic and innovative people help to maintain Worldline's position as the business technologist of choice for clients. With this approach, employee careers and development are a priority within Worldline. In 2016, Worldline appointed a manager in charge of skills and performance monitoring. Along with his team, he/she ensures that employee profiles are an ideal fit with customer needs, and offers training to develop the employees' skill sets.

A.3.3.2 Skills development

A.3.3.2.1 Personnel and annual talent reviews

Every year, employee interviews are held by HR managers in most of the countries where Worldline operates and in each of the entities. The purpose of these individual interviews is to prepare individual and/or collective career moves in view of changes in the business units in terms of activity, technologies, organization, and in the light of the developing skills and performance appraisals and potential of each employee.

This annual meeting has a structure that is consistent across the Worldline Group. Working with the HR team, managers document the strengths and areas for improvement of every employee, their potential, their performance, and wishes they might express and/or any prospects for mobility.

The information thus gathered makes it possible to identify possible career paths, high potentials, key skills, difficult jobs and possible successors, and to decide on any support that might be needed, particularly in terms of training.

More than 80% of action plans are implemented; this shows the drive of the management teams and the desire to help our people progress, while offering numerous openings and opportunities for mobility within the Company every year.

A.3.3.2.2 Performance management

Performance management is key to enabling employees to develop their skills and achieve their business goals. The Worldline performance management system allows for half-yearly updates between managers and employees. A full communication campaign is sent to all the employees every year to remind them of the expected benefits of performance management. Moreover, managers can attend webinars and training courses to help them lead annual appraisals and goal-setting discussions.

A.3.3.2.3 The Individual Development Plan

The Individual Development Plan is a personalized career and development tool that enables every Worldline employee to take charge of his/her career plan. It allows employees to discuss their career aspirations and benefit from the advice of their managers as to the feasibility of those plans, and to prepare a suitable action plan. Support is provided to prepare the IDP:

- Training is offered to enable employees and managers to develop Individual Development Plans;
- User guides for the development of IDPs, as well as videos, are available for employees and managers to help them throughout the process:
  - They reflect upon their career, skills and development opportunities,
  - Discuss actions undertaken previously with their manager,
  - Together, draw up development objectives and the related actions,
  - And with their manager review the outcome with their HR Business Partner (depending on the country).

A.3.3.2.4 Learning Days

Innovation and technological expertise drive the continuous development of Worldline engineers and, more generally, of all Worldline's people. Technological innovation and, therefore, the development of associated skills, has always been one of the core values of Worldline. To provide opportunities for all the employees in order to enhance their skills throughout their careers is part of WellBeing@Worldline.

The "Learning Day" initiative, which began at Worldline Belgium, has been adopted in every Worldline country. The Learning Day is an entire day dedicated to training. Employees are offered a learning experience as well as the opportunity to hear about all the training and development options in Worldline. An environment has been created in which employees can access the knowledge and skills required to successfully meet the operational needs of our business.

Over the past few years, the 17 countries where Worldline operates have joined this initiative, and they organized their own Learning Days in September 2016. Dozens of topics were scheduled, spread out over five categories, and included: e-learning, discovering, meeting, self-testing, sharing and discussion. Each country has developed its own program for one – or several – days of custom-made training courses, workshops and information sessions. Global webinars have been organized which could be followed by every Worldline employee in Europe, Latin America, India and Asia Pacific.

Employees could take part in the sessions of their choice, according to their aspirations. The training is mainly given by employees and/or managers; on a voluntary basis. In total, Worldline had more than 2,500 learners at the local “Learning Days”, and 600 employees attended the global webinars. Learning Days are therefore occasions not to be missed within Worldline.

A.3.3.2.5 Mentoring development programs

In 2016, Worldline launched an ambitious mentoring program lasting between 6 and 9 months in France with 140 two-person teams. The program has four priorities:

- To boost the development of young employees;
- To develop individual careers, reinforce internal mobility within the Company;
- To share our values, develop cooperation, and the network dynamic;
- To develop interpersonal skills and strengthen intergenerational ties.

In 2017, Worldline plans to roll out the Reverse Mentoring program to more regions. It is intended for experienced employees with long careers and who are not used to dealing with digital technologies and social media. The aim of Reverse Mentoring is to improve their digital skills through support provided by younger colleagues more used to working with collaborative tools, such as social networks and media.

A pilot began in September 2016 in France with 30 two-person mentor/mentee teams for a period of six months. Younger people who sign up to be mentors benefit from the program in several different ways: gaining perspective through a wider vision of the organization, developing their interpersonal skills through understanding a variety of issues, etc. On the flip side, the program has helped mentees to understand the challenges, uses and advantages of digital technology for their profession and to benefit from a fresh look at the organization through the eyes of younger people.

A.3.3.3 Career development

A.3.3.3.1 Career paths

Worldline offers opportunities to grow through vertical or lateral promotion within different career paths: management, technical and functional expertise, project management, sales, support functions, etc.

In 2016, another new initiative was launched: the creation of a **Worldline Expert Community**. It was set up in order to further develop our technical talents and enable them to grow in the organization, to foster collaboration, to deepen technical capabilities and to improve innovation within the Company.

Different areas of technical expertise are included in this initiative. The objective is to encourage the sharing of experience within the various operational entities in each country and also at the international level. A framework has been established to enable the experts to further deepen their expertise and to identify the best technical resources to contribute to Worldline’s strategy for selecting technology.

The Expert Community has been implemented in France, Germany, Belgium, Spain and APAC and will be launched in the UK and Latam in 2017 as well.

Currently, 206 experts have been identified, including 141 located in France.

A.3.3.3.2 Promotion within Worldline

To better manage the career opportunities and development of every employee, Worldline ensures that “Career Talks” are becoming an obvious and regular step on everybody’s agenda to discuss objectives, opportunities and needs for individual career development. Worldline encourages all its employees to discuss a Career Development Plan with their managers in order to ensure made-to-measure training and development courses. This enables Worldline to offer internal opportunities for functional and geographic mobility to its employees to help them develop their skills and employability.

Worldline commits to develop its employees’ skills and offers them career opportunities thanks to vertical and lateral promotions in different career paths: management, technical and functional expertise, project management, sales, support functions, etc.

To help employees to reach their career development objectives Worldline has launched soft skills development programs such as mentoring, leadership trainings, and talent programs.

Performance management is key to enable employees to develop their skills and to reach business challenges. Worldline has a performance management process in place that ensures regular feedback. A full communication campaign is sent to all the employees every year to remind them of the expected benefits of performance management. Moreover, managers can attend webinars and trainings to help them to lead the appraisal and objectives setting meetings.

Each year different Human Resources Business Partners (HRBP) meet with managers to drive personnel reviews to focus on individual needs and define development plans.

A.3.3.4 Mobility

A.3.3.4.1 International mobility

Worldline, as the Atos group, has always considered international mobility as a key enabler for 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 it is to define and promote the mobility strategy, support the operational HR teams in this respect, work closely with the Atos mobility teams, and provide support for employees throughout the process.

To anticipate this development requirement, Worldline ensures its employees' exposure and readiness through a wide range of mobility opportunities. 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 as Worldline strives to reach a level of flexibility to better serve its business and clients.

In 2016, projects made it possible to put in place: Voluntary International Student Contracts (VIEs) thanks to a partnership between Business France and IM, information meetings, sharing the CVs of students looking for an international assignment in countries targeted by Worldline, local contracts with Worldline India and expatriate positions. For 2017, the mobility teams are working on the development and launch of a Graduate Program to develop the international experience of new hires, boost the VIE program and develop a toolbox to facilitate the processes.

A.3.3.4.2 Geographical and functional mobility

Worldline also intends to develop a culture of internal mobility and transparently communicate about all the opportunities. To this end, newsletters containing the opportunities are published every month. The Job Café was launched to facilitate direct discussions, the Global Worldline Mobility & Recruitment Community was created on blueKiwi to facilitate access to the opportunities, and the My Mobility Community was created in the Atos group to publicize all open positions in the Atos group around the world.

Other projects have been realized like the Internal First Program which aims to ease the staffing of high potential positions by talented people and the implementation of the Talent Market Place.

A.3.3.5 Talent development [GRI 103-2 Training and Education]

Worldline believes in talent development and career management. Developing soft skills as well as technical knowhow and opening new creative talents are indeed a strong motivational factor for people-driven career management, strategically owned and managed by the employee and the Company together.

Within Worldline the opportunity is also given to talented employees to follow international development programs: Gold for Managers, Gold for Experts and Junior Group Program as well as local programs such as: Transconstellation, Lead!, and other junior career development programs. The latest program Worldline Belgium developed in 2013 and spread over 2 years, gives young potentials the opportunity to follow a mini-management program, to be guided by a personal mentor, to have regular interactions within this group of young potentials and to follow local executive members for a day as a unique learning-on-the-job project.

In order to reinforce and renew its talent base and business performance, Worldline is rolling out a Talent review every year, on a global level for the N-2 and N-3 population as well as on local level. The goals are to identify Talents – top performers with high potential for growth or with business critical expertise – to include them in key positions succession plans but also to build and follow up on individual development plans.

The Talent Manager gets in touch with the Talents identified and discusses their current role, career aspirations and the needs for development in order to achieve goals. A new initiative in the talent management domain is the launch of a Talent Market Place. Critical job opportunities as well as the curriculum vitae of Talents are shared and discussed on a regular basis. Goal is to

- Maximize talent visibility, boost their mobility internally and accelerate their development and to give them visibility in terms of career path and priority for the most critical positions of the Group;
- Support business success today and tomorrow by putting the right talent in the right job at the right time and build a stronger pipeline of ready high potential successors internally, aligned to business strategy.

Worldline talents are following Atos group's programs dedicated to Talent development to help them in becoming best in class in their actions and make their career growing fast. These programs include:

- The Juniors Group;
- Gold for managers;
- Gold for experts;
- On the job experience.

A.3.3.5.1 The Juniors Group

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

A dedicated curriculum has been designed especially for this group, which includes eLearning, eBooks, and courses, provided by external experts during meetings to boost learning experience. Once someone passes the assessment, he/she becomes a member of the Juniors Group for 18 months and afterwards becomes part of an alumni network to keep sharing information and knowledge with previous Juniors Group members.

With respect to the number of slots attributed to Worldline, 4 Worldline participants are currently part of the Juniors Group, which includes 2 women.

A.3.3.5.2 Gold for managers

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

Throughout the Program, participants explore Atos' and Worldline's business strategy, work on a project proposed at the beginning of the program, and focus on solutions to the challenges of global profitable growth that Atos and Worldline face. It is a major opportunity to network with Talents from different Atos and Worldline organizations, disciplines and experiment cross cultural experiences.

The European Foundation has awarded gold for Managers Program for Management Development (EFMD) in the Talent Development category in 2013. The 2016 promotion has welcomed 5 participants from Worldline, which included 1 woman, and who have been nominated by the Management Committee.

A.3.3.5.3 Gold for experts

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

The Gold for Experts Program includes three week-long modules in Cambridge and Paderborn, combining technological knowledge, business strategies and human insight. The Gold for Experts Intake One is sponsored at Executive Committee level. Respecting the available slots for Worldline, 4 participants have been nominated in 2016 by the Management Committee.

A.3.3.5.4 On the job experience

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

With respect to this, a new initiative has been launched in 2015: the creation of a Worldline Expert Community. It has been set up in order to enable expertise-oriented talents to grow further in the organization, to foster collaboration, to deepen technical capabilities and knowledge of the Company and to improve innovation. Different technical areas of expertise are covered with the goal to promote the sharing of experience within each RBU and on international level across Worldline; making expertise easily accessible. A setting is provided to the experts for them to deepen and broaden their expertise and to identify the best technical resources to contribute to Worldline's technical strategy.

The Expert Community has been implemented in France, Germany, Belgium and Spain, started in 2016 in APAC and will be launched in the UK and Latam as well.

Currently 227 experts have been identified, and 145 are located in France.

In the meantime this initiative inspired the Atos group and a digital expert network has been launched of which the Worldline Experts are fully part.

A.3.4 Skills development within Worldline: Learning@worldline [GRI 404-1] and [GRI 103-2 Training and Education]

A.3.4.1 The global Training Plan

The Worldline Training Plan was developed based on three priority areas for 2016: to reinforce the technological expertise of its employees, enrich the skills of the sales teams through a global approach and a common culture, and develop leadership in order to help managers grow in their jobs.

A.3.4.1.1 Technological expertise

IT Delivery

Worldline strengthened the technological expertise of its employees by identifying both internal and external certification programs. We exceeded our target of 1810 certifications. The result is more than 113%. Worldline will continue to put a strong focus on the internal and external certification in 2017. Below you can find an overview of the certifications that Worldline proposes

FOR INTERNAL CERTIFICATIONS

Worldline ITSM tool named ISMP-SD	31 certifications in 2016
Secure Coding Ready	104 certifications in 2016
Agile Awareness	110 certifications in 2016
Kazan	22 certifications in 2016
Launch of PCI in Germany	857 certifications in 2016
Payment certification	1,013 certifications in 2016
Contract manager certification for Business managers	69 certifications in 2016

FOR EXTERNAL CERTIFICATIONS

Prince2 foundation	53 certifications in 2016
Prince2 Practioners	41 certifications in 2016
ISTQB	20 certifications in 2016
Scrum master	34 certifications in 2016
ITIL	22 certifications in 2016

Within the framework of the global PM Academy, Worldline continued to introduce *the Internal PM certification* in the different countries. The goals of the internal certification are to

- Know better the current level of skills and experience of Worldline project managers;
- Leverage the level of skills of project manager;
- Homogenize the practices of project management;
- Give project managers a strong and valuable certification and reward.

Certification centers were organized this year in France and Belgium and both HR and business assessors in Spain, Germany, UK, APAC, India and Latam are identified and trained.

A new certification rolled out in 2016 is "the Contract Management Certification for Business Managers". This certification is designed together with Legal, Compliance and Contract Management department and built jointly with Atos University.

This Contract Management Academy is aimed to train and help Worldline professionals to better perform contract management activities in the daily operations of the accounts. This Certification is composed with online courses and a final assessment test, all developed in English language and available in our LMS system.

The contract management certification covers the following areas of knowledge, which are directly related to contract management:

- Legal & contracting (key contracting principles and main legal policies);
- Finance, rainbow & risk management;
- Contract management methodology for business managers;
- Soft skills (conflict management, negotiation).

Already 78 business managers are certified by today.

A.3.4.1.2 Sales Academy

Worldline launched the Worldline Sales Academy in 2015. The Company has created this academy to reinforce its competitive advantage by giving its sales staff the opportunity to develop their skills, to increase their sales performance and customer relationships, to enrich their knowledge of the market, and to foster their personal growth.

The Worldline Sales Academy includes a global catalogue based on both global and local needs. Worldline starts working on sales techniques (selling in the boardroom, pitching to win, prospecting and consultative selling) as well as on soft skills. Worldline is also preparing a training on payment for all its sales employees.

The following new initiatives were launched in 2016:

Sales event

This 2-day business & training energizing event, focused on 2016 business challenges and pragmatical plans for Sales, took place in the area of Paris on March 16 and 17. 200 sales employees and managers, selected from all Worldline countries, participated. The main objectives were:

- Boost Worldline sales dynamics at the beginning of the year;
- Reinforce Worldline sales community;
- Leverage business experiences and best practices;
- Launch Worldline Sales Academy.

The first day was focused on the business Challenges. It was a mix of plenary sessions, workshop on business topics and presentation of our TOP management. The second day was focused on the launch of our Worldline Sales Academy, especially on Skills & techniques to sell better. Each participant could assist to 2 modules out of the 4 that took place in the afternoon. The different sessions offered:

- Powerful prospecting;
- Pitching to win;
- Selling in the boardroom;
- Conceptual selling.

Online training campaign

All sales people within Worldline received different messages with the links to some e-learnings called “challenges” in order to focus on the development of specific sales skills. The challenges were composed of trainings on soft skills: discovering the client’s motivations, improving the understanding of the prospect situation and negotiation style, preparing a sales meeting and writing an executive summary; English language; Market knowledge on topics like the automotive, oil and gas, banking industries.. and a global payment training *via* class room for sales.

A.3.4.1.3 Company and leadership culture

The “Lead!” program, considered as a best practice, is one of the flagship programs at Worldline in terms of leadership development. The transformation leadership development program pursues the following strategic targets:

- Effective leaders develop a level of self-awareness and a capacity to monitor their own learning and development because they know that leadership attributes can be defined, learned, practiced, improved and passed on to others;
- Create a common understanding on leadership;
- Have common criteria in order to establish a Worldline culture;
- Define guidelines for managers in order to understand their role in our organization and to be able to make the link between the vision of Worldline and their daily job;
- Clarify to employees what they may expect from their manager.

Since 2006, 872 managers have taken part in the program in 63 groups. The goal is to train about 75 managers per year.

Worldline launched the “International Lead!” program in November 2015. Managers from five different European countries signed up for the pilot session. During this program managers reflect on their role as a leader and develop better understanding about tasks and responsibilities of a manager. They receive instruments and materials for managing better their direct reports and they receive feedback from multiple sources and gain a deep insight in their impact on others. The main objective is to develop their leadership skills. As they also work on transversal projects together, they build and strengthen their network within the organization. The different modules are organized in Paris, Brussels and Frankfurt. This international program will be further enhanced to develop the agility of the managers in matrix organization, the remote management of teams and cultural differences.

Worldline is also pursuing local implementation of the “Lead! Induction” program. This is a further variant of the “Lead!” program for local and new managers.

A.3.4.2 Transconstellation

This is a 16-day talent development program leading to a postgraduate level diploma in the management of financial transaction services. The program was developed in Belgium with four other financial sector companies and the support of an external partner.

This program gives a framework of skills and expertise required to develop careers in the participating company to the highest level. It is designed to provide an introduction to fundamentals of financial analysis and principles, project valuation and the market’s players.

Started in 2004, Transconstellation has already welcomed 57 talents to participate of which 3 participants in 2016. During this program, attendees will select a business project to work. They will present outcome at the end of the program to the top management and sponsors.

A.3.4.3 Other available training programs [GRI 404-1]

The development strategy within Worldline offers its employees access to a wide range of training courses *via* a catalogue covering relevant and strategic matters (Information Technology, Project Management, Management and Leadership, Sales and Marketing, Risk and Quality Management, Communication, Personal Development and Functional) and *via* Atos University catalogue which is available online to all employees.

Worldline is also interested by new ways of learning such as MOOCs (Massive Open Online Course), an online course aimed at unlimited participation and open access *via* the web. Employees can follow these high quality trainings during work time.

In some of the Worldline countries (Belgium, France and Spain) local training plans are developed and approved by management and Unions, both on a strategic and individual level. Each year a minimum of days are used to train employees: develop and adapt their skills.

“Learning Day” is an annual event that gives all employees the opportunity to meet the key players in training at Worldline: the Human Resources teams and outside training bodies.

It was organized both locally and globally end of September/beginning of October. During the local sessions the objectives were:

- Internal exchange and knowledge sharing through presentation of new products and projects;
- Departments gave insight in their daily work;
- IT experts share their area of expertise;
- Sessions of global projects like diversity, CSR.

On global level, some top experts shared their expertise on major market trends changes: Connected Living, Blockchain, Open Payment, Being Digital (in a Digital World) 2-Speed to 3-Speed IT (aka Digital Transformation).

An HR skills development program hosted by teams in the Human Resources department is dedicated to managers and aims to propose training or knowledge sharing related to HR topics with management.

In addition, Change Management Workshops are organized every year to help managers understand their new environment, changes and the way to smooth transformation within the organization.

