2015
Registration Document

Trusted Partner for your Digital Journey

Atos

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

Atos

registration document 2015

including **Annual Financial Report**

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 7, 2016, 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.

A
Group overview

A.1 Business Profile

[G4-3] and [G4-4]

Atos SE (Societas Europaea) is a leader in digital services with pro forma annual revenue of circa € 12 billion and 93,000 employees in 72 countries. Serving a global client base, the Group provides Consulting & Systems Integration services, Managed Services & BPO (Business Process Outsourcing), cloud operations, Big Data & Cybersecurity solutions, as well as transactional services through its subsidiary Worldline, the European leader of payments and transactional services. With its deep technological expertise and industry knowledge, the Group works with clients across different business sectors: Defense, Financial Services, Health, Manufacturing, Media, Utilities, Public sector, Retail, Telecommunications, and Transportation.

Atos is focused on business technologies that power progress and help organizations to create their firm of the future. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games for and is listed on the Euronext Paris market. Atos operates under the brands Atos, Atos Consulting, Atos Worldgrid, Bull, Canopy, Unify, and Worldline.

Atos' objective is to empower its clients on their digital journey by applying its in-depth market knowledge and extensive portfolio of services. Pursuing this objective, Atos identified four key challenges that its customers face, whatever their industry sector and whatever their geography: Business Reinvention, Customer Experience, Operational Excellence, Trust & Compliance:

- **Reinvent business model:** how to move from traditional business models to new, agile digital networks, enhancing your company from the inside out?
- **Improve the customer experience:** how can you ensure clients satisfaction, predict desires and respond to them in such a way that every customer will promote itself your company?
- **Ensure trust and compliance:** how to ensure your infrastructures, personnel, and customers are secure and compliant? How can you make security and the trust it fosters a primary lever for innovation and growth?
- **Reinforce operational excellence:** how to ensure agile, flexible, and scalable operations, to compete successfully in the digital age?

Atos has the resources, the scale and the expertise to help its customers meet all the challenges of their transformation.

Atos has expertises covering a wide range of specialties and always accompanying its customers for new opportunities and innovations

Managed Infrastructures and Data: transforming today's IT landscapes to future hybrid IT environments

Atos is at the forefront of transforming its clients IT infrastructures to the new world of hybrid IT landscapes. This is built on Atos' expertise in delivering IT outsourcing for many years, strengthened by the Atos' cloud company, Canopy. Atos has been recognized several times by independent analysts as the most visionary workplace services provider in Europe thanks to its Adaptive Workplace offering, and as a leader in European and North American datacenter outsourcing and utility services as well as European help desk and desktop outsourcing. Finally, Atos delivers Business Process Outsourcing services in Medical and Financial areas.

Systems Integration: delivering high value end-to-end business systems

Atos has a strong portfolio of Systems Integration offerings to provide added value for its clients and to drive their growth and profitability. Its enhanced global delivery model adds quality, scalability, predictability, and flexibility at a competitive price. Atos continues to adapt its portfolio of offerings to cater for the increasing demand for SAP-based solutions and industry-specific Business Intelligence, Analytics and Smart Mobility solutions. The Atos Global Delivery Platform is based on industry best practices for the governance, management and delivery of the project base business, or application management services.

Consulting: transforming business through innovative Business Technologies

Atos helps its clients to deliver innovation to their customers, reduce costs, and improve effectiveness by leveraging business technologies. Much more than just a product implementation, Atos Consulting's comprehensive Digital Transformation solutions enable organizations to connect and collaborate both within and outside the organization, much more effectively.

Big Data & Cybersecurity: Big Data as a business differentiator empowering digital transformation

Atos works with organizations in the private and public sectors, including manufacturing, telecommunications, financial services and defence to generate value from their growing volumes of data, with the highest levels of security. Through its technologies brought by Bull, Atos develops high performance computing platforms, security solutions, software appliances and services allowing its customers to monetize and protect their information assets.

Worldline: ePayment Services

Worldline, an Atos subsidiary, is the European leader of payments and transactional services. Worldline delivers new-generation services, enabling its customers to offer smooth and state of the art solutions to the end consumer. Key actor for B2B2C industries, with 40 years of experience, Worldline supports and contributes to the success of all businesses and administrative services in a perpetually evolving market. Worldline offers a unique and flexible business model built around a global and growing portfolio, thus enabling end-to-end support. Worldline activities are organized around three fields: "Merchant Services & Terminals", "Financial Processing & Software Licensing", and "Mobility & e-Transactional Services".

Cloud & Enterprise Software

Cloud Computing is generating major changes in the way enterprises define and consume IT services with a corresponding shift in the way technology service providers organize themselves and structure their go-to-market approach. In response to customers' growing requirements for IT-as-a-service, the Cloud & Enterprise Software business line delivers the cloud services proposed by the Group.

Atos industry expertise

Atos forges long-term partnerships with both large groups and multinational and small and medium size companies. Its high technological expertise and industry knowledge allow the Group to work with clients in the following sectors:

Manufacturing, Retail & Transportation

Atos helps enterprises to transform and optimize their business processes and IT infrastructures. In the manufacturing sector, Atos designs, builds, and runs solutions covering the entire value chain. Atos's solutions include strong focus on Enterprise Resource Planning (ERP) and Manufacturing Execution Systems (MES) and drive improvements in Product Lifecycle Management (PLM) and Customer Relationship Management (CRM). Atos enables its Retail customers to meet the challenges presented by the increasingly empowered consumer. Atos's omnichannel and payment solutions help its clients to understand and address their customers via all available channels (Online, Store, Call Desk) in the most efficient manner. Across the Manufacturing, Retail & Services sectors, Atos offers the entire solution portfolio as a Cloud service and enable the mobile users with enterprise mobility services.

Public & Health

Atos is an active partner in business improvement and technology for governments, defense, healthcare, and education. Secure Cloud Computing, effective application modernization, shared services and securing systems have become pivotal as cultural changes and new streamlined processes become the norm. Big Data and open data are also highly relevant for Atos' clients to improve their operational excellence.

Telcos, Media & Utilities

Across telecommunications, media, energy and utilities sectors, operators face the challenges of increased competition, deregulation, consolidation and disruptive technologies. Within this context, the pressure is on to establish new business models to maintain leading market positions or increase market share. Using IT to transform customers' operations, Atos helps them to increase their agility while reducing their costs. Atos powers progress for its clients by accelerating and securing the adoption of transformational technologies, such as data-centric approaches in telecommunications, multi-channel and interactive media delivery, and smart grid systems for energy and utilities.

Financial Services

Atos supports the world's leading Financial Services organizations globally by offering solutions to improve their operational performance and IT agility on the long term. It enable them to manage risks and ensuring compliancy with changing regulations across multiple geographies. In the world of the connected customer, Atos provide the banking and insurance sectors with end-to-end smart solutions to attract and engage customers across multiple channels and to understand them more intimately and respond quicker to their needs thereby building stronger loyalty rate.

Defense

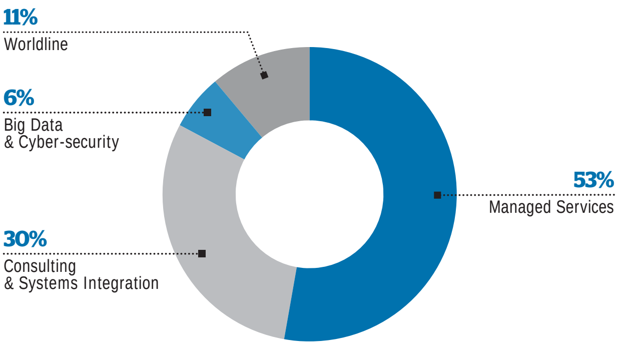
As an expert in powerful, secured and mission-critical systems, infrastructures and applications, Atos' products and commercial solutions under the Bull brand help defense and homeland security authorities and organizations to take current risks into account, From services (engineering and integration of complex hardware/software systems) to solutions, Atos helps leading players build the new defense systems and technologies of tomorrow. The Group has been involved in projects as diverse as the largest European supercomputers for nuclear simulations, warship information systems, mobile tactical systems, remote processing of military devices and radar interceptors.

A.2 Revenue Profile

[G4-8] and [G4-EC1]

A.2.1 By Service Line

In 2015, 77% of the revenue base was generated by multi-year contracts, deriving from multi-year Managed Services contracts (53% of total revenue including BPO), Worldline transactional services (11%), Big Data & Cybersecurity (6%), and Application Management contracts (7% included in Consulting & Systems Integration).

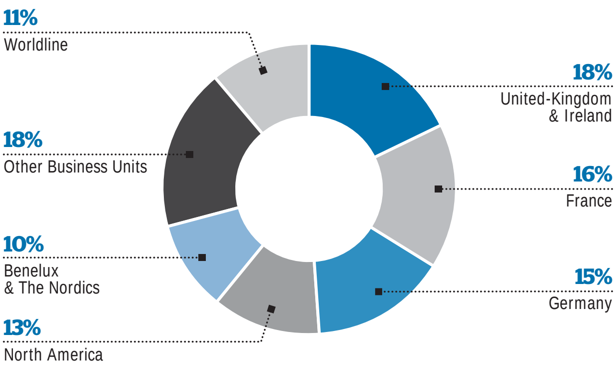


In € million	2015
Managed Services	5,658
Consulting & Systems Integration	3,255
Big Data & Cybersecurity	597
Total IT Services	**9,509**
Worldline	**1,176**
TOTAL GROUP	**10,686**

A.2.2 By Business Unit

[G4-6]

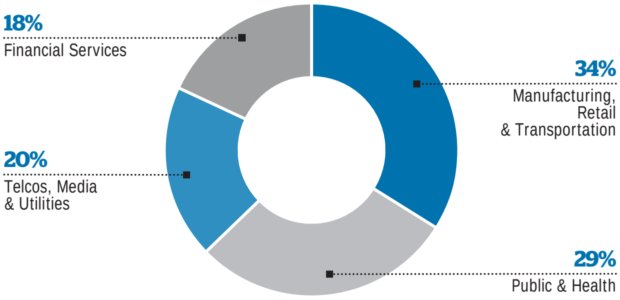
Europe remained the Group's main operational base, generating 81% of total revenue in 2015.



In € million	2015
United-Kingdom & Ireland	1,930
France	1,674
Germany	1,560
North America	1,338
Benelux & The Nordics	1,055
Other BUs	1,951
Total IT Services	**9,509**
Worldline	**1,176**
TOTAL GROUP	**10,686**

A.2.3 By Market

The Group provides IT services and solutions to many industry sectors. Customers are addressed through four global markets which are Manufacturing Retail & Transportation, Public & Health, Telcos, Media & Utilities, and Financial Services.



In € millions	2015
Manufacturing, Retail & Transportation	3,634
Public & Health	3,089
Telcos, Medias & Utilities	2,084
Financial Services	1,878
TOTAL GROUP	**10,686**

A.3 Interview with Thierry Breton

[G4-1]

Thierry Breton
Chairman and Chief Executive Officer, Atos

How would you sum up the main achievements of the Company in 2015?

Our keywords in 2015 were digital transformation, innovation and value creation, both for our own Company and for our clients. As a result of our recent acquisitions, we have cemented our position as the trusted partner for our clients' digital transformation, with the resources, the scale and the know-how that our clients need.

This was reflected in our numbers as we reported revenue growth of 18% year-on-year in 2015, an operating margin of 8.3% of revenue and a strong free cash flow at € 450 million. Atos has grown in size over the last few years to circa 100,000 people in 72 countries of the world. It cannot be stressed enough that the quality of our people is our greatest strength.

How have the acquisitions of 2015 strengthened Atos?

When we completed the acquisition of Xerox ITO in 2015, we welcomed almost 10,000 new employees to Atos, and North America became our largest geography. With our combined skills and scale, we can now support the digital transformation of our clients anywhere in the world. During 2015 we also acquired Unify, a leader in integrated communications solutions, and our Company Worldline announced it had reached an agreement to merge with Equens, which will create the largest payment service provider in Europe. So, all these acquisitions are transforming us into a true Tier One player.

How has the Atos partnership with Siemens evolved?

Siemens is our largest shareholder, our largest client, and a strategically important global partner. In 2015 we received a massive vote of confidence when Siemens chose to extend its existing IT agreement with us. It is one of the largest IT contracts in the world, with minimum committed volumes now increased from € 5.5 billion to € 8.7 billion until the end of 2021. As a further sign of its confidence, Siemens has extended its commitment to remain a major shareholder of Atos until at least 2020.

How does innovation play its role as a growth driver for Atos?

Our customers rely on us for innovative thinking that can transform their businesses. Our new generation of supercomputers, the Bull Sequana, which was launched in 2015, brings a whole new order of processing power to the Big Data challenges.

At the Rio 2016 Olympic and Paralympic Games next August, thanks to tremendous work by the teams at Atos, we will showcase the amazing innovations we have been working on with the International Olympic Committee to transform the Olympic Games into a fully connected digital experience.

We also increased our joint innovation program with Siemens to € 150 million, in areas that will support its digitalization strategy.

Where do corporate responsibility and sustainability sit in the Atos approach?

Corporate responsibility and sustainability form part of Atos' development and digital strategy as this creates lasting value for our clients and stakeholders. In 2015 we were proud that leading rating bodies like the Global Reporting Initiative (Gold) and the European and World Dow Jones Sustainability Indices (Gold) again recognized our impressive results in driving our Company forward through our corporate responsibility targets.

After a very strong 2015, where do you see Atos heading in 2016?

Our solid performance in 2015, our permanent investment in innovation and in our people position us to be fully on track to meet the goals of our Ambition 2016 strategic plan approved by 99.6% of our shareholders in December 2013.

We are already working on our new 2020 goals building on our profitable growth and our accelerated transformation. Our excellent performance in 2015 would not have been possible without the engagement of our employees and the support of our stakeholders. On behalf of you, dear shareholders, and of the Board of Directors that I chair, I would like to thank all of the ones helping us to the Group developement thanks to their continuous dedication and commitment, participating to a sustainable value creation.

A.4 Persons responsible

A.4.1 For the Reference Document

Thierry Breton

Chairman and Chief Executive Officer, Atos

A.4.2 For the accuracy of the document

I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Reference Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

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

I obtained a statement from the statutory auditors at the end of their engagement affirming that they have read the whole of the Reference Document and examined the information in respect of the financial position and the accounts contained herein.

Thierry Breton

CEO and Chairman, Atos
Bezons, April 5, 2016

A.4.3 For the audit

APPOINTMENT AND TERM OF OFFICES

Statutory auditors	Substitute auditors
Grant Thornton Victor Amselem	**Cabinet IGEC**
Appointed on: May 27, 2014 for a term of 6 years	• Appointed on: May 27, 2014 for a term of 6 years
Term of office expires: at the end of the AGM 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 Jean-Pierre Agazzi	**Cabinet B.E.A.S.**
Appointed on: May 30, 2012 for a term of 6 years	• Appointed on: May 30, 2012 for a term of 6 years
Term of office expires: at the end of the AGM held to adopt the 2017 financial statements	• Term of office expires: at the end of the AGM held to adopt the 2017 financial statements

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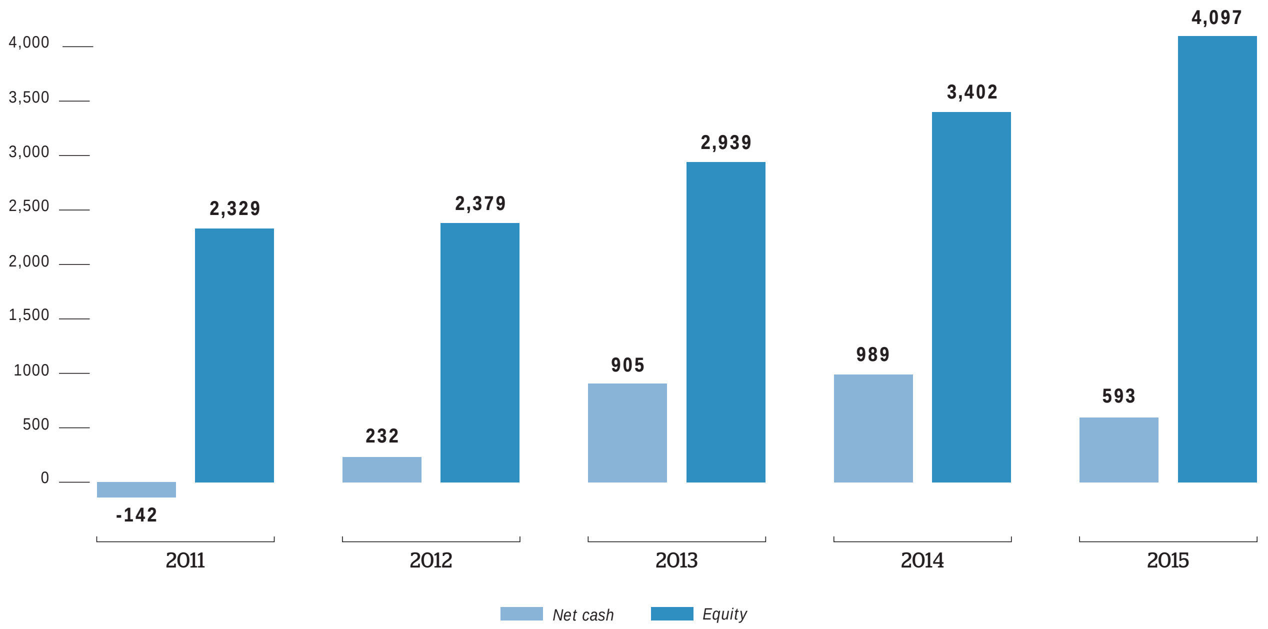
A.5 Atos in 2015

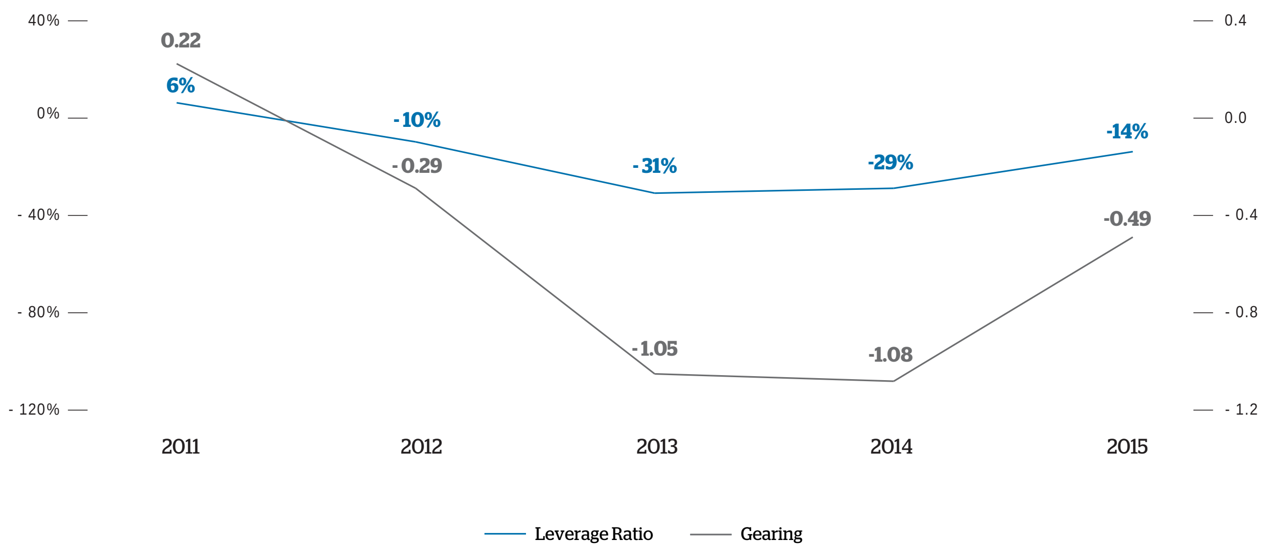
[G4-9]

A.5.1 Key graphs

NET CASH AND EQUITY

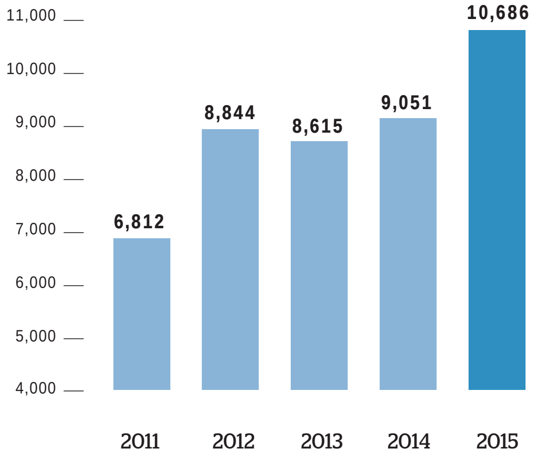


NET DEBT / OMDA AND NET DEBT / EQUITY

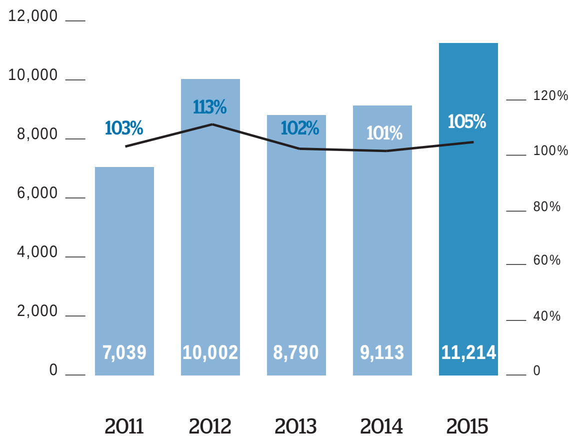


2010 to 2015 figures: statutory

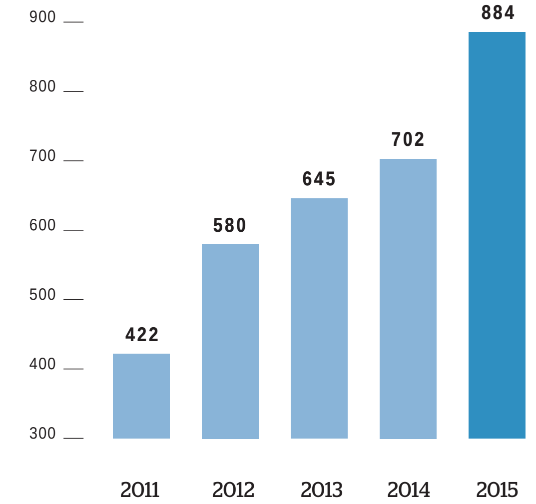
5-YEAR REVENUE PERFORMANCE
(in € million)



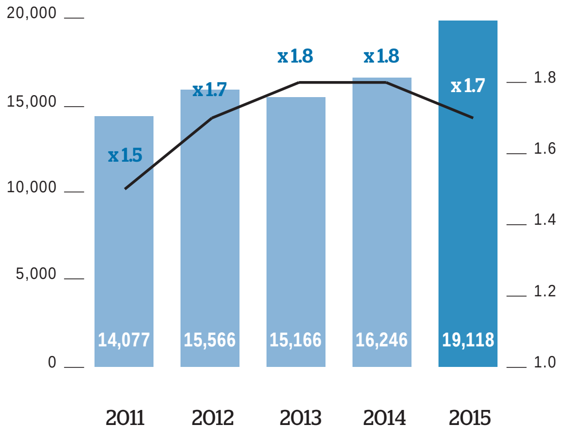
ORDER ENTRY *(in € million)*
——— *Book-to-bill in %*



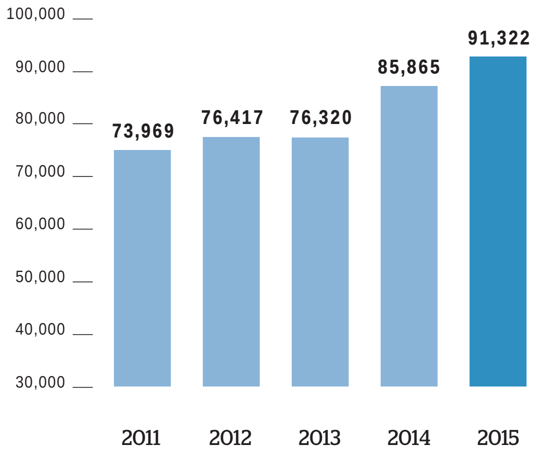
5-YEAR OPERATING MARGIN
(in € million)



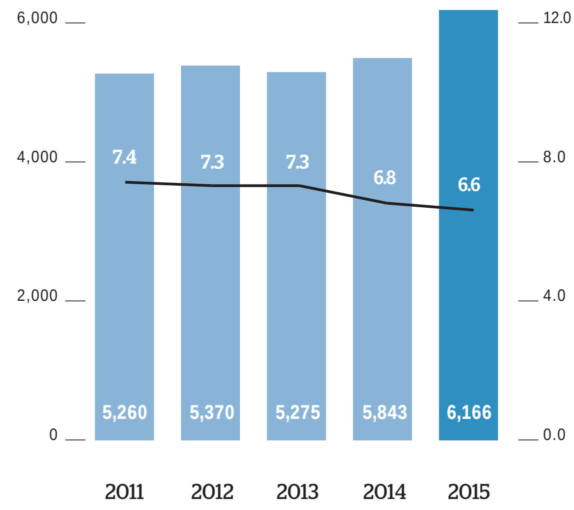
FULL BACKLOG *(in € million)*
——— *In revenue year*



5-YEAR EMPLOYEE EVOLUTION



FULL PIPELINE *(in € million)*
——— *In revenue month*



A.5.2 Key achievements

January

Atos unveiled its vision and anticipates the technology shifts that will shape business through to 2018 in *Ascent Journey 2018 – The 3rd Digital Revolution: Agility and Fragility,* a unique research conducted by the 100 top business technologists from the Atos Scientific Community.