Gender	Total hours of training	Average hours per gender
Men	114,877.93	21.93
Women	43,445.05	20.33
Average number of hours of training taken by employees in 2016 [GRI 404-1]		**21.47**

A.3.4.4 Knowledge of the fundamentals

With the growing of the Company, it became critical that Worldline devises clear corporate policies for a number of cross-functional topics, and ensures compliancy with those policies across all Worldline businesses. Worldline therefore focused last year on compulsory training in the following areas: Safety and Security, Code of Ethics, Data Protection, Customer Satisfaction. Worldline also added a "PCI-DSS" training course especially focused on Worldline's core activities. Thus, in 2016, 212,014 training courses have been successfully completed by Worldline's employees.

A.3.4.5 Payment certification

As Worldline has emerged as the European leader in payment and transactional services with the clear intention to consolidate Europe's payment industry, the Company developed together with an external specialist in payment industry and its internal experts from the different European countries, a basic training and certification in the core business. With payments at the heart of everything that Worldline does, the Company wants that not only all are employees are an expert in this domain, but should be recognized as such.

4 e-learning modules have been developed – the first 2 (what is an electronic payment system and the electronic payment methods available to the cardholder) were completed in 2016; the last 2 (processing of a transaction and the cardholder scheme) in 2017. The first 2 modules are available in English and 524 employees already completed this first module and passed their certification.

A.3.4.6 Ambitions and targets on training topics

A.3.4.6.1 Digital transformation factory

Recently Atos presented the 3-year strategy "2019 ambition", which includes the Digital Transformation Factory with cross-service line solutions to support our customers on their digital journey. The holistic nature of our client's digital transformation requires a mindset where we put our clients first in everything we do. As it is important to focus on services that add value to our client's business, to deliver operational excellence and to continue to build strong and long-term relationships, Atos University launched a new course to support our employees to strengthen these competencies. 164 employees already finished successfully the new training "creating value for our clients" in 2016. We will launch a campaign in 2017 to stimulate all Worldline employees to register on this training.

A.3.4.6.2 TRUST 2020 ambition on training satisfaction

In the framework of TRUST 2020 we defined a new KPI in the area of Learning & Development, in order to ensure the quality of our trainings. 90% of our employees need to be satisfied with the training provided by Worldline by 2020. The first results show a satisfaction of 86% with a participation rate of 30.8% of the employees. An action plan is under construction, based on the results of the survey to define areas to improve.

A.3.5 Recognition@worldline [GRI 202-1] [GRI 401-2] [WL5] and [GRI 103-2 Market Presence]

A.3.5.1 Compensation and benefits policy [GRI 201-3]

Being a responsible employer, for Worldline, means to offer to each employee all over the world a total compensation which ensures a coverage, in terms of compensation and benefits, above the minimum local legal requirements.

Worldline Total Remuneration and Recognition Awards Policy is designed to support the Worldline Group's strategic ambition to remain the European leader in electronic payment and transactional services, as well as to become a reference wellbeing@work company.

In order to attract the most qualified candidates on the market, reward performance and innovation collectively and individually, motivate, retain, and accompany our employees' career development within the Company, Worldline has designed and implemented an appealing, cost effective, fair (equitable), market competitive and flexible total remuneration and recognition awards package. In developing and implementing the remuneration package, in accordance with the local applicable legislation and in line with its business strategy, objectives, values and long-term interests, Worldline strives to limit any incentive to take unwanted or undue risks.

To reach those objectives, which will be implemented in the countries where Worldline operates according to local specificities and regulations, Worldline regularly conducts benchmarking exercise with Worldline' competitors to ensure the Worldline's competitiveness, both in level and structure, and ensure compensation packages are in line with market practices in every location.

The Worldline approach to reward is based on a total package that includes a fixed salary, a variable bonus for eligible employees and benefits aligned with market practice. Key individuals may also receive Long Term incentives such as stock-options or free shares.

A.3.5.2 Comparison of minimum wages [GRI 202-1]

In all the countries where Worldline 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 53% of the countries where minimum wage is set up by law, Worldline pays at least 50% more than this minimum. [GRI 202-1].

A.3.5.3 Cover for healthcare, benefits for death and disability [GRI 401-2]

Health care and disability benefits are offered to respectively 88% and 100% of permanent employees. Nevertheless, additional occupational medical/health benefits are rare in Germany and Austria. Indeed, the compulsory health insurance is fairly comprehensive in these countries, so supplementary medical benefits are generally not necessary.

Death benefits are offered to 100% of permanent employees. In Austria and Germany, death benefits are included in the pension plans and provided in the form of a pension for the spouse and children [GRI 401-2]. 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.

A.3.5.4 Variable compensation

Worldline believes that financial reward drives behavior which impacts business results. The objective of our short-term bonus plan is to focus managerial effort on the achievement of key objectives that drive shareholder value. In this way, our short-term bonus plan is specifically designed to support the Worldline strategy by pro-actively driving behavior required to achieve the overall (strategic) Company goals.

Participants will be rewarded for the successes they bring to Worldline in meeting financial and qualitative objectives, providing excellent service to clients and inspiring colleagues to contribute to the ongoing increase of profitable growth of the business.

The applicable Global Worldline short-term bonus guidelines are defined and reviewed by the Worldline Executive Committee at the beginning of each semester, taking into account the Global Bonus guidelines issued by Atos on a semester basis. Depending on the local constraints and negotiated local collective agreements, deviations to those Global short-term bonus guidelines could apply.

Our short-term bonus plan is based on financial criteria (mainly Stand Alone Revenue, Stand Alone Order Entry, Contributive Cash Flow and OMDA) and non-financial criteria (like individual Efficiency objectives and People objectives, including WellBeing@Work initiatives roll-out). The bonus objectives are defined and weighted according to the importance of the business objective and are reviewed on a semester basis. Moreover, in order to re-inforce the mitigation of the risks relating to unacceptable behavior:

- The scope of the financial objectives are set on collective basis and are based on audited financial targets as defined in the Company budget;
- The payout curves per financial and non-financial indicator are capped.

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A.3.5.5 Profit sharing agreements and incentive schemes

Profit Sharing Agreements

Profit Sharing Agreements are described in Section 17.4.2.

Incentive Schemes

Incentive Schemes are described in Section 17.4.3.

Profit sharing agreements

Profit Sharing Agreements are described in Section 17.4.2 "Profit Sharing Agreements".

A.3.5.6 Stock option plan [WL5]

Employee Stock Ownership Plans/Boost

Pursuant to the authorization granted by the General Shareholders' Meeting on June 13, 2014, under the 16th resolution, the Board of Directors of Worldline decided to issue shares reserved for employees under the framework of article L. 225-138-138 of the French Commercial Code (*Code de commerce*) and articles L. 3332-18 et seq. of the French Labor Code (*Code du travail*). The launch of Worldline's first employee shareholding plan ("Boost") took place on November 20, 2014, and 22.02% of eligible employees purchased stocks in the Company (WL5).

On December 4, 2015, Worldline launched its second employee shareholding plan ("Boost 2015") pursuant to the authorization granted by the General Shareholders' Meeting on May 28, 2015 under the 17th resolution. The shares issued are reserved for employees under the framework of article L. 225-138-1 of the French Commercial Code (*Code de commerce*) and articles L. 3332-18 et seq. of the French Labor Code (*Code du travail*).

For more information, please refer to Section 17.3 "Employee shareholding plan and long-term incentive schemes," and Section 17.4 "Profit sharing agreements and incentives" for the details of the Atos Sprint program.

Objective of share offers

These share offers have been proposed to all Worldline employees provided that conditions of eligibility for employment are met during the trial period and a minimum service period of three months. This applies to all employees working in Austria, Belgium, France, Germany, Hong Kong, India, Indonesia, Luxembourg, Malaysia, The Netherlands, Singapore, Spain, Taiwan and the United Kingdom, who may benefit from Worldline Group Savings Plans (hereinafter the "PEG"). Due to local legal and regulatory constraints, Boost 2014 and 2015 have not been offered in Chile, China and Argentina.

The shares are subscribed through FCPE (employee shareholding vehicle governed by French law), in accordance with country-specific regulatory and/or fiscal legislation that may be applicable in the various countries included in the scope of these offers.

Employees' shareholding plans are described in Section 17.4 "Profit sharing agreement and incentive schemes".

Stock Options

Stock Option plans are described in Section 17.4 "Profit sharing agreement and incentive schemes".

Employee shareholding plans and long-term incentive plans [WL5]

A.3.5.7 Compensation and benefits policy of Senior Executives and Directors

The principles governing the compensation and benefits of Senior Executives and Directors are described in Section 15 "Compensation and benefits of Senior Executives and Directors".

A.3.5.8 Recognition Awards

Investigating and implementing new ideas to guarantee a higher recognition of Worldline employees will help the Company to retain the best managers and talents, while facilitating and fostering the personal development of employee's knowledge and skills throughout their career. It will also help Worldline to succeed in an ever-tougher and competitive market.

"Accolade" is a recognition award program which enables managers to immediately reward their teams for exceptional performance or contribution. The following three principles underlay the Accolade philosophy:

- Publicly recognize and reward key individual or team achievements;
- Recognize positive behavior and attitudes that reflect our business goals and values; and
- Be an award that can be delivered quickly after the achievement.

There are two different kinds of Accolade awards:

- **Accolade my Colleagues**: an award given to internal employees. For example, it could be related to the implementation of a best practice in terms of Wellbeing@Work (for more information, visit the Worldline intranet pages) in a team or simply a "job well done";
- **Accolade my Client**: an award given for work with external clients. As a service provider, Worldline needs to focus collectively much more on our external clients because they are the key to success. External clients are all entities generating revenue for Worldline.

A.3.6 Sharing@worldline

A.3.6.1 From social collaboration to effective social collaboration

In addition to holding regular meetings with the *Societas Europaea* (SE) Committee, the management of Worldline and employee representatives have also agreed to set up other committees to enable constructive, practical dialogue, in the interest of all concerned.

For example, subject matters that are to be discussed by this commission are:

- Participation Committee;
- Data Privacy;
- wellbeing@work.

Worldline acknowledges that the employee representatives must play a comprehensive role concerning the most important and confidential issues faced by the Company. In each Worldline country, the Works Council and employee representatives meet on a regular basis as required by labor laws, or attend Extraordinary Meetings to address specific topics.

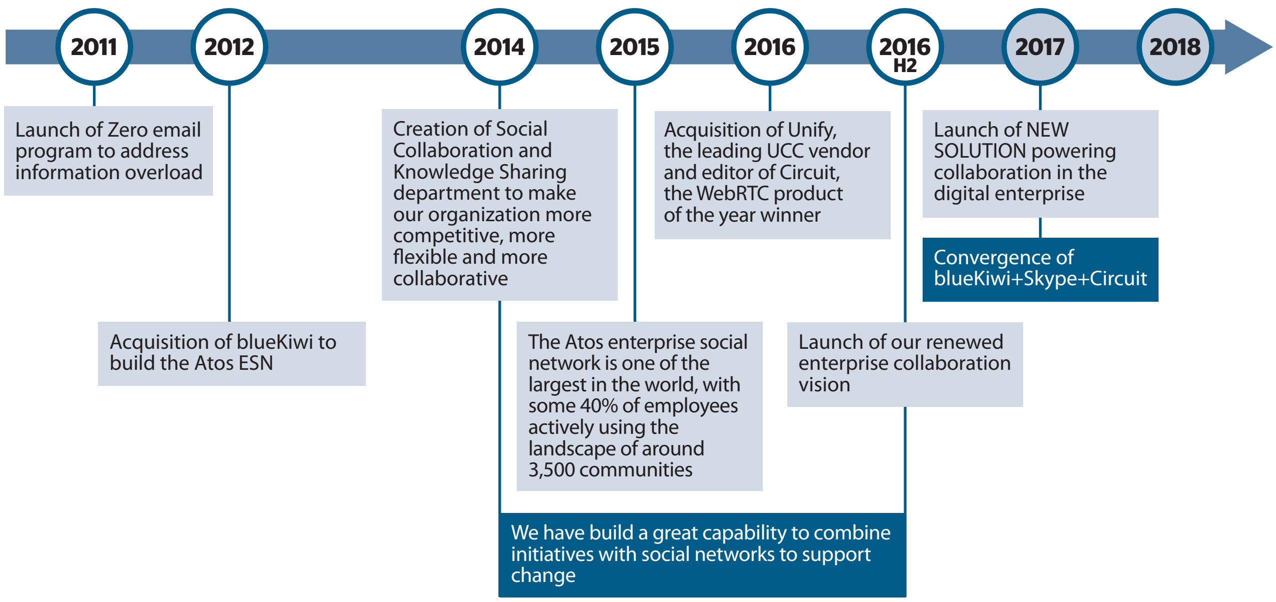
For example, at end 2015, and during the first half of 2016, meetings were organized with the French, German and Belgian Works Councils in order to discuss the plans to create a joint-venture and work on the integration plans.

The employee representatives' body was involved from the very beginning of this project at the SE Committee and the Works Council of each country involved. Monitoring work on the integration of Equens into the Worldline Group was also part of the agenda.

A.3.6.2 Social Collaboration & Knowledge Sharing Collaboration [AO11]

Four years after the launch and deployment of the "zero e-mail" program, collaborative tools are now in widespread use across Worldline. The timeline given below shows the main stages in the "journey toward social collaboration."

OUR SOCIAL COLLABORATION JOURNEY
THE QUEST FOR A GREAT PLACE TO WORK



The use of tools such as ZEN/blueKiwi and SharePoint is now firmly anchored in the Company's ways of working. The most active blueKiwi communities regularly appear in a dashboard called the Community Management Dashboard (CMD). It assesses the health of the communities against five criteria over four-week rolling periods.

The top five communities in Worldline for weeks 31 to 34 (from 08/01/2016 to 08/28/2016) are: Wolf's Blog Germany & CEE (767 members), UK communications Worldline (558 members), Work Council Frankfurt Germany Worldline (328 members), AWL Malaysia (152 members) and Worldline employees RPS Consultation May 2016 UK WL (130 members).

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These statistics show that these collaborative tools are widely used and have been adopted by the employees for the many benefits they provide employees in their everyday working lives. The figures show:

- The presence of three Worldline communities in the top 10 Atos communities;
- The fact that the main uses of the tools by the communities revolve around communication and HR issues:
  - Communications (see "UK Communications WL"): "SDCO Communications WL",
  - HR or site-related issues: "Front page of HR FR WL"/"AWL Luxembourg"/"Works Council Frankfurt GER WL".

A more detailed analysis of how the tools are used reveals that the benefits are many and varied.

- For the Company:
  - More independent posts by the members. The manager is no longer the only source of information. All the members can post content and react. This contributes to developing a spirit of initiative among employees and moving from a "command and control" management style toward a more "empowerment and autonomy" driven mode,
  - Information and knowledge are shared more rapidly between teams and are not simply the remit of a few people,
  - When a new member arrives, he or she can immediately grasp the context and history of the topic being discussed thanks to the content of the community, without having to receive dozens of e-mails from managers or colleagues. It is therefore a powerful tool for integration,
  - When large numbers of employees arrive in the Company, for example following a merger, blueKiwi is also a powerful means of communication for keeping the new teams informed and allowing them to ask questions and obtain answers quickly;
- For the employee:
  - Quicker answers: by putting a question to the community corresponding to the issue at hand, and given the large number of members in the Group, the answers are often quicker and more relevant than when using e-mail and networking,
  - Quicker searches for expertise. blueKiwi is based on a system of personal profiles consisting of a sort of "mini CV" of the members. The search engine makes it easy to find the experts in a particular field, be it technical or business related, and to get in touch with them,
  - Recognition of skills: an employee can be a member of several communities and contribute to them all. By doing so, the members can be visible to a wider and more open audience (team, site), and can be recognized as an expert in their field.

Visibility of employees within the Company and more career opportunities: being better known in a wider and more open sense, an employee may be solicited for or find more varied career opportunities.

Another aspect of the collaborative landscape is the Enterprise Content Management (ECM) system, which is part of Knowledge Management (KM). Knowledge, of course, is also to be found in posts on blueKiwi, but when it is in the form of a document (*e.g.*, Word, Excel or PowerPoint) or constitutes reference information, the instructions are to store it on SharePoint. SharePoint is useful to Worldline in several respects:

- Management of versions: all the changes made to a document are kept and can be consulted or retrieved;
- Joint editing: simultaneous modification of documents by different contributors. This function is very often used by the pre-sales teams when preparing a business proposal, in order to speed up the preparation of the document;
- Easy searches and access to reference information: description of commercial offers, list of business proposals for such and such a client…

A.3.7 Workingconditions@worldline [GRI 102-8] [GRI 102-41] [GRI 403-2] [WL4] [GRI 103-2 Occupational Health and Safety] and [AO2]

A.3.7.1 Smart Working Conditions

Worldline gives priority to permanent and full time working relations with its employees: 98.76% of people of the total workforce are under a permanent employment contract and 91.92% of these people work full time. Nevertheless, Worldline accepts part-time working if an employee considers that it is better for his or her work-life balance. [GRI 102-8].

Then, Worldline operates in collaborative mode, allowing remote working, which offers more flexibility for employees in their work-life balance.

The whole set of initiatives, used to create a healthy and smart working environment, helps lower the absenteeism rate of the Company. The rate of absenteeism among operational employees was 2.5% in 2016 [GRI 403-2]. In 2016, 23 occupational accidents were reported [GRI 403-2]. In Worldline France, the frequency rate of occupational accidents was 2.89% (13x1,000,000/4491149 hours worked) and the severity rate was 2.03% (91x1,000/4491149 hours worked).

In 2016, as part of the annual discussions between Worldline management and the unions, the decision was made to adopt new measures to create a better work-life balance; these are good examples of the effective application of our CSR strategy. These measures include:

- Part-time parental leave: as of April 1, 2016, employees of UES Worldline on part-time parental leave have been able to make full employee contributions to the basic and supplementary pension schemes during the leave period. For its part, Worldline funds the employer's contributions. This measure helps to make sure that employees who wish to take more time off to raise their children do not miss out when it comes to calculating their pension rights;
- Volunteer firefighters: as of January 1, 2016, employees of UES Worldline working as volunteer firefighters are eligible for 15 working days' additional paid leave to allow them to take part in their initial training as volunteer firefighters. This arrangement means that these employees do not have to use their paid leave allowance in order to take part in these training sessions. Volunteer firefighters contribute directly to the safety of all, and the management of Worldline wanted to support their commitment by giving them the time off needed to further their training;
- Mileage allowance for bicycles: Since January 1, 2016, Worldline management has paid a mileage allowance to employees who normally use a bicycle to commute from home to work. This measure is designed to encourage Worldline employees to use an alternative, nonpolluting means of transport to get to work.

A.3.7.2 A culture of ongoing social dialogue

The managers of Worldline contribute regularly to the European Work Council meetings to present Worldline's activities. The Secretary of the Atos group SE Committee is a Worldline employee. In addition, of the six representatives from Atos group SE Committee, two are Worldline employees.

In November 2015, an Atos SE Committee meeting focused on the plan to create a joint venture between Worldline and another European payment company. During Ordinary Meetings, topics of common interest are discussed at the Group level, such as Group strategy, announcements of financial results, acquisition plans, sales forecasting, quality issues and wellbeing@work projects.

Social dialog is a fundamental part of Worldline culture. Several Worldline employees also sit on the Board of Directors and have access to confidential and strategic information.

A.3.7.3 Collective bargaining agreements [GRI 102-41] [GRI 403-4] and [GRI 403-1]

Worldline is convinced that developing its employees' employability contributes to the psychological health of its workforce. Worldline follows local and international regulations and requirements concerning labor. Also, 86.24% of employees are covered by collective bargaining agreements [GRI 102-41].

Furthermore, Worldline has signed collective bargaining agreements with 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, length of maternity/paternity leave, working time, wages, notice periods, vacation time (usual and exceptional such as wedding, birth, house moving...) and training.

Worldline has also signed specific agreements addressing the following topics at Worldline France:

- Disability: “Agreement on the employment and inclusion of disabled workers” – May 22, 2013;
- Gender equality: “Agreement on gender equality” – May 11, 2015;
- Employment of over-fifties: “Action plan for the generation agreement” – October 18, 2013;
- Teleworking: “Group agreement on teleworking” – December 8, 2016;
- Strategic workforce management: “Strategic workforce management” – September 9, 2013;
- Work-life balance and occupational health and safety: “Agreement on the prevention of psychosocial risks” – July 1, 2014.

A.3.7.4 International labor rights [GRI 102-12] and [GRI 102-13]

General statement of respect of international labor rights

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

- Supporting and respecting the protection of internationally proclaimed Human Rights;
- Making sure that Worldline is not complicit in Human Rights abuses;

- Upholding the freedom of association and the effective recognition of the right to collective bargaining;
- Elimination of all forms of forced and compulsory labor;
- Effective abolition of child labor.

Furthermore, in order to be able to respond to public procurement tenders, Worldline must meet the requirements of labor rights in each country. This requirement has always been satisfied and managed accordingly.

A.3.7.5 Health and safety and working conditions [GRI 403-1] and [GRI 403-3]

A.3.7.5.1 Psycho-social risks

Even though occupational diseases are not a material issue in the IT sector, Worldline is fully committed to preventing and controlling psycho-social risks. Since 2010, Worldline has worked with employees' representatives and external experts to identify and measure stress in its workplaces.

As stipulated in an Atos group agreement on the prevention of psychosocial risks, Worldline has created a training module specifically for the prevention of psychosocial risks in order to improve working conditions and the work-life balance. In this respect, the training of management is key for combating the occurrence of psychosocial risks. Worldline management has therefore worked with a training body to raise the awareness of managers and members of the HR department of the need to prevent these risks. In 2016, all members of management and the HR department were invited to attend the training course, and a total of 121 people attended the sessions.

A.3.7.5.2 Health and safety risk management

- Unique Risk Assessment Document

  Worldline and the OHS Committees work together to update a DUER, or Unique Risk Assessment Document, for all our sites that lists the potential risks to which employees may be exposed when working, the level of gravity and probability of these risks occurring, and the related preventive measures.

- Safety instructions

  In addition to the Unique Risk Assessment Document, the management of Worldline publishes safety instructions for each site to inform employees of the right behavior to adopt on the premises with regard to potential risks.

- OHS Committees

  Occupational Health and Safety Committees made up of elected employees are the contact point for management for matters of health, safety and working conditions. Convened by management at least on a quarterly basis, and for Extraordinary Meetings for specific issues as necessary, the OHS Committee is consulted by management before implementing any plan that may have consequences for working conditions.

  Above and beyond their regulatory role, the members of the OHS Committees are partners to management for issues related to working conditions and the protection of employees.

- Workplace first aid volunteers

  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, whatever 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.

A.3.7.5.3 Employee awareness on health and safety topics

As part of the wellbeing@worldline program, Worldline has implemented initiatives to create awareness on the importance of wellbeing. Some of them are for instance in Worldline India where the "Health Week" involved a 5 days week of various activities around health like yoga sessions, desk yoga trainings, consultation by experts and health checkups and in Worldline Germany where health events are organized every two months with different focus like the fruit week, fitness sessions like yoga or tai chi and workshops on health as an example.

A.3.8 KPIs overview*

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
WL5	**Employees stockplan**							
	Employees stockplan	Qualitative	Qualitative	Qualitative	-	-	-	-
GRI102-8	**Organizational workforce**							
	Number of employees at the end of the reporting period (legal staff)	7,426	7,354	7,303	85%	-	100%	-
	Females at the end of the reporting period (legal staff)	2,135	2,141	2,124	85%	-	100%	-
	Males at the end of the reporting period (legal staff)	5,291	5,212	5,179	85%	-	100%	-
	Total employees (including supervised workers: interims + interns + subcos)	8,392	7,689	8,097	85%	-	100%	-
	Percentage of employees with a permanent contract	98.76%	98.46%	98.11%	85%	-	100%	-
	Males with a permanent contract	5,239	5,150	5,094	85%	-	100%	-
	Females with a permanent contract	2,095	2,090	2,071	85%	-	100%	-
	Percentage of employees with a temporary contract	1.24%	1.54%	1.89%	85%	-	100%	-
	Males with a temporary contract	52	62	85	85%	-	100%	-
	Females with a temporary contract	40	51	53	85%	-	100%	-
	Percentage of employees in full time working	91.92%	91.80%	91.81%	85%	-	100%	-
	Number of males in full time employment	5,125	5,002	5,030	85%	-	100%	-
	Number of females in full time employment	1,701	1,664	1,675	85%	-	100%	-
	Percentage of employees in part time working	8.08%	8.20%	8.19%	85%	-	100%	-
	Number of males in part time employment	166	148	149	85%	-	100%	-
	Number of females in part time employment	434	446	449	85%	-	100%	-

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		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
GRI401-1	**Employee hiring**							
	New employees hires during the reporting period	759	663	636	85%	-	100%	-
	Males hires during the reporting period	572	493	505	85%	-	100%	-
	Females hires during the reporting period	187	170	131	85%	-	100%	-
	Employee attrition							
	Number of employees leaving employment during the reporting period	625	688	566	85%	-	100%	-
	Males leaving employment during the reporting period	465	517	406	85%	-	100%	-
	Females leaving employment during the reporting period	160	171	160	85%	-	100%	-
WL6	**Global turnover rate**							
	Global turnover rate	8.42%	9.35%	7.75%	85%	-	100%	-
GRI102-41	**Collective bargaining coverage**							
	Percentage of employees covered by collective bargaining agreements	82.04%	86.24%	81.87%	85%	-	100%	-
GRI401-2	**Benefits to employees**							
	Percentage of Permanent employees participating in Death Benefits	100%	100%	100%	85%	-	100%	-
	Percentage of Temporary employees participating in Death Benefits	97%	98%	99%	85%	-	100%	-
	Percentage of Permanent employees participating in Disability benefits	100%	100%	100%	85%	-	100%	-
	Percentage of Temporary employees participating in Disability benefits	97%	97%	99%	85%	-	100%	-
	Percentage of Permanent employees participating in Health Care	95%	87%	88%	85%	-	100%	-
	Percentage of Temporary employees participating in Health Care	90%	65%	72%	85%	-	100%	-
AO16*	**Lost working days/Absenteeism rate**							
	Global Absenteeism Rate %	2.50%	2.73%	3.02%	76%	-	71%	-
	Number of Worldline staff seriously injured work related	27	23	20	85%	-	100%	-
	Number of Worldline staff dead work related	0	0	0	85%	-	100%	-
	Worldline staff impacted in a safety event	27	23	20	85%	-	100%	-
GRI404-1	**Average training hours per employee**							
	Average hours of training that employees have undertaken during the year	21.47	18.99	19.23	85%	-	100%	-
	Average hours of training per male employee	21.93	20.13	20.04	85%	-	100%	-
	Average hours of training per female employee	20.33	16.22	17.11	85%	-	100%	-

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	**2016**	2015	2014	**Per employee**	**Per revenue**	Per employee	Per revenue
GRI404-2	**Employability initiatives**							
	Number of different Certifications owned by at least one Worldline Employee	707	555	369	85%	-	100%	-
	Total number of certifications registered	7,337	1,316	1,214	85%	-	100%	-
	Average number of certifications per Employee	0.99	0.49	0.17	85%	-	100%	-
	Number of different Skills owned by at least one Worldline Employee	3,767	3,364	2,867	85%	-	100%	-
	Total number of skills registered	135,684	120,764	104,297	85%	-	100%	-
	Average number of skills per Employee	18.27	16.42	14.28	85%	-	100%	-
	Number of employees who updated their profile during the year	3,112	2,216	1,061	85%	-	100%	-
	Percentage of employees who updated their profile during the year	42%	30%	15%	85%	-	100%	-
GRI404-3*	**Career development monitoring**							
	Percentage of total employees who received a regular performance and career development review during the year	94.23%	96.49%	97.15%	85%	-	88%	-
	Number of female who received a regular performance and career development review during the reporting period	1,589	1,756	1,813	85%	-	88%	-
	Number of male who received a regular performance and career development review during the reporting period	4,062	4,433	4,484	85%	-	88%	-
	Number of female who not received a regular performance and career development review during the reporting period	91	64	49	85%	-	88%	-
	Number of male who not received a regular performance and career development review during the reporting period	255	161	136	85%	-	88%	-
GRI405-1*	**Salary rate between men and women**							
	General ratio women/men Annual in Basic Salary within the Worldline's job families	0.88	0.84	0.85	100%	-	100%	-
	General ratio women/men in Total Remuneration within the Worldline's job families	0.87	0.83	0.84	100%	-	100%	-
GRI201-3	**Coverage of the organization's defined benefit plans obligations**							
	Coverage of the organization's defined benefit plans obligations	Quali-tative	Quali-tative	Quali-tative	-	-	-	-

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
GRI202-1	Minimum wage comparison							
	Number of "Worldline countries" where Worldline entry wage > minimum national/IT sector wage [> 50%]	9	10	8	100%	-	100%	-
	Number of "Worldline countries" where Worldline entry wage > minimum national/IT sector wage [10%-50%]	5	5	7	100%	-	100%	-
	Number of "Worldline countries" where Worldline entry wage > minimum national/IT sector wage [0%-10%]	2	1	0	100%	-	100%	-
	Number of "Worldline countries" where Worldline entry wage < minimum national/IT sector wage	0	0	0	100%	-	100%	-
	Number of "Worldline countries" whit no minimum national local wage	1	1	2	100%	-	100%	-
	Number of "Worldline countries" where Worldline females entry wage > minimum national/IT sector wage [> 50%]	9	10	10	100%	-	100%	-
	Number of "Worldline countries" where Worldline females entry wage > minimum national/IT sector wage [10%-50%]	6	5	6	100%	-	100%	-
	Number of "Worldline countries" where Worldline females entry wage > minimum national/IT sector wage [0%-10%]	1	1	0	100%	-	100%	-
	Number of "Worldline countries" where Worldline females entry wage < minimum national/IT sector wage	0	0	0	100%	-	100%	-
	Number of "Worldline countries" where Worldline males entry wage > minimum national/IT sector wage [> 50%]	9	10	8	100%	-	100%	-
	Number of "Worldline countries" where Worldline males entry wage > minimum national/IT sector wage [10%-50%]	5	6	7	100%	-	100%	-
	Number of "Worldline countries" where Worldline males entry wage > minimum national/IT sector wage [0%-10%]	2	0	0	100%	-	100%	-
	Number of "Worldline countries" where Worldline males entry wage < minimum national/IT sector wage	0	0	0	100%	-	100%	-

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
GRI202-2	**Proportion of senior management hired from the local community**							
	Number of national senior managers	222	205	197	85%	-	100%	-
	Total number of senior managers	243	221	216	85%	-	100%	-
	Percentage of national senior managers	91.36%	92.76%	91.2%	85%	-	100%	-
	Number of national employees	6,872	6,263	6,238	85%	-	92%	-
	Total number of employees	7,426	6,758	6,705	85%	-	92%	-
	Percentage of national employees	92.54%	92.68%	93.04%	85%	-	92%	-
	Number of national employees recruited	671	596	564	85%	-	100%	-
	Total number of employees recruited	759	653	624	85%	-	100%	-
	Percentage of national employees recruited	88.41%	87.14%	90.38%	85%	-	100%	-
AO2	**Employee satisfaction**							
	Number of people participating in satisfaction surveys (Employees answering GPTW surveys)	5,284	5,253	5,463	85%	-	97%	-
	Participation rate to Great Place to Work Survey	79%	84%	86%	85%	-	97%	-
	Percentage of positive responses to “Taking everything into account, I would say this is a great place to work”	53%	43%	45%	85%	-	97%	-
	Great Place to Work Trust Index Rate	57%	50%	50%	85%	-	97%	-
GRI405-1*	**Diversity and equal opportunity**							
WL7	Percentage of female in Worldline’s top positions	20.97%	17.74%	24.56%	85%	-	100%	-
	Number of nationalities within Worldline	81	79	75	85%	-	100%	-
	Percentage of females	28.75%	29.12%	29.08%	85%	-	100%	-
	Disabled employees	106	100	118	94%	-	92%	-
	Percentage of disabled people	1.4%	1.4%	1.61%	94%	-	92%	-
	Percentage of women that had promotions during the year	9.37%	8.56%	7.82%	85%	-	100%	-
	Percentage of men that had promotions during the year	15.42%	15.40%	12.01%	85%	-	100%	-
AO6	**Diversity perception in GPTW**							
	People here are treated fairly regardless of their age	71%	69%	65%	85%	-	97%	-
	People here are treated fairly regardless of their gender	83%	82%	77%	85%	-	97%	-
	People here are treated fairly regardless of their race or ethnicity	85%	84%	80%	85%	-	97%	-
	People here are treated fairly regardless of their sexual orientation	86%	84%	81%	85%	-	97%	-
	People here are treated fairly regardless of disability	77%	76%	75%	85%	-	97%	-
	Diversity Perception (GPTW)	81%	79%	76%	85%	-	97%	-

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
AO11	Collaborative technologies development (Zero email)							
	Percentage of active Community users	27%	6%	11%	85%	-	100%	-
	Percentage of Collaborative Communities	28%	50%	26%	85%	-	100%	-
	Percentage of Dormant Communities	60%	27%	37%	85%	-	100%	-
	Number of active users in Communities	1,800	474	825	85%	-	100%	-
	Total number of collaborative working communities	218	271	285	85%	-	100%	-
	Number of Dormant communities	472	146	410	85%	-	100%	-
	Total number of communities	787	539	1,113	85%	-	100%	-
	Internal emails sent per week per mailbox	-	-	77	85%	-	100%	-

Exclusions:

- *AO16: On the Global absenteeism rate exclusion of Germany, Netherlands, India, Chile, Taiwan and Belgium;*
- *GRI 404-3: Exclusion of Germany and Austria;*
- *GRI 405-1: disabled people: exclusion United Kingdom.*

* *Worldline's scope of coverage has decreased from 100% to 85% because EquensWorldline employees have been included even though they are not part of this year's reporting.*

A.4 Being an ethical and fair good player in business

A.4.1 Ethical excellence within Worldline [GRI 205-2] [GRI 103-2 Socioeconomic Compliance] and [GRI 419-1]

A.4.1.1 Compliance [GRI 102-33] [GRI 102-34] [GRI 205-3] and [GRI 419-1]

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 number of requirements in the countries in which it operates, especially as pertains to its IT infrastructure, internal controls and reporting rules.

In addition, national regulations and customers (including in exposed countries) tend to be more and more demanding regarding the compliance processes and procedures in place to ensure efficient compliance. To reduce and prevent these risks, Worldline deployed an effective compliance program, which is to a large extent based on the program developed by the Atos group. In particular, Worldline benefits from the assistance of the Atos group's Compliance team for all compliance matters, which is provided *via* a Group Services Agreement (along with other support function services, *e.g.* management, sales, mergers and acquisitions, internal control, human resources, innovation, financial services, legal services, etc.).

In 2016, any significant fines for non-compliance [GRI 419-1] and any claims related to corruption [GRI 205-3] were reported for Worldline.

A.4.1.1.1 Compliance governance

Improved compliance governance was approved by the Atos group Executive Committee and implemented in 2015; this continued in 2016. It is also applicable to Worldline.

This governance aims to achieve the three following objectives:

- An even stronger connection to the top management through the Group Compliance Steering Committee. The Compliance Steering Committee focuses on strategies and priorities of the Compliance program, as defined by the Group Legal Compliance Team, and is led by the Atos group Chief Compliance Officer. Worldline is also entitled to lead this program, which is under the responsibility of the Worldline Chief Compliance Officer;
- A stronger involvement of operations through the different operational entities within Worldline and increased cross-functional approach in the Operational Compliance Committee of the Atos group: Chaired by the Group Chief Compliance Officer, the Operational Compliance Committee focuses on cross-functional compliance actions;
- Implementation of a global compliance approach by setting up GBU Compliance Committees within local operations. All local Compliance Committees were launched the previous year. The objective for 2017 is to maintain the frequency of the GBU Compliance Committee meetings and maintain their prominence, in order to improve the consistency of the

Group's compliance approach, by rolling out and monitoring compliance matters processed by the Group Operational Compliance Committee (top down) and by improving compliance related reporting to the Group Compliance Steering Committees (bottom-up).

Additionally, Atos recently enhanced the compliance governance framework by way of several concrete measures initiated and implemented by the Group Legal Compliance Team:

- Creation of a Global Legal Compliance Board involving all the General Counsels of Atos, aiming to strengthening the local leadership of compliance matters under the guidance of the Group Compliance Team;
- Development of country compliance dashboards, composed of compliance KPIs, aiming to improve the reporting to the Group Compliance Steering Committee, and the monitoring of the effectiveness of the compliance programs within the GBU Compliance Committees;
- Improve the role of the compliance function including the clarification of the ambit of responsibilities and duties;
- Enhance compliance leadership and the overall Group compliance culture by greater visibility of the compliance program through presentations and trainings on a variety of key compliance topics;
- Communication on the milestones and realizations related to the Group Compliance Program to the Group Executive Committee.

A.4.1.1.2 Compliance monitoring

Any suspected non-compliance detected within the Company is to be reported to the Head of Legal and Compliance and/or to the Head of Internal Audit (both within Worldline and Atos), who will launch the Non-Compliance Response process [GRI 102-33].

The Non-Compliance Response process is an internal process (defined in the Group's anti-fraud policy) to be followed in the event of breaches of the Code of Ethics, and/or infringements of the applicable laws and regulations. This process defines how to investigate report and take decisions, such as remediation actions in a measureable and consistent manner, in case of non-compliance behaviors.

Any case which is investigated by the Non-Compliance Response Team is reported to the Group Chief Compliance Officer, who will report to the Group Executive Committee any case investigated at Group level through the Non-Compliance Response Process and confirmed as a critical concern. All governance matters as far as compliance is concerned are described in Chapter 4.5 Risk management in this Registration Document.

In 2016, no cases deemed critical were reported at global level through this process [GRI 102-34].

A.4.1.1.3 Policies to prevent compliance risks [GRI 102-17]

As a signatory of the United Nations Global Compact since 2010, and as an affiliate of the Atos group, Worldline has implemented several internal policies to prevent compliance risks such as bribery, corruption, and violations of competition laws and export control laws, and fraud in general.

Any intermediaries, consortium partners or consultants assisting Worldline in developing/retaining its business are screened before the beginning of any business relationship (using a specific piece of software, the Business Partner Tool): their behavior and knowledge of ethics are essential criteria which are verified beforehand. In case of risk of corruption/insolvency/disproportion regarding the compensation, the business partner is screened by the Legal, Compliance and Contract Management department, which recommends or not the approval by the Finance department.

To protect Worldline from any disproportionate gift or benefit given or received by a Worldline employee, a policy concerning gifts and benefits was implemented in 2013, aiming to screen gifts, invitations and other benefits of which Worldline is a provider or recipient. Management can carry out checks in case of identified risk.

Worldline has also rolled out an anti-fraud policy (as part of the Atos group's policy), which defines roles and responsibilities of the management and support function in preventing fraud, and prohibits Worldline from any discriminatory or disciplinary measure against workers who report illegal practices in good faith to line management or, if applicable, to the competent public authorities. If an allegation of fraud/non-compliance is raised by an employee or assumed by an internal control, the Group Compliance Team of Atos in coordination with Worldline's General Counsel is responsible for internal investigations.

A roundtable policy, stipulates the main rules of fair competition to be adhered to by meetings with potential and known competitors.

An Export Control policy, explaining the main principles and prohibitions related to Export Control Regulations, and providing clear processes to mitigate risks. Thanks to these measures, the Group was not subject to any penalties or any major non-monetary sanctions for non-compliance with laws and regulations in 2016. It received no complaints from clients or suppliers related to corruption.