February

On **February 18,** Atos announced its 2014 annual results. Revenue was € 9,051 million, +5.1% year-on-year and -1.1% at constant scope and exchange rates. In the fourth quarter, revenue organic evolution was +0.1%. Operating margin was € 701.9 million, representing 7.8% of revenue, compared to 7.5% in 2013. Order entry was € 9.1 billion representing a book to bill ratio of 101%. Full backlog increased by €+0.9 billion to € 16.2 billion, representing 1.7 year of revenue. Net cash position was € 989 million at the end of 2014. Free cash flow was € 367 million in 2014 compared to € 365 million in 2013. Net income was € 283 million, up +8.8% year-on-year and net income Group share was € 265 million, up +1.4% compared to 2013. The Group announced its objective in 2015 to increase revenue and profitability in line with the 3-year plan taking full advantage of 2014 achievements.

On **February 25,** PAI Partners sold to other investors via an Accelerated Bookbuilt Offering most of its remaining shares of Atos SE, i.e. 9,200,000 shares representing 9% of the share capital, at a price per share of € 63.25.

Atos and EMC announced plans on **February 26** to further strengthen their strategic alliance. Atos has decided to re-integrate the Canopy subsidiary and make it part of the Atos corporate structure. EMC and VMware intend to continue their strategic long-term investment, now as shareholders of Atos. These moves will allow the continuous support and strong collaboration of EMC and VMware with Canopy, while strengthening the partnership between the EMC Federation of strategically aligned businesses and Atos Consulting & Systems Integration as well as the newly created Big Data & Cybersecurity Atos divisions.

April

Atos announced on **April 22** its first quarter 2015 revenue. In the first quarter, revenue was € 2,427 million, up +17.6% year-on-year and up +0.2% at constant scope and exchange rates. Order entry was € 2,198 million, up +31.5% year-on-year, representing a book to bill ratio at 91%. Full backlog was € 16.6 billion, representing 1.7 years of revenue. Full qualified pipeline totaled at € 5.6 billion, representing 6.7 months of revenue.

May

Atos SE held on **May 28** its Annual General Meeting chaired by Mr. Thierry Breton, Chairman and Chief Executive Officer of the Company. All resolutions submitted by the Board of Directors were approved. In particular, the General Meeting approved the annual and consolidated accounts for the financial year ended December 31st, 2014, the dividend payment of € 0.80 per share, as well as the option for payment of the dividend in either shares or cash. The General Meeting also renewed the terms of office of Directors of Thierry Breton, Bertrand Meunier and Pasquale Pistorio, and ratified the appointment as Director of Valérie Bernis.

June

Atos held on **June 18** an Analyst Day in its Headquarters in Bezons (France) to present its new positioning and profile. During the first half of its 3-year plan that will end in December 2016, Atos has accelerated its transformation with the completion of the Worldline IPO, the integration of the Bull operations and technologies, and the announcement of the project to acquire Xerox ITO in North America.

The Group provided an update on “2016 Ambition” targets, halfway through the 2014-2016 3-year plan and taking into account its recent achievements. Compared to 2014, the Group intends to double its net income Group share to circa € 530 million in 2016. This strong increase will be led by the profitability improvement, additional operating margin from scope expansion, reduction in restructuring costs, and a new tax profile.

On **June 30,** Atos announced the successful placement of its first bond issue on June 26. The bond issue has been significantly oversubscribed by a large and diversified European investor base, which allowed Atos to increase the size of the issue from € 500 million to € 600 million. This bond issue totals € 600 million, with a 5-year maturity. The coupon rate is 2.375%.

On **June 30,** Atos completed the acquisition of Xerox ITO which reinforces its position as a global leader in digital services for a net purchase price which totaled US$ 966 million (€ 811 million). With circa US$ 2 billion revenue, North America becomes the largest geography for Atos where it is now ranked number 9 in ITO services.

July

On **July 29,** Atos announced its first half 2015 results. Revenue was € 4,941 million, up +18% year-on-year and up +0.3% at constant scope and exchange rates. Organic growth in the second quarter of 2015 was +0.3%, continuing the positive trend recorded in the fourth quarter of 2014 (+0.1% organic growth) and in the first quarter of 2015 (+0.2% organic growth). Operating margin was € 345.6 million, up +26% year-on-year and representing 7.0% of revenue, an improvement by +60 basis points on a like for like basis. Net income was € 138 million, up +79% year-on-year and Net income Group share was € 123 million, up +61% year-on-year. Free cash flow totaled € 141 million during the first half of 2015 and the Group net cash position at the end of June was € 354 million. Commercial activity was strong in Q2 with a book to bill ratio of 115% leading to a book to bill ratio of 103% and an order entry totaling € 5,088 million for the first half of 2015.

August

According to the ISG Global Outsourcing Index, Atos was among the leading providers in the Big 10 sourcing standouts category (“Top 10 Outsourcing Service Provider”) for the Americas and EMEA based on annual contract value (ACV) won over the last 12 months.

September

In 2015, for the fourth year in a row, Atos has been selected as an index component of the Dow Jones Sustainability Indices (DJSI). Atos was recognized both in the Dow Jones Sustainability Index World and in the Dow Jones Sustainability Index Europe. As a result, Atos is the only multinational IT Services company this year to be part of both the World & European DJSI Indices.

Atos announced that for the third year in a row it has been positioned by Gartner, Inc. in the leaders' quadrant of the "Magic Quadrant for End User Outsourcing Services" in Europe and North America market according to their completeness of vision and ability to execute.

In the Gartner "2015 Critical Capabilities for High-Security Mobility Management", Atos has scored second highest among 19 worldwide vendors in two out of six use cases. Hoox m2 is the first natively secure professional smartphone, designed by Bull and already adopted by highest authorities.

October

On **October 13,** Atos announced that it has been named a Visionary by Gartner in Business Analytics Services, Worldwide according to its completeness of vision and ability to execute. For this Magic Quadrant, Gartner evaluated 18 full-service providers for a broad range of implementation services across multiple business analytics (BA) needs including decision management capabilities, analytics capabilities and information management (IM) capabilities.

November

On **November 3,** Atos announced its third quarter 2015 revenue. Revenue was € 2,708 million, up +23% year-on-year. With +0.5% organic growth in Q3 2015, the positive revenue trend is confirmed for the fourth quarter in a row. Commercial activity was strong in Q3 with a book to bill ratio of 93% and an order entry totaling € 2,531 million.

Following a strategic review that was launched in July 2015, Atos and Siemens announced that they have decided to further strengthen their global alliance. The two companies have decided to extend their existing IT agreement, to further develop their joint business cooperation and commercial initiatives and to enhance their existing R&D programs. Furthermore Siemens will extend its lock-up shareholder commitment in Atos until September 30, 2020. Siemens is the largest shareholder of Atos, holding 12.5 million shares or 12% of the current capital of Atos.

Atos, The Gores Group, Siemens have reached an agreement for Atos to acquire Unify, the number three world leader of integrated communication solutions. With this acquisition Atos intends to create a unique integrated proposition for unified communications and real time capabilities enhancing social collaboration, digital transformation, and business performance of its clients.

Worldline has reached a transaction agreement with Equens, a prominent European payment services provider, headquartered in the Netherlands. The contemplated transaction represents a transformational step for Worldline, fully in line with the strategy presented at the time of its IPO. The deal will enhance Worldline's leadership in the payment services industry providing it with a comprehensive pan-European footprint, with leading positions and offerings in key geographies.

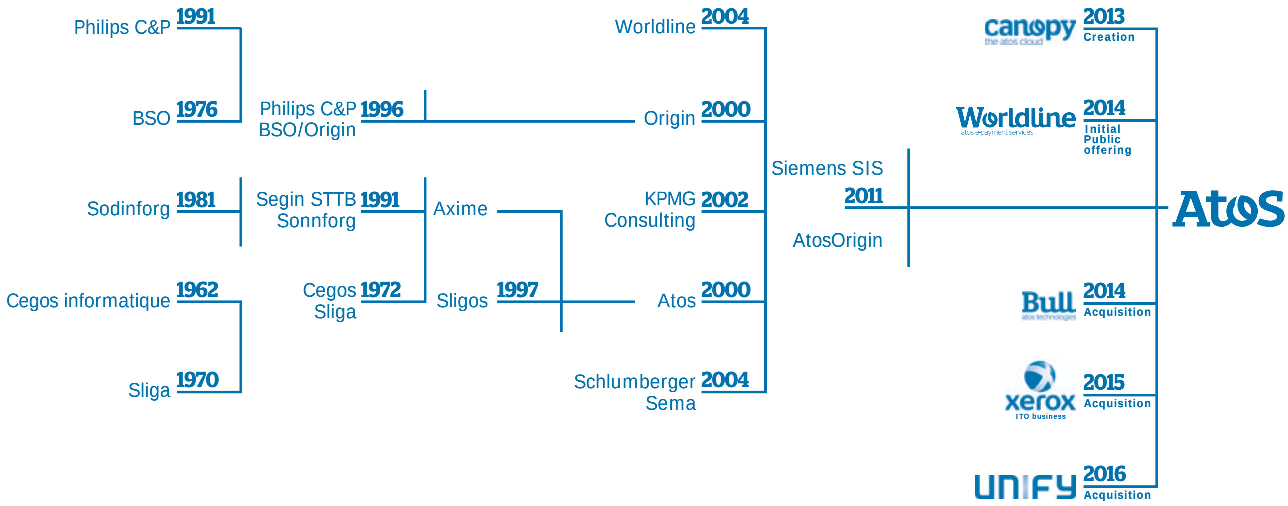
December

On **December 3,** Atos revealed in its latest thought leadership title *Ascent– Views from our digital future* how digitalization is rapidly transforming the world we live and work in, and acting as an enabler for growth and competitive advantage. The magazine explores how digital is touching all areas of our life and shows how it is transforming fast and in depth the way we communicate, connect and work.

A.6 Group presentation

A.6.1 Formation of the Group

Atos is serving its customers for over 50 years and developed itself through series of mergers and acquisitions to become an global leader in digital services.



Atos was formed from the merger in 1997 of two French-based IT services companies – **Axime** and **Sligos** – each of which had been established out of earlier mergers. By 2000, Atos employed 11,000 staff and generated annual revenues of approximately € 1.1 billion.

Origin was a subsidiary of Royal Philips Electronics, which had been formed in 1996 from the merger of BSO/Origin and Philips Communications. At the time of the merger with Atos in October 2000, Origin employed more than 16,000 staff in 30 countries worldwide and generated annual revenues of approximately € 1.6 billion.

KPMG Consulting's businesses in the United Kingdom and The Netherlands were acquired in August 2002 to establish Atos Consulting. This transaction provided the Group with a major presence in the Consulting segment of the IT services market.

Sema Group was acquired from Schlumberger in January 2004, thereby creating one of the leading European IT services companies. At the time of the acquisition, Sema Group employed 20,000 staff and generated annual revenues of approximately € 2.4 billion. Atos Origin employed 26,500 staff, generating annual revenues of more than € 3 billion.

On July 1, 2011, Atos announced that it has completed the acquisition of **Siemens IT Solutions and Services** – to become a new IT champion. The deal created a new company with pro forma 2011 annual revenues of € 8.5 billion and 74,000 employees across 48 countries. Ranked in the top ten global IT services providers; number five in Managed Services worldwide and the number one European player in Europe, the new company is a powerful combination of two highly complementary organizations. Together as Atos, they create a leader in foundation and business critical IT services that will accelerate growth.

On August 11, 2014, Atos announced the successful completion of the tender offer launched by Atos for all the issued and outstanding shares in the capital of **Bull**. The transaction represented a key milestone in the creation in Europe of a world leader in cloud, Cybersecurity, and Big Data. The deal created a new company annual revenue of circa € 10 billion and 86,000 employees in 66 countries.

On July 1, 2015, Atos announced that it has completed the acquisition of **Xerox ITO,** of which the business is mainly in the United States. With circa US$ 2 billion revenue, North America becomes the largest geography for Atos where it is now ranked number 9 in ITO services. As a result, Atos totals now 93,000 employees across 72 countries.

In February 2016, Atos finalized the acquisition of **Unify,** the number 3 worldwide of unified communications, allowing Atos to create a global offer for unified communications and real time processing, optimizing social collaboration, digital transformation and enhancing sales performances of its clients.

A.6.2 Management and organization

Atos is incorporated in France as a "Société Européenne" (European Company) with a Board of Directors.

A.6.2.1 Group General Management Committee (GMC)

The general management is composed of a Chairman and Chief Executive Officer and three Senior Executive Vice-Presidents, chaired by Thierry Breton, Chairman and CEO. They form the General Management Committee (GMC). The role of the Atos General Management Committee (GMC) is to develop and execute the Group strategy and to ensure value is delivered to clients, shareholders, partners and employees.

Name	Title	Responsibility
Thierry Breton	Chairman and Chief Executive Officer; Worldline Chairman	
Charles Dehelly	Senior Executive Vice-President Global Operations and TOP Program	Coordinating global operations (Service Lines and Business Units)[1], TOP Program and Global Purchasing
Gilles Grapinet	Senior Executive Vice-President Global Functions and Worldline CEO	Coordinating global functions[2] and Worldline CEO
Michel-Alain Proch	Senior Executive Vice-President, CEO North American Operations, Internal IT and Security	Coordinating North American operations, internal IT, and security

1 *Excluding Worldline that is under the responsibility of Gilles Grapinet and North American Operations that are under the responsibility of Michel-Alain Proch.*

2 *Excluding the Group CFO, the Group Head of Investor Relations & Financial Communication, the Group Head of Mergers & Acquisitions, and the Group Chief Commercial Officer directly reporting to the General Management Committee, and Security and internal IT reporting to Michel-Alain Proch.*

Thierry Breton, Atos SE Chairman & Chief Executive Officer and Worldline Chairman

Former French Minister of Economy, Finances and Industry, Thierry Breton was Chairman and CEO of France Telecom, the second European leader telecommunications operator, and CEO of Thomson. He was previously Executive Managing Director and then Vice-Chairman of the Bull Group. Thierry Breton taught leadership and corporate governance at Harvard Business School. He is graduated of the Ecole Supérieure d'Electricité "Supélec" of Paris and of the Institut des Hautes Etudes de Défense Nationale. He has been honored with the prestigious awards of "Commandeur de la Légion d'Honneur" and "Grand Officier de l'Ordre National du Mérite." He is Chairman and Chief Executive Office and since the creation of Worldline through the carve-out in July 2013, he is in addition Chairman of Worldline.

Charles Dehelly, Senior Executive Vice-President coordinating Global Operations and TOP Program

Charles Dehelly began this career at the Thomson Group where in 1981 he was CEO of Home Appliance divisions and later CEO of Television division. Joining the Bull Group in 1992 as Group Chief Operating Officer, he returned to Thomson in 1998 as Chief Operating Officer then as Chief Executive Officer. In 2005 he became CEO of the Equant Group, then CEO of the Arjowiggins Group. He is Senior Executive Vice-President in charge of Global Operations (Consulting & Systems Integration, Managed Services, Cloud & Enterprise Software, Big Data & Cybersecurity), TOP Program, Global Purchasing and Geographic Business Unit.

Gilles Grapinet, Atos Senior Executive Vice-President, coordinating Global Functions & Worldline Chief Executive Officer

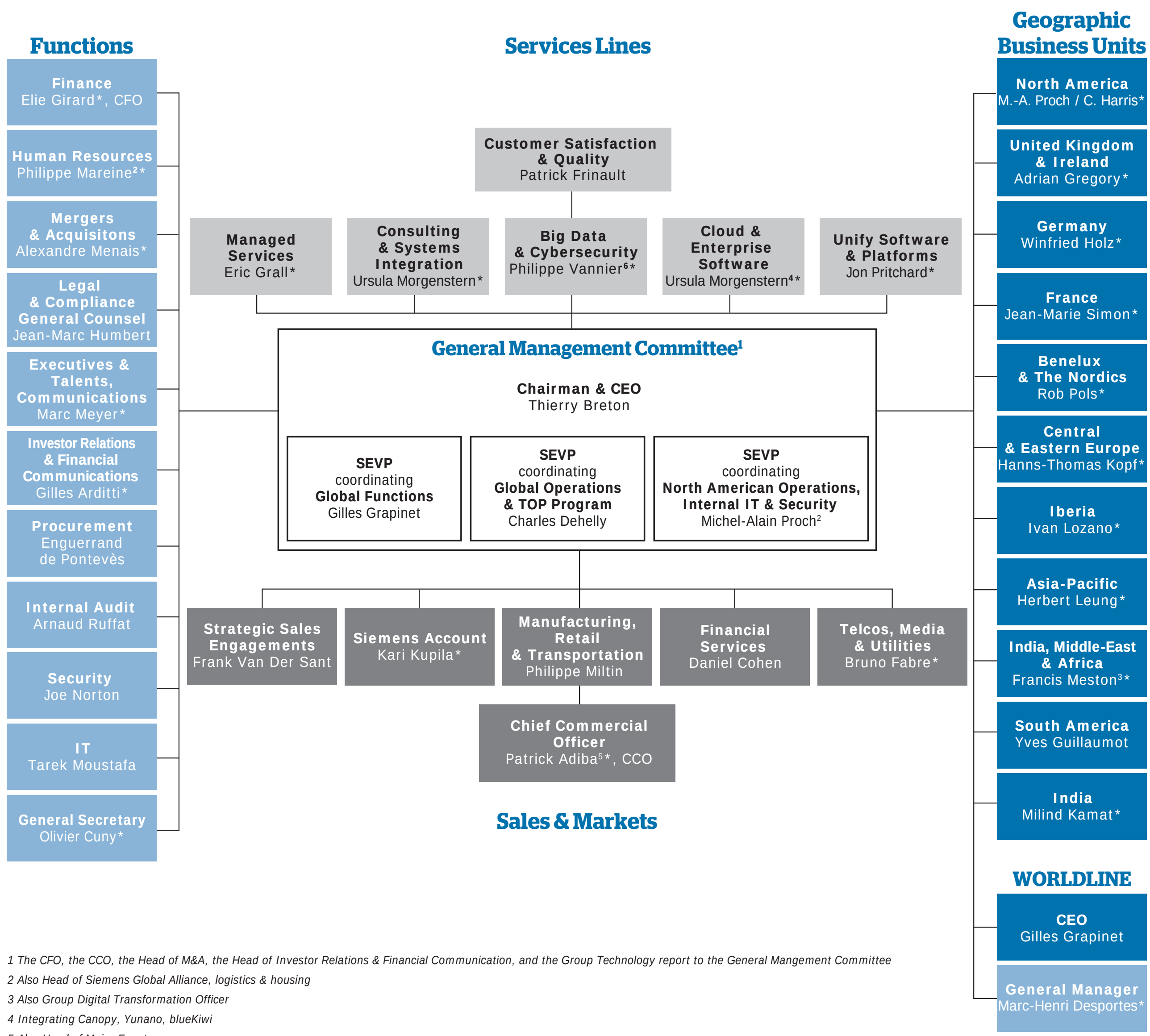
A graduate of the Ecole Nationale d'Administration, Gilles Grapinet's previous roles include financial auditor, Head of Strategy & Information System of the French tax directorate, Director of the nation-wide Copernicus program for IT transformation of the tax administrations and Executive Committee member at Credit Agricole SA, in charge of Strategy and, then, Payments systems & Services. He served as advisor for Economic and Financial Affairs of the French Prime Minister and as Chief of Staff for two French Ministers of Economy and Finance. He is Senior Executive Vice-President in charge of Global Functions, Responsible for Global Support Functions, Global Sales and Markets, Siemens Strategic Partnership, Global Consulting & Technology Services, and Hi-Tech Transactional Services. In addition to his role and since the creation of Worldline through the carve-out in July 2013, he is Worldline Chief Executive Officer. He received the French Légion d'Honneur (Chevalier) in 2011.

Michel-Alain Proch, Senior Executive Vice-President, CEO North American Operations, Internal IT and Security

Michel-Alain Proch, 45, a graduate of Toulouse Business School started his career in 1991 at Deloitte & Touche, in the Audit division in Paris. He was later on transferred in Transaction Services based in London. In 1998, he joined Hermès, first as Director of Internal Audit, then as Group Financial Controller in charge of the Watch Division and Americas. He was promoted in 2002 Chief Financial Officer for the Americas, based in New York, supervising Finance, IT, Logistics and Store Planning. In 2006, he joined Atos as Senior Vice-President Internal Audit & Risk Management. He is appointed Group Chief Financial Officer in 2007, Executive Committee member. In 2009, he is promoted Executive Vice-President supervising Finance, IT & Processes, Real Estate, Pensions, Operational Risk Management, Bid Control and Security. In 2015 he becomes Senior Executive

Vice-President and a member of the General Management Committee, next to Charles Dehelly and Gilles Grapinet and led by Thierry Breton, Chairman and CEO. Michel-Alain Proch is CEO North American Operations and in charge of coordinating Internal IT and Security.

A.6.2.2 Organization chart



1 The CFO, the CCO, the Head of M&A, the Head of Investor Relations & Financial Communication, and the Group Technology report to the General Mangement Committee

2 Also Head of Siemens Global Alliance, logistics & housing

3 Also Group Digital Transformation Officer

4 Integrating Canopy, Yunano, blueKiwi

5 Also Head of Major Events

6 CEO of Bull. Group Advisor for technology

** Group Executive Committee Member*

A.6.2.3 The Executive Committee

The role of the Executive Committee is to develop and execute the Group strategy and to ensure value is delivered to clients, shareholders and employees; it is also to improve interaction and cooperation between the Specialized and Global Business Units, the Global Service Lines, the Global Markets and the Global Functions.

The Atos Executive Committee is composed of the General Management Committee and of:

Group Functions

Elie Girard, Chief Financial Officer

Elie Girard is a graduate of the Ecole Centrale de Paris and of Harvard University. He began his career as auditor at Andersen, before joining the Ministry of the Economy, Finance and Industry in the Treasury department. Between 2004 and 2007, Elie Girard worked for the Office of Thierry Breton, the Minister for the Economy, Finance and Industry in France. He joined Orange in 2007 and was appointed Chief of Staff to the Chairman and Chief Executive Officer. Since September 2010, he was Senior Executive Vice-President in charge of Strategy & Development of the Orange Group, member of the Group Executive Committee. In April 2014, Elie joined Atos as Deputy Chief Financial Officer of Atos Group and since February 2015 he has been appointed Group Chief Financial Officer.

Philippe Mareine, Head of Human Resources, Logistics, Housing and Head of Siemens Global Alliance

Prior to this position, he was Deputy Manager in the French Treasury department's Inspection Générale des Finances unit and, previously, he was in charge of Human Resources in the Public Accounts department of the French Ministry for the Budget. From 2005 to 2007, he was technical adviser in charge of employee relations and reform in the office of the French Minister of the Economy, Finance and Industry. He held several managerial positions at the French Tax Administration. He joined Atos in 2009 as General Secretary of the Board of Directors, in charge of legal functions, Compliance, Audit, Security, Social Responsibility policy. In 2014 he was appointed head of Human Resources and Head of Siemens Global Alliance. He is a graduate from the Ecole Polytechnique and Ecole Nationale d'Administration.

Marc Meyer, Head of Executive & Talent Management, Communications

Marc Meyer comes from Dexia where he served as Head of Group Communications. Marc joined Bull Group in 1986, where he held several senior positions in corporate and marketing communications. In 1997, he joined Thomson, a consumer electronics firm and in 2001 was promoted to the Company Executive Committee. Then, he joined the France Telecom/Orange Group as Executive Vice-President for Communications. He is a graduate from the Sorbonne University in Paris. He received the French Légion d'Honneur (Chevalier).

Alexandre Menais, Head of Mergers & Acquisitions

Alexandre Menais has joined Atos in 2011 as Group General Counsel. Before Atos, Alexandre Menais used to work as Senior Associate at Hogan Lovells in Paris and London. In 2006, he became General Counsel at eBay France (eBay, Paypal and Skype) before being promoted as Europe Legal Director of eBay. In 2009, he joined Accenture as General Counsel France and Benelux. Alexandre holds a LLM in Business law from the University of Strasbourg and an MBA from HEC.