Worldline SA/NV, the Group's Belgian subsidiary, has had 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.

Fraud risk management: the Group as an issuer processor has taken all necessary measures, in accordance with best practices in place (*e.g.* PCI certification) to minimize the risk of data breaches. In its role as 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. 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 better manage the residual risks, such as geo-blocking, real time blocking, fall back de-activation and back-up systems.

A.4.1.1.4 The Code of Ethics

The Company's Code of Ethics is based on the Atos group Code of Ethics, which was overhauled in 2015, after having been approved by the Board of Directors. This Code of Ethics has been included in every employee's employment contract since January 1, 2011.

The Code of Ethics introduces a direct reference to Atos group and Worldline corporate values, establishing ethical practices as the backbone of the Group's corporate strategy: responsibility, trust, sustainable competitiveness, service quality and listening to clients, innovation, wellbeing at work and excellence.

The Code of Ethics enhances the role of the compliance function in providing leadership and guidance to global operations, to protect the Worldline brand and to ensure sustainable business. Additionally, 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.

The Code of Ethics began to be rolled out across all global operations in early 2016. Strong involvement by the Human Resources department has ensured a consistent and thorough implementation, particularly in countries requiring representatives of employee councils to be involved, such as several European countries.

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 deployment of the new Code of Ethics will continue throughout 2017.

A.4.1.1.5 Risk assessment and mapping process [GRI 205-1]

Atos has put in place a legal and compliance risk management process, which was fully integrated to the enterprise risk management in 2016. This risk management exercise consists in evaluation by members of the Atos Legal, Compliance and Contract Management department and relevant non-legal stakeholders (Human Resources, IT, security) of a series of legal risks (*i.e.* risks with a legal cause) that allows Atos entities to implement adequate remediation actions where necessary as well to understand how the risks identified are perceived within the organization.

As integrated to the Atos enterprise risk management, the results of the legal risk management exercise are presented to the Audit Committee of the Group, with a clear mapping of the legal risks of the Group.

In addition, the review of core compliance issues in assessing business opportunities is an important part of the overall risk assessment framework. The compliance review process of transactions is well established within Atos, similar to the review systems for credit, commercial and legal risks, through the Rainbow Process, which sets out defined steps and escalation procedures [GRI 205-1].

A.4.1.1.6 A whistleblowing procedure and Internal Investigations [GRI 103-2 Anti-Corruption]

Atos Code of Ethics, as described in 16.6.1.3 Components of the internal control system, establishes the right of all employees to raise an alert in the event of a suspected non-compliance with the values and principles of the Code of Ethics. The Code of Ethics alert system has been established in compliance with the requirements of the French Data Protection Authority [GRI 102-17]. Local General Counsels, management, and Group Compliance are points of contact for any employee raising an alert, and ensuring that the rights of employees, the sender or subject of the alert, are protected accordingly.

Any allegations of non-compliance detected within the Company are to be reported to the Head of Compliance and/or to the Group Head of Internal Audit, who will launch the Internal Investigations procedure [GRI 102-33]. Such procedure was reviewed in 2016, to reinforce the governance of any internal investigation, enhance collaboration between global function and local teams and provides clear guidelines on how to conduct internal investigation.

Such Internal Investigations are properly tracked at corporate level, and communicated to Group Executive Committee, through the annual review of internal investigations during a Group Compliance Steering Committee.

A.4.1.1.7 Improved compliance tools and processes [GRI 103-2 Anti-Corruption]

Worldline has implemented several measures to prevent bribery and corruption, in support of its Code of Ethics principles relating to business integrity, in line with the practice followed within the Atos group [GRI 205-3].

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. In 2015, the former paper-based review and validation process was replaced by an automated tool, the Business Partner Tool (BPT), applicable across the entire Atos group. BPT uses a series of questions and documents to gather the different items of information needed to perform a risk assessment on business partners, as well as to perform the required validation process. The level of risk assessment will identify the appropriate validation process, ranging from a simple approval process by the Head of Sales for low-risk business partners, to complex approval processes by the Group CFO and Group General Counsel, for high-risk business partners. In addition, Worldline closely complies with international laws, regulations and sanctions and in the event a business partner is on any of the main international sanction lists, it is rejected by the BPT.

In 2015, the business partner contract templates developed by the Group's Compliance department were revised to reflect best practice in the area of business partner management.

In addition, the Worldline contribution policy further enhances the compliance efforts relating to corruption. The policy prevents Worldline employees from accepting or offering any disproportionate gift, invitation, hospitality package or any other similar contribution. When in doubt, an employee is required to seek approval from management.

Worldline also has a "Dawn raids" policy which provides a list of rules and procedures to be followed in the event of inspection by local authorities.

Prevention of fraud and non-compliance with Worldline values and the Code of Ethics is a key Group priority. As detailed above, the Non-Compliance Response Procedure sets out the management process and the action to be taken in response to non-compliance alerts.

To support this objective, and enhance the compliance framework more generally, Atos group Compliance will focus on several key actions:

- Redesign Worldline legal risk mapping to better identify and manage legal and compliance risks throughout the chain of global operations;
- Reinforce the compliance culture throughout global operations by improving the governance framework, and in particular by implementing the Global Legal Compliance Board;
- Greater visibility on the strength of the compliance culture in each country through the deployment of the country compliance dashboards and compliance KPIs, permitting targeted enhancements and trainings to improve the overall compliance culture of the Group;
- Benchmarking Worldline compliance with the ISO 37001 standard related to Anti Bribery and Corruption Management Systems is expected to be completed by ISO in late 2016.

A.4.1.1.8 Improving awareness [GRI 102-16] and [GRI 205-2]

Worldline aims to promote awareness of employees with respect to Company policies through appropriate dissemination of these policies, including through training program, which is part of Worldline's compliance program.

In the first instance, Worldline has implemented a thorough deployment plan for its compliance policies: all compliance policies, such as the policy on gifts, entertainment and other benefits need to be presented to local management and personnel representative bodies, which makes the policies' content enforceable within the Group. The next step of this deployment plan is the launch of mandatory global and local communication to the employees of the new compliance policies.

In addition, Worldline's social network, blueKiwi, is a direct communication channel with employees, who can join a specific community, called "Legal Compliance Organization". The objective is to circulate information on compliance matters, as well as applicable internal rules and policies and to enable employees to ask questions about compliance and the application of policies.

Concerning awareness, the launch in late 2013 and during 2014 of specific online training on the Code of Ethics has enabled Worldline to achieve another step in improving its compliance program.

This specific training on the principles of the Code of Ethics ensures a better understanding of the Code and promotes the adoption of fair practices on a daily basis. This e-learning training is mandatory for all employees, regardless of their job, function, country and hierarchical level and in 2016, 79% of Worldline employees completed it [GRI 205-2].

To complement this e-learning module on the Code of Ethics, specific webinars were organized for top managers and all persons considered as "core target" or whose day-to-day professional activities relate to the content of the Code.

A.4.1.2 Data protection [GRI 102-13] and [GRI 103-2 Customer Privacy]

A.4.1.2.1 Worldline's comprehensive data protection approach.

Every day, Worldline processes personal data for its own account or on behalf of its customers. The importance and value of personal data used in day to day business is now obvious. Personal data from both Worldline's customers and employees is managed with a particular attention.

First of all, as a fundamental right, the protection of personal data is a key topic for Worldline's employees who expect from their employer compliance with the strictest applicable local legal regime. The business opportunities created by the processing of personal data are tremendous, as the debate on big data demonstrates. For these very important reasons, the processing of personal data requires Worldline to adopt formal commitments as well as to implement strong organizational and security measures to guarantee to employees' and customers' personal data a high level of protection.

Worldline has implemented a comprehensive personal data protection approach based on three pillars:

- Data protection policy;
- Data protection procedures;
- Raising employee awareness of personal data protection issues.

This approach has been strengthened by the approval of European data protection authorities in coordination with the Atos group Binding Corporate Rules for the processing of personal data both as a data controller (*i.e.* for its own purposes) and as a data processor (*i.e.* for the processing of its customers' data). This approval constitutes an official recognition of Worldline' comprehensive approach to data protection based on the highest European standards of regulations, deployed internally as externally.

A.4.1.2.2 Binding Corporate Rules: the first IT company certified for the processing of clients' personal data

On November 4, 2014, the Atos group, including Worldline, obtained the approval of the European data protection authorities of its Binding Corporate Rules (BCR) for personal data processing on behalf of its clients and for itself. This means that the personal data processed by Worldline benefits from a high level of protection as defined in the European Union Directive. All Atos group entities worldwide are bound by the same obligations and processes, whatever the country they are located in.

The approval of the Binding Corporate Rules means that the European personal data protection authorities have recognized and validated Atos group's global and stringent approach to personal data protection, as further explained in Chapter 6.9.5 of the Registration Document on personal data protection.

More than offering such highest level of protection to its employees' personal data only, Worldline is able to ensure the same level of protection when acting as a data processor for all its customers' personal data. Consequently, Worldline meets customer requirements in terms of security and compliance regarding personal data of end users, customers and employees.

A.4.1.2.3 Data protection Policy

The first pillar is the Worldline Data Protection Policy. It sets up protection principles based on the provisions of EU Directive 95/46 on personal data protection; these are considered to be the most stringent personal data protection principles.

Directive 95/46/EC of October 24, 1995 (the "Data Protection Directive") is the point of reference on the matter within the European Economic Area (the "EEA," which includes the European Union, Iceland, Norway and Liechtenstein). In France, the Data Protection Directive was implemented through various amendments to law no. 78-17 of January 6, 1978, which relates to information technology, data files and civil rights, with the main amendment having been adopted through law no. 2004-801 of August 6, 2004.

Although personal data legislation has to be harmonized throughout the EEA, the implementation of the Data Protection Directive by the EEA member states has given rise to a certain degree of variation among the regulatory regimes that have been established, some of which are more restrictive than those established by the directive itself. In order to guarantee compliance with all applicable national laws, the Atos group has adopted a consistent policy which is obligatory for all of its entities and their employees, founded on three key elements:

(i) A set of principles based on the Data Protection Directive;

(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.

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.

A.4.1.2.4 Governance

The Atos group Chief Data Protection Officer, who reports directly to the Group Head of compliance – one of the key executives of the Group Legal, Compliance and Contract Management ("LCM") department and an 80-member strong Personal Data & Privacy Protection Organization, established in close cooperation by the Group LCM department and Group Security, significant resources have been allocated to the management of the topic.

This organization, which has been restructured in close cooperation with the Group Security Organization in order to improve its efficiency and the reach of personal data protection policies, practices and tools is a fundamental element in the continued implementation and extension of this strategy.

A.4.1.2.5 Data protection employees awareness

Worldline is convinced that personal data protection would not be sufficiently addressed if its employees lacked awareness and knowledge on the matter. Worldline has therefore, as a fourth pillar, developed a training 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 2016, 78% of Worldline employees attended mandatory online training programs related to personal data protection.

A.4.1.2.6 PCI-DSS Standard

The Payment Card Industry (PCI) Data Security Standard (DSS) was developed to encourage and enhance cardholder data security and facilitate the broad adoption of consistent data security measures globally.

As Worldline processes a huge quantity of cardholder data on behalf of many of their customers, it must comply in full with the PCI-DSS standard. As a payment services provider, Worldline is audited every year by a Qualified Security Assessor (QSA) to keep its PCI-DSS certification.

The PCI-DSS standard consists of 12 main requirements that can be summarized as follows:

- Build and maintain a secured network;
- Protect cardholder data;
- Maintain a vulnerability management program;
- Implement strong access control measures;
- Regularly monitor and test networks;
- Maintain an information security policy.

Concretely, that means regular security training for employees, a review of the security policy and its application, and the management and updating of many security measures.

Worldline has been PCI-DSS certified for eight years. It began by its e-commerce solution (SIPS). Now its acquisition, issuing, clearing and settlement services are also compliant with major e-payment standards such as VISA and 3D Secure.

A.4.1.2.7 TRUST 2020: Worldline commits on the long term on data protection

The deployment and use of practical and effective tools such as Privacy Impact Assessment has allowed the Atos group to remain at the forefront of data protection compliance. This is made by anticipation and integrating both the "accountability" principle and the privacy by design approach in the creation and implementation of its systems and services. In addition, as part of its CSR ambition, Worldline decided to engage on performing 100% of private impact assessments on critical services by 2020.

A.4.2 Ethics in the supply chain [GRI 102-9] [GRI 205-1] and [GRI 103-2 Indirect Economic Impacts]

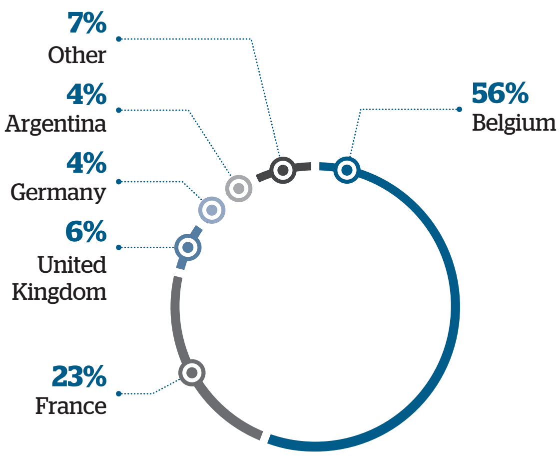
Permanent dialogue with Worldline's suppliers

Worldline's ambition is to make Corporate Social Responsibility a strong element of its corporate development plan and therefore to implement sustainable best practices in the purchasing dialogue. CSR is a commitment to the future and a lever for overall performance. Worldline has defined different levels of engagements with its suppliers to reduce the risks: technical, environmental (green IT), human (social) and financial, to protect its brand reputation and limit dependencies. Worldline defines indicators according to the Atos group CSR strategy.

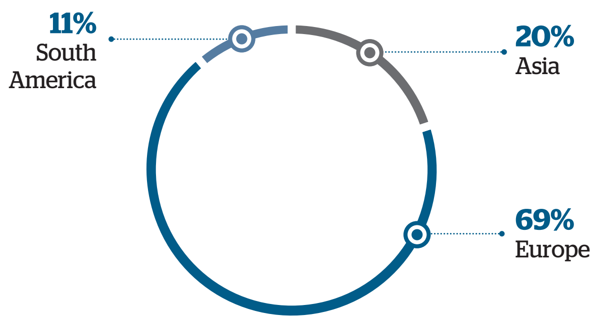
Supplier relationship management within Worldline means the consistent and sustained implementation of the following activities by the relevant Category Manager, Lead Buyer or GBU Buyer, for global and key local suppliers:

- Supplier selection & supplier qualification;
- Project or Bid supplier selection;
- Supplier relationship management (QCDIMS: Quality, Cost, Delivery, Innovation, Management and Sustainability).

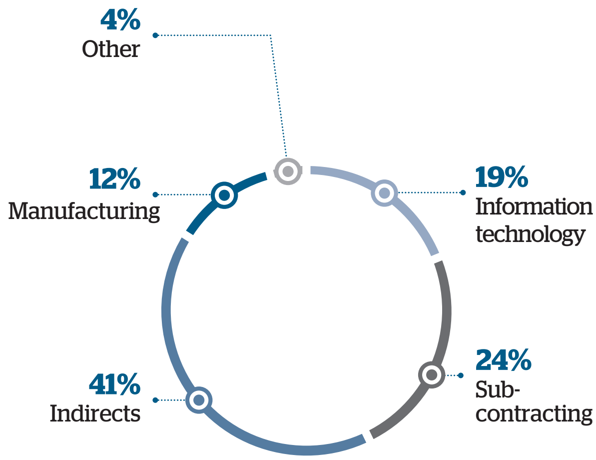
SPENDINGS OF WORLDLINE BY COUNTRY IN 2016



BREAKDOWN OF SUPPLIES BY GEOGRAPHICAL LOCATION IN 2016



BREAKDOWN OF SUPPLIES BY CATEGORY IN 2016



A.4.2.1 Sustainable procurement management and awareness [GRI 102-9]

A.4.2.1.1 Sustainable purchasing policy [GRI 103-2 Procurement Practices]

Worldline promotes a sustainable behavior within its supply chain by positively influencing employees, clients, partners and suppliers to take into account sustainability considerations in the decision-making process.

Due to its large presence in the IT domain, Worldline has a large supplier base. Suppliers are selected on the basis of specific criteria: Qualification and QCDIMS (Quality, Cost, Delivery, Innovation, Management, Sustainability), in order to build strategic relationships which bring a high level of quality and a competitive price in the services delivered. These criteria are used during RFP processes and factored into the contractual agreements.

A.4.2.1.2 Code of Conduct for purchasing

Worldline's employees who perform purchasing related activities on behalf of the Company or who have regular contacts with suppliers must abide by a strict Code of Conduct which is described via internal communication systems and distributed to members of the Purchasing department.

This Code of Conduct establishes the elementary rules each employee must respect in the performance of his or her work. As such, it does not provide an exhaustive set of rules. Global Purchasing employees must sign this document, stating that they have read and understood it.

The Code of Conduct is applicable to the entire Atos 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.

A.4.2.1.3 Employee awareness

Worldline's buyers are regularly informed about the different ways to implement sustainability best practices *via* the intranet, the Company's social network and documents stored in the repository systems dedicated to sustainable purchasing. Buyers also received online training about the sustainable supply chain at the Company.

A.4.2.1.4 Promoting sustainable relationships [GRI 203-2] [GRI 204-1] [GRI 205-1] and [AO17]

The Atos group Sustainable Supplier Charter, available on Atos website, is distributed to all Worldline suppliers participating to a request for proposal and is attached to all contracts. The charter's objective is to summarize principles and actions undertaken by the Procurement department for Corporate Social Responsibility topics. It encourages Worldline's suppliers to follow the principles of the United Nations Global Compact in the areas of Human Rights, labour, the environment and anti-corruption in order to be able to work with Worldline.

Moreover, Worldline asks its strategical suppliers to be assessed by EcoVadis regarding their CSR performance at any time during their contract. As mentioned before, contracting with responsible suppliers and being a leader on responsible procurement issues is one of Worldline's key priorities, this is why as part of its CSR TRUST 2020 ambition, Worldline has decided to engage on reaching the Gold level certification by EcoVadis and to monitor that 100% of its suppliers rated below 40 points on EcoVadis propose action plans to increase their performance. In the case that the supplier refuses to participate to EcoVadis assessment or is not willing to cooperate with Worldline in order to improve its CSR performance, this will lead to very few or no contracts being allocated with that vendor.

In 2016, Worldline reached the gold level by EcoVadis and increased its rating by 4 points having a score of 62. In addition, 65 suppliers were evaluated by EcoVadis representing 47% of the total spend [AO17 – GRI 205-1]. The selection of suppliers that will be evaluated is based on their level of spend, the category risk level and the geographic risk. Thanks to the use of ZEN (collaborative knowledge sharing tool from Atos group), the purchasing community is aware about the relationship with EcoVadis and the status of the ongoing assessments.

The average rating awarded to these 65 suppliers by EcoVadis was 58.9/100. Worldline expects its suppliers to offer more in the way of innovative and sustainable solutions. In 2016, 26% of Worldline suppliers were assessed by EcoVadis, corresponding to 47% of total spend [AO17]. EcoVadis also assess Worldline's risk of corruption while analyzing supplier policies and practices [GRI 205-1].

In 2016, the proportion of spending on local suppliers represented 87,67% of spend [GRI 204-1], reducing Worldline's impact on the environment.

A.4.2.1.5 Supplier evaluation

As sustainability has become a significant issue in the decision-making process for selecting new partners, suppliers and subcontractors, the sustainability weight in the QCDMIS qualification is 10% and all buyers apply this selection rule. E-sourcing tools and contract management systems including online authoring have been implemented for Worldline. CSR criteria for supplier's selection are automated into those tools.

Suppliers audit

As part of its compliance process with the ISO 9001 and ISO 14001 certification process, Worldline performs different audits to its suppliers made by the Industrialization and quality management team as a request from the Procurement department. Information about health and safety management is required as well as a safety policy, conformity with the chart of ethics of the Company where they need to confirm either they are or not in conformity. In case of serious noncompliance with the principles of the charter, the supplier shall report this to Worldline within one week after the discovering. Within one month after the reporting of this non-compliance the supplier will determine an appropriate action plan to stop the reported non-compliant misconduct and Worldline will determine with the supplier an appropriate timeline for its implementation.

A.4.2.1.6 Responsible subcontracting [GRI 103-2 Procurement Practices]

Since many years, Worldline procurement has taken the lead on the development of purchasing by working in partnership with the sheltered workshop "Beschermde Werkplaats Zottegem" ("Entreprise adaptée" et "Établissement et Service d'Aide par le Travail") in Flanders, Belgium.

BWZ was founded more than 40 years ago and counts with approximately 250 people. Their aim is to promote the employment of people with a light mental or physical disability and to integrate them into the professional world.

At the beginning, Worldline decided to subcontract with them part of the individual packaging of its payment terminals. As a result of their investment on technical supervisory personnel to provide a more industrial orientation to their activities, Worldline decided to increase their scope of activities:

a) The personalization of payment terminal: BWZ receive bulk shipments of naked devices and transform these in 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 of more than 150,000 devices per year;

b) The repair of returned terminals: distributors send the damaged terminals directly to BWZ where they are tested and diagnosed. The repair process includes also the disassembly and exchange of modules in order to reload the customer's software and security keys before sending them back.

Subcontracting within Worldline

Worldline sometimes relies on subcontractors to deliver services in particular contexts. Having recourse to 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 fulfill the terms of a particular contract or requires such expertise or skills for a limited period of time. All requests to use subcontractors are initiated locally by the operational team. Subcontracting process is managed by the workforce management team which is part of the Human Resources department and interacts with the operational teams directly (to define needs and propose relevant profiles). There are local Workforce Managers located in each geography where Worldline operates to manage subcontracting process on a local basis. The most represented profiles of subcontractors are IT developers or Project Managers.

The commercial relationship with subcontracting companies is ensured by the Procurement Team through negotiated contracts. On December 31, 2016, Worldline has recorded 359 subcontractors working across 17 countries.

A.4.2.2 Playing a responsible role in local development [GRI 201-4] and [GRI 103-2 Economic Performance]

A.4.2.2.1 Lending a hand to those in need

Worldline wishes to take a proactive approach to citizen engagement and local development by creating economic, social and environmental value. Worldline's ambition goes beyond creating jobs, developing solutions and supplying services for its customers. In fact, it is Worldline's social inclusivity that sets it apart, enabling the Company's economic performance to be combined with social and environmental progress, thus creating a direct positive effect on its entire ecosystem, and more generally, on society at large.

Local development is a fundamental element of Worldline's commitment to social and citizenship projects and initiatives. Local communities are able to improve and develop on an ongoing basis, progress being generated as a result of the responsible and Inclusive social causes targeted by the actions and activities of the Company's employees.

In 2016, Worldline invested a total of € 1,272,959 in funding initiatives for local communities and society at large [GRI 201-1]. This amount includes donations to charities, Worldline's involvement in responsible IT projects, relationships and partnerships with schools and universities, as well as skills sponsorship. This amount is calculated using London Benchmark Group methodology, an international benchmark used by Worldline in its report in order to promote social initiatives.

In several countries, employees from Worldline have organized fundraising campaigns in order to provide food and supplies to families living in disadvantaged conditions with support from the Company. Some examples of activities implemented in different countries are:

In Worldline Belgium, employees supported organizations like Moeders voor Moeders that since 1992, aims to bring social assistance to those in need in Flandre by making the distribution of food, clothes, a kit for new born babies and the Banque Alimentaire that intends to stop hunger by collecting and providing food to the people in need, Worldline employees helped with the collection of 500 kg of food.

In Worldline India, employees supported the Smile Foundation that aims to empower underprivileged children, youth and women through relevant education, innovative healthcare and market-focused livelihood programs. Also, employees conducted a donation of things that young children can use as clothes, books, stationery and games equipment and have performed a fundraising to help victims of natural disasters that might have occurred during 2016.

In Argentina, Worldline supports since 2013 the *Fundacion Si* and during July 2016 the Human Resources department launched the campaign inviting and encouraging all Worldline employees across the country to help collecting coats, blankets and food to provide some kind of shelter to people living on the streets.

Moreover, in the other countries where Worldline operates, other social initiatives are undertaken to support the good cause and are described below through the other drivers of the Worldline Social Engagement and citizenship approach.

A.4.2.2.2 Supporting education

Worldline employees volunteer their time and share their knowledge, skills and expertise of the IT industry in schools around their local communities in order to ensure the equal access to education and fight against social exclusion. Some examples of activities implemented in different countries are:

Since 2011, Worldline has had a partnership with a non-profit organization in France, Énergie Jeunes, whose primary aim is to fight school drop-out in secondary schools located in deprived areas. Another objective is to encourage them to persevere with their studies, thus fighting a sense of "failure". Employees of Worldline are volunteering and work with secondary schools located in deprived areas, in particular those surrounding Worldline's main office in France.

In addition, Worldline Malaysia counts with long term involvement in community partnerships in a way to strengthen relations with the UTAR (Universiti Tunku Abdul Rahman) in order to build opportunities for internships and permanent employment.

Last but not least, another initiative that has been developed in France, named the "Jury Associatif" has been launched 5 years ago by Worldline to encourage the social engagement of Worldline employees who are involved or wish to be involved in associative projects that have a societal dimension. Worldline rewards the projects eligible by offering to the project owners time to contribute to their social engagement. In 2016 the main activities that have been sponsored by the Company were related to women empowerment on education. For instance, Worldline employees went to some schools to talk about their experience and testify to the importance to include women in the technical areas and lead their careers in IT and innovative companies.

A.4.2.2.3 Looking out for children

Worldline launches and promotes initiatives to raise funds to help sick children or those living in deprived areas. The Company and its employees lend their support to child protection services and even health and education services. Early years is a key theme of Worldline's corporate social responsibility.

Many of initiatives linked to such issues are organized worldwide: In the UK, Worldline employees are involved in the Railway children Charity which raises funds to support children in low-income or developing countries. By way of illustration, a team of Worldline employees in the UK (London site) set off to climb the highest mountain in Kenya to raise funds to help the most deprived children. Other employees from the Beeston site took part in a school visit to develop interest in, and raise awareness of, the digital world. The children were also able to have a go at computer programming.

In Argentina, the Argentina's missing Children organization received support from Worldline to help families search for their missing children. To support this cause, Worldline, in partnership with the RedBus project, provides multimedia services to help publish adverts to find these children.

In India, employees also made in-kind donations such as clothes, toys, food etc. Worldline also supports Catalysts for Social Action which promotes child welfare and facilitates social change through nutrition, health, education, personal development etc.

In Germany, Worldline 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 psycho-social education of children and teenagers with difficult family backgrounds and behavioral disorders.

In addition, donations were made to the Kinder- und Jugendhilfe Brand project from Worldline's Aix-La-Chapelle site. This institution offers care and in-patient and out-patient services to children and teenagers. Many projects were made possible as a result of employees being made available during working hours, or employees acting on a voluntary basis and doing unpaid work in their free time.

A.4.2.2.4 Organizing to combat disease and illness

Worldline and its employees are very actively involved in health and wellbeing initiatives *via* the local charities and NGOs that form part of the local fabric of the countries where the Company has a presence. The Worldline Group raises funds across its sites worldwide to fund research and provide access to better healthcare so as to improve people's quality of life. Worldline has also developed innovative solutions to facilitate donations in support of this cause and many initiatives linked to such issues are organized worldwide:

For example, in France, for the last 18 years, Worldline has been a faithful partner of Téléthon, providing its multi-channel secure payment gateway for donations made by credit cards online or by mobile devices free of charge during the national campaign led by AFM-Téléthon. Within the scope of this partnership, fund-raising activities are also organized by employees at different Worldline sites in France, and the proceeds are paid to Téléthon. This great solidarity initiative is possible thanks to employees' involvement: about 40 volunteers are on the organizing committee, who help make the event a success every year.

During one week in December 2016, Worldline, in partnership with microDON, provided employees at the majority of its sites in France with Donation Boxes, an innovative idea to raise money for Téléthon, to promote a feeling of solidarity within the Company through € 3 micro-donations. This initiative, designed to make it easier to collect donations for the 2016 Téléthon (nationwide) *via* contactless NFC bank cards, was a real success with massive involvement by Worldline employees, both in setting up the initiative and in collecting donations. This was a major first for Worldline employees, who had the opportunity to test out a product in-house with a solidarity-based objective. Worldline plans to repeat this experience in 2017 and aims to develop the concept on a larger scale.

In Belgium, a lottery was organized during the lunch break and during the "News & Fun" event to raise funds for Médecins sans Frontières. Worldline also makes donations to the Institut Jules Bordet, a public hospital in Brussels, which specializes in oncology. The hospital's care program for oncology is now a university health care program (research program using cutting-edge technology).

In addition, Worldline supports and takes part in the "Cliniclowns" initiative, a visible presence in many Belgian hospitals and institutions since 1994. There is currently a team of 18 clowns who visit sick children in healthcare institutions on a daily basis. These clowns bring entertainment and pleasure to children and young people living with a temporary or chronic illness or disability in a hospital, institution or other nurturing environment.

Other programs have also received support from Worldline, such as *Big against breast cancer* which supports women, in healthcare settings, suffering from cancer during pregnancy, *Vivre comme avant* which is a charity for patients suffering from, or diagnosed with, breast cancer and which offers help and support *via* frank discussion, shared experience and support groups etc., *Lolands* which supports scientific research into cures for rare diseases such as amyotrophic lateral sclerosis, and *Kikov*, a charity for parents whose children have cancer.

A.4.3 KPIs overview

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	**2016**	2015	2014	**Per employee**	**Per revenue**	Per employee	Per revenue
GRI205-2	**Percentage of employees trained in Code of Ethics**							
	Percentage of management employees trained in Code of Ethics – Virtual Classroom	-	68%	-	100%	-	100%	-
	Percentage of employees trained in Code of Ethics – E learning	79%	71%	50%	100%	-	100%	-
	Number of employees trained in Code of Ethics	664	625	3,652	100%	-	100%	-
	Number of targeted employees	7,426	7,354	7,303	100%	-	100%	-
GRI205-3	**Actions taken in response to incidents of corruption**							
	Number of claims from clients or suppliers related to corruption (= or > 100 K€)	0	0	0	100%	-	1	-
GRI419-1	**Significant fines for non-compliance**							
	Total value of significant fines (> 100 K€)	0	0	0	100%	-	-	100%
	Number of significant fines (> 100 K€)	0	0	0	100%	-	-	100%
GRI201-1*	**Direct economic value generated and distributed**							
	Total community investments *(in €)*	1,272,959	67,331	145,782	92%	-	-	93%
	Number of employees in the main social initiative	524	13	-	92%	-	-	93%
	Total number of employees involved in social responsibility initiatives	767	381	642	92%	-	-	93%
	Donations to Charity *(in €)*	172,427	65,011	93,982	92%	-	-	93%
	Contribution to Commercial initiatives for good causes *(in €)*	17,016	2,000	19,800	92%	-	-	93%
	Contribution to Universities *(in €)*	1,083,516	320	0	92%	-	-	93%
	Contribution to Responsible IT Projects *(in €)*	0	0	32,000	92%	-	-	93%
	Management cost of Social contribution initiatives *(in €)*	20,799	404	11,129	92%	-	-	93%

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	**2016**	2015	2014	**Per employee**	**Per revenue**	Per employee	Per revenue
GRI201-4*	**Financial assistance from governments**							
	Total Financial assistance from governments *(in €)*	5,338,840	5,192,587	6,480,667	-	85%	-	88%
GRI204-1*	**Proportion of spending on local suppliers**							
	Proportion of spending on local suppliers at significant locations of operation	87.67%	84%	85%	-	93%	-	98%
AO17*	**Supplier screening**							
	Percentage of strategic suppliers evaluated by EcoVadis	26%	Not disclossed	Not disclossed	-	98%	-	-
	Total spend evaluated by EcoVadis *(in €)*	222,980,543	Not disclossed	Not disclossed	-	98%	-	-
	Percentage of total expenses assessed by EcoVadis	47%	Not disclossed	Not disclossed	-	98%	-	-

Exclusions:

- *GRI 201-1: Exclusion Asia, India, Latam, Benelux, Austria and Spain;*
- *GRI 201-4: Exclusion India, Netherlands, Luxembourg, Chile, United Kingdom and Spain;*
- *GRI 204-1: Exclusion Netherlands and Indonesia;*
- *AO17: Exclusion Netherlands and Indonesia.*

A.5 Reducing our environmental footprint through eco-efficient operations [GRI 419-1]

A.5.1 Environmental ambition and challenges

A.5.1.1 Tackling climate change: the number one ambition [GRI 103-2 Energy]

Following the exponential growth of digital, the onus is on Worldline to reduce its energy consumption and carbon emissions, particularly where these result from processing vast amounts of data and manufacturing payment terminals.

Worldline has therefore designed a low-carbon strategy consistent with the 2°C scenario developed at the Paris Climate Change Conference (COP21). The strategy is aimed at the widespread implementation of environmentally sustainable measures targeting all of the major climate issues identified in its materiality matrix:

- The energy efficiency of data centers and offices;
- Emissions linked to operations and business travel;
- The manufacture of payment terminals and production of electronic waste.

As a member of the Atos group, Worldline has resolved to strengthen its commitment to tackling climate change. It has therefore joined the platform launched by the Carbon Disclosure Project and We Mean Business Coalition so that it can take action and gain recognition as a major player in the fight against climate change.

Worldline is actively involved in the ambitious environmental program drawn up by the Atos group, which seeks to:

- Constantly shrink its global footprint and actively contribute to the fight against climate change and the conservation of biodiversity;
- Factor in stakeholder expectations and changing requirements in relation to environmental matters;
- Help Atos to lead the IT sector and win recognition for its environmental best practice from the major climate performance indexes and leading international third parties.

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A.5.1.2 Environmental targets of Worldline

Worldline has set up environmental targets that are fully aligned with the Atos group targets and with its main challenges. In this context, and faced with these challenges, Worldline has focused the attention of its senior management and outlined clear goals and action plans:

- Improve the energy efficiency: Improve the average Power Usage Effectiveness of its data centers. As a result, by the end of 2016 Worldline's average PUE for all its data centers was 1.7;
- Support the energy transition: Wherever as possible, consume 100% of decarbonized electricity in its strategic data centers. As a result, by the end of 2016 10% of the electricity consumed by Worldline data centers was supplied by decarbonized sources (nuclear and renewable sources);
- Reducing carbon emissions: Worldline aims to reduce the carbon intensity (tons of CO_2/€ million revenue) in line with the world effort of limiting climate change and the rise in temperatures below 2° by 2050. This is why Worldline, aligned with the CO_2 emissions reduction target of Atos from 5% to 10% to 2020, decided to engage on reduce each year by 1,68% its CO_2 emissions;
- Offsetting carbon emissions: Worldline aims to compensate 100% of its data centers CO_2 emissions. As a result, since 2015 Worldline has compensated 100% of its data centers emissions;
- Deploying the ISO 14001 certification: Worldline has set as objective to certify all of its strategic data centers and offices with more than 500 employees. As a result, by 2016 100% of Worldline data centers and main offices were certified.

The TRUST 2020 program: strengthening Worldline's environmental commitment

Alongside these goals, Worldline has set specific targets as part of its TRUST 2020 CSR program. The environmental aspect is integral to this program, and is represented by two commitments to reduce Worldline's environmental impact:

- Environmental efficiency and carbon impact – 2020 target: to be carbon neutral in the production of the services and solutions provided by Worldline;
- Eco-friendly terminals: to be carbon neutral throughout the entire life cycle of the terminals manufactured by Worldline.

A.5.1.3 Key achievements and rewards

Since 2008, the Atos group has been vocal about its international environmental commitments and objectives. These are rolled out to all Service Lines and geographical areas where Worldline is based. CSR performance, including these commitments and objectives, is therefore an integral part of the executive compensation model.

All CSR achievements are measured through KPIs, which in turn are independently audited. The results are compiled and circulated in CSR reports and *via* the Carbon Disclosure Project (CDP). The CDP offers a climate change risk assessment tool for institutional investors and other interested stakeholders.

In 2016, the Atos group (to which Worldline belongs) continued to improve its performance, featuring once again in the CDP's A List thanks to its ambitious carbon emissions reduction program and its sound management of climate risks. Worldline takes part in CDP assessments of the entire Atos group, providing information for its branch of the organization. In 2015, Atos was rewarded for its performance in mitigating climate change. The Company was ranked number one in the world for the IT sector in the Climate Performance Leadership Index (CPLI).

A.5.2 How to be an environmentally sustainable company

A.5.2.1 Governance

To be effective in monitoring environmental activities, a specific governance framework has been set up to identify priorities and draw up an action plan in line with environmental policies. Thus, Worldline has trained a specialist team able to manage the various processes and regular external assessments.

Worldline's CSR Officer, in consultation with the CSR Officer of the Atos group, is also the Environmental Officer. He/she is responsible for all environmental matters and is supported by the environmental team monitoring each local site.

The Environmental Officer is responsible for implementing the environmental policy at the local level, managing Worldline's environmental performance, implementing local environmental action plans in accordance with the strategy, and monitoring local environmental audits and certifications. The data used to determine the environmental KPIs, and the associated supporting documents are collected at central level by the CSR reporting team.

Also, Worldline counts with an Environmental Board that holds regular meetings on a quarterly basis. This Environmental Board is composed by the Environmental Director of Worldline and Atos, the Real Estate Director, the Director of the ISO 14001 multi-site certification and an environmental reference point from each main geography. The team is led by Worldline's CSR Officer, who coordinates the proceedings and organizes the work for the months ahead.

The purpose of the Environmental Board meetings is to:

- Follow up on environmental initiatives including target-setting and roadmap;
- Review ISO 14001 certification and the associated progress plan;
- Ensure fully alignment within Atos environmental strategy;
- Share the environmental strategy and the joint opportunities with the Group.

A.5.2.2 Environmental policy and processes [GRI 103-2 Energy]

In 2016, Atos and Worldline launched a new global environmental policy. The policy is aligned with the strategic ambitions of the Atos group and with its CSR program. The purpose of this policy to provide high level principles, over the short and long term regarding the main environmental challenges and also being a reference document for stakeholders so that they can better understand the engagement of Worldline in favor of the environment.

The environmental policy covers IT aspects through procurement, recycling and data center energy optimization policies. It also sets targets for carbon emissions, energy consumption, electronic waste management, protection of natural resources and reduction of dependency on non-renewable resources.

In the light of this policy, Worldline has designed a specific action plan containing concrete actions for each department concerned in order to achieve the global environmental objectives.

A.5.2.3 Environmental Management System and energy audit [AO14] [GRI 103-3 Energy] [GRI 103-3 Emissions] and [GRI 419-1]

With its history and know-how, Worldline has also developed its own Environmental Management System (EMS) in line with the Atos group's environmental policy. The EMS seeks to address environmental issues specific to Worldline's sites and introduce regular additional actions to reduce its environmental footprint.

In recent years, this approach has already proved effective and is in line with local and global environmental regulations. The Worldline environmental roadmap encourages our suppliers to be compliant with environmental standards and engages all Worldline employees to apply our environmental policy.

In 2012, Worldline decided to seek ISO 14001 certification for its main sites (over 500 employees) and datacenters. In 2016, the datacenter and the office of Worldline Brussels, the sites of Albazans and Diagonal from Worldline Iberia, the site of Frankfurt from Worldline Germany and the datacenter Vendôme in France were certified ISO 14001: 2004. In addition, the sites of Blois, Seclin Dassault and Seclin La Pointe are certified ISO 14001: 2015. In total, 9 sites of Worldline are certified [AO14], which represents 68% of the total headcount.