Gilles Arditti, Head of Investor Relations & Financial Communication

After six years at Bull and four years at KPMG, Gilles Arditti joined Atos in 1990, where until 2006 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, Gilles Arditti became head of Investors Relation & Financial Communication for the Atos Group, a position he is still holding. In March 2014, he was appointed Group head of M&A and member of the Executive Committee. Since June 2014, Gilles Arditti is member of the Board of Directors of Worldline. Holding a master degree in Finance from the University Paris-Dauphine and a master degree in International Finance from HEC Paris, Gilles Arditti is also graduated from the engineer school Ecole Nationale Supérieure de Techniques Industrielles et des Mines d'Alès (ENSTIMA) and is a Certified Public Accountant (CPA).

Olivier Cuny, General Secretary

Olivier Cuny joined Atos in May 2012. He had been Chief of Staff to the Chairman of the French National Assembly since 2009. He previously worked in the French Treasury department (Direction du Trésor) and in the French Debt Agency (Agence France Trésor). He was Alternate Executive Director for France at the International Monetary Fund in Washington DC from 2003 to 2006. He then became Economic Adviser to the Prime Minister before being appointed Chief of Staff to the Governor and Secretary of the Executive Committee of the Council of Europe Development Bank in 2007.He joined Atos in 2012 as Chief of staff of the Chairman and CEO and secretary of the Executive Committee. Since 2014 he is also in charge of corporate responsibility and Secretary of the Board of Directors, and has been promoted General Secretary of the Group in 2015. Olivier holds an engineer degree from the Ecole Polytechnique and is a graduate from the Ecole Nationale d'Administration and the Institut d'Etudes Politiques in Paris.

Global Service Lines

Eric Grall, Head of Managed Services

Eric Grall comes from HP that he joined as a graduate in 1986, and where he held first positions in marketing and R&D in the product business, before entering the Services activities of the Group in 1998. He then had a number of management positions related to outsourcing, from pre-sales to operations. In 2005, he was appointed Vice President and General Manager in charge of the Global Services Delivery for HP in the EMEA region, covering outsourcing, consulting and support services and led a major transformation of delivery model. In 2006, he was appointed General Manager with responsibility for the HP Outsourcing activities in Europe, Middle East and Africa. Eric joined Atos in 2009 as EVP of the Managed Services Service Line.

Ursula Morgenstern, Head of Consulting & Systems Integration and Head of Cloud & Enterprise Software

Ursula Morgentern joined Atos in 2002 through the acquisition of KPMG Consulting. Before assuming the role of UK Chief Operating Officer earlier this year, from 2009 Ursula Morgentern was Senior Vice-President responsible for Private Sector Markets, and from 2007 she was Senior Vice-President responsible for Systems Integration. Prior to that, she held a variety of roles in Systems Integration including management roles for sectors, custom practices, and package solution Business Units. Since September 2013, she is managing the Cloud & Enterprise Software Service Line and since July 2015 also the Consulting & Systems Integration Service Line.

Philippe Vannier, Advisor, Big Data & Cybersecurity, Group Technology

Philippe Vannier is a graduate of ESPCI ParisTech. He began his career at Michelin North America in 1984, as a Quality Manager and, subsequently, Production Manager. Between 1996 and 2004, Philippe Vannier was Director of Chelton Telecom & Microwave (part of the Cobham Group. From 1988 to 1996, he had various Director-level roles at Saft, the subsidiary of Alcatel specializing in energy storage. In 2004, he founded Crescendo Industries, as I2E company bought the same year. In May 2010, Philippe Vannier become Chairman and CEO of Bull. Since August 2014, Philippe Vannier is CEO of Bull and advise the Group in Big Data & Cybersecurity, as well as on technological subjects in the Group. He received the French Légion d'Honneur (Chevalier).

Jon Pritchard, CEO Unify Software and Platforms

Pritchard has spent over 25 years in the IT industry and brings a wealth of business strategy, operations and channels experience to the position of CEO. He was most recently Executive Vice-President Channels at Unify, responsible for all indirect channel activities. In this role, Pritchard was a driving force in advancing Unify's mission to become a channel-oriented organization. He revamped and expanded Unify's channel program to drive significant growth in revenue from the channel. Prior to joining Unify, Pritchard was President of Comstor Worldwide, a US$ 2.5 billion channel IT business operating across 40 countries. Pritchard also held previous positions at Ingram Micro UK.

Worldline

Marc-Henri Desportes, General Manager of Worldline

Marc-Henri Desportes is a graduate from Ecole Polytechnique and Ecole des Mines de Paris. From 2006 to 2009, he was CIO in BNL, Italian subsidiary of BNP Paribas. From 2005 to 2006, he was in charge of control coordination at BNP Paribas. From 2000 to 2005 he was Deputy Program Director of Copernic at the French Ministry of Finance. In 2009, he joined Atos where he was Head of Global Innovation, Business Development & Strategy, and then he was Executive Vice-President of Hi-Tech Transactional Services & Specialized Business. In July 2013, he was appointed General Manager of Worldline.

Global Business Units

Chad Harris, President of North American Operations

Chad Harris is President for Atos North American Operations. Prior to this role, he was Executive Vice-President, Global IT services for Xerox ITO Services. Prior to joining Xerox, he spent five years as CEO of Computer Systems Development, Inc. (CSD). He earned a bachelor's degree in business administration from New Mexico State University, with a major in management information systems and a minor in economics. He earned an executive MBA from the Robert O. Anderson Graduate School of Management at the University of New Mexico.

Adrian Gregory, Head of UK & Ireland

Adrian Gregory joined Atos in 2007 and has a 20 year blue-chip background with experience of a wide range of technology solutions and multiple client sectors. Most recently he was Senior Vice-President for Public sector, Health & BBC with responsibility for all aspects of client business and future strategy. In July 2015 he has been appointed CEO for UK & I and joined the Atos Executive Committee.

Winfried Holz, Head of Germany

Winfried Holz has more than 20 years of experience in the IT sector. He began his career in 1984 at Siemens AG Germany, where he held a variety of management positions, including Vice-President of Siemens Nixdorf Information system and President of International Operations at Siemens Medical Solutions. Following his position of Managing Director of Fujitsu Services GmbH, he was appointed CEO of TDS in November 2007. Winfried Holz has a degree in industrial engineering.

Jean-Marie Simon, Head of France

Jean-Marie Simon held various R&D and Production positions within Schlumberger, first in Clamart in France then in Oslo in Norway. He worked in Indonesia as Operations Technical Director for Asia. He was CIO for Schlumberger Oilfield Services during three years. He moved to Schlumberger Sema following the acquisition of Sema group and then Atos developing, Consulting and Integration Systems practice around Human Resources. He was previously HR Director for France, Germany, Italy and Spain from 2005 to 2007 and Group HR Executive Vice-President from 2007 to 2013. He is now Atos France CEO.

Rob Pols, Head of Benelux & The Nordics

Rob Pols has built a considerable track record in the IT services and consultancy market place. Between 2003 and 2005 he was general manager of Adresco BV, an organization specialized in interim management services. Previously, he was a Member of the Board of Directors at Syntegra – part of BT – and Director of Syntegra/KPMG Consulting in France. In 2005 he held the position of general manager and COO at Fujitsu Services in the Netherlands. Since 2007 he is CEO of Atos Benelux and as from July 2013 he is responsible for Benelux & The Nordics.

Hanns-Thomas Kopf, Head of Central & Eastern Europe

Born in Austria and studied in Vienna (AT), Erlangen (GER), Boston-Wellesley (USA Massachusetts) and Innsbruck (AT). He started the professional career as SW-engineer and Operator in different IT companies. 1989 he joined Nixdorf Computer which has been renamed to Siemens Nixdorf one year later. After eight years in the marketing management he changed in the function as Sales Director for nine South Eastern European countries. Previously, he held various management level positions within the Company (President Service and Operations in CEE of Siemens AG, Chief Operating Officer for Siemens IT Solutions and Services CEE as Country Manager for Austria and the Southeast European countries).

Iván Lozano, Head of Iberia

Iván Lozano Rodríguez has developed most of his career in Atos, after joining the Group in June 1994 as a Consultant in the Telecom Unit. There he held different positions from 1995 to 2008, among them Operations Manager and Operations Business Unit Manager. In April 2008, he was appointed Head of Systems Integration. Iván Lozano's task, already as a member of Atos Iberia Executive Committee, was to design, build and deploy the new Business Unit. In November 2010, Iván Lozano was appointed as Chief Operations Officer at Atos Iberia. Iván Lozano is an Engineer in Telecommunications from the Universidad Politécnica in Madrid, and a Postgraduate in International Leadership Capability from the Glasgow Caledonian University (UK).

Herbert Leung, Head of Asia-Pacific

Herbert Leung (also known as Herbie) was previously COO in the same region. Prior to this, he was the Senior Vice-President of Managed Services for the UK, Americas and Asia Pacific since 2004. Before joining Atos, Herbie was the Vice-President of Global Service Delivery with SchlumbergerSema. He started his career with Schlumberger and has worked as country manager for China and Canada, Worldwide Technical Director and Vice-President for Europe, Africa and CIS. Graduated from the University of Dundee, Scotland, UK, Herbie completed his Bachelor of Science in Electronics with a first class honors.

Francis Meston, Head of India, Middle East & Africa

Francis Meston joined Atos as Head of Consulting & Systems Integration from the E.D.S French subsidiary where he has been appointed CEO since January 2002. In 1996, he joined AT Kearney as Vice-President in charge of EMEA business transformation and strategy practices as well as MIA Global practice. He was previously Vice-President of Capgemini Consulting where he led the French operations, the EMEA Telecommunication practice and the EMEA business reengineering practice. Francis Meston is a graduate of Ecole Centrale Marseille and holds a MBA in Finance from Purdue (Indiana). Francis Meston is “maître de conferences” à HEC Business School. In July 2015 he has been appointed Head of India, Middle East & Africa, and Group Digital Transformation Officer.

Milind Kamat, Head of India

Milind Kamat comes from CMC a TCS group of company where he was leading Financial Services Business for national and international clients. Milind Kamat is an electrical Engineering Graduate from Mumbai University. He completed his MBA in Financial Management from Jamnalal Bajaj Institute of Management of Mumbai. After 16 years in Financial Services with CMC (TCS group company), he joined Origin. He worked in different roles from Service Practice Management to Sales and Marketing of Global Sourcing in Atos Origin. Milind Kamat has 31 years of experience in IT services Industry in India. He took over as Chief Executive Officer of Atos Origin in 2007.

Sales & Markets

Patrick Adiba, Chief Commercial Officer and CEO Olympics & Major events

Prior to this position, he served as Group EVP Human Resources, CEO of Iberia and Major Events, Group EVP Global Sales & Markets, CEO of APAC (Asia Pacific), NAM (North America), Major Events, Vice-President Human Resources of Schlumberger Sema, and Vice-President and General Manager of its Latin America Branch, for five years. Patrick Adiba holds a degree in Electronic and Telecommunications Engineering from INSA, Lyon and did an Executive MBA at Stanford University in 2001. Since mid-April 2014, he has been appointed Executive Vice-President, Chief Commercial Officer.

Bruno Fabre, Head of Telcos, Media & Utilities

Bruno Fabre joined Atos Origin in 2010 and he was previously Thomson Telecom CEO and Member of the Thomson Executive Committee. Prior to that role, Bruno Fabre was CEO at ATLINKS, an Alcatel Thomson joint venture; Vice-President Sales, Supply Chain and Customer Care at Alcatel Mobile Phones, Sales Director Europe & South America at Alcatel Radiotelephone. He has also held senior positions at Afrique Métaux and SAGEM. He is a graduate from IDRAC, CNAM and Stanford SEP. Since July 2013 and the creation of the new market through the consolidation of the Telcos, Media & Technology and the Energy & Utilities markets, Bruno Fabre is Head of Telco, Media & Utilities.

Kari Kupila, Head of Siemens Account

Kari Kupila began his career with Siemens Osakeyhtiö, Espoo in 1986 holding various management-level positions within the Company in Germany, notably Head of Equipment Financing, Head of Corporate Finance, Head of Regions and Sales Management. In 2010, he was appointed CEO Cluster for South West Europe and CEO SIS Verwaltungsgesellschaft GmbH, in 2011 he was appointed GBU Head North South West Europe. Kari Kupila is graduate of Master of Science, Economics, Helsingin kauppakorkeakoulu, focus: law and finance. He is currently managing the Siemens Account.

B

Atos positioning and strategy

B.1 Market trends

B.1.1 Introducing the Digital Era

While the "Internet" has been the buzz word of the past ten years and "cloud" for the last five, "Digital" is now the number one IT challenge for Atos's clients. Digital is the collective mindset of a connected world. It's an expectation of immediacy of service and access to information. In 2015, the market continued to evolve in line with Atos analysis, "digital transformation" being now the umbrella name given to the increasing role of IT in society. If the trend continues as expected, then by the end of 2017, analysts forecast that most of CEOs of global 2,000 enterprises will have digital transformation at the center of their corporate strategy and by 2020, IT budgets will be directly tied to digital transformation. New digital segments around mobility, security, Big Data, digital payments and cloud will soon represent one third of this addressable market.

Traditionally, Atos' market was mainly in the IT services of consulting, services around implementations, IT Outsourcing, and Business Process Outsourcing as well as payments and transactional services. Additionally, Atos has been involved in hardware business like Data Centers, servers, High Performance Computing (HPC) or storage. Acceleration of Social, Mobile, Analytics, Cloud, and Security (SMACS) trends are driving the shift from IT products to IT services, flexible, agile, and on demand. While many of these trends were first adopted within "business-to-customer" (B2C) interactions, they are now being embraced and further matured within the "business-to-business" (B2B) sphere. Overall, in 2015 this market represented € 850 billion, with the "Digital" component constantly enlarging its share.

B.1.2 Opportunities and challenges of the digital era

Opportunities and challenges often go hand in hand. While digital transformation offers the possibility to radically improve performance, it's also a disruptive threat enabling everyone to compete at a much lower entry cost. Atos clients are developing digital strategies to embrace the promised benefits of IT-driven innovation to support business growth and develop new business models by leveraging the various facets of IT in their current and future business. They are willing to take the best of the new technologies as fast as possible to strengthen and sustain their operations, to become best in class, and to better serve their clients. There is a noticeable trend in Atos clients taking advantage of the huge amount of available data, and shifting from product-based business models to service driven digitally enabled ones.

The decision center of the IT budget to address these challenges is evolving, being no longer the CIOs prerogative but more in the hands of business line owners (Chief Financial Officer, Chief Security Officer, Chief Marketing Officer, head of products). This is deeply changing the way in which IT service providers engages with their clients.

Atos is focused on addressing four major customer transformation challenges and opportunities:

- **business reinvention:** Perhaps the most exciting challenge and opportunity, every day new services, products, or business model being launched. These are often enabled by increased interconnectivity, the Internet of things (IoT), data analytics and innovative partner networks;
- **customer experience:** Customers are becoming more demanding, but thanks to mobile, context management, and analytics, Atos helps its clients to deliver the personalization and immediacy that's now required to benefit from customer satisfaction. Accurate insights into customer requirements make it much easier to make offers that match their needs as well as to cross or upsell;
- **trust and compliance:** Enabling customers, employees, or citizens, to trust this new world is an important challenge for Atos' clients. Regulation will increase, and staying compliant becomes more and more difficult. With the rapid growth in mobility and cloud solutions, these are becoming ever more important risk management factors;
- **operational excellence:** In a tough economic environment, enterprises have to be performant. It's simply not possible to be in a sustainable business if operations are not best in class. Key concerns here continue to be agility, quality, speed, and ease of delivery whilst managing cost/risk management.

The following sections describe the most important challenges and sources of IT investments in the market to address the 4 challenges described above: Operational Excellence with a continuous grow of cloud, Client Experience, Security, Big Data and the Internet of Things.

B.1.3 IT services delivered from the cloud

A significant growth rate of around 30% per year was recorded by industry analysts in all segments and total spend should reach € 100 billion in 2016; with a considerably higher growth of private cloud services and IaaS. Atos expects that by 2018, half of IT spending will be cloud based, representing 60% of all IT infrastructure spending.

B.1.3.1 Everything-as-a-service

The IT services market continues to change as customers' gain trust in secure and reliable cloud solutions and alter the way they consume IT. A major shift here is to a **pay-per-use delivery model** as key technologies mature and new portfolios develop towards more flexible **"Everything-as-a-service"** solutions.

For Atos, cloud services refer to service delivered to clients over the Internet on a pay-per-use basis. Cloud services are a continuum of existing services, which can be classified in four functional layers:

- **Infrastructure as a Service** (IaaS): processing, storage, and networking on-demand;
- **Software as a Service** (SaaS): ERP applications, or Industry specific software;
- **Platform as a Service** (PaaS): middleware including database and transaction processing platforms, on-demand development environments;
- **Business Process as a Service** (BPaaS): e.g. helpdesk, CRM, and card management.

Application integration and middleware technologies are emerging as foundational to address the new integration challenges derived from digital transformation initiatives. New technologies such as integration Platform as a Service (iPaaS) support these projects with external services providers, such as Atos, implementing and managing these integration projects.

SaaS is becoming the standard for buying new applications. For instance, 40% of CRM solutions were sold as SaaS in 2015, and HR SaaS solutions are now well adopted. Large multiyear ERP implementations have disappeared, consulting and Systems Integration services providers being asked to provide expertise to deploy and integrate SaaS with short cycles. The interactions between the building of solutions and handover to operations being shortened which is having significant impacts in the way services providers have to work.

B.1.3.2 The development of cloud delivery models

- **Public cloud:** Here highly standardized services are offered to an large set of customers on shared infrastructure. In 2015, the growth in public cloud was extremely high, especially for consumer basic IT needs including, storage, mail, etc... Enterprises have also adopted public cloud solutions at a very rapid rate, expecting lower costs and more flexible services.
- **Private cloud, for large enterprises and administrations:** Services are offered to a single client or to a controlled set of clients (Community cloud) based on a dedicated cloud environment. In this delivery mode, security, service levels, and customization can be specifically addressed. Private cloud can be implemented within a company or an organization environment by its IT department, still on client premises, or it can be partly or fully delivered, managed and run by an external provider (managed private cloud). Private cloud can also be fully provided by an external provider who is in charge of providing and operating a dedicated cloud architecture (hosted private cloud), this being Atos positioning with its subsidiary brand Canopy, dedicated to cloud.
- **Hybrid cloud:** This option is becoming the most popular for enterprises. This is a composition of two or more clouds, private, community or public, often with existing systems, which remain distinct entities but are bound together, offering the benefits of differents deployment models. The market is showing a growing interest in "Cloud bursting" which is an application deployment model where an application runs in a private cloud or Data Center and "bursts" to a public cloud when computing capacity (and also volumes) increases. A primary advantage of hybrid cloud or cloud bursting models is that an organization only pays for extra compute resources when they are needed. Cloud bursting enables Data Centers to create an in-house IT infrastructure that supports average workloads, and use cloud resources from public or private clouds, during spikes in processing demands.

Cloud computing adoption rates are increasing in all vertical markets and Governments and other public agencies that were initially reluctant, are starting to embrace the cloud computing. However there are significant differences between regions; the US remain the leads in terms of adoption, followed by EMEA, but Asia Pacific continues to see a slower adoption rate.

B.1.3.3 Cloud enabled business reinvention

Cloud was initially seen by enterprises as a way of reducing costs by moving IT spending to an OPEX (operational expenses) model. However, organizations now need to consider how cloud can support revenue growth as part of their digital transformation or business reinvention strategy. Attention is now on how additional revenue can be derived from new revenue streams monetized on top of their traditional products. For example:

- airlines generate additional income by linking information captured via the cloud about their clients to related service providers such as insurance agents, car rental, hotels, resorts, and local activities as for instance city tours, as well as pushing tailored offers to increase profitability with every customers;
- a pair of trainers might be just a pair of trainers, but buying them online in the cloud, selecting your favorite retailer, watching videos of them in action, and designing a personalized pattern using interactive software, etc., is a digital cloud based experience which reveals a host of valuable information which can then be monetized.

B.1.4 Business reinvention: further digitization, Big Data, and Internet of things

Business digitization has emerged as part of the strategy for all business functions, which are extending and supporting electronic channels, content and transactions to transform their business capabilities, creating new sources of customer value and competitive differentiation. Digital business is no longer simply selling products online as the digitization of business is happening across the entire value chain and in all industry sectors. Maximizing the benefits from data assets will be a key lever for growing businesses, with the use of analytics to improve decision-making and outcomes.

In 2015 the IT market continued to see the rise of Big Data solutions with a clear trend towards easier to use Big Data tools and enhanced integration with legacy systems. According to industry analysts, Big Data will drive more than € 200 billion of worldwide IT spending in 2017, and is expected to grow at around 50% from the previous year.

The companies that achieve great results are the ones capable of framing their Big Data projects into a strategic initiative with clear business goals, aligning technology, skills, and management into cycles of continuous business improvement.

To unlock the full value, companies need to democratize the consumption of data for business purposes. Infrastructures have evolved quickly towards this goal, becoming hubs of centralized storage that seamlessly integrate diverse data types, sources, and software tools for every stage of the data life-cycle, from ingestion to visualization and analysis. These architectures are bundles of open and proprietary software that promise to end with information siloes and allow for a more flexible and cost-effective ways of answering business needs whether they are fast-data insights, real time event responses, or deep knowledge extraction from huge data sets.

The objective is to be able to manage, store and make use of all the data available to the enterprise, regardless of its origin, format, or generation speed. Mastering the underlying techniques, such as data mining, predictive analytics, or natural language interpretation as well as acquiring expertise in the new emerging technologies will be a prerequisite to address the full value of Big Data. Further development of these skills and talent recruitment are perceived as main challenges by many organizations.

B.1.4.1 The Internet of Things (IoT)

IoT is a blend of the digital and physical worlds creating a network of connected objects that communicate to one another or with computers and other devices with a view to further expansion into linking people, process, data, and devices for what will become the Internet of Everything. There are millions of machines that deliver and share information, generating huge quantities of industrial data and this still has a great deal of unutilized potential. By 2020, Atos expects over 30 billion intelligent things will be connected to the Internet which will in turn drive the need for security breach countermeasures. This hyper-connectivity is leading to increasing opportunities in the IT market, making concepts like smart cities, connected cars, predictive maintenance (predicting failure by analyzing the data from in-machine sensors) or smart grids to become a reality. Connecting information from social media including voice and text recognition could further enhance the capabilities of the IoT providing many B2B opportunities or help local authorities to anticipate and quickly react to problems in cities.

B.1.4.2 Big data leveraging IA and semantics

Clients are now looking at developing analytics using artificial intelligence (AI) or semantics. Voice recognition is gaining traction for its speed ease of use. Machine learning is being used to analyze speech and conversation so modern translators can now perform real-time, bidirectional translation. Some applications use natural language processing to answer questions and can recognize repeated actions that a user performs on the device (common locations, repeated calendar appointments, search queries, etc.) to proactively deliver information that may be wanted. In 2014 a computer program named Eugene Goostman passed the Turing test. That mean we would now have programs capable of fooling people into thinking they are talking to another person. The possible application is widespread from monitoring voice activated web searches, manning helpdesks, enhancing customer experience by pushing customized offers or to automatically pick up key words spoken on phone lines or written in mails to help counter terrorism.

B.1.5 Globalization and industrialization of IT

B.1.5.1 IT enabled Business Process Outsourcing

IT enabled BPO is showing continued growth with more high value and industry-specific processes being handed over to services providers. These are often supported by Business Process Utilities; highly automated facilities serving multiple customers, mostly based on a pay-per-use model. The need for lower costs and higher quality drives service providers like Atos to deploy standardized and optimized global delivery networks. Improvement methodologies, like Lean Management and Six Sigma, are used to further optimize services delivery and reduce overheads as well as cost of non-quality. Globalization of standardized processes across multiple delivery sites, countries, and regions allows for larger economies of scale, use of low cost resources and offshoring, answering more flexible assignments. At the same time, it supports the customers' growth and globalization ambitions.

B.1.5.2 Flexible sourcing strategy

The dynamic and rapidly changing IT environment requires organizations to be highly responsive, which has led to the trend of fewer large slow start projects and more quick win and iterative approaches. Outsourcing and offering "Everything-as-a-Service" where solutions are delivered on pay-per-use basis, results in lower entry and fixed costs, while speeding-up time to market. This allows organizations to take calculated risks at short notice and provides the security to quickly pull back out if the approach fails.

Multi-sourcing best of breed suppliers bolsters IT capabilities and capacity, allowing large organizations to be more adaptable, take advantage of competitive cost reduction and leverage innovation. However it's imperative that these suppliers work smoothly together and the users can easily utilize the available capabilities. Many organizations are now using a Service Integration and Management (SIAM) approach (developed by Atos in conjunction with other major IT Service providers) to better manage and control multi-sourced operations by unifying best practices. SIAM aims to seamlessly integrate interdependent services from various internal and external service providers in order to meet business requirements; effectively creating a single business-facing IT organization which is easy to interface with. Since SIAM provides both tangible and intangible benefits, return on value based on Total Cost Of Consumption becomes a key for measuring the benefits that SIAM provides.

B.1.5.3 Data Center transformation

The adoption of Big Data technologies is leading to a restructuring of Data Centers, including changes in the basic economics of storage. User preference is increasingly shifting toward new viable cost-effective alternatives to External Controller-Based (ECB) storage platforms. New hybrid ECB storage platforms can reduce very strongly capital expenditure compared with legacy hybrid ECB storage platforms. Virtualized Infrastructures will allow companies to build cloud-based models of operations, delivering IT as Service, while reducing the cost of the infrastructure.

Digital Data Centers are becoming the norm where services are built on Software-Defined Data Center (SDDC) architecture, allowing organizations to realize greater scalability, flexibility, agility and performance in their IT infrastructure with the additional benefits such as increased speed, security and significant lower running costs. Unlike existing Data Centers, the "intelligence" in digital Data Centers moves out of the hardware devices towards a new over-arching software layer.

This allows the provider to deliver a seamless service and all the benefits of the agile platform for clients that want to retain direct control of security and data. Enabling clients to stay ahead of the competition by ensuring their IT operates securely at the speed of their business. They provide increased flexibility by dynamically provisioning compute, storage, network and security resources. This will become more important as users demand more bring your own device flexibility, so that personal laptops, tablets, and smartphones can be used to access key corporate information. A result of this trend is a need for greater emphasis on protection of corporate data with security policies and enforcement. Here, too, software defined networking are playing a vital role in distributing policy across the entire infrastructure.

B.1.6 IT services driving operational excellence

Clients continue to be very demanding of IT Services providers; requiring them to decrease the cost of operations, while providing quality, sustainability, being environmentally friendly, and in some cases taking over full responsibility of non-critical processes. According to Gartner, by 2016, 75% of large enterprises will have more than four diverse automation technologies within their IT management portfolio. Of these, enterprise job scheduling and workload automation solutions continue to represent the largest percentage of the IT automation market.

Analysts report as well an investments increase in intellectual capital such as the use of preconfigured solutions and the reuse of code which are contributing to make implementation services more productive. In addition, clients are now more accepting of out-of-the-box implementation for easier and faster implementations.

B.1.6.1 Digitization of internal processes

Digitization of internal processes has accelerated and for most large enterprises the support functions are now streamlined to deliver with fewer staff, increased use of IT, and are handled from an end-to-end perspective. Workplace services are being highly influenced by social, collaboration, consumerization, and mobile considerations which are having a deep impact on Atos clients' operational environments. This new environment requires solutions for a full range of work scenarios; including, mixing home-based and site-based activities or making bring-your-own device a practical reality. IT Services providers need to take these forces and to industrialize their offerings to the maximum, driving-out cost and applying industry best practices to every aspect of planning, provisioning, and support. There is an increased need to include com and collaboration as the enabler of the overall digitization.

B.1.6.2 Digitization supports the continued IT/Operational Technology (OT) Convergence

Back office improvements are accompanied by core production process improvement. Clients continue to look at new ways of integrating production environments with IT, to reduce costs and risks while improving time to market and flexibility, including the capability to produce anywhere. This improved efficiency is impacting supply chain management which is being redesigned to better cope with these challenges. Digitization supports further IT/OT convergence and is beneficial to companies in many industries, from manufacturing to telecommunication and utilities. The convergence of IT and OT is enabling Cyber Physical Systems to help connect the Internet of people with the Internet of things and the Internet of services; enabling systems to control physical entities. Although these changes are happening in all sectors, manufacturing, which is a key Atos' vertical market, makes a particularly good example of these changes.

Industry 4.0 is the name of the new industrial revolution enabled by digital advancements, where manufacturers are embracing a more make/engineer-to-order approach with the final goal of achieving mass make-to-individual production. The first steps have been taken, and manufacturers are preparing for when machines and equipment will be fully connected, able to talk to each other and share information in real time, ensuring that each can access all necessary data, so as to be prepared for what is coming next. These smart factories will automatically re-route work, pre-empting bottlenecks, identify areas of underused capacity, customize production, enable predictive maintenance, and operate continuously and at unprecedented levels of efficiency. They will bring together machines, AI, and advanced analytics to make better decisions; use ubiquitous sensors to see, hear, understand, generate, and understand prodigious amounts of data. For maximum plant efficiency, networks of plants need to be treated as a single connected entity that can be orchestrated as on, but able to work independently across hierarchies if needed. Unified governance over every aspect of strategy and operations requires Manufacturing Execution Systems, and Enterprise Resource Planning, to work with more open relationships throughout the value web.

3D printing is one of the significant steps that has already been taken towards this Industry 4.0 vision enabling manufacturing on-demand and if necessary, at the point of use/sale. This offers immense potential for decreasing the costs of holding and transporting products as well as alleviating concerns of obsolete stock. 3D printing also enables the rapid prototyping, bespoke production and swift delivery to support specialist products and obsolete parts. As an interesting example, the International Space Station now has its own 3D printer allowing astronauts to print tools or accessories for their everyday life.

Robotics is another significant step towards Industry 4.0 vision. Robots are becoming more prolific beyond the manufacturing industries. The potential of the IoT is highly visible in the realm of robotics and the introduction of new collaborative robots “cobots” in the last few years has demonstrated a real increase in efficiency in the companies that uses them. One recent development is mobile robots that are safe enough to work in close proximity with humans and so can move things about the factory floor and even deliver them to workers who pick them off the robot’s mobile shelves. Outside the factory, drones that were once scarce now proliferate, exoskeletons for the handicapped and driverless vehicles give a clear indication of the direction the world is heading and offer a great deal of opportunity.

Finally, environment considerations in regulation changes as well as stakeholders pressure is demanding green IT solutions to reduce the impact of industry on the environment and to drive operational excellence. Although the IT industry only represents about 3% of the overall energy consumption, it has a unique potential to enable all other industrial sectors to reduce their environmental impact, whilst simultaneously reducing cost and improving efficiency. For instance, smart metering for homes, building energy management, and smart grid solutions help households and building managers to reduce their energy consumption. They also allow for the use of more small-scale local renewable energy sources (e.g. solar panels) and help utility companies’ better plan and optimize the grid to reduce losses. In transport, Smart travel solutions enable better route and traffic optimization, improved vehicle and fleet management and can also support the shift to low emission alternatives.

B.1.7 Mobility, social & video: a new customer experience

Mobility not only affects the way companies communicate with customers, employees and stakeholders, but also within the Company’s internal processes. Numerous technologies and solutions in the area of mobility are emerging, making the world truly connected. Forrester calls it “The Mobile Mind Shift”. It’s about convenience; customers and employees are changing their behavior with the expectation that “I can get what I want in my immediate context and moments of need”. This means that organizations need to ensure their mobile applications and underlying software is agile enough to meet this shifting demand and ensure customer experience keeps pace with expectations.

In 2015, we had over 2 billion smartphones in the world, with the expectation that it will exceed 6 billion by 2020, without counting the growing number of other devices such as tablets or wearable devices. Out of a total forecast of 28 billion connected devices by 2021. Coverage for cellular machine-type communication (MTC) will be extended due to new cellular network functionality, supporting IoT applications in more remote locations, as well as further into buildings and underground locations. Mobility and social media has transformed how people communicate, collaborate, and make decisions often guided by peer-to-peer advocacy/recommendations from other users and many organizations are achieving greater speed, productivity and collaborative efficiency by using business-focused social media for communication inside and outside the Company. Suppliers must be in a position and have a strategy to engage in the digital world, utilizing social platforms to build up deeper understanding of customer preferences and more accurate targeting.

Some of the most promising and valuable mobile applications are in the area of mobile payments with phones using built-in NFC technology to communicate with the merchant’s contactless payments-capable Point of Sales system. Mobile payment and mobile wallet solutions offer possibilities for integrated, seamless and ultra-fast payments across all digital channels, delivering digital payments simply, quickly, securely and strengthen the customer relationship. Value can be added for the provider and customers through loyalty programs, couponing and service around payment, to support the full shopping experience with targeted offers, identity sharing, multiple payment means and post-purchase support.

This improved efficiency and client experience is driving significant spending so that by 2018, 80% of B2C and 60% of B2B enterprises will have overhauled their “Digital Front Door” to support 1,000–10,000 times more customers and customer touch points.

One of the most important aspects of mobile applications is context awareness, the value derived from an isolated web or mobile application will fall short compared to the possibilities of one that is integrated and harmonized with the CRM and other business systems. It's also important to deliver clients a seamless experience during its journey, accessing from a PC, a smartphone, a tablet, from home or at work.

The opportunities for IT service providers are numerous but will differ among industries, in B2C for instance:

- in retail, the shopping experience is enriched prior to the consumer getting into the shop and after performing the act of payment, proposing loyalty offers and discounts;
- in healthcare, patients are remotely in contact with their doctors and can have online diagnosis;
- in insurance, the ability to provide pay as you drive insurance is high on the agenda;
- in automotive, providing numerous services to the "connected drivers" is becoming the norm.

Driverless cars are demonstrating how machines are becoming more "aware" of their surroundings and can interact with other machines to gain yet more information from outside their immediate environment such as road/traffic conditions and providing real time information on journeys. But taking this further with interaction throughout the Internet Of Things we are already seeing advances in Machine learning and pattern recognition with cognitive systems identifying solutions that may previously have been overlooked and in turn making appropriate and improved responses.

The opportunities for IT service providers in B2B are also developing:

- implementing Augmented Virtual Reality in the enterprises: after its development for use by consumers to enhance the shopping and navigation experiences. Augmented Interactive Reality will also become just as important in the business world where it may be linked to other upcoming technologies such as 3D printing. For example, imagine a worker on the factory floor approaching a broken machine. Augmented reality could help identify the problem, suggest solutions on site, show exactly what needs to be checked or adjusted and perhaps send a message to a 3D printer to create a replacement part;
- in similar ways mobile sales and workforces can be empowered via these new technologies to help them intervene with the latest information on their product and enhance the efficiency of their services.

A picture paints a thousand words; short "how to" videos are growing in popularity for giving clearer and faster demonstrations than is possible in text. This is also seeing a big growth within corporations for training videos for example showing how to use new systems and softwares.

YouTube still dominates video traffic in most mobile networks and accounts for between 50–70% of total video traffic for almost all measured networks, regardless of terminal type. In markets where Netflix, an international provider of on-demand streamed TV series, programs and movies, has launched services, its share of video traffic can reach 10–20% of total mobile video traffic. Viewing continues to be driven by short video content, with around 30% watching user generated content. However, streaming Video-on-Demand services is also increasing, with 20% of viewers now watching longer on-demand content, such as TV series and movies, on a smartphone.

B.1.8 Trust & Compliance: more Security

Security was identified early by Atos as a very promising segment of the IT product and services business, in a world where all business processes are more and more dependent from IT and where the volume of information collected on customers and citizens is nearly doubling each year. Atos Next generation Security solutions are well positioned and forward looking; taking account of early warnings so as to be properly prepared to meet new threats.

The privacy and location of data are becoming ever more important, with security issues and the constant threat of Cyber-criminality which costs more than US$ 100 billion every year.

The demand for security solutions is growing for two main reasons:

- the need to protect assets which are in a digital format;
- resolving security challenges is a prerequisite for gaining customers trust and easing the adoption of new services.

Data protection and its ethical use is a current hot topic within the digital environment where it's possible to access and analyze virtually every detail of an individual's life. Mass surveillance makes it possible for some to infringe on the individuals "right to privacy", "right to be left alone" or "right to be forgotten". Sharing some information can greatly improve customer experience, possibly saving lives in the case of health-related wearables and city surveillance. However, there is also a need to stop sensitive information about the individual's body, home, property, preferences, feelings, secrets and identity falling into inappropriate hands. The forthcoming General Data Protection Regulation will be another important step in placing power in the hands of consumers and business will need to be able to react appropriately.

Risk and compliance issues increasingly make security central to the new digital world. Every day numerous corporations, governments and individuals are victims of massive fraud, sabotage, espionage and blackmail, and this trend is accelerating. The Internet of Things is growing rapidly, with every year billions of new processes, devices and objects that are connected to the cyber-world, making cybersecurity an increasingly pressing challenge for both users and companies. It is the very nature of security that it is evolving as we move in a world where previously internal information systems are now distributed in the cloud, embedded within partners supply chains, or dependent on the proper protection of billions of customer or third party devices (phones, cars, utility smart meters, healthcare sensors, and connected industrial machines).

We have entered a digital continuum where security must be embedded deeply at the heart of every digital solution to ensure reliability of vital business process, regulation compliance, customer trust and privacy. Organizations must answer these challenges with new defense measures. They must set up holistic, end-to-end, in-depth security solutions, covering the whole IT/OT chain, from back-office infrastructures and applications to end-devices and users. They must also deploy reactive security strategies that enable to constantly monitor and react to threats and attacks. Security is now entering the Big Data era, with the need to protect fast-growing volumes of data, but also to leverage Big Data technologies to rapidly identify threats and detect fraud, in real time or in a predictive way, and take appropriate counter measures.

All sectors are demanding security at the heart of their activities, to deliver advanced services and solutions in security governance, in depth-protection, and supervision. With the acquisition of Bull, Atos has greatly strengthened its capacity to combine information and operational technology security (IT/OT convergence) and to ensure unified protection across all value chains. Leveraging advanced R&D, Atos has also enriched its solutions portfolio with leading innovative technologies (mobility & IOT security, Cloud security, Big Data security, defense-grade encryption technologies, data leak protection, security for embedded systems etc.) to position the Group as the European leader in cybersecurity. Last but not least, the market is looking for advanced expertise in security operations and Security Information & Event Management (SIEM), capabilities in design, build and run of Security Operation Centers for the new digital world.

These holistic cybersecurity solutions make this area not just a protective mechanism but a primary tool for business growth. Therefore, Atos is uniquely positioned as a trusted partner for digital business strategies. A partner that can help corporations and public organizations to fully leverage all the benefits of digital transformation while ensuring complete trust for all stakeholders such as employees, partners, and customers.

B.2 Market sizing and competitive landscape

[G4-8] and [G4-13]

B.2.1 Overall market size

According to Gartner's forecast published at the beginning of 2016 end-user spending on IT products and services in 2015 is estimated to be worth € 3.2 trillion, out of which telecom services is 41.9%, devices is 18.6%, Enterprise Software (including security products) 8.8%, Data Center systems and servers 4.8%, and overall IT services market 25.9%. At constant exchange rate in US dollars, IT spending grew at +2.4% in 2015.

Spending on IT services growth was +3.6% with consulting services leading all areas of IT. The 2015 growth in devices slowed to +1.9%, as unit shipment volumes decreased due to extended lifetime. Enterprise software spending growth continues to be strong, at 6% annual growth rate. These will be going towards modernizing, functionally expanding or replacing older business and office applications with cloud-based Software as a Service. Communication services will see a modest growth of +0.5%, due to an increased competition, new roaming regulations and less demand for devices. Finally, Data Center systems and servers are expected to grow at +9.9%. The server market has seen a stronger than expected demand in the hyper-scale sector that will continue to grow in 2016.

Spending in IT Services reached approximately € 816.7 billion in 2015, of which hardware and software activities were € 121.3 billion. Therefore the size of the IT services market where Atos is primarily active is sized at € 695.4 billion (often reported as "business professional services"), of around 30% in Europe (West and East), i.e. € 201.4 billion; this is the Group's principal market today.

Market by region – 2015	Total *(in € billion)*
North America	319.1
Latin America	26.5
Western Europe	194.6
Eastern Europe	6.8
Middle East and Africa	12.7
Asia/Pacific	135.7
TOTAL	**695.4**

Source: Atos estimates and Gartner for Professional Services (consulting, development and integration, IT management, process management). Currency rate of € 0.9 per US$ in 2015.

B.2.2 Competitive landscape and new expected position of Atos

Looking at the 2015 market, with the integration of Bull and Xerox ITO, Atos is ranked number 8 in the world and second largest IT business services company in Europe with a market share of around 4%. Atos is the number 1 European IT service provider in Europe just behind IBM.

With its scale, Atos is one of the few companies able to cover all the European geographies. In the largest European countries, the main competitors of Atos are IBM, HP, Accenture, Capgemini, CGI and some local champions with strong regional footprint like Capita, Fujitsu (UK), T-Systems (Germany) and Indra (Spain). Indian based players start to have significant presence in Europe, but this is still predominantly in the UK (TCS, Cognizant, Infosys and Wipro). Following the announcement of further investments in the region (Central Europe & Nordic countries), their presence on continental Europe is expected to grow.

Finally, via its subsidiary named Canopy hold at 100%, Atos is the European leader in Europe with regards to the Private Cloud market.

B.2.3 Market size and Atos market share in Europe

Atos market shares in each main country and Service Line are presented below, reflecting the positioning of Atos as the European IT champion.

The figures are based on Gartner's 2015 estimates on yearly external IT spending for Business Professional Services.

	Market size		Atos	
(in € billion)	2015	Weight	2015	Market share *(in %)*
United Kingdom & Ireland	73.9	37%	2.1	3%
Germany	28.6	14%	1.7	6%
France	22.9	11%	2.1	9%
Benelux & The Nordics	34.8	17%	1.4	4%
Iberia	13.0	6%	0.4	3%
Central & Eastern Europe	28.1	14%	1.0	4%
Rest of Europe	0.1	0%	0.0	1%
Europe	**201.4**	**100%**	**8.7**	**4%**
IT management/Infrastructure[1]	76.3	38%	3.6	5%
Consulting & Implementation[2]	94.7	47%	3.5	4%
Process management[3]	30.5	15%	1.6	5%

Based on 2015 statutory revenue.
1 Managed Services Service Line excluding BPO.
2 Consulting & Systems Integration and Big Data & Cybersecurity Service Lines.
3 Include BPO & Worldline.
Source: Gartner 2015 for Professional Services (consulting, development and integration, IT management, process management). 2015 Currency rate of € 0.9 per US$.

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

- in the information security market, Atos has been ranked by PAC as one of the top three leading security IT services providers in Europe, the Middle East & Africa. The combination of cybersecurity and Big Data capabilities following the acquisition of Bull has helped Atos to strengthen its position. Worldwide spending on information security will reach € 67 billion in 2015, an increase of +4.7% over 2014, according to Gartner. The increase in spending is being driven by government initiatives, increased legislation and high-profile data breaches. Security testing, IT outsourcing, and identity and access management present the biggest growth opportunities for technology providers;
- in the High Performance Computing (HPC) technology market, Atos is among the market leaders in Europe, with close to a 20% market share. Advantages of multiple parallel processing for high end computations is shortening time-to-market for new product discoveries and scientific research. The global HPC technology market value is expected to grow above +6% from 2015 to 2024, according to market analysts, driven by the demand of Big Data Analytics and HPC in the cloud.

B.2.4 Mid-term perspectives

The economic rebound of the global economy is weak and disparate across economies, with risks now rising in the emerging markets, according to the IMF's World Economic Outlook published at the beginning of 2016. Advanced economies will see a modest recovery, while emerging market and developing economies face the new reality of slower growth. With a global growth, currently estimated at 3.1% in 2015, IMF's outlooks published at the beginning of 2016 project global growth at 3.4% in 2016 and 3.6% in 2017.

Growth in advanced economies is projected to rise to 2.1% and to hold steady in 2017. Overall activity remains robust in the United States, supported by still-easy financial conditions and strengthening housing and labor markets. But there are also challenges stemming from the strength of the dollar, which is causing the US manufacturing sector to shrink marginally. In the euro area, stronger private consumption supported by lower oil prices and easy financial conditions is outweighing a weakening of net exports.

On the other hand, emerging markets and developing economies are now confronting a new reality of lower growth, with cyclical and structural forces undermining the traditional growth paradigm. Growth forecasts for most emerging market and developing economies reveal a slower pickup, the lowest rate since the 2008–09 financial crisis to 4.3 and 4.7% in 2016 and 2017, respectively, and with a diversity of situations across countries. While India and parts of emerging Asia appear as a bright spot projected to grow at a robust pace, Latin America and the Caribbean will again see a contraction in 2016, reflecting the recession in Brazil and economic stress elsewhere in the region, even as most other countries in the region will continue to grow.

Taking out the impact of exchange rate movements, the constant-currency growth of the IT spending projected by Gartner for the period 2014-2019 is 2.4%, with significant variations across regions. North America remains the largest region of this market with US$ 1.14 trillion, while Asia Pacific is once again expected to experience the biggest growth for 2016, at 4.5%. The remaining regions continue recovery but still are still suffering from slow growth. The Eurozone will continue to grow slightly, based on the recovery shown in early 2015, aided by the European Central Bank's new money-easing policies and a weaker Euro, all of which support healthy IT spending growth.

Looking into the digital future, Gartner anticipates that by 2020, more than 35 billion things will be connected to the Internet. The changes to come extend far beyond the IoT with the increasingly smart, autonomous nature of machines we're seeing the beginning of "robots" rising, with the worldwide spread of autonomous hardware and software machines to assist human workers in practical scenarios. But the real risks are obvious as well, as digital capabilities are included in more and more system, savvy Chief Digital Officer must now contend with risks that fall outside the normal assumptions of risk related to computing technologies.

Overall, the IT Services market is expected to grow up over next 3 years at a CAGR of 4.1%. While United States is expected to grow in the same period a little more at 4.3%, led by accelerated momentum in cloud infrastructure adoption and accelerating buyer acceptance of the cloud model, key emerging countries, particularly Russia and Brazil face escalating political and economic challenges. Business will need to find the right balance between cost-cutting with growth opportunities during these challenging times.

B.3 Strategy and 2016 ambition

B.3.1 Business Context

Atos is operating in the Information Technologies (IT) services market in a very competitive landscape subject to some price pressure. On one hand, players are facing large global companies, such as US based groups (IBM, HP, Accenture), and on the other hand competing against companies coming from-low cost countries. These mainly are Indian companies which are willing to expand their operations after having first served English speaking countries, but also Latin American and soon Chinese players. Furthermore, Atos is also facing national champions with strong relationships established with local public authorities.

Moreover, Atos operates in a market meeting significant changes where innovation is extending the role of IT, which was traditionally used to support operations of large organizations. A first extension of the market entering in 2000 was the use of IT as a growth enabler by introducing technology in the business processes to drive growth, followed by a fast maturation of more recent trends around cloud, mobility, Internet of things and Big Data, which are opening new opportunities for the Group. Starting 2010, social networks have taken a new dimension moving from consumer to enterprises generating further development areas to the IT services market. In those areas, Atos is facing the competition of new players coming from the Web.

B.3.2 2016 Ambition

For the period 2014–2016, Atos set a 3-year strategic plan named "2016 Ambition" designed in order to become a Tier 1 company and THE preferred European IT Brand.

6 levers were defined to reach the 2016 Ambition:

- anchor Atos global leadership in Managed Services;
- reinforce growth and profitability in Systems Integration;
- bring to market disruptive and innovative offerings and pursue strategic partnerships with technology leaders;
- enhance number one position in cloud services in Europe;
- further expand its foothold in the US and accelerate growth in emerging markets;
- provide strategic flexibility to its Worldline subsidiary, to consolidate its leadership in Payments.

Corporate responsibility and sustainable performance is essential to achieve business objectives. Incorporating social, environmental and responsible governance factors in strategic and day-to-day business decisions contribute to secure a sustainable growth.

In line with 2016 Ambition plan, Atos accelerated its transformation, notably through the completion of Worldline IPO, the integration of Bull operations and technologies, the acquisition of Xerox ITO to increase significantly its footprint in North America, and the acquisition of Unify.

As a result, Atos position as a global leader in digital services were reinforced with a offerings portfolio repositioned on higher value and faster growing IT segments, in particular on cloud, Big Data, mobility, and security in order to help Atos' clients to transform their business globally through the use of digital technologies.

B.3.2.1 Anchor Atos global leadership in Managed Services

In Managed Services, at the time of the launch of the new 3-year plan, Atos had already reached the scale, business mix and coverage to follow the clients across the globe, and built its credibility which is recognized in the market for large deals. Over 2014-2016, Managed Services is expected to evolve towards higher value added services, increasing win rate and profitability. The priority in this journey is to increase customer satisfaction. The Group envisages enhancing its programs of industrialization ("End-to-end" and "Lean") and automation while developing its "Carbon Neutral Data Centers".

Through the acquisition of Bull completed in August 2014, Atos Managed Services were complemented by circa € 500 million revenue. This enriched Atos' offerings as Bull's expertise in Mission Critical Maintenance services and Mainframe Migration services enabled Atos to address new verticals with an increased scale. Bull brought new mainframe migration capabilities and solidified further the strategic partnership with EMC.