During the 2016 financial year, Worldline had not been fined or been the 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].

The EMS rollout at Worldline's main sites is a key component of its CSR program. The Worldline environmental ambition aims to benefit the Company's customers, employees and internal organization. The environmental action plan helps to improve the Company's competitiveness, ensure compliance with applicable environmental regulations, reduce risks and costs, develop citizen engagement and consequently boost the Company's general performance.

The EU Energy Efficiency Directive (EED – 2012/27/EU) came into force on November 14, 2012 and is being progressively implemented across the European Union member states. The directive belongs to a number of measures intended to increase energy efficiency across Europe. In countries where the directive has been transposed, the first energy audits were due to take place before the end of 2015.

Worldline is following this directive and consequently launched in 2015 a program of energy audits across its major European sites and for business travel every four years in compliance with national registrations. Worldline France has already performed the audit in 2015 and Worldline Germany and Worldline Belgium performed it in 2016.

A.5.2.4 Managing risks and opportunities [GRI 201-2]

Improving Worldline's performance regarding its environmental challenges generates numerous benefits. In particular, the energy efficiency and carbon reduction challenges are clearly seen as opportunities leading to alternative ways of working, improved internal processes, better operating efficiency and potential cost savings.

The Company is also aware of the business and environmental opportunities coming from the challenges that its clients face from consuming energy and emitting greenhouse gases. This is why Worldline constantly innovates and delivers digital solutions (smart solutions, green datacenters and carbon neutral hosting) that help its clients to tackle both their business and environmental challenges. In particular, Worldline carbon neutral services enable IT intensive clients like banks to drastically reduce their scope 3 emissions for the IT solutions they outsource with the Company.

Concerning the specific risks and its relation with the main environmental challenges, Worldline monitors them through complementary tools and processes: the Enterprise Risk Management Process (monitoring main risks that can impair the achievement of the Group's objectives); the Book of Internal control (BIC) and the Legal Risk Mapping.

Some of the main risks and the way to manage them are:

- Risk on manage to data centers or disruption of power supply through extreme weather events: In order to manage this, Worldline datacenters' location has been chosen on sites where there is not major risk of extreme weather events. In addition, datacenters count with diesel emergency power aggregates that are tested every month having fuel autonomy for some days and daily control of systems are made and protected by security guards;
- Tightening of regulatory requirements concerning the energy efficiency of the datacenters: environmental compliance is essential, along with the impact of any new regulations. Therefore, compliance with national and local regulatory requirements is audited by an outside company and is of vital importance to obtain ISO 14001 certification;
- Rising energy prices: long-term contracts have been signed *via* the Atos group regarding the energy supply and are controlled by the Top Management and the Procurement department;
- Reputation damage and failure to complete in the technological race for ICT applications that reduce the energy use of customers and the public: Optimizations have been done in the datacenters like replacing when needed the components by more efficient ones, the use of adiabatic cooling and regulated fans to tune the power according the cooling needs among others.

A.5.3 Overview of the main actions carried out

A.5.3.1 Evaluation of our carbon footprint and actions set to a low carbon strategy [GRI 305-4]

Reducing the carbon emissions is key to limit the impacts of the Company's activities, but also to improve its efficiency and to develop the confidence of its clients, investors and stakeholders at large.

Since 2014, Worldline closely monitors its own carbon emissions and has contributed to the Atos group's strategy to reduce a -50% carbon reduction between 2012 and 2015 in tons of CO_2/€ million revenue.

Calculation of scope 3 emissions

Worldline calculates its carbon footprint using the most widely adopted standard: the Green House Gas emissions protocol. As defined in this protocol, the emissions are sub categorized between scopes 1, 2 and 3 and the scope 3 is subdivided in fifteen different categories. For operational purpose, the scope 3 has been regrouped on:

a) Part A "Operational scope": regroups categories covering Worldline main challenges and activities under operational control or direct influence. The categories include emissions from energy for offices, data centers and travel (planes, cars, trains and taxis). For these emissions a sound reporting process externally verified has been in place since 2008;

b) Part B "Other scope 3 emissions": regroups other categories not under Worldline direct control or influence. The most significant emissions are coming from categories 1 and 2. For these emissions, estimations were made using the GHG Protocol Scope 3 evaluator.

Worldline's carbon footprint approach is in line with the regulatory context. The Company ensures compliance with the new obligations of the article 173 of the Energy Transition Act for green growth, which implies that companies report greenhouse gas emissions throughout their value chain and the measures related to their low-carbon strategy.

Regarding Scope 3 emissions, Worldline emitted 340,954 tons of CO_2 equivalent in 2016. Emissions of the scope 3 A category described above represent 2,614 tons of CO_2 eq and those of the scope 3 B represent 338,340 tons CO_2 eq.

The most significant emissions items for Worldline are the purchase of goods and services, the use of sold products, the travel of employees or business travel and energy (scope 3A).

Emissions in the purchasing category and Energy/business travel category accounted for more than 2/3 of the total scope and were estimated at 435,607 tons eq CO_2 for all Worldline activities at the global level.

In order to reduce the scope 3 emissions, Worldline is taking action to promote sustainable mobility and eco-design and eco-use of its payment terminals. Actions are also put in place in offices and data centers or at the purchasing policy level.

In order to reduce the impact of its carbon emissions, Worldline has a carbon offset program. Since 2010, Worldline compensates 100% of the emissions from its data centers. This initiative, which provides neutral carbon footprint hosting, allows customers to declare "zero" in their carbon public reporting (Scope 3, outsourced services) for services hosted by Atos and Worldline.

In terms of offsetting, the Atos group and Worldline have chosen to fund wind farm projects, enabling the development of renewable electricity. This project is certified by the best internationally recognized standards such as the "Verified Carbon Standard" and the "Gold Standard" in a partnership with EcoAct, a company specialized on carbon strategy. The Company has decided to finance a wind farm located in India where Worldline have 6% of its employees and where renewable energies need to be developed.

Worldline has also decided to go further on its ambition to provide carbon neutral services and has decided to compensate by 2020 the CO_2 emissions coming from its buildings, business travels and life cycle of its terminals.

In 2016, Worldline produced 11,842 tons CO_2, for all activities worldwide [GRI 305-4].

Carbon intensity

Carbon intensity figures are the most significant (emissions by revenue or employees) and reflect the real progress made in terms of energy efficiency since 2008.

In 2016, Worldline's carbon intensity figures were 11.05 tons of CO_2 per € million and 1.96 tons of CO_2 per employee [GRI 305-4].

Worldline managed to halve its total CO_2 emissions between 2008 and 2012. It also reduced its carbon intensity in line with its target (tons of CO_2/€ million revenue) between 2012 and 2015.

A.5.3.2 Energy consumption

Using a renewable power supply wherever possible [GRI 302-1] [GRI 302-3] [GRI 305-4] and [GRI 305-5]

Every year, Worldline reviews its supply contracts to identify sites and countries likely to switch to low-carbon energy. Several countries now meet part of their energy requirement using carbon-free energy, following the Atos group's program, which aims to gradually and when possible migrate from carbon-based electricity to low-carbon electricity. These steps taken by the procurement teams in coordination with the central teams reflect the commitment and day-to-day efforts made by employees to reduce Worldline's carbon footprint.

At Worldline Belgium, the Procurement department has been renewing for 2015 and 2016 the green electricity contract (in force since 2009) providing 100% of Worldline Belgium's energy requirement (buildings and data centers; annual consumption of about 7.3 MWh). The contract with Electrabel/GDF is based on the hydro-electricity produced by GDF in France (AlpEnergy).

In mid-2015, Worldline Belgium commissioned a new solar panel system for the roof of the data center and the car park. All of the photovoltaic electricity generated is used on site and corresponds to half of the consumption of one of our campus buildings. With this investment (500 solar panels), Worldline's environmental commitments are visible and tangible, not only for site employees but also for all local stakeholders, including visitors, suppliers and customers.

In 2016, energy consumption totaled 265,636 GJ [GRI 302-1], with an intensity by revenue of 240 GJ/€ million and 42.18 GJ/employee [GRI 302-3].

A.5.3.3 Main actions implemented to increase energy efficiency and reduce carbon missions and electrical waste

As described earlier, energy, carbon and electronic waste are the main environmental challenges for Worldline. In these areas, Worldline is taking specific action to reduce its environmental footprint for each particular aspect of its strategy:

A.5.3.3.1 Offices energy efficiency and saving initiatives

The Real Estate Logistic and Housing Policy promotes the energy efficiency criteria such as smart design, low energy building techniques, highly energy efficient appliances and public transportation availability for the selection of new locations and for the extension and rationalization projects. In addition, the Smart Campus concept includes innovative ways of working such as open spaces, desk sharing and digital tools that positively contribute to the environmental footprint of the offices.

In the framework of ISO 14001, Worldline has implemented a series of measures to reduce the environmental footprint of its buildings. In order to reduce energy consumption levels, all office devices (computers/printers/copiers/screens) have been equipped with auto sleep-mode setups, and employees have been given clear instructions to shut off personal devices at the end of the day.

The introduction of more energy-efficient, communal printers rather than individual printers, combined with new procedures, has reduced the energy impact of offices. Default printer settings have also been modified, with duplex black and white printing and print-job suspension. This, together with the use of lightweight paper (70 g), helps to cut waste and energy consumption.

The waste management policy for the buildings enables Worldline to recycle most of its waste (see the waste management section). At Worldline Belgium, the Dynamo project, which was launched in 2013 to reduce the carbon impact of the offices, achieved a substantial reduction in office space and an increase in remote working in 2016. The new leased office space was selected (among other factors) for its energy efficiency. In addition, the 24/7 call center activity is now located in the most energy efficient building, enabling heating, ventilation and air conditioning to be turned off during non-working hours in other parts of the offices.

Worldline Belgium is also refurbishing part of its old building and replacing some of the old equipment with LEDs. In parallel, some of the switches in the kitchens and other less used areas have been replaced with motion sensors, and tests on ecofriendly/non-chemical processes are underway with a view to minimizing electricity use by avoiding lighting that is not strictly necessary.

Worldline France has introduced numerous environmental measures, such as installing timers on radiators (which stop for five minutes every half an hour) and lighting timers in communal areas, and managing ventilation systems (which only operate during office hours). In addition, more specifically in Blois, the Company has improved its office waste and has put all the floors and a recycling program has been put in place in Seclin and Blois and enlarged a partnership with a specialist company employing disabled staff was developed this year in order to cover diversified activity including recent replacement of lighting equipment by LED’s.

In the case of Worldline Germany, several actions have been implemented to improve the ecological footprint of the offices like the replacement of standard light by LED’s in areas used 24/7, the implementation of more efficient water boilers in all floor kitchenettes and of motion sensors in toilet areas and printer rooms and the upgrading with high efficiency pumps for heating distribution on the building ventilation system. Finally, waste separation has been put in place in the common rooms and the Company has reduced the storage of hazardous materials to less than 5 kg.

Other actions have been implemented in other geographies like for instance in Worldline India have now automatic hand driers with HEPA filter and C fold tissue paper will be removed simultaneously and in Worldline Argentina, fluorescent tubes were replaced by LED’s and the Company has engaged the services of document recycling with a supplier that issues a certificate on the number of trees saved.

A.5.3.3.2 Data centers energy efficiency initiatives [GRI 302-5]

Over the years, numerous actions have been implemented in Worldline data centers in terms of energy optimization. Best practices include for instance cooling systems based on water circuits; implementation of adiabatic cooling that avoids the sizing of the infrastructure for the hot peak days allowing making substantial gains of energy.

Since 2013, Worldline has managed five data centers in three different countries with a dedicated energy efficiency optimization program. As announced last year, the average power usage effectiveness (PUE) for Worldline data centers in 2016 is already 1.70 [GRI 302-5]. Further investigation is still under way to improve this average and reduce it to 1.65 within the next three years.

The last Worldline datacenter was built in 2009 and aimed for a PUE of 1.6. The following actions have been taken to reduce this indicator:

- Increase the temperature inside the data rooms and technical rooms;
- Install ventilation pipes above the chillers to avoid any interaction between them;
- Change CRAC (Computer Room Air Conditioner) settings from fixed to auto adjust;
- Increase temperatures on the cooling water network and install a Kyoto wheel in the air handing unit;
- Force air to cool computer only *via* a specific pipe.

In the Vendôme data center, the installation of an adiabatic system allows Worldline to reduce energy consumption during the hot days in summer. In addition, Worldline takes the opportunity of the existing building configuration to add free cooling on the Vendôme DC.

A further 10% decrease in the PUE was also achieved in 2015. The consolidation has had major implications for energy conservation. Migrations are an excellent opportunity to upgrade our customers’ IT infrastructure. Customers are increasingly turning to cloud and virtualization solutions and using more eco-efficient hardware, together with other optimization methods.

In addition, Worldline’s main datacenters use a data center infrastructure management (DCIM) solution for very precise, real-time monitoring of energy consumption. The solution has powerful features to optimize and reduce energy consumption.

The latest internal report on datacenter power consumption showed that, overall, the various actions taken (migration, adoption of cloud solutions, virtualization, increased use of energy-efficient hardware and other optimization measures) have saved energy.

At the Worldline Belgium datacenter, PUE improved by 11% in 2015 after more efficient UPS and cooling systems were introduced. At Worldline Germany, the ambient temperature of data centers has increased by 1°C and the rotation speed of air conditioning systems has been reduced by 15%. Heat is also recovered from machinery and used to heat buildings.

Servers virtualization

Since 2009, Worldline has decided to develop server virtualization for all of its data centers. It is one of the initiatives with the largest impact on the Company's energy reduction and economic performance. Involving the Procurement department in replacing servers when these are upgraded, and choosing the latest machinery which is more environmentally-friendly, energy efficient and generates lower emissions, is a key factor in reducing electricity consumption. In addition, the proactive approach to server virtualization, where this is feasible and acceptable to customers, reduces the number of new physical servers and so ultimately reduces waste.

Indeed, from an environmental and technical point of view, virtualization yields savings by limiting the number of servers in data centers, resulting in:

- Less transport of hardware;
- Less ground space used by delivered services, and thus a reduced need to enlarge or build new data centers;
- Less travel, handling and set-up cabling, reducing waste when unpacking equipment (packaging, pallets, plastic wrapping, cables);
- Less treatment of this waste (storage, waste recycling, disposal, etc.).

A.5.3.3.3 Green terminals

One of Worldline main products are the payment terminals. They are conceived, produced are installed by Worldline Belgium all around the world.

In 2016, the Company has performed the ecological assessment of its payment terminals. The chosen template is the ECMA 370 (European Computer Manufacturers Association), already worldwide spread and well known in the electronics sector. This ECMA 370 eco declaration assesses the high level of compliance and excellent ecological performance of Worldline's payment terminals in all its lifecycle process.

At each stage of terminal development and production, the focus is on the environment: engineers have to consider factors such as power consumption, the use of recyclable materials and environmentally friendly packaging. Compliance with applicable environmental regulations is also taken into account. Production sites are situated in four different locations: Singapore and Indonesia manufacture "high runners", while other terminals are made in the Czech Republic and Hungary.

On the manufacturing side, Worldline only deals with ISO 14001-certified companies that have signed our sustainability charter. By signing this charter, they agree to follow sustainability best practice. These suppliers are also certified by Ecovadis, which each year performs an independent assessment based on various parameters linked to sustainability.

At the end of their life cycle, terminals are collected, disassembled and recycled by certified companies, in accordance with best practice, ensuring the best environmental solution for each component. The collection and preparation for recycling waste electrical and electronic equipment (WEEE) has been officially authorized since 2015.

This year, Worldline also started a large survey of suppliers to assess the way they handle "conflict minerals". In addition, the repair process is also organized to maximize the recycling of usable parts in the second-hand market.

A.5.3.3.4 Encouraging sustainable mobility and innovative ways of working [GRI 103-2 Emissions]

The travel activity represents a significant part of Worldline's carbon footprint. This is why, limiting travel and encouraging less environmental impacting means of transportation contributes to lowering the Group's environmental footprint.

In order to encourage the use of smart and eco responsible means of transportation, Worldline finance in some countries the passes of employees who use public transport and counts with a car leasing policy where is stipulated that leased cars shall have a CO_2 emissions level below 120 grams CO_2/km. In 2016, Worldline's fleet was estimated at 113 g CO_2/km. For instance, 96% of Worldline Belgium and 100% of Worldline Germany leased cars produce less than 120 g of CO_2.

Worldline has also deployed some initiatives like for instance a "mobility day" ("journée de la mobilité"), which enables to raise awareness of most ecofriendly transport means such as bus, train, bicycle and carpooling. During the present year, in Worldline Belgium more than 541 employees (representing more than the half of the total employees) participated on this initiative. Besides free breakfast for bikers and carpoolers and various animations around cycling, a contest was organized and one e bike was offered to an employee.

In addition, in 2016, Worldline Belgium increased the bicycle underground parking surface and acquired and installed a compact loading station that enables simultaneous loading of six electric bikes and has increased the number of locker rooms and parking place for cyclists, which is consistent with its participation in the Belgium program "bike to work" ("aller au travail à vélo") which aims to promote to go to work without carbon emissions.

In Worldline France, there is going to be implemented a carpooling project launched by Atos and that is already operating in Rennes and also the Company is launching a “use your bike” subsidy for people using their own bicycle for going to work. These projects aim to provide an alternative way of transportation for employees.

In some countries such as Worldline Germany or in Bezons in France, electric cars are available for employees' business travels and collaborative environments and the use of remote digital collaboration is strongly promoted as a lever to reduce the environmental footprint and operational costs while generating benefits to the work life balance of employees.

A.5.3.3.5 Developing the circular economy and sustainable management of our waste [AO19]

Worldline pays particular attention to the collection, management and recycling of its waste. This is organized as follows:

- **Internal waste management through sorting of office waste (cardboard, paper, cartridges, toners, batteries, etc.) and WEEE:**

  Worldline's real estate policy favors the rental of office spaces, which are often shared by multiple tenants. Office waste is managed by the landlord in accordance with the legal requirements; otherwise Worldline manages the subcontractors directly.

  As part of its optimization program, Worldline also tries to locate its employees and operations at large sites (over 500 employees). These sites are eligible for the ISO 14001 certification program and the volume of office waste is tracked, along with the other environmental indicators. This allows corrective action to be taken, either to reduce the volume of waste, or to optimize waste sorting.

  Recycling bins are placed in offices to facilitate the sorting of paper, confidential documents, cans, plastic, cartridges and other waste. All these wastes are then sent to officially recognized companies for further treatment. For example, plastic cups used in Belgium are recycled by the company EKOL, which uses them to make useful objects such as garden furniture;

- **Used or end-of-life WEEE (including payment terminals) is collected from customers and processed externally. This equipment is also repurposed:**

  Worldline is fully committed to the circular economy and prioritizes WEEE management as an important way of addressing the impacts caused by its activities and payment solutions. This approach ultimately reduces CO_2 emissions and dovetails with its CSR strategy.

Since Worldline's activities could potentially impact on raw materials and resources, Worldline has decided to focus on reusing raw materials when processing waste in order to conserve them and optimize the products concerned. Some of the materials used to manufacture Worldline products are scarce and require special attention.

At Worldline, WEEE includes computers (laptops and desktops), monitors, printers, projectors, telephone handsets (fixed and mobile), mice, ink cartridges, IT servers, electronic storage devices, networks, cables, battery chargers, adapters and electrical appliances.

Worldline is committed to managing and recycling WEEE and has always fulfilled its legal requirements in this regard. Worldline, together with its stakeholders, has consistently sought to be diligent in managing the end of life of its equipment and solutions, and has always complied with the European WEEE Directive (Directive 2012/19/EU). In accordance with this directive, WEEE is collected from customers and recovered, recycled or repurposed using specialist subcontractors, community schemes or environmental agencies.