The acquisition of IT outsourcing activities of Xerox ("Xerox ITO") represented a new step to anchor Atos global leadership in Managed Services with annual revenue over € 6 billion with reinforced offerings in infrastructure outsourcing and workplace services.

The "services" business integrated in Atos Managed Services represents circa € 400 million annual revenue and reinforces the Group offering in the field of unified communication.

B.3.2.2 Reinforce growth and profitability in Systems Integration

2016 Ambition includes the strengthening of a more centralized global organization in Systems Integration with a strong vertical market dimension and differentiated offerings. The Service Line plans a significant increase in offshore capability. To improve its operating margin, Systems Integration also implemented End-to-end processes optimization programs.

A key initiative to improve the Systems Integration performance is to increase the offshore capability from 33% of the Systems Integration direct workforce at the end of 2013 to 50% in 2016, putting Atos in the full range of its competitors. At the end of 2015, the offshore ratio Systems Integration already represented 43%, well on track to reach the 50% target in 2016.

In parallel, Systems Integration expects to continue reinforcing the process integration of the delivery centers in Poland, Russia, Thailand, China, Morocco as well as South America. This will help to address customer specific needs such as language, time zone and regulatory requirement such as data protection.

The contribution of circa € 300 million yearly Systems Integration revenue from Bull increased Atos' scale in that business and the extension of the customer base allows cross-selling of Atos' offers, especially in Manufacturing, Banking, Defense, and Public Sectors. The alignment of Bull's scope on Atos best practices through an operational improvement program is expected to generate higher project margin in line with Atos three-year plan.

B.3.2.3 Bring to market disruptive and innovative offerings and pursue strategic partnerships with technology leaders

Over the last few years, the Group has developed innovative offerings and continues to invest in innovation to anticipate new trends. Atos position as a global leader in digital services were also reinforced through acquisition on higher value and faster growing IT segments, in particular on cloud, Big Data, mobility, and security in order to help Atos' clients to transform their business globally through the use of digital technologies.

Social and environmental challenges open new opportunities for Innovation. Innovation in these fields is undertaken as a collaborative and participative process in order to develop IT solutions that fulfill clients' and stakeholders' expectations. The Group innovation strategy mainly relies on the Scientific Community. Its mission is to help the Group anticipate and craft Atos' vision regarding upcoming technology disruptions and the new challenges faced by the industry. By sharing this vision with its clients and investing on the related findings, Atos intends to help them make critical choices regarding the future of their business solutions.

The acquisition of Bull enabled the creation of a leader in Big Data & Cybersecurity by leveraging Atos global reach and existing operations in those segments with Bull unique expertise in cybersecurity and in High Performance Computing (HPC). A significant part of Big Data requires HPC technology and Bull is the European leader in this market. Atos' vertical market knowledge, large customer base, and Systems Integration capabilities combined with Bull expertise in HPC infrastructure, expanded Atos' service offering and brought HPC business at scale. This allowed Atos to further develop analytics solutions and propose Big Data services to establish its position in this fast growth market.

In the highly fragmented cybersecurity market where niche players co-exist, the combination of Bull and Atos' Cybersecurity capabilities created a leading provider of products and services with a distinctive size. The new Group benefits from in-house R&D, patented technologies, specifically designed hardware and software products in selected segments, such as cybersecurity and cloud security. All Service Lines of the Group benefit from this unique set of assets in order to win large deals as security has become critical to build trust in all digital environments.

Unify provides integrated communications software and services, unifying voice and data, and generates € 1.2 billion revenue, of which broadly two thirds in services and 1 one third in software and platforms that enhance unified social collaboration, digital transformation, and business performance. Leveraging over 3,000 patents and € 100 million R&D per annum, Unify technologies expand Atos offerings.

Alliances and partnerships are key in the Group's strategy to further grow its market share in specific services and markets that can fully benefit from combining and leveraging specific skills, resources or local knowledge for innovation. The Group expects continued strategic partnerships with technology leaders to enhance its skills and know-hows in areas related to innovative and disruptive offerings.

B.3.2.4 Enhance number one position in cloud services in Europe

In partnership with EMC and VMware, Atos has developed a strong expertise around the migration of private and public organizations to the cloud thanks to a leading one-stop-enterprise shop for cloud professional services (consulting & Systems Integration), and cloud operations (Infrastructure Management).

Atos is already today the leading European platform in cloud services based, leveraging the significant investments made over the past years. The Group generated € 552 million cloud revenue in 2015 and has the ambition to generate € 700 million revenue in cloud in 2016 and then to maintain its leadership in Europe.

Atos benefits from competitive advantages versus infrastructure providers or pure cloud players. The Group provides services to its clients with a much higher quality than those provided in public cloud. Its customers are large companies whose demands require particularly high service level agreements. Finally, in archiving and processing of data, Atos offers the required security and responsible environmental footprint for large companies and organizations.

The acquisitions of Bull and Xerox ITO reinforced Atos' position in cloud operations by substantially expanding the size of the client base potentially migrating to cloud infrastructures.

B.3.2.5 Further expand its foothold in the US and accelerate growth in emerging markets

In the last years, Atos worked to improve the geographical profile. In 2013, the Group was generating around 7 percent of its revenue in the USA, a key lever of the 2016 Ambition strategic plan was to expand the Company's foothold in the US, which is the largest IT Services market in the world, an early adopter of high growth innovative technologies, and a pool of talented and highly skilled technologists. The ambition to double revenue in the USA in order to reach € 1.2 billion in 2016 was based on the development of the current customer base by intensifying commercial efforts, leveraging on existing contracts with US corporates, reinforcing partnerships and accelerating external growth while maintaining the Group strict financial discipline in acquisitions.

In this context, Atos acquired Xerox's Information Technology Outsourcing (ITO) business allowing Atos to move from its European foothold to a global leading position. The Xerox ITO business is led by a strong and experienced management team which reinforced Atos' talents in the USA. Xerox's existing ITO clients comprise blue chip companies in the USA, in attractive verticals such as Retail and Healthcare, that Atos would add to its customer base in order to accompany them on their digital transformation journey.

Atos also expects to increase its emerging markets position in two specific regions, in particular in Asia Pacific and in India, Middle East & Africa. In these geographies, local competition is strong and the Group is developing its position either by accompanying its European clients or by addressing the local markets with highly differentiated offerings and strong support of established local partners.

The digital revolution will be a strong vector of the African development. Atos ambitions to enable the African continent to become a new technology platform for the whole world and a player in digital transformation by providing innovative solutions adapted to local specifics and that would be implemented globally. In this purpose, Atos is combining the expertise of a global player in high technologies and the strengthening of its position as a partner of choice for all African economic players, governments and international private companies. The expansion of Atos' local teams along with the significant investments made in its African Global Delivery Center of Casablanca and Dakar is an evidence of Atos engagement in the continent development where co-development with local stakeholders and partners is key. That's why Atos activities in Africa are strongly anchored in the local market, notably in term of recruitment, skills and knowledge development and expertise transfer as well as concentrated on activities in which Africa's digital transformation is accelerating such as telecommunications, banking, e-government, e-health or e-education for instance.

Atos is present in 9 countries (Morocco, Egypt, Tunisia, Senegal, South Africa, Ivory Coast, Gabon, Madagascar, Algeria) with more than 1,600 African business technologists and continue to strengthen its Atos position with the opening in 2015 of a second Global Delivery Center in Dakar (Senegal) on top of the Morocco Delivery Center based in Casablanca. This platform aims to meet the needs in application development for Atos global customers and also provides local services for Sub -Saharan Africa.

"My ambition is to ensure that Senegal becomes an exporter of IT services like India" Thierry Breton, Chairman & CEO of Atos.

This Global Delivery Center already delivers services to nearly 20 clients with among them, several worldwide blue chip companies. At the end of 2015, the Dakar center was leveraging the expertise of a team of 200 headcounts. Atos aims to employ 2,000 developers and engineers in Senegal within 3 years and plans to employ circa 5,000 African engineers by 2020.

In both developed and emerging geographies, Atos works on incorporating local stakeholders' expectations in order to guarantee a responsible environmental and social impact in the communities where it operates.

B.3.2.6 Provide strategic flexibility to its Worldline subsidiary, to consolidate its leadership in Payments

The launch of Worldline in July 2013 corresponds to the Group ambition to allow its subsidiary getting the financial flexibility to ensure its development. Regarding this objective, the Group completed the initial public offering of Worldline in June 27, 2014. The purpose of the Initial Public Offering was primarily to accelerate the development of Worldline and to strengthen its position as an electronic payments and transactional services industry consolidator. The Company will continue to work on industrialization and innovation, while reinforcing partnerships.

In November 2015, Worldline announced that it has reached a transaction agreement with Equens, a prominent European payment services provider, headquartered in the Netherlands. The transaction would represents a transformational step for Worldline, fully in line with the strategy presented at the time of its IPO, and is expected to generate a significant increase in scale for Worldline, adding an estimated € 310 million and € 39 million to Worldline 2015 revenue and OMDA, respectively.

The Financial Processing activities of the two groups would be merged into a joint-company to be owned at 63.6% by Worldline and 36.4% by the current Equens shareholders. Through the newly established Equens Worldline Company, Worldline Group would strengthen its European leadership in card-based payment services and would benefit from Equens expertise in SEPA mass-payment systems and Automated Clearing House (ACH).

In addition, Worldline would acquire the Equens' Merchant Acquiring subsidiary, PaySquare, for € 72 million in cash. The PaySquare business would be directly integrated in Worldline Merchant Services & Terminals Global Business Line. Worldline would benefit from PaySquare strong positions in merchant services in Benelux and in cross-border acquiring (Netherlands, Belgium, Germany, Poland…), resulting in more integrated and comprehensive omni-channels offers.

High value creation is expected to be delivered thanks to detailed synergy plans to be implemented. Very significant cost synergies of circa € 40 million are expected to be reached in 2018, half of which will be delivered as soon as 2017 based on infrastructure rationalization, G&A, procurement and real estate optimization, as well as revenue expansion through complementary and highly innovative offerings. An application platforms convergence roadmap would be engaged with the key clients to progressively generate additional cost saving.

The transaction is expected to close during the first half of 2016, subject to work councils' information and consultation processes in Worldline and Equens, banking regulatory authorities and antitrust authorities' approvals.

C
Sales and delivery

C.1 Sales and Business development approach

C.1.1 New Go-To-Market model

Since 2014, Atos has implemented a new Go-To-Market model with some major innovations. This new Go-To-Market is a key driver for Atos to deliver the organic growth that we target over the 2014 – 2016 period.

C.1.1.1 Two different business development engines

The objective of this new model is to focus teams, resources and expertise of the Group on designing and delivering the digital transformation of our customers' businesses. With this vertical focus on customer challenges, from the digitization of R&D and innovation to the the digitization of customer relations, Atos aims to support its customers throughout their digital transformation journey. The market and Top Account new Go-To-Market aim at rapidly become a driver towards growth and value generation as well as cross selling engine.

Growth engine

The new Atos go-to-market is focused on the major global organizations. It encompasses Atos first 250 accounts, as well as the major new customer targets (new logos) with needs or digital transformation strategy particularly meeting the experience of Atos with its major existing customers. These selected accounts represent 70% of external revenues of the Group.

These accounts will be managed by the Global Markets (Financial Services, Manufacturing Retail & Transportation, Telco Media & Utilities, Public & Health, Siemens account). Their role is to ensure customer intimacy and satisfaction, as well as revenue growth for these accounts.

At the end of 2015, nearly half of Global 500 companies had become Atos customers.

Cross-selling engine

Other Atos customers will be managed by the Service Lines with the objective of contributing to growth through renewals and cross-selling of existing contracts.

C.1.1.2 A customer driven model empowering Sales

The new model is empowering the 200 Account Executives in charge of Top accounts to help them deliver growth:

- local Market Leader role has been deleted;
- account Executives now report directly to Global Markets;
- client Executives have the full authority on all the Sales and pre-sales resources necessary to manage the account;
- client Executives have the ownership of the Account plan which is considered as an internal contract ensuring full alignment across the Service Lines, GBUs and Markets, regarding both the top line ambition and the necessary resources to achieve this ambition;
- the account plan, updated every 6 months, is the basis for the budget and forecast process, ensuring full accountability of all stakeholders.

Major focus changes have been implemented to provide much more focus and accountability in Sales:

- at Group level, the role of Chief Commercial Officer has been created with the responsibility of steering the overall sales effort, driving Global market heads, Global Service Line sales heads, Global Strategic Sales Engagement, Global Alliances, Marketing and eXpand;
- the Service Lines Sales role has been reinforced by transferring part of Atos Sales force to the Service Lines to ensure coverage of all local accounts, and implementing Service Line Sales Director both at local and Global level;
- sales people have been transferred to Service Lines to ensure account fertilization;
- a rapid Growth Board has been created to anticipate the demand in emerging trends and ensuring readiness of capabilities and sales to target new growth sources;
- alliance as a Sales channel has been created to ensure that Atos is fully leveraging partnership with key technology providers to generate incremental new Business;
- the eXpand program has been refocused on change management and sales monitoring.

C.1.2 Marketing approach

Marketing is organized as a global function reporting to the Chief Marketing Officer. The Global Marketing function brings together the customer marketing in the Market teams, the offer marketing in the Service Lines, the marketing and communication digital platforms in corporate shared services as well as the operational marketing in the geographical Business Units.

The global marketing function was created with the mission:

- to formalize Atos digital transformation positioning to anticipate and meet the digital transformation needs of its clients;
- to build our value propositions on the four functional pillars of the digital transformation:
  - digitization of the customer relationship,
  - the digital reinvention of the traditional business model,
  - the digitization of processes and organization to improve operational efficiency,
- digital trust and digital compliance by implementing new security policies and technologies;
- to digitize the marketing function to improve efficiency and make for commercial organisaitons and clients of Atos pilot expertise. To digitize materials and commercial practices (submission of tenders, customer cases, referrals, and other client tools and materials) to facilitate dialogue with the customer, to increase points of contact with customers and prospects.

C.1.3 Strategic Sales Engagement

C.1.3.1 Context

Companies have always been trying to manage their IT Budget while simultaneously gaining flexibility and innovation. During the financial crisis they had to control their IT Budget even more than ever. Now, moving slowly away from the financial crisis of the last few years, Atos sees new trends in the market emerging. First, like in the early days of Outsourcing Atos see now a trend to hybrid deals: an award of an outsourcing contract combined with the full or partial takeover of the captive IT provider. These hybrid deals also tend to have longer contract duration than standard outsourcing deals, due to the initial asset and people takeover. Second, Atos sees a trend moving partially away from large single-source transaction to global but smaller multi-source transactions in which a bundle of global services is awarded to multiple providers, all with global capabilities; in some cases also introducing an outsourced Service Integration Layer. In the past, cost reductions were achieved by industrialization, standardization, and by using a mix of near-shore and off-shore resources, today there is also an increasing focus on innovation, virtualization and automation topics such as Digital Transformation, cloud computing or Atos' Virtual Desktop Initiative, Workplace of the Future themes, etc. Many of these require flexibility on demand or, at the least, "Pay as you use" business model providing high flexibility for the customers if their volumes are moving.

Therefore, today's large projects, even if they come in more phases or segments than in the past, are more complex in terms of the required technical and commercial solution, more global, more strategic and long-term oriented. Instead of having one full-scope partner per country or region, very often customers now require multiple partners servicing all of the customers' geographies for selected services. In some cases the customer even requires services that are universally available, regardless of geographical presence of the respective service provider. The successful partner needs to fit well into the customers' Eco System including other service providers, his global stretch and different local cultures. In some case, the service provider while being the Service Integrator even takes on responsibility to manage the other service providers. The success of today's large deals is measured by its direct added value for the customer's topline and its associated operational costs. However, this also requires changes at the customer level as he must implement a professional Demand Organization to manage multi service partners in several geographies.

Thus, large, multi-country or even global deals represent a high level of complexity for which a dedicated team of internationally proven experts is required. Atos, being one of the leading innovative IT Services providers, has got the answers.

C.1.3.2 What's new

"Strategic Sales Engagements" (SSE) is a well-established unit within Atos targeting to pursue and win large, multinational and global deals. The unit has been recently split into 2 Service Line oriented arms, one for Managed Services and one for Consulting & Systems Integration to increase the affinity to the services offered and the technical competence of the bid teams. This will also strengthen Atos capabilities to run tower based focus deals in multi tower sourcings of our clients.

Bid Teams are staffed from a mix of multicultural resources such as:

- deal Makers (Customer focus; Strategy Development, Relationship Manager and overall coordination);
- bid Directors (Pursuit Project Management, Strategy Execution, Bid Budget Development and Controlling as well as end-to-end Management of the entire bid team);
- financial Architects (designing innovative, commercially attractive and tax proven financial models, etc.);
- solution Managers (designing innovative solutions meeting/exceeding our clients' requirements).

Other team members are involved during and prior to the bid phase as experts from GBUs and Global Service Lines, for example, Solution Managers, Solution Design Architects, Transition and Transformation Managers: Subject Matter Experts like HR, Legal, M&A, or Tax.

The deals in focus cover all geographies for the respective Service Lines of Atos.

C.1.3.3 Atos ambitions

Atos' ambition is to reap a significant share of the large deal market by leveraging its size and expertise and successfully selling Atos' horizontal and vertical portfolios to current and new, large, international customers.

C.2 Managed Services

Atos specializes in managing and transforming the IT systems of its clients and is ranked in the top three in the European market and in the top six globally. Managed Services, including former Bull and Xerox ITO capabilities now, represents around € 6 billion and has more than 40,000 staff worldwide in more than 50 countries. Atos is one of the few companies that can provide all the "design, build, and operate" elements of a complete outsourcing solution providing the management and transformation of end-to-end and joined-up workplace, infrastructure, application, security and cloud services.

The main revenues of Managed Services come from Infrastructure and cloud services, Workplace solutions, Application operation, Network and Communication, and Technology Transformation Services and are broken down as follows:

- 53% – Data Center, Managed Infrastructure and cloud Services;
- 24% – Workplace Services including Service Desk;
- 8% – Application Operations;
- 9% – Network and Communication Services;
- 6% – Technology Transformation Services.

The top five geographical Business Units from a revenue perspective are UK & Ireland, North America, Germany, Benelux and the Nordics (BTN), followed by France.

C.2.1 Data Center and managed infrastructure capabilities

Atos' Data Center strategy, now embracing Xerox ITO assets, focuses on 4 cloud hubs all twinned in 8 Data Centers, backed up by 10 strategic Data Center twinned hubs. This provides the focus for all the Group managed workloads and is the continuous target for expansion, optimization and migrating workloads from 85+ multi-customer local and peripheral Data Centers and data rooms. Part of these continue to be consolidated and phased out in line with the successful consolidation program – up to 22 Data Centers will be closed until 2019, on top of 37 Data Centers consolidated over the last 4 years.

Atos has engaged in a four year program to upgrade its Data Centers, build new modular Data Centers or move to modern colocation facilities and to continue reducing the Power Usage Effectiveness (PUE) downwards in existing and new Data Centers. The program also aims to ensure Atos' Data Centers will provide sufficient capacity and business continuity for cloud portfolio expansion plans. This was demonstrated along with leading edge innovation to open two state-of-the art facilities in Germany and the UK. In Germany our cloud hub in an existing facility had a complete power, cooling and security make-over while services were up and running without interruption, while the new technology resulted in a reduction of PUE from 1.9 to 1.3. In the UK a brand new eco-efficient air-cooled facility opened with a spectacular low PUE of 1.15. Atos will invest in building new state of the art Data Centers in key strategic countries including 2 new and 4 renewed facilities across 3 countries between 2016 and 2018.

Atos continued deployment of the worldwide "Ambition Carbon Free" program which includes the reduction of energy consumption in the Company's facilities and those of its customers, conducting carbon audits in Data Centers, and compensation plans for the emissions of the centers. From these Atos energy efficient global Data Centers Atos has a strong track record of providing managed infrastructure services with a full range of end-to-end SLA backed infrastructure services.

From these Atos energy efficient global Data Center's Atos has a strong track record of providing managed infrastructure services with a full range of end-to-end SLA backed infrastructure services. These continue to include managed server (more than 238,000), storage (more than 300+ Petabytes) and mainframe (more than 119,000 MIPS) offerings however the Group also enhanced its portfolio in 2015 with continued expansion of Atos' cloud services (see C.3.3 Cloud & Enterprise Software) and Digital Data Center offerings all providing solid Data Center and infrastructure foundations for future expansion plans.

The successful integration of Bull has also brought considerable new capabilities in infrastructure products, services and assets for which further information is found in the Big Data & Cybersecurity section.

In 2015 Atos was also first to launch the Digital Data Center, an end to end set of services extending its virtualized compute services to include networking, storage and management/automation, delivered as a managed service of a fully integrated software defined platform. This supports our drive to progress our customers to what we define as the third Digital Revolution. This is where the speed of IT finally meets the business demand in providing infrastructure resources just when our customers need them, ensuring they can gain a competitive advantage. The Digital Data Center services provide a step change in infrastructure and complement our Canopy solutions and services, positioning Atos as the leader in helping clients to evolve their IT infrastructure to leverage the best of breed software-defined and cloud technologies.

New innovative services appearing in 2016 will include Atos Resource Island, for customers who want the highest levels of protection for their most business critical, prized assets; managed video surveillance services built with our strategic partner EMC plugging a market gap for a single provider for all the elements of a surveillance solution from security consultancy, camera strategy and design, deployment operations; smart storage solutions to underpin multiple over the top products such as file sync and share solutions and other innovation cloud services.

C.2.2 Workplace and Service Desk capabilities

Workplace Services from Atos provides modular and innovative workplace and service desk services, based on extensive, proven experience in all industry sectors. Today, Atos manages in excess of 3.2 million end user devices, from a combination of global production centers for service desk, operating as one virtual global delivery unit, complemented by local production centers distributed globally, handling in excess of 45 million tickets annually in 38 languages. This is combined with onsite support capability in 118 countries, giving Atos a true global workplace services footprint. The global delivery organization has a total headcount in excess of 12,000 staff. Through its Workplace Services Atos delivers services that meet the changing end user needs, within enterprise clients today. Key solutions such as Enterprise Mobility Management, combined with application management, virtual desktops and collaboration combine too deliver an Internet centric workplace model, with the functionality required by end users and businesses alike.

Consumer experiences continue to fundamentally change what people expect from their workplace. For end users “one size fits all” is no longer applicable, and the Atos approach results in a user experience where working anytime, anywhere with any device is reality. Atos’s strong focus on customer care and the total end user experience including omni-channel support with self-help, chat and self-healing solutions, having a direct impact on the user’s experience. Innovation is reshaping user support with new technology such as virtual assistants enhancing the support experience in coming years. In line with its vision for the future Atos is focused on delivering proactive support, with Big Data analytics delivering end to end service intelligence, enables Atos to focus on proactively improving the quality of service and most importantly the experiences of the users.

Clients are actively moving to hybrid delivery models for workplace services and Atos continues to integrate SaaS based workplace offerings from Canopy and other Cloud providers, including Microsoft with Office 365, ServiceNow and others, combined with private cloud services from Canopy to enriched the core portfolio with more choice than ever with flexible “as a service” consumption models. In turn, reducing costs and increasing agility and mobility of end users, whilst closing the gap between physical working environments and digital collaboration solutions.

Enabling clients to redefine their future digital workplace within a user centric, creative enterprise environment continues to be central to the future direction for Atos. This will be supported by continued optimization and enhancement with increased automation being a key focus. All this is coupled with helping clients achieve a reduced workplace carbon footprint, through initiatives such as bringing desktops into green Data Centers and changing travel behaviors through unified communications.

Atos received very positive ratings in 2015, universally being recognized as a leader from multiple independent analysts, reaffirming the strategic direction Atos is moving in with its Workplace Services offering. In particular Gartner recognizes the Group stature as a company that understands the future needs of the enterprise end user, positioning Atos again in its 2015 “leader quadrant” in both European and North American End User Outsourcing Services reports. Moreover Atos was recognized as most visionary leader in Europe (by virtue of being placed furthers to the right, in terms of “completeness of vision”).

C.2.3 Application Operations capabilities

Atos manages over 1.7m million SAP business users, more than 6,000 SAP instances and over 12,000 critical and legacy applications.

Application Operations offers a key differentiator for Managed Services focusing on application availability and offering a compelling alternative to the in-house operation and support of the IT infrastructure, with a flexible, end-to-end, business outcomes approach to meeting customer's application requirements.

In 2015, Atos continued enhancement of its successful Extreme Performance Computing (Oracle) environment by expanding the offering with our unique VOC-Hotel concept enabling a new lower entry approach and cost effective way to grow. Atos is now a European market leader with over 100+ Oracle Engineered Systems sold to customers across 9 countries.

Our Managed Services SAP HANA and S/4 HANA SAP hosting, outsourcing capabilities, covering SAP HANA Appliances and SAP HANA TDI solution complement the Atos end to end offerings along with C&SI, and now strengthened by using our own Bull Bullion hardware. Execution capabilities are clearly demonstrated by having deployed one of the largest deployments of SAP HANA in the world.