The priority is to use the circular economy to prevent or at least reduce the production and harmful effects of WEEE. To achieve this, Worldline acts upstream with its choice of server and PC suppliers (responsible procurement policy) and adopts an eco-friendly design approach (reduction of impacts at source). It also acts downstream to encourage the reuse of hardware, organize waste transportation and minimize the distances traveled and volume of waste. This means choosing suppliers close to the sites concerned and adopting an environmental policy to encourage waste recycling and recovery rather than disposal.

According to international practice, suppliers are responsible for end-of-life computer hardware. Furthermore, by signing the Sustainable Supplier Charter attached to their contracts, suppliers agree to process their products *via* specialist channels. Suppliers assessed by Ecovadis must meet various waste management and recycling criteria consistent with Worldline's sustainable procurement policy. Through this, Worldline encourages its suppliers to mitigate their impact.

For its customers, Worldline offers efficient waste management services. The Company can collect electronic equipment from its customers and offer a worldwide repair service as well as an efficient after-sales service.

In 2016, Worldline produced 63,821 Kg of electronical waste and recycled 100% of it [AO19]. The rest of waste corresponds to 657,947 Kg and 94% of it was recycled.

Focus on the processing of payment terminals during use and at end of life

In Belgium, Worldline adopts an exemplary approach to the circular economy for electrical and electronic equipment. Worldline is a member of *Recupel*, which recycles used electronic appliances and light bulbs, and Bebat, which repurposes old batteries by collecting, sorting and recycling them.

Worldline Belgium also offers its customers a collection and recycling service for used or end-of-life payment terminals. Trade customers can either use special recycling containers for payment terminals, or return them directly, as required by law.

The collection and preparation for recycling WEEE has been officially authorized since 2015.

The terminals are then sent to warehouses where they are held in temporary storage. After analysis, Worldline endeavors to repurpose these terminals: once cleaned and reprogrammed they can be reused, enabling Worldline to be part of an effective circular economy. Other terminals are disassembled and the components are salvaged for use as spare parts for new terminals, after undergoing rigorous quality control.

Non-recoverable components (cables, batteries, printed circuit boards, metal parts, housings) are sorted in special containers. Worldline also optimizes its waste transport: it waits until sufficient quantities of components have amassed to avoid unnecessary emissions. The Company uses the Galloo group, a European specialist in the recycling of ferrous and non-ferrous metals. Printed circuit boards are managed and processed by Umicore, which specializes in the recovery of precious metals.

For this to be a success, Worldline has officially applied for "Hazardous Waste Collector" approval from the official environmental management body for the Brussels region (IBGE). This requires it to follow strict rules on storage, safety and other environmental precautions. On average, Worldline Belgium processes 50 tons of WEEE each year.

The management of waste payment terminals is similar in France. Waste is processed by Lumiver Optimet and Defabnord, in accordance with the European WEEE Directive (2012/19/EU). At the Blois site, recycling is handled by the Company Petit Plus. The Company is committed to employing people with disabilities, who make up around 90% of its workforce.

A.5.3.3.6 Other environmental challenges

Water consumption

Although water is an essential natural resource, Worldline's operations do not impact the environment directly in terms of water consumption or even in terms of water procurement, on the basis of current local constraints. Water consumption has not been identified as a priority area in Worldline's materiality matrix.

For datacenters, water is mainly required for cooling servers. The water used for this purpose flows around a special closed-loop circuit, so consumption is not significant. During heat waves, water can also be used to supply some data centers' cooling units. Water spray can help to reduce peaks in power consumption by air conditioning systems.

For other activities, water consumption is associated with the tertiary sector and mainly derives from standard office consumption (employees, cooling systems, catering, etc.). Waste water is disposed of in compliance with the applicable regulations. Estimates of global water consumption are calculated using the data we have for certain countries, which are then extrapolated for all Worldline employees worldwide.

Biodiversity

Although biodiversity, air pollution and land use are critical environmental issues to consider, Worldline's operations do not directly impact those issues on the basis of current local operations. This issue has not been identified as a priority in the Atos materiality matrix.

However, Worldline's operations, like those of other companies, could have indirect impacts in the following areas, for example: land use, energy consumption, GHG production, waste generation, etc. In this respect, Worldline strives to minimize its environmental impact and to ensure that its suppliers take appropriate steps to mitigate their own impact.

Food waste

Worldline's activities do not generate significant impacts on food waste. Nevertheless, the Company ensures compliance with the law on combating food waste and in particular article 4 which incorporates this notion in the social and environmental responsibility of companies. In fact, Worldline is aware that food waste is an environmental problem (natural resource use), ethical (devaluation of food) and economic (waste treatment costs). Thus, good practices are carried out on the premises of collective catering in terms of the management of purchases and stocks, the conservation of food or the accommodation of the remains. For example, to reduce food waste in foodservice, Worldline tends to promote the consumption of vegetables or to charge for the consumption of additional bread. Also, salad bars have been set up to ensure a sale by weight.

Other atmospheric emissions [GRI 305-6] and [GRI 305-7]

Unlike the CO_2 emissions described above, ozone-depleting substances (ODS), including sulfur oxides (SOx) and nitrogen oxides (NOx), have not been identified as a priority in Worldline's operations or in the materiality matrix.

Other pollution

Materiality matrix identification and analysis has highlighted that the Atos group and 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.

A.5.4 Green initiatives implemented

With the environment considered a major issue, Worldline embarked on a series of local and global green initiatives in 2016 to raise environmental awareness:

- A weekly "veggie" day has been introduced in Belgium, resulting in 50% of Worldline's employees eating a healthy vegetarian meal on Thursdays;
- To protect biodiversity, Worldline and its employees have launched an ambitious conservation scheme for sites in Belgium and France. Over the past few years, the Brussels site has had a 1,500 m² garden designed to attract a variety of species (flora and insects) and to raise employee awareness of conservation and the importance of pollinators. In 2016, four bee colonies were introduced into the garden in partnership with Beeodiversity. The garden is due to be extended in the spring of 2017, when a large flowerbed will be planted. The next phase will include a vegetable garden, where volunteers will be able to grow organic produce. In France, beekeeping clubs have been started at the Blois and Seclin sites. In both countries, the aim is to teach employees how to encourage biodiversity, introduce them to beekeeping, protect the ecosystem and produce Worldline's own-label honey;
- Worldline continues to remind its employees of the little things they can do every day to reduce their own environmental footprint, as well as the Company's. Employees are reminded to think before printing, and to download boarding passes to their smartphones when traveling. Other reminders include drinking coffee out of mugs rather than disposable cups, and sharing PowerPoint files electronically rather than printing them out after meetings;
- Various steps have been taken in the buildings to reduce energy consumption: more flexible ways of cooling rooms depending on their location, renewing equipment, virtualization, sleep modes for computers and energy-saving lights.

A.5.5 Educating and engaging our employees

Worldline has put in place several initiatives in order to increase its employees' awareness on environmental topics and encourage them actively to adopt eco responsible behaviors that will allow the Company to reduce its environmental impact over all its sites. In addition, internal communications have also been made to share Worldline's sustainability strategy. As an example, some of the initiatives implemented during 2016 were:

The CSR team designed different infographics about key environmental challenges of the Company like the energy consumption, CO_2 emissions, waste production and water consumption where it was highlighted the different values that each country represents and just down which where the actions that employees can perform in order to reduce these values. This "Worldline's Environmental Engagement" posters were put in place around all the Company sites and employees could reply to the CSR team with their own proposals. These posters were very well perceived by auditors and a new version of them will be deployed on 2017.

Worldline has organized an online training course entitled "Sustainability Improvement" which is available in English, French, Spanish and German. It consists of four sustainability modules:

- What is sustainability?
- Who are the stakeholders of the Company?
- Sustainability in the IT sector;
- Presentation on the Atos group's sustainability program.

Worldline Belgium held its second "Sustainability Quiz" this year, to coincide with the European Week for Waste Reduction. The quiz consists of a dozen online questions about the targets we set and the steps we take to protect the environment. A group of volunteers concerned about the environment organized events in the lobby during the lunch break. Participants were given help with answering questions and played the "Recycling Game", which involved putting waste in the correct bin. More than 80% of employees took part in the quiz.

A.5.6 Environmental reporting methodology and processes [103-3 Energy] and [GRI 103-3 Emissions]

In line with the GRI Standards "comprehensive" option, Worldline is monitoring a large range of environmental KPIs related to energy consumption, waste, water and CO_2 emissions. Reports on environmental KPIs are produced twice a year for Worldline's main sites, which accounted for 91% of the Company's revenue in 2016. These are then audited and verified by external auditors.

Regarding energy [GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4] [GRI 302-5]: energy consumption within the organization is tracked in data centers and in offices taking into account direct consumption (diesel, fuel oil and gas) and indirect consumption (renewable electricity, normal grid electricity and district heating). Energy consumption outside the organization as a result of business travel is also taken into account by measuring the kilometers traveled and the fuel/diesel consumption of taxis, company and private cars, trains and planes.

Regarding GHG/carbon emissions (CO_2) [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] and [GRI 305-5]: Worldline measures direct and indirect greenhouse gas emissions fully taking into account the GHG protocol. The tracking of the Company's energy consumption allows to deliver data of CO_2 emissions and thus to establish concrete actions like carbon offsetting or environmental awareness to reduce them.

A.5.7 KPIs overview

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
AO14	**Compliance with environmental laws and regulations ISO 14001**							
	Number of sites certified ISO 14001	9	9	4	-	100%	-	100%
GRI302-1*	**Energy consumption within the organization**							
	Energy Consumption within the organisation *(Gj)*	265,636	248,258	290,552	-	98%	-	97%
	Total Direct Energy Consumption in DCs & Offices *(Gj)*	14,105	13,200	10,849	-	98%	-	97%
	Direct energy consumption in Offices *(Gj)*	12,748	12,111	9,732	-	91%	-	87%
	Direct energy consumption in DCs *(Gj)*	1,357	1,089	1,117	-	100%	-	100%
	Total Indirect Energy Consumption in DCs & Offices *(Gj)*	251,531	235,058	279,703	-	98%	-	97%
	Indirect Energy Consumption in Offices *(Gj)*	60,573	41,726	49,132	-	91%	-	87%
	Indirect Energy Consumption in DCs *(Gj)*	190,958	193,332	230,571	-	100%	-	100%
	Total electricity consumption from renewable sources *(GJ)*	19,792	22,033	-	-	98%	-	97%
GRI302-2*	**Energy consumption outside the organization**							
	Total KM traveled per employee**	5,497	5,457	7,436	81%	-	82%	-
	Total KM traveled by car**	19,599,863	18,246,304	17,741,306	81%	-	82%	-
	Total KM traveled by train**	8,302,857	7,856,171	12,151,026	81%	-	82%	-
	Total KM traveled by taxi**	176,349	171,182	318,989	81%	-	82%	-
	Total KM traveled by plane**	5,067,421	4,106,038	4,668,907	81%	-	82%	-
	Total KM traveled per revenue**	30,934	33,158	39,991	-	88%	-	87%
	Percentage of company cars below 120 g CO_2/km***	95%	85.10%	38%	-	100%	-	100%
	Number of cars below 120 g CO_2/km***	786	735	325	-	100%	-	100%
	Number of company cars***	829	864	848	-	100%	-	100%
	Average of emissions in companies fleet cars *(Gr/km)****	113	110.02	113	-	100%	-	100%
GRI302-3*	**Energy intensity**							
	Energy intensity revenue *(Gj/€ million)*	240	232.39	292.22	-	91%	-	82%
	Energy intensity employee *(Gj/Employee)*	42.18	41.17	52.64	85%	-		-

		Worldline			2016 Perimeter		2015 Perimeter	
GRI code	KPI Name	2016	2015	2014	Per employee	Per revenue	Per employee	Per revenue
GRI302-4*	**Energy saving initiatives**							
	Estimated energy savings in data centers *(Gj)*	55	636	3,167	-	86%	-	75%
	Cost savings due to improved energy efficiency data centers *(in €)*	200	27,000	79,148	-	86%	-	75%
	Estimated energy savings in offices due to initiatives *(Gj)*	84	550	0	-	86%	-	75%
	Cost savings due to improved energy efficiency in offices *(in €)*	13,272	16,642	0	-	86%	-	75%
GRI302-4	**Energy requirements of products and services**							
	Power usage effectiveness (PUE)	1.7	1.7	1.71	-	100%	-	100%
GRI305-1*	**Direct Greenhouse gas emissions DCs and Offices**							
	Total CO_2 emissions (scope 1) *(t)*	4,038	3,959	3,939	-	92%	-	92%
GRI305-2*	**Direct Greenhouse gas emissions DCs and Offices**							
	Total CO_2 emissions (scope 2) *(t)*	5,189	4,703	5,437	-	92%	-	92%
GRI305-3*	**Other indirect Greenhouse gas emissions (scope 3)**							
	Total CO_2 emissions (scope 3) *(t)*	2,614	1,730	2,039	-	92%	-	92%

		Worldline			**2016 Perimeter**		2015 Perimeter	
GRI code	KPI Name	**2016**	2015	2014	**Per employee**	**Per revenue**	Per employee	Per revenue
GRI305-4*	**Greenhouse Gas emissions intensity**							
	Total CO_2 emissions *(t)*	11,842	10,330	11,416	-	92%	-	92%
	Global footprint in data centers *(kg CO_2e)*	3,691	3,757	5,205	-	100%	-	100%
	Global footprint in offices *(kg CO_2e)*	2,397	1,999	1,860	-	88%	-	87%
	Global footprint in travels *(kg CO_2e)**	5,754	4,574	4,350	-	88%	-	87%
	GHG emission intensity ratio denominator *(per revenue)*	1,072	1,068.3	994.3	-	88%	-	92%
	GHG emission intensity ratio denominator *(per employee)*	6,030	6,030	5,520	81%	-	89%	-
	CO_2 emissions by revenue tCO_2/€ million revenue	11.05	9.67	11.48	-	92%	-	92%
	CO_2 emissions by employee tCO_2/employee	1.96	1.71	2.07	87%	-	89%	-
GRI305-5*	**Reduction of greenhouse gas (ghg) emissions**							
	Estimation of reductions achieved *(t CO_2e)*	15	77.1	55.3	-	86%	-	75%
	CO_2e reductions due to the energy saved in data centers *(kg CO_2e)*	7	33.5	55.3	-	86%	-	75%
	CO_2e reductions due to the energy saved in Electricity DC *(kg CO_2e)*	7	33.5	55.3	-	86%	-	75%
	CO_2e reductions due to the energy saved in Gas DC *(kg CO_2e)*	0	0	0	-	86%	-	75%
	CO_2e reductions due to the energy saved in offices *(kg CO_2e)*	0	43.6	0	-	86%	-	75%
	CO_2e reductions due to the energy saved in Electricity Offices *(kg CO_2e)*	8	29.2	0	-	86%	-	75%
	CO_2e reductions due to the energy saved in Gas Offices *(kg CO_2e)*	0	14.4	0	-	86%	-	75%
GRI419-1	**Significant fines for non-compliance concerning the provision and use of products and services**	Qualitative	Qualitative	Qualitative	-	-	-	-
AO19*	**Waste Electrical and Electronic Equipment (WEEE)**							
	WEEE collected or recovered from customers *(Kg)*	63,821	81,460.78	-	-	75%	-	84%
	WEEE collected or recovered and reused/recycled *(Kg)*	63,821	81,460.7	-	-	75%	-	84%

Exclusions:

- *GRI 302-1: Included Belgium, Germany, France, Spain, Argentina and United Kingdom;*
- *GRI 302-2: Included Belgium, Germany, France, Spain and United Kingdom;*
- *GRI 302-3: Included Belgium, Germany, France, Spain, Argentina and United Kingdom;*
- *GRI 302-4: Included: Belgium, Germany, France and United Kingdom;*
- *GRI 305-1: GRI 305-2 and GRI 305-3: Included: Belgium, Germany, France, Spain and United Kingdom;*
- *GRI 305-4: Included: Belgium, Germany, France, Spain and United Kingdom;*
- *GRI 305-5: Included: Belgium, Germany, France and United Kingdom;*
- *AO19: Included Belgium, Germany and France.*

A.6 Information about the report

This chapter describes the scope of 2016 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.

A.6.1 Scope of the report [GRI 102-10] [GRI 102-45] [GRI 102-48] [GRI 102-49] [GRI 102-50] [GRI 102-51] [GRI 102-52] [GRI 102-54] [GRI 102-56] and [GRI 103-1 sector specific disclosures]

A.6.1.1 French legal requirements of information of listed companies

For further information, see Section 1.2.3 of this report. In 2016, and in alignment with the modification of the article L. 225-102-1, alinea 5, of the French Commercial Code, information about main greenhouse gas emissions sources generated by the activities of the Company, including through the use of goods and services has been added in Environmental chapter.

A.6.1.2 Application of the AA1000 principles

See Section 1.2.3.1 Respect of AA1000 Standards for all information.

A.6.1.3 Global Reporting Initiative [GRI 102-12] [GRI 102-46] [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 socioeconomic compliance] and [GRI 103-1 Economic Performance]

Read Section 1.2.3.2 Global Reporting Initiative regarding the report set up and Worldline's Comprehensive approach.

GRI Standards 2016 topics Boundaries

The following topics of the 2016 Standards from the GRI are material for Worldline. Outside the organization, these aspects are material for the mentioned stakeholders.

Topics	Topic boundaries outside the organization
Economic Performance	Communities, Customers, Investors and analysts
Market Presence	Communities, Public bodies, Suppliers and partners
Indirect Economic Impacts	Communities, Public bodies, Suppliers and partners
Procurement Practices	Communities, Public bodies, Suppliers and partners
Energy	Customers, Investors and analysts
Emissions	Customers, Investors and analysts
Employment	Not material outside the organization
Training and Education	
Diversity and Equal Opportunity	
Occupational Health and Safety	Suppliers and Partners
Anti-corruption	Customers, Investors and analysts, Public bodies, Suppliers and partners
Socioeconomic Compliance	Investors and analysts, Public bodies, Suppliers and partners
Customer Privacy	Customers

A

Process for defining report content

The selection of the KPIs is aligned with Worldline strategy and based on a materiality assessment (See Section 1.3.1 Materiality Analysis). Corporate Social Responsibility strategy includes a prioritization of topics which is an essential requirement for performance dashboard and internal project follow up.

Employees from equensWorldline have been taken into account to calculate the scope of the Human Resources KPIs even if they don't make part of the CSR 2016 reporting of Worldline.

The Global Reporting Initiative Content Index Table is available in the Corporate Social Responsibility report.

Reporting scope for the indicators resulting from the materiality study [GRI 102-45] and [GRI 102-49]

Worldline obtains its Corporate Social Responsibility data from internal measurements and from external sources (third parties). The frequency of the extra financial reporting will be on annual basis.

For the year 2016, Worldline is organized as follow:

- ASIA: China, Hong Kong, Indonesia, Malaysia, Taiwan and Singapore;
- BENELUX: Belgium, The Netherlands and Luxembourg;
- CEE: Austria;
- FRANCE: France;
- GERMANY: Germany;
- IBERIA: Spain;
- INDIA: India;
- LATAM: Argentina and Chile;
- UK: The United Kingdom.

On the basis of this context, the scope of the indicators varies does not vary related to the 2015 reporting period. The tables "KPIs Overviews" on the Sections 1.3, 2.4, 3.8, 4.3 and 5.6 specify the scope associated to each communicated indicator.

A.6.1.4 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]

Worldline Corporate Social Responsibility office is the contact point for questions regarding the report and includes representatives from each country and representatives from the global functions. Representatives are responsible for the collecting process and evidence archiving.