Key developments in this domain going forward and beyond are expected to continue with key business relevant differentiation, focus on application performance management, aligning and complementing the Group cloud capabilities, offering Big Data Analytic infrastructure environments, all enhanced by the increasing provision of services to emerging and faster growing economies.

C.2.4 Network and Communication capabilities

Network and communication services provide customers with the essential connectivity services to provide fully managed network, voice and communications services in and out of the cloud. Atos provides global, standard, repeatable and innovative services to meet the high expectations of a dynamic mobile, global workforce.

Atos' evidence of scale is proven by facts such as managing one of the world largest Microsoft unified communications installation for a single client with more than 360,000 seats, and have WAN MPLS reaching to more than 120 countries via the Group network partners. With over 2.8 million managed Ethernet ports, routers and switches, 700,000 supported we and conferencing users, 500,000 VoIP/PBX lines, 42,000 switches, 17,000 wireless access points, 23,000 contact center seats managed globally and filtering for hundreds of thousands of email mailboxes.

Atos continues to adopt the latest technologies such as Software Defined Networking into our existing Digital Data Center offering. Going forward Atos will be focusing increasingly on its already considerable capabilities for intelligent networking, mobility, unified communications, Cloud computing and videoconferencing.

C.2.5 Technology Transformation Services

Our comprehensive Technology Transformation Services portfolio helps our customers to embrace business reinvention through digital transformation. We eliminate the complexity of innovating with new infrastructure technology through proven blueprints in migration and transformation. Our approach and best practices focus on streamlined and automated processes for faster "time-to-value" to maximize our customers' investments. Our project services experience spans in all markets with the understanding of industry specific business requirements and target operating models necessary to deliver IT services to our customers' businesses. We manage, architect, and deliver innovative technology projects to fit each customers' environment, "on time" and "within budget".

Atos has Depth: Technology Transformation Services offer a combined portfolio of technology infrastructure projects for technology innovative from the desktop to the Data Center and the cloud to service and deliver IT across the business. Atos demonstrates its depth of expertise every day with over 1,000 technology projects delivered.

Atos has Scale: Technology Transformation Services have over grown from 350 at the start of 2014 to over 1,400 dedicated technology consultants (including CS), architects, and engineers worldwide. The Group has 8 core GBU's that form and lead our global technology driven competence centers, with subject-matter champions to lead best practice, solution, and technology standards.

Atos sees things differently: the Group sees that top performing organizations need partners to help them with innovating technology solutions that fit to their business. We strive to provide alternatives in technology solutions by remaining technology agnostic, leveraging best of breed, and working with a broad array of partners. We understand that technology transformation may not be an overnight event, but with proper planning, architecture, automation, orchestration, and technology readiness, we can achieve greater success in every event.

Beside the well-structured services, we developed a Value Added Reselling business based on partnerships with industry leaders. Our experts certified on the best practices and latest technologies, with the knowledge to tailor the solutions to the needs of our customers, including bespoke in their Data Centers.

C.2.6 BPO: Business Process Outsourcing

Atos has one of the leading BPO businesses in the UK in its' chosen markets. The combined direct headcount represents c. 2,500 staff, with a significant proportion of offshore utilization through a dedicated BPO team in our Global Delivery Centre. One of the key differentiators, particularly in Public Services, Financial Services and Healthcare, is that in these sectors Atos manages the full end-to-end service, deploying employees with specific technical and industry expertise. This enables the Group to add value via its domain expertise in addition to the traditional benefits associated with BPO.

Atos continued to capture business thanks to continued success in industry leading customer contact centers, case and document management and print operations, as well as the bookings and account relationship management systems that are unique in the marketplace. These capabilities ensure that the Group is able to offer radically improved service and efficiencies via scalable operations to existing and prospective clients.

However, Atos also foresees that the integration of Robotic Process Automation (RPA) is vital to apply as it will outmatch the operational cost savings in comparison to the cost benefits of BPO labor arbitrage. Atos intends to be at the forefront of this development by leveraging the new RPA capabilities of Atos Consulting & Systems Integration Services and strategic partnerships with RPA technology and service providers such as Thoughtonomy and UiPath.

C.3 Consulting & Systems Integration

C.3.1 Digitization era

The scale of the change brought by the digitization era across a range of industries is so profound and fast that it is radically reshaping the nature of competition.

In this digitization era, mature enterprises need to develop their digital transformation strategy, implement new digital architectures, while still managing their traditional systems. These two types of technology differ across almost all measures, but divergence is most stark when we look at them in terms of time. The way that traditional technology is applied to business challenges is usually measured in months, and sometimes years (operational speed), but in the digital domain, tangible results are expected in weeks, and sometimes days (digital speed).

That is why it is critical for companies to adopt 2-Speed IT strategies that best fit their requirements and drive their achievements, applying our fundamental understanding of industrial and administrative business processes and different system environments, coupled with transformative innovation that delivers measurable value.

As a consequence, Atos division Consulting & Systems Integration ambition is to be the partner of choice and trusted advisor for digital transformation of our customers.

C.3.2 Journey to digitization

Consulting & Systems Integration adapts its strategy and organization to the evolution of the market:

- globalization and growth of Atos Consulting practice;
- creation of Atos Digital;
- full speed on Business Intelligence (BI), Big Data and Analytics;
- intensification of industry focus: less focus on Information Technology (IT) moving to Business Technology (BT).

Atos Consulting

Atos Consulting is an integral part of the Global Consulting & Systems Integration Service Line and its role is to help CXOs to deliver measureable business value through the smart application of business technology. Atos Consulting is a business of 1,600 business and technology consultants as of December 2015, supporting customers globally. Atos Consulting has a focused set of offerings which are managed in 5 global practices:

- Digital Transformation Consulting;
- Digital Technology Unit;
- IT Strategy & Transformation;
- Information Governance, Risk and Compliance;
- Business Performance Improvement.

The Digital Transformation practice is focused on helping clients to move forward their digital business agenda. There are specific propositions around: digital business model design; business analytics; customer experience and digital marketing.

The Digital Technology Unit (DTU) works in conjunction with the other practices when the customer wants to develop a project through proof of concept. Within the DTU we have solution architects, engineers and creatives who will develop and build out the PoC working in an agile way with the customer and consulting project team.

The IT Strategy & Transformation practice focuses on supporting the CIO and CTO in our customer organisations. We have specific propositions around: bi-modal IT strategy, and service integration and management.

The Information Governance Risk & Compliance practice focuses on helping customers to manage the risks and threats associated with information security, privacy and data protection.

The Business Performance Improvement practice focuses on helping customers to reduce costs and improve performance through operational excellence. There are specific propositions around: Lean process automation and (software) robotics; enterprise performance management, and procurement.

Creation of “Atos Digital” practice

Atos Digital end-to-end offerings (“Global Digital Solutions”) cover the entire digital ecosystem and counts 6,000 business technologists.

The practice focuses on:

- increasingly connected solutions that are specific to the client and the market they operate in;
- improved business efficiency through digitization of processes;

- customer and business insights through the Internet of things and Atos analytics;
- secure mobile solutions integrated into their wider business applications;
- increased connections with consumers through Social Media;
- the advantages of cloud;
- the end-to-end capability to address both the needs of the client in the digital world and connect to or transform their existing legacy estates;
- using the latest delivery methods such as Dev Ops and Agile with market leading technology partners.

Offerings range from Digital Transformation and Consulting Services, Digital Commerce, Cybersecurity, Digital Integration, Big Data Management, Analytics, to cloud Solutions and Services. Atos Digital leverages the connected experience with solutions such as:

- Connected City;
- Connected Consumer;
- Connected Health;
- Connected Vehicle;
- Connected Oilfield;
- Connected Call Center.

Maturating Business Data and Analytics competence

Atos Consulting & Systems Integration focuses heavily on Information Management and Analytics (IMA). The Service Line promotes value-added data-based services and specific use cases, for instance CRM 360, tailored for our retail focused customers. In 2015, Atos won several IMA deals at new clients such as European Space Agency, Royal Mail Group, and Daf Trucks. Gartner placed Atos in the Visionary box of their 2015 Magic Quadrant on Advanced Analytics.

Atos and Siemens share a strong partnership approach with Atos being the IT partner of Siemens and both companies co investing in innovation projects. One key such co investment is n the area of Advanced Data Analytics. Atos jointly developed a unique platform that is designed to support a wide range of use cases and be leveraged across the Industrial Data Analytics needs of Siemens and also addresses customer requirements across all the markets that Atos operates in. This approach of joint investment with a Global Industry partner has attracted strong backing from industry analysts such as TechMarketView and Gartner.

Through this joint investment with Siemens, Atos reinforced its Data Analytics capabilities and developed a reusable, Cloud-ready, foundation platform, enabling the Group to continue to deliver faster go-to-market approaches and realize even greater business value for our clients. A proven Proof of Value approach built on top of the standard analytics platform and designed to enable clients to rapidly prove Business Value, generate business cases or establish that something is not worth doing is the key to driving the success that we have seen in the past year. Further joint investment with Siemens has been agreed for 2016 focused on delivering prescriptive analytical capabilities as well as hybrid cloud orchestration implementations.

Intensification of Automation and Robotics

Atos has started to focus on emerging technologies in the area of Automation and Robotics by running a number of initial RPA projects in service management and transaction processing. The projects have proven the widespread applicability to services that are delivered by human resource-intensive outsourcing work. RPA is the use of smart software to replicate process work which was previously done by humans minimizing the need for costly Systems Integration. With the integration of increasing AI capabilities of Automation technologies combined into one Atos Canopy Cloud platform, Atos will be advancing and converging Automation in such a way that Atos can not only augment work, but replace work digitally.

In 2015, Atos has established service agreements with technology partners (e.g. IPSoft, Arago, etc.) to build one Atos Automation and Robotics platform by begin of 2016 which will offer operational quality improvements and cost benefits to clients. Our solution is based on the following four solution components:

- **the Service Management Automation** component is the central service management process control and “brain” of our solution which will manage incidents, changes, service requests, problems and even escalations like a “human” on the basis of cognitive context ticket analysis and triggering robotic programs or commands based on rules defined by the specific service agreement;
- **the Robotic Process Automation** component is the robotic automation in the back-end performing the actual execution of the automated routine or programmed software robot which can either use available APIs or simply imitate a real user handling data inputs and outputs;
- **the Software Life Cycle Automation** component supports the software development and operation from the design to the build, test and deployment of software. The integration of additional code quality inspection tools (e.g. CAST) and test automation tools orchestrated by the Service Management Automation will increase software maturity and will help eliminating unnecessary application complexity and consequently reducing the cost of ownership;

- **the Virtual Assistant and Knowledge Automation** component will significantly improve the customer experience by providing a virtual assistant knowledgeable of all typical user queries, able to initiate self-help automations like password resets as well as being able to assist users through a process with online forms and last but not least perform an initial problem analysis accessible 7x24. The virtual assistant processes natural language and can communicate in the local language of the user, whilst tickets can be translated into English for the support team residing in an offshore location. The virtual assistant is very closely linked to the processing and managing of knowledge for our clients in a totally new way which will result in lower ticket volumes and reduced costs.

As part of the enablement to roll-out automation and software robotics to our existing and new clients, Atos is rolling out this new automation capability to their worldwide LEAN practice. The LEAN practice will then plan to deploy Automation and Robotics to all major AM clients in order to improve quality and reduce workload.

C.3.3 Delivering the 3-year plan strategy

The aim of the 3-year plan is to reignite the growth that has been challenged by the tough economic environment of the last years, both organically and through strategic acquisitions, while continuing to improve its profitability.

As a reminder, at the end of 2013, Atos launched in Systems Integration, a transformation program aiming at delivering its 3-year plan and reaching this profitable growth by accelerating the “verticalization” and globalization of the Systems Integration organization.

Market focused differentiating offerings

Since 2014, Consulting & Systems Integration enhanced both its vertical and transversal offerings.

Enhanced vertical offerings	Enhanced transversal offerings
• Energy & Utilities: Power Generation, Smart Utilities	• Smart Mobility
• Manufacturing, Retail & Transport: PLM, Global Agile Manufacturing, MES	• Testing
• Telecom: OSS, BSS, NGIN	• Service Integration
• Public & Health: Sector specific Case Management & Analytics, myCity, Hospital IT, Healthcare Collaboration	• Governance, Risk & Compliance
• Financial Services: Risk, Compliance & Regulatory Reporting; Digital Transformation Multichannel, Mobility, Analytics, Financial Market solutions	• Right-fit Application Management

Since 2014, Consulting & Systems Integration brought digital transformation at the core of its portfolio. We design, build, deploy and operate the digital business of our customers.

Business Intelligence (BI) and Analytics

In its 3-year plan, Atos considered the Business Intelligence and Analytics services as a major growth opportunity for its Systems Integration activities. Consulting & Systems Integration Information Management and Analytics (IMA) Practice created in 2013 counts more than 1,600 FTEs experts spread across GBUs. To capture and support the expected rapid growth, the delivery is mainly done out of India and Poland – Global Delivery Centers (GDCs) teams grew by +42% in 2014. This IMA Practice is reinforced by more than 1,400 additional specialists in our Consulting & Technology Services, SAP, Solutions Energy & Utilities and Application Management practices.

Verticalization and new account management structure

Since the launch of this transfiormation programme, 42 global Consulting & Systems Integration client partners have been appointed on accounts generating yearly external revenue above € 10 million. Client managers are in place for all other Consulting & Systems Integration clients.

The role of Consulting & Systems Integration client partners and managers is to identify and address growth opportunities while increasing customer intimacy and value. As a consequence, the customer satisfaction (overall customer satisfaction, net promoter score) has reached levels above expectation and in line with 2016 ambition.

All GBU and global Market Heads are now in place and supported by enterprise architects and solution managers specialized in their respective markets. Each Consulting & Systems Integration client partner or manager reports either to a global and/or local Market Head.

Consulting & Systems Integration GBU Sales Directors have been appointed to drive all Consulting & Systems Integration sales population and ensure C&SI GBU account planning and execution. A Global Consulting & Systems Integration Sales Director driving all Consulting & Systems Integration GBU Sales Directors has been nominated to drive Consulting & Systems Integration large deals, and ensure account planning and execution.

C.3.4 Perspectives

Our future strategy is based on a *Simplify and Strengthen* agenda as a cornerstone to stabilize and grow.

Our ambition is to do this while improving our margin and maintaining a high level of customer satisfaction through excellence in delivery, innovation and agility. To do this we need to understand how the market is changing and what that means for us. Then we need to ensure we have an organization in place that allows us to deliver our ambitions and a plan of when we can begin to see the results. We are constantly looking at ways to reduce our costs to maintain our competitiveness in the market and becoming more flexible as a partner. The focus will be on Pivotal; Salesforce; Pega; ServiceNow and Typesafe and we will work together with sales & markets, alliance management and the practices. To get them most benefit of our investments, we will restrict the number of new alliances to be managed as C&SI strategic alliances and we will use Atos' Global C&SI team to cross-check these against overall interest to the business. A key objective is to use more solutions which are re-usable to optimize our investments and we will work closely with other parts of the business to share information and investment opportunities. We continue to invest more in our people – in personal development, reskilling and upskilling, improving motivations, morale and enhancing customer satisfaction.

We will focus on 10 Top Accounts with increased and dedicated Exec support within the accounts. The Top 10 Accounts include Siemens, Xerox, Nokia, Renault Nissan, Sanofi, Coca Cola, Orange, Phillips, European Union and NATO. Our objective is to increase both cross-selling and up-selling by ensuring that everyone in the business understands our broad portfolio of services.

C.3.5 Address the market challenges

Several key initiatives have been identified as part of *Simplify and Strengthen* in order to help organizations to meet the changing challenges in the market such as the increased demand for fast response to business issues and a proven global presence while retaining the ability to deliver at local level. The initiatives are focused on areas which will help increase our financial performance, ensure we concentrate on growth in Top Accounts, demonstrate our capability to innovate and improve effectiveness through key process definition and the use of best practice tools.

C.4 Big Data & Cybersecurity

The "Big Data & Cybersecurity" Service Line gathers the Big Data, Security and Mission-Critical Systems expertise developed by Atos and those brought by Bull acquisition. The integration of all these competences within a single Line of Service does not only position Atos as a leader on the high-potential, high-growth Big Data, Cybersecurity and Defense markets. It also positions Atos as a pioneer of the insight platforms that will be at the heart of tomorrow's business information systems, notably with the development of the Internet of Things.

By combining secure capabilities to collect massive amounts of information, to make prescriptive analysis and to manage the decision processes, these platforms will be at the heart of the next generation strategic Information Systems, supporting key business applications to grow customer experience, accelerate business reinvention, streamline operational excellence and strengthen trust & compliance.

This advanced know-how meets critical customer challenges in today's digital transformation. It makes Atos the trusted partner of organizations that intend to leverage the benefits of the new "Economy of Data" that is rising today, in a world where physical and digital universes blur, notably through the development of "smart technologies" and of the Internet of Things.

The Service Line relies on R&D teams whose expertise is recognized internationally and strongly contributes to the development of Atos technology portfolio, under the *"Bull, Atos Technologies"* brand.

The R&D engineers from the "Big Data & Cybersecurity" Service Line are registering every year multiple new patents and propelling Atos amongst the most innovative digital groups in Europe. As a result, the Group increases its Intellectual Property, and its replicable, high-value added solutions and services in all verticals: Aerospace, Defense, Finance, Healthcare, Manufacturing, Medias, Public, Retail, Services, Telcos, Transports & Utilities.

C.4.1 A strong added value at the heart of digital transformation

The Service Line brings, under the Bull Atos technologies, to Atos customers a unique expertise on the market: its end-to-end secure mastery of the data lifecycle, with massive analysis and decision capabilities that are quite unique in the world.

Under consistent governance, the Line of Services is structured in 3 complementary activities that address 3 large markets: enterprise analytic platforms ("Big Data"), Cybersecurity, and Defense & Homeland Security ("Critical Systems"). It relies on Atos sales forces, market footprint and partners. It also works closely with other Atos Service Lines, to which it brings its specific solutions.

C.4.2 Big Data: the expertise of extreme performance to unleash the value of data

The "Big Data" division positions itself as the European leader in HPC (High Performance Computing) and Big Data, and a pioneer of next generation analytic platforms ("insight platforms"). These domains represent a strategic, very high growth market in the world of information technologies.

This unique technology expertise in Europe today, combined to Atos expertise in vertical markets, and to the Group know how in integration of business information systems, enable Atos to position as a leader on the high growth Big Data, high-performance infrastructure and IT modernization markets.

- **Analytic and Big Data software and services.** Through its expertize centers in parallel computing and in Big Data, the division designs on-measure analytic, Big Data and simulation algorithms and platforms. These offerings rely on the Service Line global mastery of the data management chain (from acquisition to decision-making) and of the various analysis modes that can be used, depending on business context and needs (real time event processing, complex analytics, massive data analysis, semantic analysis, statistical analysis, data modeling and simulation). This breadth of offerings enables customers to unleash the value of data and get true competitive advantage in all strategic domains of customer relationship, business reinvention, operational excellence and trust & compliance, in all verticals.
- **High-performance infrastructures and servers.** Recognized as the #1 European player in High Performance Computing (HPC), the Line of Services is one of the very few players of reference worldwide in HPC, designer, maker and integrator of numerous of the most powerful supercomputers worldwide. With Bull Sequana X1000, the Line of Service has announced in 2015 its exascale-class supercomputer, first of a series that will provide a computing power a thousand times superior to the one of current systems on the market. This computing power will enable to increase the quality and speed of digital simulations for both research and industry, and to manage the exploding data volumes in all verticals, so as to be in a position to tackle the 21st century socio-economic challenges. This expertize applies also to the domain of enterprise computing servers, notably with the bullion offering. Also recognized as the #1 European solution in large open servers, bullion enables real time analysis for very large data sets, notably for new generation "in memory" software such as SAP HANA, the SAP New Generation technologies, for which bullion supports the largest implementation worldwide. Bullion also targets intensive computing usages such as the consolidation of new generation converged infrastructures for "datalakes", private clouds & virtualization.
- **Legacy modernization solutions**. The division provides new generation servers and software solutions that enable to

leverage existing Bull GCOS mainframe environments for the long run, and migrate competing mainframe environments (notably IBM) towards open environments. As a whole, these solutions enable organizations to leverage their historical application and data capital, while increasing business agility and reducing costs.

Atos expertise in High-Performance Computing and in Big Data is recognized worldwide. This R&D activity is working in a tight cooperation on the development of advanced programs with the CEA (Commissariat à l'Energie Atomique) recognized as the best reseach public body in the world, notably thanks to its participation to major worldwide or European innovation programs, such as the ETP4HPC technology platform, the PRACE program, the Ter@rec European center in digital simulation, the French “investissements d'avenir” in Big Data, the Industrial Analytics (IDA) program jointly led by Atos and Siemens, as well as strategic and technology partnerships with EMC and VMware. These technologies integrate seamlessly with security solutions and services from the Service Line, to ensure the total security of insight platforms, and create the trusted strategic systems of tomorrow.

C.4.3 Cybersecurity: the expertise of extreme security for business trust

In the security domain, the Line of Service associates Atos Cybersecurity Services expertise from Atos with the technological know-how and the security products from Bull. It positions therefore Atos as the 1st European player and as a world-class leader in digital cybersecurity, in a high-growth market.

The division includes three activities:

- **Consulting and integration services.** These services enable organizations to audit their security and compliance levels (PCI DSS, ISO 27001, etc.), to define and integrate the most adapted security policies and solutions – depending on their business context and needs – relying on Atos high value added security products;
- **Cybersecurity products.** Atos is recognized as the major European player in identity and access management (directory, user provisioning, access control…) with its Evidian offerings, now incorporating DirX offers from Atos. This high growth strategic domain enables organizations to manage their employees and customers with a high level of protection, compliance and trust. Atos also positions as an innovative player in secure communication and infrastructure solutions, with its high-security encryption offerings (TrustWay, Crypt2Protect…);
- **Managed Security.** Relying on a dozen Security Operation Centers (SOC) throughout the world, these “Security as a Service” offerings enable organizations to ensure a constant security watch and protection, and to react immediately in case of attack attempt. These services include cyber risk management (AHPS, CSIRT), platforms protection, perimeter protection, and secure information and identity management.

This end-to-end security expertise, strengthened by a very active R&D in Data and Internet of Things security, is completed by Atos expertize in analytics technologies. They enable to set up predictive and prescriptive security analytic solutions that are very innovative on the market. For its customers, Atos can therefore manage the whole security process, from consulting to operation, and position as a trusted partner of organizations, meeting both the concerns of security specialists, executive management, and business functions. Since september 2015, this division announced a strategic partnership with Airbus Cybersecurity in order to build the most powerful and specialized Group in Cybersecurity in Europe.

C.4.4 Critical Systems: the expertise of extreme safety for mission-critical activities

The “Critical Systems” entity position itself as a major player in Defense, Homeland Security and Critical Systems in Europe. The Division includes three activity domains:

- **Defense, Homeland Security and Electronic Protection Systems.** The activities include innovative Atos solutions in Defense Information Systems (notably battlefield management systems), Homeland Security (border control, critical communications, emergency management…) and electronic protection solutions (Communication Intelligence, Electronic Intelligence, jamming for protection against Radio Controlled Improvised Explosive Device…);
- **Critical Systems solutions.** These activities offer targeted solutions in aeronautics (avionics) and transports (communication systems, maritime navigation…);
- **Services in outsourced Research & Development.** These activities include R&D services in electronic and micro-electronic equipment, hardware and software, security engineering, etc. that are provided to customers as well as to other entities of the “Big Data & Cybersecurity” Service Line.

Atos expertise in this field is highlighted by innovative developments in electronic war (Comint, Elint, reactive jamming to neutralize drones or radio controlled explosive devices) and large projects such as the Scorpion Information System project, which intends to create new the operational command systems for the French army. The entity also benefits from a strong convergence with analytics, HPC and Big Data technologies, to create the intelligent defense and homeland security systems of tomorrow.

C.4.5 Perspectives

As a whole, the “Big Data & Cybersecurity” Service Line offers Atos new growth opportunities on the high-value added markets of Big Data, Security and Critical Systems. It also positions Atos as a world-class pioneer in tomorrow’s insight platforms, which are at the heart of digital transformation and of the Internet of Things revolution, in synergy with Consulting & Systems Integration, Managed Services, Canopy and Worldline. These activities are supported by a very active R&D and by the development of the “Bull, Atos Technologies” brand. These activities fully support the Atos Group strategic development and its ambition to become the trusted partner of its customers for the digital transformation.

C.5 Cloud & Enterprise software

C.5.1 Canopy offerings

This past year revealed a growing trend within our customers to deploy comprehensive cloud strategies and cloud frameworks, many of them hybrid in nature:

- adoption of a hybrid, multi-cloud strategy, combining various public clouds and private clouds in one global approach;
- progressive deployment of a hybrid, bi-modal approach to IT, continuing to develop traditional enterprise systems (usually called “systems of record”) while also accelerating the development of cloud-native applications for customer front-ends (usually called “systems of engagement”);
- shift of the role of internal IT to the one of a “service broker” governing all business services being provided to the internal Lines of Business and to their customers.

The Canopy offerings fully address these emerging trends and allowed Canopy, in 2015, to deliver innovation in business services and faster time to market while improving operations through flexible pricing models. Canopy services continue to be based on open standards (with a growing proportion of Open Source components), providing customers with a choice of preferred technologies and the flexibility of running solutions on or off-premise depending on business needs. We detail these services below.

Canopy Mission Statement

Canopy formulates its mission statement as follows:

As a leading cloud integrator, our mission is to engineer and manage cloud solutions to enable the digital transformation of Atos’ customers.

The mission statement reflects Canopy’s position in the market at a time when cloud computing is playing a more significant role in digital transformation of businesses worldwide.

We believe cloud computing has the potential to make significant contributions to digital transformation in three key areas:

- Cloud computing allows enterprises to improve their operational efficiency through the implementation of an IT infrastructure that delivers significant improvements in agility and flexibility, allowing the deployment of new services at a very rapid pace. Certain cloud technologies such as business-driven policies for IT automation and self-service play a key role in these developments;
- Cloud computing proposes a modernized approach to customer and user experience driven by mobility and collaboration, allowing access to information anytime and from any location in the world;
- Cloud computing drives the rapid emergence of new, web-native application landscapes that can deploy, scale and evolve very quickly so that our customers can reinvent their businesses in a very competitive landscape.

Canopy’s mission is to bring the value from these three areas into a global approach with engineering, operation and orchestration of innovative cloud platforms and services that build on Atos’ global capabilities in professional services, application transformation and strategy consulting. Our customers will therefore be able to make the most of the unrivalled business agility and cost optimization offered by the cloud at any stage in their digital transformation journey.

Canopy Hybrid Infrastructure Platforms

Canopy provides a comprehensive range of secure and resilient, managed, private and shared IaaS Cloud services offering enterprise customers an integrated user experience with a choice of platforms, SLAs and service management options.

Our cloud services may be deployed in a hybrid manner, with our private and shared cloud solutions forming the foundation of a hybrid cloud that may be enriched with third party public cloud infrastructure environments such as VMWare’s vCloudAir and Amazon Web Services.

As recognition of this capability, in May 2015, Canopy was the first cloud integrator to announce certification status for enterprise hybrid cloud implementation under the EMC Federation Enterprise Hybrid Cloud initiative.

Canopy Application Orchestration

A majority of our customers are now deploying a bi-modal approach to IT, while taking full benefit of the cloud. This calls for three major objectives to be addressed:

- native cloud applications must be easily developed and deployed at scale on a variety of cloud execution platforms, with full portability and reversibility;
- traditional enterprise applications must be selectively transformed so that they may take full benefit of the scalability and cost models of cloud platforms;
- traditional and cloud-native applications must be fully integrated at API level in order to provide a complete and competitive service to Lines of Business and customers.

Canopy Application Orchestration solutions fully address such requirements, as they provide a foundation to deliver, deploy and scale applications across a variety of cloud execution platforms.

Based on Cloud Foundry, the industry standard and Open Source platform for cloud applications, our Canopy Cloud Fabric solution accelerates time-to-market through:

- creation of cloud native applications using a range of development and application services;
- deployment of applications to in multi-cloud environments;
- delivery of application updates without downtime;
- full application scalability.

As an application orchestration engine, Canopy Compose accelerates the development and deployment of a wide variety of enterprise application landscapes enabling organizations to significantly improve operational efficiency and quicker time-to-market.

Canopy Compose contains a catalog of rapidly deployable, standardized application infrastructure environments called blueprints that simplify and standardize application deployments to various target cloud platforms. Canopy compose then orchestrates and manages the deployment of these catalog items to multiple clouds.

Canopy Business Solutions

Canopy provides customers with ready-to-deploy Software as a Service (SaaS) solutions based on software from Atos and Tier 1 Independent Software Vendors (ISV), accelerating the deployment of new functionalities. The advantages of SaaS include a transparent and predictable cost of ownership and the ability to scale to meet evolving business requirements. These solutions contribute to major increases in productivity, enabled by intuitive user experiences, and are delivered through Atos' Consulting & Systems Integration capabilities.

Notably, Canopy provides a fully integrated analytics and Big Data platform that strongly accelerates the deployment of advanced services in target vertical industries such as manufacturing or retail.

Security

Canopy's products and services integrate service management, compliance and workflow automation with best-of-breed technology components supplied by VMware and EMC, companies that build security into every single element of their product designs. Hosted in secure Data Centers owned by Atos, the security of Canopy's solutions is guaranteed by recognized standards such as the information security standard ISO 27001 and the Cloud Security Alliance. What's more, Canopy solutions are secured with 24/7 security monitoring and a full range of service management options and SLAs to deliver robust, secure and globally scalable platforms for enterprise mission critical workloads.

C.5.2 Market adoption

In 2015 Canopy has consolidated its lead in cloud services, and delivered significant cloud transformation solutions through a strong cohesion with other Atos Service Lines such as Managed Services and Consulting & Systems Integration.

Now a fully integrated entity within Atos, Canopy in 2015 has been redefining its sales and delivery model through a deeper integration with Atos. This enabled the delivery of complete cloud transformation projects to the Edith Cowan University in Australia or to a major manufacturing company in Europe. Such projects always involve different cloud platforms, various delivery models, and a structured approach to service governance, management and operations.

Our transformation services are based on the capabilities of Consulting & Systems Integration (application transformation and migration) and Managed Services (infrastructure workload migration) as well as the expertise of Atos' cloud consulting teams. These services help our customers achieve tangible benefits from the cloud value proposition through business and technology expertise and a broad partner ecosystem.

Finally, Canopy is working closely with its strategic partners and ISVs to rapidly develop its business through joint go-to-market activities, leading to significant successes in its main markets: North America, United Kingdom & Ireland, Benelux & the Nordics, France, and Germany.

C.5.3 Business impact

With € 552 million cloud revenue in 2015, Atos is the European leader in enterprise and government cloud. Cloud computing is the keystone of digital transformation for our clients. As the cloud brand of Atos, Canopy is a center of expertise and a change agent, developing solutions that address key challenges around infrastructure transformation, application transformation and global service orchestration. In 2015 Canopy, the Atos Cloud, focused its efforts on delivering a hybrid cloud platform, providing access to a large range of cloud platforms (private, virtual private and public) through a unique, cloud-agnostic orchestration layer. Our hybrid cloud model allows our clients to transform their business with maximum flexibility and agility, offering cloud deployment scenarios for all applications in their service portfolio. As a direct result, Atos has implemented hybrid cloud projects over 2015, including delivery of one of the largest hybrid clouds ever, providing global infrastructure transformation and application workload migration

C.6 Worldline

Worldline is one of Europe's leading providers of electronic payment and transactional services. With over 40 years of payment systems expertise and operations in 17 countries, including across Europe and in several emerging markets in Latin America and Asia, Worldline operates across the full extended payment services value chain, providing a large range of payment services and business solutions services to financial institutions, merchants, corporations and government agencies. Worldline works closely with its clients via the delivery of services, typically under long-term contracts where it receives fees for the initial implementation of the solution as well as recurring revenues over the life of the agreement based on business transaction volumes or transaction values. Its strong culture of innovation allows it to help clients enhance their existing services and harness advances in technology to create new markets and services.

The origins of Worldline's business date back to 1973, when Sligos, a company formed in 1972 and later incorporated into Atos, was awarded the first contract in history in France to process card-based banking transactions at the time the Carte Bleue credit card system was implemented. Worldline, in its current scope, was set up in 2013, after Atos announced in February 2013 its intention to spin off all of its electronic payment and transactional services activities into a single subsidiary named Worldline. That project was completed in December 2013 and was followed by the initial public offering of Worldline in June 27, 2014. The purpose of the initial public offering of Worldline was primarily to enhance its financial and strategic flexibility in order to accelerate its development and to strengthen its position as an electronic payments and transactional services industry consolidator.

Worldline has announced on November 3, 2015 an agreement with the Equens group aiming at strengthening its pan-European leadership in payment services. Equens is a prominent European payment services provider, headquartered in Utrecht, Netherlands, with estimated c. € 305 million 2015 revenue[1]. This transaction will provide the enlarged Worldline Group with a highly comprehensive pan-European footprint, with leading positions and offerings in key geographies (France, Belgium, the Netherlands, Germany, Italy, the Nordics).

This transaction is structured in two components:

- an asset/share deal in Financial Processing, by merging the processing activities of the two companies in Europe to create "Equens Worldline Company", to be owned 63.6% by Worldline and 36.4% by the current Equens shareholders;
- a deal in cash in Commercial Acquiring, where Worldline will acquire 100% of PaySquare from Equens for € 72 million.

The closing of this transaction is expected in the course of the second quarter of 2016 and is therefore not reflected in the 2015 financial statements of Worldline commented hereafter.

In 2015, Worldline generated a contribution to Atos' consolidated revenues of € 1,176 million and with an operating margin of € 174.9 million.

Worldline's objective is to progressivelly accelerate the annual organic growth rate of its revenues over the 2014-2017 period. In parallel, Worldline plans to continue optimizing its costs in order to achieve by 2017 an objective of an OMDA margin of approximately 250 basis points above the 2013 level (which was 18.2% on a pro forma basis). To reach these objectives, Worldline will rely on its strategic plans and competitive advantages in each of its global business lines, in order to take full advantage of the rapidly growing electronic payment and transactional services market. This strategy is centered on the following priorities:

- further expand into higher growth payment segments to secure long term growth;
- capture strong cross-selling opportunities within existing customers;
- extend international footprint;
- leverage the strength of the brand and its leading position to attract new customers and optimize scale efficiencies;
- pursue strategic acquisitions;
- maximize efficiency of operating platform through the implementation of two important and interlinked efficiency and standardization programs, "TEAM" and "WIPE".

Worldline operates with one global factory that leverages its increasingly integrated infrastructure platform to support its three global business lines contributing at circa one third each.

1 Revenue net of interchange fee and adjusted for renewed contract terms with Equens' shareholders.

C.6.1 Merchant Services & Terminals

Merchant Services & Terminals global business line offers merchants a range of services around payment that help merchants building customer intimacy and to complete a transaction when customer is willing to engage, while optimizing payment-related activities. Worldline supports merchants at each step of their relationship with their customers – before, during and after the sale. Digital omnicommerce services and in-store, online and mobile payment acceptance solutions enhance merchants' ability to offer compelling and seamless omnichannel and cross-channel shopping experiences in stores, online and via mobile devices. Worldline also offers a range of data analytics and private label card and loyalty services that help Worldline merchant clients mine the rich data generated by a client's payment history to better understand customer needs and provide targeted offers. Worldline currently provides services to merchants, from micro merchants through to large international enterprises. Key services offered to merchants through this global business line include commercial acquiring and associated value-added services, online services including data analytics and omni-channel solutions for e-merchants, payment terminals, private label cards, loyalty programs, sales promotion services and self-service kiosks.

C.6.2 Financial Processing & Software Licensing

Financial Processing & Software Licensing global business line, delivers solutions that allow banks and financial institutions to manage cashless payments by outsourcing some or all their operational processes involved in issuing credit and debit cards, processing electronic payment transactions (both issuing and acquiring), offering multi-platform online banking services (including online banking e-payments) to their customers, and providing new payment options such as electronic wallets. Worldline offers banks solutions to address a challenging and evolving regulatory environment by leveraging its industrial scale processing operations and provide innovations that support alternative pricing models. Worldline is one of the few processing services providers to cover the full extended payment services value chain. In addition, Worldline offers banks and financial institutions that prefer to perform processing in-house a range of payment software solutions on a licensed basis.

C.6.3 Mobility & e-Transactional Services

Mobility & e-Transactional Services global business line goes beyond the Worldline traditional client base of merchants, banks, and financial institutions to address the needs of private and public sector clients developing new solutions and business models that take advantage of the digitization of the physical world, thus addressing new markets Worldline believes will generate significant additional payment transaction volumes in the years to come. Worldline leverages its expertise in the areas of payments, processing large transaction volumes and data analysis to help provide solutions for companies and government entities facing the challenge of strategically transforming their operations through new digital services. The Mobility & e-Transactional Services global business line focuses principally on three sectors that Worldline believes have the potential to generate significant additional payment transactions: (i) Transportation, which includes electronic ticketing, automated fare collection and journey management services; (ii) e-Government Collection, where Worlldine's platforms provide paperless secured systems for better public services; and (iii) e-Consumer and Mobility, which includes connected living, machine to machine connectivity, and contact and consumer Cloud services.

D

Corporate responsibility

D.1 Sustainability for a Tier 1 Digital Leader

D.1.1 Building an integrated thinking

[G4-2]

D.1.1.1 Market opportunities & risks

[G4-2] and [G4-DMA-Economic performance]

By integrating corporate responsibility and sustainability principles into operations, Atos firmly believes that it can better achieve its business objectives. In particular, Atos sees the XXIst century's digital revolution as a great enabler in advancing these goals.

Responding to the sustainability challenge

Sustainability has been an important issue for many years, with the attention of the public and policy makers focused very much on the threats to health and economic well-being posed by environmental damage and the scarcity of raw materials like fossil fuels. In response, many governments and companies are deploying comprehensive and demanding sustainability policies.

The 2005 World Summit on Social Development described the three main components of sustainability as being Environment, Economic and Social and these hold good today. The first component covers air pollution, acid rain, as well as water and other natural resources, biodiversity, clean energy, agriculture and food. Nowadays the theme of Climate Change is perhaps the predominant concern.

The economic component includes not just environmentally-friendly practices that reduce costs, such as energy efficiency, but is further encouraged by the "economization of environmental/social aspects of sustainability", where government policies enable positive financial impacts for those that engaged in sustainable behaviors (e.g. by subsidies) or penalize non-sustainable activities through levies and taxation.

Whilst over the last few decades, companies have focused on the direct economic aspects of sustainability (e.g. minimization of energy consumption helps reduce costs and therefore generates Return on Investment and profit), today we face the social challenge that responsible citizenship is needed to ensure on-going quality of life and the overall society´s progress.

However, those who need to invest in the required long-term technologies, solutions and polices are not likely to be those that will be able to benefit from them. The social aspect of sustainable development thinking becomes a key success factor for our planet's longer term future wellbeing.

The Third Digital Revolution

Atos sees that the beginning of the XXIst century as a 'Third Digital Revolution' which relates to the digitalization of the economy through the application of technologies sometimes referred to as SMAC (social, mobile, analytics, and cloud).

This revolution will arguably create as much disruption and potential for positive change as the invention of writing around 3200 years BC; and the invention of movable type between the 11th and the 15th century in China, Korea and Europe.

We are already seeing a huge volume of data created by both social networks and Internet of Things – in fact it is predicted that every year we will create as much data as we have during the whole period since writing was invented. By 2018, we anticipate 4.5 billion smartphones, 25 billion connected objects and more than 2.5 billion of us engaged in online Social Networks. With the consent of users, this data can be used by business partners to offer personalized and contextualized services back to the users.

In its latest publication, Ascent Journey 2018, the Atos Scientific Community considers unlocking such insights will enable us to discover patterns for more sustainable behavior such as:

- Improving forecasts of natural events or disasters;
- Optimizing global agricultural production and food supply;
- Anticipating traffic congestion and managing low emission zones;
- Limiting energy production up to the precise needs of consumers;
- Discovering defects in, or imminent failure of specific product components, allowing preventive maintenance that avoids failure and more costly repair/replacement.

Whilst it is clear that delivering such a connected world and managing the resulting data will in itself impose an environmental load, the rigorous application of 'Green IT' techniques like virtualization, efficient hardware components and free air cooled Data Centers will help ensure minimal impact.

In most cases, there are tangible positive economic benefits to derive from sustainable approaches to business: less waste, less energy consumption, time saved, as well as attracting consumers who are motivated by environmental concerns.

In the Social sphere, the Digital Revolution will genuinely change the game, making possible a new model of society, based on sharing – a key principle of sustainability thinking. For example, the economy of sharing will rise through ad-hoc social networks, customer demand driven projects encouraging further growth for example in the already established sharing market as cars, apartments, etc. Smart Cities, enhanced by mobility, social networks and connected objects, are not only an efficient way to manage a city and improve its environmental footprint; they also enable a new era for citizen engagement.

Industry 4.0 will be also a major step towards the reinvention of work as work becomes more collaborative, flexible and agile. The workplace will adapt to specific and changing needs with work increasingly becoming a thing we do rather than a place we go.

Finally, the digital revolution is also an opportunity for emerging countries to leapfrog the constraints that are all too common in the "legacy burdened" old world. But there is an underlying question: how do we make sure they avoid similar mistakes to those made by the lead nations in the first industrial revolution? Atos is working actively to answer this question by viewing the current digital revolution as a platform to promote sustainable economic growth. In this spirit, Atos is setting up a digital platform in Dakar to cover clients' needs in West Africa and beyond.

In 2015, during the COP21 conference in Paris, Atos has organized a dedicated event to "Digital Transformation in Africa" to address main challenges African countries are having in their digital journey strengthening the commitment Atos has with this emerging continent.

D.1.1.2 Vision, strategy and governance

[G4-34], [G4-35], [G4-36], [G4-37], [G4-42], [G4-43], [G4-45], [G4-46], [G4-47] and [G4-48]

Atos' ambition is to be recognized as a responsible European IT champion with global reach, providing support to our customers to reinvent their models of future growth at a time of massive change, which is affecting them financially, technologically, environmentally and socially.

Corporate responsibility is at the core of Atos business strategy, fully aligned with the Group determination on getting growth targets over the 2014-2016 period in a sustainable way.

Next step is to build the 2020 ambition where some commitments as carbon reduction targets has already been set up following the resolutions of last COP21 hold last December in Paris.

Integrated thinking is applied from the decision-making phase to the definition of strategic action plans and performance dashboards that enable the creation of value over the short, medium and long term.

The Digital revolution is mainly driven by consumer attitudes and expectations. Empowerment of individuals by technologies will enable more responsible patterns of buying, consumption, behaviour and action. Core to Atos approach is a deep understanding of our clients' priority challenges and opportunities, aligned to a rich breadth and depth of our world-class expertise and our applied solutions.

Atos 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, connect company success with social progress. Atos ultimate mission is the pursuit of financial profitability with a responsible social and environmental impact.

To achieve this, **Atos Corporate Responsibility strategy is based on three strategic axes**:

Sustainability leadership in the digital journey

Sustainability is part of Atos innovation process, enabling the creation of new offerings in different fields of expertise as energy and carbon management, risk management, social collaboration, operational efficiency, green Data Centers, cloud, security, Big Data, mobility, smart cities, digital citizenship, data protection, etc to continuously help our clients to get business objectives with a responsible angle.

By making sustainability part of Group´s business and the IT transformation process, Atos is convinced that its clients can better future-proof their organization, create new opportunities, encourage innovation and ensure competitive advantage.

Consolidate and increase Atos positions in recognized sustainable rankings such as the Global Reporting Initiative (GRI), Great Place to Work, and extra financial ratings (DJSI, FTSE, etc.) is a continuous exercise for Atos to challenge its corporate performance and consolidate credibility in the market. Numerous awards received during the year in different areas show the increased worldwide commitment of the Group and ambition to consolidate position within best-in-class companies worldwide.

Corporate responsibility at the core of Atos business and processes

Atos drives sustainability in company's DNA through corporate values, innovation, green operational excellence, social responsibility and business development. Atos has also developed robust systems and procedures to embed corporate responsibility consistently and effectively in its business operations following integrated thinking and reporting principles.

Corporate responsibility matters are specially embedded in Atos risks and opportunities management, compliance requirements, quality and customer satisfaction processes and human capital management.

Atos aims to progressively set corporate responsibility in day-to-day employees working life no matter or where they are located. Continuous efforts are made to bring all the regions with a coherent approach that strengthens Atos positioning as a multinational group integrating local needs and concerns.

Identifying challenges, establishing priorities, measuring performance

Atos sets to itself the ambition to strengthen open stakeholder dialogue in order to endorse strategic challenges for the Company as well as key performance indicators that will measure and publicly report the advancements of Atos Corporate Sustainability program.

The review of the challenges is yearly undertaken through a materiality assessment that prioritizes the areas where the Group must focus on incorporating best practices in the market, trends in the ICT sector and compliancy with existing regulations and international standards.

Today, there are four challenges that Atos is addressing in priority:

- Be a responsible employer;
- Generate value for clients through sustainable and innovative solutions;
- Be an ethical and fair player within Atos' sphere of influence;
- Manage the corporate environmental footprint.

Governance
[G4-42]

The General Secretary, member of the Group Executive Committee and reporting directly to the Chairman & CEO, supervises Atos Corporate Responsibility and Sustainability Program and provides guidance on the general strategy and the actions to be performed.

Atos Group Executive Committee is associated with the strategy and implementation roadmap of the Corporate Responsibility and Sustainability Program. On a regular basis, the Executive Vice-President, Group General Secretary in charge of Corporate Social Responsibility presents latest achievements and planned objectives both at global and regional levels on the environmental and social initiatives of the Group.

The Corporate Responsibility and Sustainability Program is part of Atos' Wellbeing@work global program aiming to transform the Group into a Tier 1 leader and one of the best companies to work with.

The Corporate Responsibility and Sustainability Office is a global entity led by a Program Director and composed of an international team of around 20 people, including 10 Group Business Unit heads of corporate responsibility, as well as representatives of Worldline and representatives of all support functions. Weekly and monthly workshops are organized to design, implement and monitor main axes of actions and targets follow up. Special channels are in place to facilitate communications across Business Units and regions.

Wellbeing@work Council and Scientific Community members are active think tanks feeding the program with innovative ideas and project proposals to strengthen corporate commitments and positioning in the market.

D.1.2 Atos' stakeholders approach

[G4-16]

Atos' corporate responsibility process is supported by ongoing dialogue with all stakeholders, including clients, employees, business partners and suppliers, as well as communities and public authorities. Stakeholder dialogue plays a critical role in business operations, whether by showcasing Atos' capacity for innovation, enhancing its appeal among clients, investors and employees, creating opportunities to develop services and solutions with high growth potential or protecting the Group's reputation.

Dialogue takes place at every level of the organization:

- At a global level, corporate headquarters teams serve as the primary interface for various international organizations and coordinate all the initiatives undertaken within Atos;
- At a country level, local teams strive to foster close ties with local stakeholders, especially national authorities.

The Atos' framework regarding relations with stakeholders has three main purposes:

- Mapping stakeholders' expectations;
- Prioritizing corporate responsibility issues in accordance with their relative importance to Stakeholders, likeliness to happen and their criticality to business operations;
- Defining Key Performance Indicators to be followed to assess Atos' CR performance.

This approach is defined according to several international referentials and standards such as the AA1000 Standards and the Global Reporting Initiative G4 guidelines on which Atos has based all its actions in order to:

- Structure its stakeholders' approach;
- Manage its annual materiality review;
- Guide its reporting process.

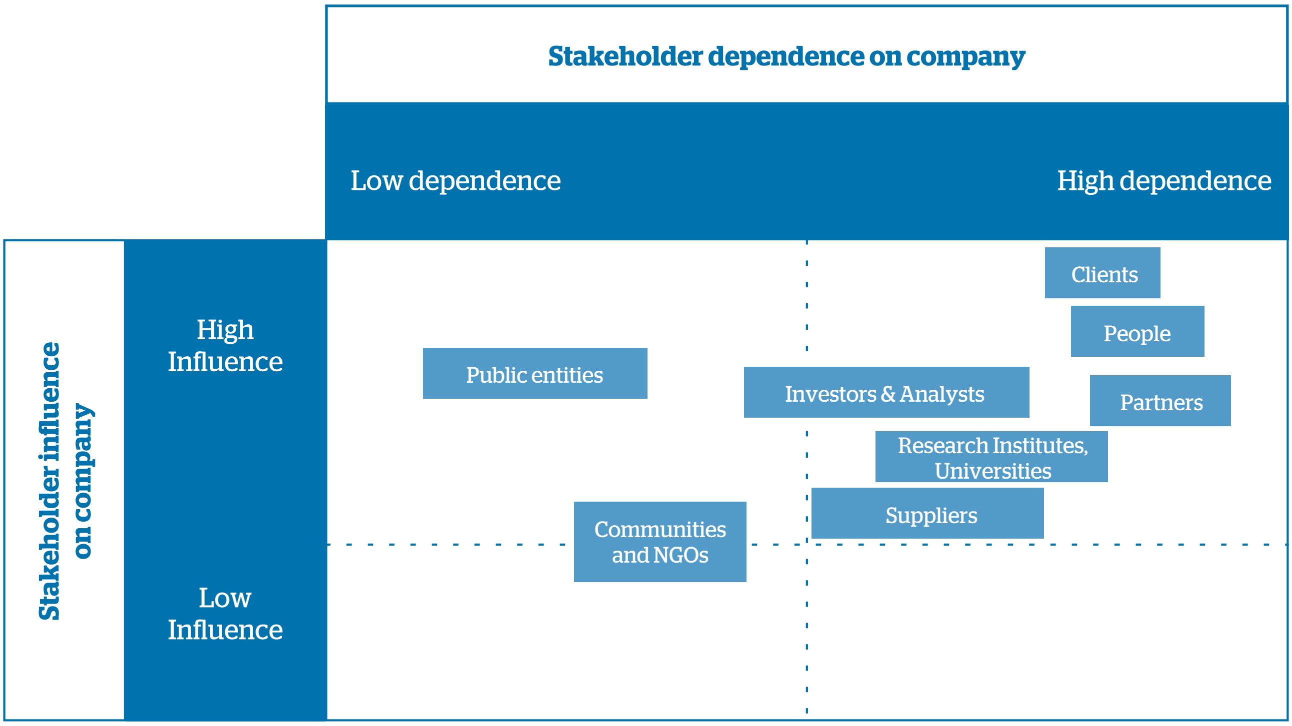
D.1.2.1 Mapping of stakeholders' expectations

[G4-EC8], [G4-24], [G4-25], [G4-27], [G4-37] and [G4-43]

The table below presents Atos' main stakeholders and their key expectations.