In 2011, Atos group launched the implementation of SAP Sustainability Performance Management (SuPM) as a new Global Tool to facilitate the gathering of information, global workflows, validations, exploitation and visualization of KPIs results. Group Atos' challenge has been to report for the full 2014 year within this tool worldwide, including Worldline elements.

The most of the indicators are gathered through the sustainability global tool – SuPM – at country level. Most of LA indicators data have been extracted from the Atos group's HR toll – 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 Atos group and Worldline level in other tools.

All the procedures, template, CSR reporting protocol and final data are stored on the Atos group SharePoint and Bluekiwi with a worldwide access.

A.6.2 Process of defining report content [GRI 103-1]

A.6.2.1 Detailed information related to KPIs

Detailed information related to GRI 302-1 KPI

The data collection related to the environmental KPIs involves a significant part of the Worldline's countries: Belgium, Germany, Spain, France and UK. With few exceptions, countries provided the information necessary to get a reliable estimation of the carbon footprint. In order to align the GRI collecting process to the Carbon Disclosure Abatement Project, Atos group used a methodology of collecting based on the GHG protocol and the GRI Guidelines. In this way the two processes can be integrated and the data for both reports can be gathered.

For the CO_2 calculations, country regulations and calculation methods have been applied.

The conversion factors have been adjusted according to the country and the type of energy consumed (fuel oil, diesel, gas, electricity).

Conversion factors are based on Defra: Guidelines to Defra/DECC's Greenhouse Gas Conversion Factors for Company Reporting, available at: http://www.ukconversion factorscarbonsmart.co.uk/. For the figures, Worldline used Electricity/Heat Conversion Factors from those last updated for 2015 by Atos group. [G4-EN3_G]

The methodology used is provided directly through the local power supplier or landlord:

- Regarding electricity, meters are installed at site level to measure the energy consumed in kWh. The measurement recorded by the meters is used by suppliers or *via* landlords to issue invoices;
- Regarding gas, meters are installed at site level to measure the energy consumed in M3 and converted in kWh according to local conversion ratios, in many cases directly by the supplier. The invoice is provided directly by the gas supplier or *via* the landlord. [G4-EN3_F]

Invoices state the total amount consumed in kWh and/or its monetary value (local currency). If only the monetary value is provided, the respective consumption in kWh is calculated by using a respective cost per unit rate.

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 case of unavailability of actual consumption data, estimations based on previous period consumptions are used to calculate the actual consumption. In case of unavailability of consumption data, estimations based on footage and average consumptions from other sites are used to calculate the actual consumption. The corresponding data is entered into the organization's application for each site. [G4-EN3_F]

The cooling purchased through local district cooling schemes, for DC and offices is 0 Gj [G4-EN3_C3] and the total of steam purchased through district heating schemes to heat sites is not available [G4-EN3_C4].

Worldline does not sell electricity, heating, cooling, nor steam to third parties. [G4-EN3_D1, G4-EN3_D2, G4-EN3_D3, G4-EN3_D4]

Detailed information related to GRI 302-3 KPI

The Energy intensity ratio is calculated by dividing the absolute energy consumption during the reporting year (the numerator) by the revenue metric expressed in € (the denominator) produced by the organization, in the same reporting year. The Energy intensity expresses the energy required per unit of activity. For consistency, the scope of reporting is aligned with the country scope included within our 2016 baseline. [G4-EN5_A]

For the Energy intensity ratio the denominator for revenues is covered by Belgium, France, Germany, Argentina, Spain and UK, however, reporting is restricted to the baseline scope measured in 2012. Within that scope, the revenue is corresponding to the turn over generated by these countries within the baseline during the year (reporting period: January 1-December 31) under analysis. [G4-EN5_B]

For the Energy intensity ratio the denominator for employees is the total headcounts registered at the end of the financial year for all countries within the baseline as on December 31. [G4-EN5_B]

The types of energy included in the intensity ratio are: vehicle fuel, electricity, gas, district heating, backup generator fuel (diesel and fuel oil). [G4-EN5_C]

The ratio uses energy consumed only within the organization (energy required to operate) [G4-EN5_D].

Detailed information related to GRI 302-4 KPI

The types of energy included in the energy reductions are: vehicle fuel, electricity, gas, district heating, backup generator fuel (diesel and fuel oil). [G4-EN6_B]

Worldline reports on initiatives that were implemented during the reporting period, and that have the potential to contribute significantly to reducing energy consumption. As these primarily arise through investment in infrastructure changes, the savings published are based upon full-year savings and will usually continue over several years (although each initiative is only published in its first year). [G4-EN6_C]

The reduction is calculated as follows:

For data-centers, where multiple small activities take place, savings are calculated through PUE reductions measured in conjunction with site energy consumption. For Offices, individual initiatives are justified based upon energy savings (cost savings), and are implemented based upon their merits. Those that are implemented are recorded and consolidated for this value. Data Centre and Office totals are then combined. [G4-EN6_D]

Detailed information related to GRI 302-5 KPI

The PUE is a standard calculation: total kWh consumed by the entire site infrastructure divided by the kWh consumed by the IT infrastructure. The PUE, a measure defined by the Green Grid, is the industry standard indicator used to measure and monitor the energy efficiency of a data-center. [G4-EN7_C]

The base year is the reporting period (January 1 to December 31). Considering the external growth of the Company, the geographical scope can progressively change to include additional countries. [G4-EN7_B]

The PUE is a standard calculation: total kWh consumed by the entire site infrastructure divided by the kWh consumed by the IT infrastructure. The PUE, a measure defined by the Green Grid, is the industry standard indicator used to measure and monitor the energy efficiency of a Data Center.

Detailed information related to GRI 305-1, GRI 305-2, GRI 305-3 and GRI 305-4 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. [G4-EN15_D]

Worldline is applying the GHG protocol methodology for all GHG Scopes (scope 1, 2, 3). The Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD), sets the global standard for how to measure, manage, and report greenhouse gas emissions. [G4-EN15_E, G4-EN16_D, G4-EN17_F, G4-EN19_D, G4-EN20_B, G4-EN20_C]

The gases included in G4-EN16 a (CO_2) – scope 2 are CO_2. [G4-EN16_B] The gases included in the calculation of Gases included in G4-EN15 a (CO_2) – scope 1, in G4-EN17 a (CO_2) – scope 3, and G4-EN18_D, G4-EN18_B, are CO_2 plus fugitive emissions of refrigerant gases converted to CO_2 equivalents. These gases comprise R134a, R22, R404a, R407c, R410a, R422d, R508b. [G4-EN15_B, G4-EN17_B, G4-EN18_D, G4- EN19_B]

Where possible, 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 here: http://www.ukconversionfactorscarbonsmart.co.uk/.

The chosen consolidation approach for emissions is based on an operational control. Site related data are collected at site level, then consolidated with travel data which is collected at country level. This is then consolidated at GBU level then Global level. [G4-EN15_G]

Worldline includes 3rd party fugitive refrigerant leaks, which are converted into CO_2 equivalent values. [G4-EN17_D]

For the GHG emission intensity ratio the denominator for revenues is the complete organization, however, reporting is restricted to the baseline scope measured in 2012. Within that scope, the revenue is corresponding to the turn over generated by all countries within the baseline (all Service Lines) during the year (reporting period: January 1-December 31) under analysis. [G4-EN18_B]

For the GHG emission intensity ratio the denominator for employees is the total headcounts registered at the end of the financial year for all countries within the baseline as on December 31. [G4-EN18_B]

Worldline is not producing any biogenic CO_2 emissions [G4-EN15_C, G4-EN17_C]

Detailed information related to GRI 305-5

The reductions in GHG emissions occurred in direct (Scope 1), energy indirect (Scope 2), other indirect (Scope 3) emissions. [G4-EN19_E]

Detailed information related to GRI 305-6

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 instance R22, R404a, R407 and R410a. Additionally, these gases are mainly reported for the DC'S. [G4-EN20_B]

The conversion table used is based on the DEFRA table which provides refrigerant gas GWP tables.

The tables are available here: http://www.ukconversionfactors carbonsmart.co.uk/
[G4-EN20_D]

Detailed information related to GRI 102-9

Information related to subcontracting:

The reported value in Section 4.2.1.6 Responsible subcontracting is the number of external onshore subcontractors (headcount) present within Worldline at December 31, 2016.

Detailed information related to Human Resources KPIs

All the Human Resources indicators derived from the HR Information System (GRI 401-1, GRI 401-2, GRI 401-3, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 202-1, GRI 202-2, and AO6) are based on an extraction made on January 9, 2016. Due to late and retroactive entries on staff movements into the HR Information System, the actual situation as of December 31 is different from the one presented through the HR dedicated indicators. This difference however remains limited: it is about 1% of the total workforce at the end of the period.

Equens Worldline, legal entity acquired by Worldline in 2016 has not been taken into account in the official staff.

Detailed information related to AO6 KPI (Diversity Perception)

In the KPI AO6 relating Diversity perception, the countries assessed have a percentage of positive responses to each Great Place to Work item which has been converted into a group "percentage of Diversity perception" by dividing the total positive punctuations between the number of respondents.

Detailed information related to AO2

This indicator is based on the Great Place to Work survey. After recommendation by the Great Place to Work Institute, the calculation method has been changed for the Trust Index. In 2016 a weighted average of the scores is provided by taking into account the number of people answering the GPTW survey by country. For that reason this value is not comparable to previous years (until 2015 it was an arithmetical average).

Detailed information related to GRI 404-1

The calculation of the average training by employee is done using the headcount closing 2016. Includes the hours registered in the Atos formal training tools (SABA, McGaw-Hill...)

Detailed information related to GRI 419-1

The reporting of the significant fines for non-compliance is linked to a Global procedure called "Litigation Docket", which requires the reporting from the Countries to the Group Litigation department all fines, claims and sanctions higher than € 100,000. The reporting for G4-SO8 follows this procedure and the results of 0 means that Worldline has not fines for non-compliance higher than € 100,000. Compared to other companies, this threshold is very low, and enables Atos to have a clear and efficient control of the litigation issues within the Atos group.

Detailed information related to AO17 and GRI 205-1

AO17 information contains data provided by EcoVadis. EcoVadis assessment is not only on corruption, but also on 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 the significant risks identified).

Information published in 2016 is no longer comparable with last 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 represent 70% of the total spend. The suppliers scorecard is shared with Atos group thanks to the suppliers evaluation campaign made by EcoVadis.

Detailed information related to the AO14 KPI

Worldline reports this KPI only for the sites that are directly controlled by the Company. Therefore, sites in Worldline Spain and Worldline Austria have been reported in the ISO 14001 list of Atos group because sites in these countries are shared with Atos. In total, two offices from Worldline in Spain and two in Austria are certified but reported on Atos group.

Detailed information related to GRI 205-2 KPI

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's employees who had taken the training since 2013.

Detailed information related to AO16 KPI

The perimeter of the data taken into account to calculate the absenteeism hours is related to sickness and accident leave.

Detailed information related to WL6 KPI

Turnover rate calculation method is = employees leaving the Company/final headcount at the end of the year.

Detailed information related to AO7

AO7 KPI is calculated based on the revenues of sustainably-oriented offers that Worldline sell to their clients. 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. In order to get this information, Worldline has calculated the revenue by business division and grouped the list of offers that make part of this division in proportion of their total contract value they reported on 2016. Then, Worldline applied the percentage of sustainability 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.

The 2016 figures are not comparable to the 2015 figures because of the change in the definition of this KPI.

Detailed information related to the KPIs GRI 201-1 and GRI 203-1

The information required in GRI 201-1 is mostly included in the financial statement of the present document, but for the part relating to community investments Worldline reports the total social contribution reached in 2016.

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 the Section 4.3 of the present document.

Detailed information related to the KPI AO10

Worldline reports only the innovation workshops retained by the scientific community and directly organized by Worldline. Furthermore, Worldline co organizes with Atos group other innovation workshops that have been taken into account into Atos group reported AO10 KPI.

Detailed information related to the Scope 3 calculation

For the 11th category of used products, Worldline based its calculation on the CO_2 emissions of the lifecycle production of the payment terminal Yomani in order to estimate the CO_2 emissions of other payment terminals. The Yomani model represents 70% of the payment terminals sold by Worldline in 2016.

A.6.2.2 Detailed information for the no reporting of some Grenelle II information

The amount of the provisions and guarantees for environment related risks provided that this information would not be likely to cause the Company serious damage within the framework of ongoing litigation: it is not significant given the activity sector.

Worldline's operations do not significantly impact the environment in terms of noise pollution or any other specific form of pollution. This information was not identified as essential/priority in the Worldline relevance test.

Water consumption and water procurement on the basis of local constraints: it has not been identified as essential/priority in Worldline´s materiality test assessment. Worldline's operations do not impact significantly on that.

Land use: it has not been identified as essential/priority in Worldline's materiality test assessment. Worldline's operations don't impact significantly on Biodiversity as the Group is operating within areas already zoned for economic activities (business/commercial/industry zones).

The exploitation of raw materials in Worldline's activities is not relevant and does not represent a material issue.

Human Rights: the Atos group and Worldline as well, given their IT services activities don't produce goods or deliver services that represent a high violation risk of fundamental rights in this area.

A.6.3 Report of one of the statutory auditors, appointed as independent third-party, on the consolidated social, environmental and societal information published in the management report – year ended December 31, 2016 [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 Socioeconomic compliance] [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] [GRI 102-56] and [GRI 102-55]

To the Shareholders,

In our capacity as statutory auditors of WORLDLINE SA, (the "Company"), appointed as independent third party and certified by COFRAC under number(s) 3-1048[1], we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31, 2016 included in the management report (hereinafter named "CSR Information"), pursuant to article L. 225-102-1 of the French Commercial Code (*Code de commerce*).

Company's responsibility

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by article R. 225-105-1 of the French Commercial Code in accordance with the reporting protocols used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from the Company's head office.

Independence and quality control

Our independence is defined by regulatory texts, the French Code of Ethics (*Code de déontologie*) of our profession and the requirements of article L. 822-11 of the French Commercial Code. 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.

Statutory auditor's responsibility

On the basis of our work, our responsibility is to:

- Attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R. 225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- Express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information);
- To express limited assurance on the fact that the description made by the Group in chapter "Respect of the AA1000 standard" of the management report on the compliance with AA1000 APS (2008) principles of inclusivity, materiality and responsiveness in the process of developing the chapter "Corporate Responsibility" in the management report ("the Report" and the "Principles"), is fair in all material aspects (Report of assurance on the process of development of social information, environmental and other sustainable development).

Our work involved nine persons and was conducted between December 2016 and February 2017 during an eleven week period. We were assisted in our work by our sustainability experts.

We performed our work in accordance with the order dated May 13, 2013 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[2] concerning our conclusion on the fairness of CSR Information.

1 *Whose scope is available at www.cofrac.fr.*

2 *ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.*

1. Attestation regarding the completeness of CSR Information

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R. 225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R. 225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, *i.e.*, the Company, its subsidiaries as defined by article L. 233-1 and the controlled entities as defined by article L. 233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in the management report.

Conclusion

Based on the work performed given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. Conclusion on the fairness of CSR Information

Nature and scope of our work

We conducted around thirty interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- Assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- Verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important[1]:

- At parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- At the level of a representative sample of entities/divisions/sites selected by us[2] on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents on average between 16% and 100% of the quantitative social and societal data disclosed and between 13% and 41% of quantitative environmental data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the Company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

1 *Quantitative information:*
Energy consumption within the organization (Gj); Total CO2 emissions (t); Energy intensity revenue (Gj/€ million); Energy CO2 emissions by revenue (tCO2/€ million); CO2 emissions by employee (tCO2/employee); Number of sites certified ISO 14001; intensity employee (GJ/employee);Average hours of training that employees have undertaken during the year; Percentage of all employees trained in Code of Ethics – E-learning; Percentage of management employees trained in Code of Ethics – Virtual Classroom; Percentage of total employees who received a regular performance and career development review during the year; Percentage of females; Global turnover rate; Percentage of female in Worldline's top positions; Absenteeism rate (%); New employees hires during the reporting period; Great Place to Work Trust Index rate; Diversity Perception (GPTW); Participation rate to the Great Place to Work survey; Total number of collaborative working communities; Overall customer satisfaction from tactical surveys (scope from 0 to 10); Proportion of spending on local suppliers at significant locations of operation; Percentage of strategic suppliers evaluated by EcoVadis; Total percentage of spend assessed by EcoVadis; Number of customer complaints regarding breaches of customer privacy higher than € 100000; Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulation; Customer innovation workshops delivered in GBUs; External awards success rate; Percentage of PhD and PhD students at R&D department; Number of Win Members; Employee stock plan; Service availability rate; Number of security incidents; Total community investments (in €); Donations to Charity (in €); Contribution to Commercial initiatives for good causes (in €); Contribution to Universities (in €); Contribution to Responsible IT Projects (in €); Management Cost of Social Contribution initiatives (in €); Total number of employees involved in the main social responsibility initiatives; Minimum wage comparison.
Qualitative information: Calculation of scope 3 emissions.

2 *Worldline Belgium and Worldline Spain.*

3. Limited assurance report on the development process of social, environmental and societal information regarding the AA1000 principles

Nature and scope of procedures

We conducted the following procedures, which correspond to the requirements of a Type 2 verification in accordance with the AA1000 AS (2008) standard, that lead to obtain a moderate assurance on the fact that the description of the Principles has no significant anomalies that call into question its fairness, in all material aspects. A higher level of assurance would have required more extensive review.

We met the people contributing to the identification of key issues, facilitation and reporting of Corporate Responsibility (Executive Committee, Head of Corporate Responsibility and Human Resources), in order to assess the implementation of the report's preparation process as defined by the Group.

We conducted tests at corporate level on the implementation of the procedure related to:

- Identification of stakeholders and their expectations;
- Identification of material Corporate Responsibility issues;
- Implementation of policies and guidelines of Corporate Responsibility.

Conclusion

Based on our work, we did not identify any material anomaly likely to call into question the fact that the description made by the Group in the chapter "Respect of the AA1000 standard" on the compliance with principles of inclusivity, materiality and responsiveness as set out in the AA1000 APS (2008) standard in the process of developing the management report has been presented fairly, in all material aspects.

Neuilly-sur-Seine, March 30, 2017
One of the statutory auditors
Deloitte & Associés

Jean-Pierre Agazzi	Erwan Harscoët
Partner	Director

Annex IV

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
Consolidated financial statements	20.1.1
Statutory financial statements	20.2.1
Management report	4; 7; 9; 10; 11; 12; 14.1; 15.1; 17.3; 20.1; 20.2; 20.5
Certificate of the Annual Financial Report responsible	1.2
Statutory Auditors' report on the consolidated financial statements	20.1.2
Statutory Auditors' report on the Company financial statements	20.2.3
Statutory Auditors fees	20.1.1.6.3 Note 30
Report of the Chairman of the Board of Directors on Corporate Governance and Internal Control	Annex II
Statutory Auditors' report, on the report prepared by the Chairman of the Board of Directors, in accordance with article L. 225-235 of French Commercial Code (*Code de commerce*)	Annex III

In accordance with the requirements of article 28 of EC Regulation n° 809-2004 dated April 29, 2004 relating to documents issued by issuers listed on markets of states members of the European Union ("Prospectus Directive"), the following elements are enclosed by reference:

- The consolidated accounts for the year ended December 31, 2015 under IFRS as adopted by the European Union,
- The related Statutory Auditors' report, and
- The related Group management report

presented within the Registration Document ("Document de référence") n° R. 16-031 filed with the Autorité des Marchés Financiers (AMF) on April 28, 2016.

- The consolidated accounts for the year ended December 31, 2014 under IFRS as adopted by the European Union,
- The related Statutory Auditors' report, and
- The related Group management report

presented within the Registration Document ("Document de référence") n° R. 15-021 filed with the Autorité des Marchés Financiers (AMF) on April 27, 2015.

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