Clients	Investors & Analysts
Atos' clients expect to benefit from the right digital tools and expertise to meet their own challenges. In order to adapt and develop in a constantly evolving marketplace, their expectation for innovation is steadily increasing. They also rightly request a very high level of data protection.	Atos' Investors expect profitability and efficiency. They need to be informed about the Group strategy and its CR component(s) including achievements and objectives. Above all they request clarity and transparency.
Partners	**Internal stakeholders**
Collaboration with Atos' partners is key to face the challenges of the global IT sector and ensure the development of innovation. Atos works together with its **business partners, research institutes and universities** to face these challenges and help customers achieve their goals.	**Atos' employees** want to work in the best possible working conditions and to have the opportunity to evolve and grow inside the Company. They expect a genuine recognition for their work. The protection of their personal data is also key for Atos' employees. Internal stakeholders include young talent (selected members of the Juniors Group and the Wellbeing @work council) and management whose business activities are closely linked to Atos sustainability strategy and initiatives (global datacenter manager, HR).
Public entities	
Public bodies deliver administrative authorizations and determine the regulatory context in which Atos makes business.	
Suppliers	**Communities**
Atos' suppliers want to benefit from access to new markets, revenue growth and fair margins. They expect a long-term relationship and the respect of their contracts.	The main expectations of Society and **local communities** towards Atos include: socio-economic impacts of Atos' operations, job creation, new technologies and smart solutions enabling both progress and limited environmental footprint. **NGOs** can also have specific requests and seek for collaboration with Atos to share best practices and reach highest impact of initiatives at local level.

To define its level of engagement towards each stakeholder, Atos analyzes their influence on strategic topics and their dependence on the Company.



D.1.2.2 Stakeholder dialogue

[G4-25], [G4-26] and [G4-27]

Since 2011, Atos has annually organized a Global Stakeholders' meeting to review and openly discuss strategic topics on the sustainability agenda.

In December 4, 2015, a special session on Digital Inclusion was organized within an Atos event dedicated to "Digital Transformation in Africa" where experts shared their views on how Atos is contributing to avoid digital divide in the African countries and what are most relevant topics to be addressed in Corporate Responsibility Programs to secure digital equality, in particular, within the IT sector.

Atos has a four step-approach to engage dialogue with stakeholders:

- *Consult*: Atos consults stakeholders on its business, its sustainability strategy and its impacts;
- *Involve*: A step further, Atos occasionally involves its stakeholders in defining or deploying action plans;
- *Collaborate*: Atos develops long-term relationships with some of its stakeholders with the objective of collaborating on innovation and across the value creation;
- *Negotiate*: Depending on the influence of the stakeholders on the Company, Atos can engage negotiations to find the best approach for converging stakeholders' expectations and Atos business interest.

D.1.3 Atos materiality assessment and the Corporate Responsibility dashboard

[G4-18] and [G4-19]

Atos' Corporate 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 stakeholders' expectations. In this context, materiality analysis is a tool used to connect and prioritize financial and non-financial considerations. It permits Atos to focus on those issues that are truly critical in order to achieve the organization's goals, secure its business model and manage its impact on society.

Moreover, Atos aims to continuously progress towards a more accurate integrated extra-financial reporting by aligning with some guidelines from the International Integrated Reporting Framework. Atos Integrated report is composed of two documents:

- A Registration Document with the full set of Corporate Responsibility KPIs, including the results of the materiality assessment, which are fully integrated with Atos financial statement. This is a detailed document for the investor community, which complies with French Grenelle 2 law;
- A Corporate Responsibility report including main Corporate Responsibility KPIs and highlighting key initiatives and case studies related to Atos material issues. This report is an engaging document for the general public. It is based on the GRI G4 Guidelines, and contains a G4 concordance table linking with G4 information disclosed in the Registration Document.

For the fifth consecutive year, Atos fulfilled the requirement of GRI application level A+ for its Corporate Responsibility Integrated report. The overall report was externally assured by an external auditor. Atos has produced its 2015 Corporate Responsibility Integrated report 'In accordance' with G4 Comprehensive option. Atos has successfully completed the GRI Content Index Service. The overall process is assured by an external auditor. Atos aims to demonstrate that the extra financial performance disclosures are accurate and exhaustive in line with the GRI-G4 requirements.

Atos is also a member of the IIRC – International Integrated report Committee – network and directly participate on the work of its Technical Committee in order to assess how IT and new digital tools can effectively help to implement integrated reporting in quoted corporations.

D.1.3.1 Respect of the AA1000 standard [G4-15]

Atos Integrated Corporate Responsibility report was developed in accordance with the principles of inclusivity, materiality and responsiveness as defined in the AA1000 SES (2011) standard.

Inclusivity

Collecting and integrating the opinions of Atos stakeholders is key in defining Atos materiality assessment and key challenges. To ensure the Atos Corporate Responsibility strategy meets the expectations of its valuable stakeholders (employees, clients, partners, suppliers and shareholders), regular meetings and discussions are organized to share views and discuss the different activities of the Company as described in section D.1.1.3.2. The aim is to work together and by doing so to create a more sustainable environment for Atos, its main partners and the community as a whole. Since 2011 Atos has developed a more structured stakeholder dialogue to review its strategy and ambitions, and to accelerate the Company's actions and initiatives. This strategy was further followed up in 2012, 2013, 2014 and 2015, resulting in a yearly global stakeholders workshop addressing relevant subjects for Atos, and regular consultations with key interested parties during the year (investors, clients, unions, etc). As example, in 2015 the working meetings with the Societas Europeas Council (SEC) have been doubled compared with previous year.

Materiality

The sustainability challenges considered to be the most significant for Atos activities are selected on a yearly basis. Atos materiality assessment process is described thoroughly in section D.1.1.4.2 and D.1.1.4.3. The materiality assessment is established based on Atos' stakeholders' expectations as well as Atos' internal prioritization which is developed based on objective criteria related to its markets, opportunities and actions. Key stakeholders are invited annually to voice their opinions on what they consider Atos' material issues for instance via a stakeholder survey. There is an increasing attention focused on different stakeholders' expectations related to material issues. This is done not only to ensure that Atos can undertake in-depth discussions about its sustainability challenges, but also to ensure that stakeholder dialogue is mutually beneficial to the involved stakeholders.

Responsiveness

Since 2013 (2012 results) the Atos Registration Document contains the extra-financial KPIs that Atos monitors. In addition, a separate communication document, the Corporate Responsibility report, is produced annually highlighting the four sustainability challenges and focusing on the main KPIs that Atos monitors as well as interviews and case studies. Combined, these documents form an integrated response to stakeholders' expectations for information on corporate responsibility and material issues.

KPIs monitoring and reporting follow several methodologies explained in D.6.1.4 Methodological detailed information of this report and KPIs results are indicated in four tables related to the challenges. A cross reference table summarizing the list of management disclosures and KPIs is included in the Corporate Responsibility report.

D.1.3.2 Integration of new Global reporting initiative G4 guidelines [G4-18], [G4-23], [G4-47] and [G4-48]

In 2015, Atos consolidates the results of the passage from GRI 3.1 to G4 guidelines achieved last year. In 2014, an extensive material assessment was performed to confirm the most relevant topics (called aspects in G4) in order to review the prioritization of its sustainable issues and its strategic axes.

A series of internal interviews were conducted in order to evaluate the importance of each G4 aspect in relation to its significance for Atos business strategy, its relationship to existing regulations as well as its link with targets set by the Group.

For each aspect, an internal score and an external score were determined. All the aspects over a defined threshold for internal and external score were considered as material for the Group. Based on this exercise, fifteen G4 aspects were identified as material for Atos.

This global review confirmed that the issues previously identified in Atos sustainability strategic axes were still relevant. Nevertheless, it helped the Group to focus on more specific subjects and to reprioritize some aspects within this strategy. In this context, Atos decided to redesign its materiality matrix to be more precise and better connected to its specific activities and challenges than the Global Reporting Initiative-defined aspects. The materiality matrix presented hereafter better emphasizes the prioritization of Atos corporate responsibility challenges and restructures the strategic axes into four main focus areas according to these priorities.

Material issues and new strategic axes have been validated by the members of the Corporate Responsibility and Sustainability Program and approved by the Group Executive Committee. All the contributors involved in the reporting process were also informed of this update.

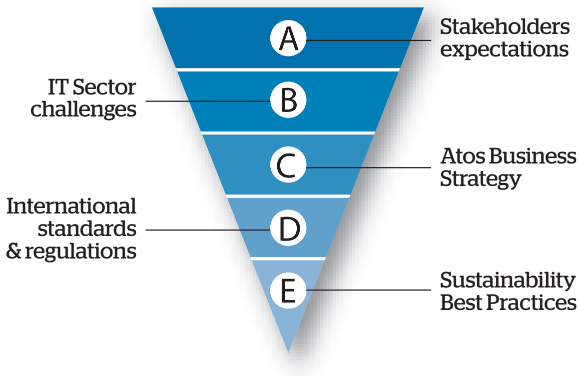
	Consult	Involve	Collaborate	Negotiate
Clients	Satisfaction surveys are regularly run with Atos main clients. Sustainability is raised as a topic in many of them. Regular talks and meetings with customers about sustainability issues happened on a GBU-level.	Some of the bigger clients have been identified to partake in Atos innovation workshop in 2015. On a GBU level, workshops about innovation on sustainability with clients were also held.	After each satisfaction survey, Atos develops an action plan, shared with Clients to secure that Atos properly answered their feedback.	In some GBUs, Atos offers several clients discount on the hourly rates when they allow Atos people to work from home. This minimizes the CO2 emissions' from travel by our Atos people in our value chain.
Investors	Several Investors that were participating speakers in the Atos Global Stakeholders Meeting, underlined that they were leveraging the leadership of Atos in the field of corporate responsibility and the increasing role of IT as a booster enabling sustainability.	In 2015, the IR department has totaled 13 conferences (Paris, Nice, Lyon, New York, Boston, London, Barcelona), 14 roadshows (France, US, UK, Germany) and with circa 450 individuals, regardless of continuous contacts with sell sides analysts.	Collaboration with 20 sell-sides through continuous contacts (phone calls, face to face meetings, emails…) and in particular at the time of the 4 periodic publications and 3 events (acquisition of Bull, Xerox ITO and IPO of Worldline).	With both Siemens and other key investors, Atos has specific working lines/on-going projects.
Analysts	During the Analyst Days in November 2013 and in June 2015, the Atos Ambition 2016 was presented to financial analysts, with CR topics being part of the Three Year strategy.	Rating agencies are invited to Atos global stakeholders meeting.	Atos has regular communications with main rating agencies in order to communicate results.	These regular communications do not lead to negotiations as it is not the role of interactions with rating agencies.
Employees	Great place to work survey Regular meetings with Societas Europeas Council (SEC). CR is part of the training material for new joiners in some countries, as in the Benelux.	Wellbeing@work Program The blueKiwi community Sustainability Passionates is used worldwide in order to involve employees in our environmental and social initiatives and to invite them to share best practices for sustainability at home (solar panels, etc).	CR topics are part of the regular meetings with the European Work Council (which became the Societas Europeas Council) to ensure a continuous social dialogue. Also, CR questions were asked in the Great Place to Work survey and the input of employees on Atos sustainability program is requested through several spaces in blueKiwi, the Atos Enterprise Social Network (e.g. "Sustainability Passionates" Community).	
Suppliers	Supplier partnership day Regular consultation and assessment on the Corporate Responsibility topics.	Corporate Responsibility is part of the supplier rating in bids (10%) and 44% of the spent has been analyzed on CR criteria through the Atos partnership with Ecovadis.		Suppliers are challenged to come up with innovative and sustainable solutions. Atos worked together with them to present these to clients.

	Consult	Involve	Collaborate	Negotiate
Partners	Atos regularly invites partners to stakeholders consultations globally and in the countries.	Atos organizes together with partners the IT challenge competition, for example last year about "the connected car" with Renault and this year about "the connected living" with EEBus.	Partners form a critical part of Atos sustainability ecosystem. Atos collaborates with SAP on the introduction of the SAP Sustainability Performance Management module (SuPM) for clear reporting on extra-financial indicators. Atos also collaborates with Siemens on specific sustainability solutions, such as Data Center Infrastructure Management and Low Carbon Emission Zone.	Participation in the French government's "Cloud roadmap" that was led by Thierry Breton, Atos' Chairman and CEO, in the European Cloud partnership and in European Commission's working groups.
Communities	Atos has done numerous innovative projects and programs having a positive impact in the society. Atos Corporate Citizenship program strategy is defined to enable voluntary contributions to social projects supporting them with IT solutions. Atos was official partner of the "Global Conference'" organized by The Planet Workshops.	IT Challenge is performed in close collaboration with Universities of main countries in which Atos operates NGOs are involved at regional level to set volunteering programs within the local communities.	Charities and local initiatives at GBU level Yearly, the Atos Consulting Young Professionals in The Netherlands do community work for one day. This ranges from helping the elderly for a day to improving a community center for young people in Amsterdam. Furthermore, Atos offers free IT for some sustainable projects. These projects are presented by and selected by the Atos employees.	

D.1.3.3 Identification and prioritization of relevant Corporate Responsibility issues

[G4-23]

Identification and prioritization of relevant topics



Since 2010, the Group has performed regular materiality assessments in order to identify the principal challenges that the market and key stakeholders consider as essential for Atos. As presented in section D.1.1.3.2, global communication with stakeholders is the first way to identify relevant topics. This prioritization was confirmed through the materiality review in line with the Global Reporting Initiative G4 guidelines.

A: Atos takes into account stakeholders expectations identified based on its regular communication with them (section D.1.1.3).

B: Atos collaborates with partners of IT sector partners to promote innovation and contribute to global thinking on sector-specific challenges of the sector.

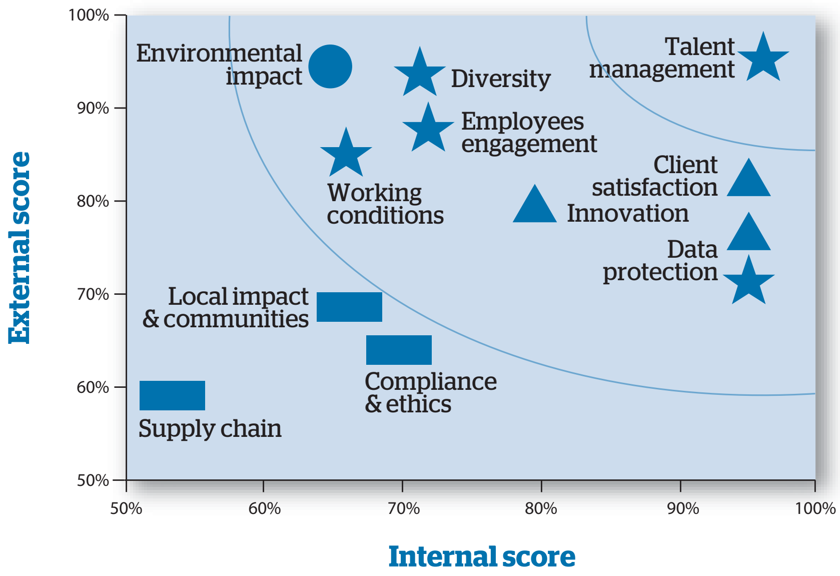
C: During the materiality review, several internal interviews were held with Atos managers to identify the impact of these stakeholders' expectations on business strategy and to challenge these expectations. These exchanges allowed for the inclusion in the materiality matrix some IT sector-specific considerations, which are not included in the GRI 4 guidelines. For instance, innovation, which was the main topic of our fourth Global Stakeholder Meeting, was especially integrated in Atos materiality matrix as a key issue. Moreover, Atos annually holds interviews with Executive Committee members, including GBUs managers, on the Group's materiality and corporate responsibility strategy. The main objectives of these interviews are to understand top management's commitment level, to understand specific local issues and to validate the materiality analysis.

D: International standards and regulations were also taken into account in the materiality review to help managers and the Corporate Responsibility teams prioritize the different challenges.

E: Finally, a benchmark against other companies in the IT sector allowed for the identification of sectorial best practices regarding sustainability strategies and reporting.

Atos materiality matrix [G4-1], [G4-2], [G4-19], [G4-27], [G4-DMA-Economic performance], [G4-DMA-Market presence], [G4-DMA-Indirect economic impacts], [G4-DMA-Procurement practices], [G4-DMA-Energy], [G4-DMA-Emissions], [G4-DMA-Employment], [G4-DMA-Training and education], [G4-DMA-Diversity and equal opportunity], [G4-DMA-Equal remuneration for women and men], [G4-DMA-Anti-corruption], [G4-DMA-Compliance], [G4-DMA-Product and service labeling] and [G4-DMA-Customer privacy]

The results of our analysis with both internal and external stakeholders, led to the design of the following Materiality Index which summarizes Atos' Corporate Responsibility challenges related to each key stakeholder group.



★	**Being a responsible employer** Be a responsible employer attracting and developing diverse people, promoting collaborative working and well-being at work.
▲	**Generating value for clients through sustainable and innovative solutions** Ensure a high level of client satisfaction by providing the most relevant services to transform business and anticipate clients' needs.
■	**Being an ethical and fair player within Atos' sphere of influence** Commit to conduct business in an ethical and responsible way in all of Atos' spheres of influence, including supply chain operations and developing local economies.
●	**Managing the corporate environmental footprint** Improve the environmental efficiency of operations by reducing their energy and carbon intensity as well as encouraging a transition to a decarbonized business.

As a result of the 2015 material assessment process, four focus areas were selected and reprioritized according to stakeholders' expectations. For each, Atos has a structured area of intervention involving the development of internal policies and strategies, the monitoring of objectives and the management of its performance. These four focus areas and their deployment rely on Atos' engagement towards stakeholders (cf. section D.1.1.3).

Being a responsible employer

Challenge	Material issues	Areas of action and objectives
At Atos, human capital and talent management are key assets to ensure employees' expertise and its effective use in providing high quality services (employee-related spending represents 53% of Atos' turnover). The main purpose of a People value chain is to ensure that the right people with the right skills are in the right place at the right time to deliver Atos' programs on time and at a high level of quality. It is also to ensure good working conditions and overall employees' satisfaction. Therefore, employees' commitment and engagement is critical to meeting client's needs. The capacity of the Group to fulfill its employees' expectations is key to develop its leadership and to build a strong brand to attract the best talents in the market.	The material issues for Atos in relation to its employees are: • Talent management; • Diversity; • Working conditions; • Employee engagement. Regarding G4 aspects, these main issues correspond to: • Employment; • Training and Education; • Diversity and Equal opportunity; • Equal remuneration for women and men. For more information on G4 aspects, see section D.6.1.	**People management:** Atos has developed a well-coordinated and optimized recruitment system, performance management, learning and development, mobility and succession, orchestrated by talent workforce planning. One of our main objectives is to ensure that 100% of our employees receive an annual performance and career development review. **Working conditions and employee engagement:** Atos launched a Wellbeing@work program which has the ambition to improve employees' working environment and their overall satisfaction as well as to promote the use of social communities and collaborative working. Employee engagement is tracked via the Great Place to Work survey. **Diversity:** Atos has deployed a Diversity program worldwide. in order to take into consideration and spread best practices around the globe on Gender equity, Disability, Seniority & other kind of diversity.

Generating value for clients through sustainable and innovative solutions

Challenge	Material issues	Areas of action and objectives
In an evolving world, Information Communication Technology (ICT) is not only a lever for optimizing operational and financial performance, but also an enabler for transforming the business, organizational processes and working methods. Atos creates inspired and innovative solutions to deliver increasing value for clients. This must be done in a way ensuring a high level of safety, security and data protection.	The material issues for Atos in relation to its customers are: • Client satisfaction; • Innovation; • Confidentiality and data privacy. Regarding G4 aspects, these main issues correspond to: • Product responsibility labeling; • Customer Privacy. For more information on G4 aspects, see section D.6.1.	**Client satisfaction:** Atos is committed to ensuring a high level of customer satisfaction and improving scores every year. This is closely monitored through specific customer experience programs. **Innovation:** The Group is continually strengthening its portfolio of sustainable offerings, and enhance sustainability in other Global Key Offerings. Innovation is encouraged via the development of relationships with industrial analysts and partners (SAP, Siemens, Bolloré, AO Studley, etc). Atos sets an objective of increasing the number of innovation-related workshops in 2016. Moreover, the Group is reinforcing the links between the Scientific committee members and its clients with an increasing number of meetings in 2016. **Data protection:** Atos has developed a comprehensive data protection approach that relies on the Group Data Protection Policy and the principle of privacy by design. A strong and permanent Data Protection Community and employee training on data protection are in place to ensure that these principles and procedures are effectively implemented. The overall objective is to reduce the number of incidents and to avoid any breaches of customer privacy and losses of customer data.

Strive for exemplary business within all of Atos' spheres of influence

Challenge	Material issues	Areas of action and objectives
The Group has to comply with an increasingly regulatory framework. This also means ensuring that business across the value chain is done in an ethical and responsible way. With its offers, Atos contributes to developing local economies; therefore, involving communities is critical.	The material issues for Atos in relation to its chain and local communities are: • Compliance and ethics; • Supply chain management; • Local impact. Regarding G4 aspects, these main issues correspond to: • Economic Performance; • Market Presence; • Indirect Economic Impact; • Procurement Practices; • Anti-corruption; • Compliance. For more information on G4 aspects, see section D.6.1.	**Compliance and ethics:** At Atos, high ethical standards supported by a Group-wide strategy, policy and training procedures underpin the delivery of excellent business technology solutions. Our objective is to always be compliant and to act as a fair player in business. **Supply chain:** Atos has developed a permanent dialogue with its suppliers to enforce strong and fair relationships and to ensure the respect of its values and rules. Working together in these conditions is a pre-requisite for building trust and long-term relationships. By assessing our suppliers, we aim at monitoring and ensuring the respect of our values. Atos objective in 2016 is to carry out assessments on key new suppliers from Bull, Xerox ITO and other planned acquisitions. **Local impact:** With the development of innovative ICT solutions that help reduce the digital divide, Atos contributes to improving the Company's social impact in the community. The Group also supports volunteer programs, university relations and corporate citizenship actions in order to improve social links and impact at local level.

Take part in the transition toward a low carbon economy

Challenge	Material issues	Areas of action and objectives
Operational excellence and environmental efficiency, including the reduction of energy consumption, are key, not only to limiting the impacts of the Group activities, but also to improving efficiency and developing the trust and confidence of clients, investors and financial analysts.	One of the main material challenges in relation to broader society is its environmental impact. Regarding G4 aspects, these main issues correspond to: • Energy; • Emission; • Product Responsibility compliance. For more information on G4 aspects, see D.6.1.	Atos deploys its environmental policy to develop, promote, share and consolidate green initiatives while measuring, monitoring and reducing the Group's impact on the environment (carbon, energy efficiency, renewable energy, waste, purchasing, travel, etc.). Atos has set quantitative objectives in relation to environmental performance: • Reduce 50% of its Carbon Footprint by the end of 2015 (against a 2012 baseline); • Tend to have 100% renewable energy sourcing for strategic DCs and offices by the end of 2015; • Obtain ISO 14001 certification in all strategic Data Centers and offices of more than 500 employees by the end of 2015. In 2015, the Company committed to four new climate objectives ahead of COP 21 international convention on Climate Change aiming to get specific results by 2020.

The overall objectives of Atos' Corporate Responsibility and Sustainability policy are:

- to maintain Atos leadership and be recognized as best-in-class on Corporate Sustainability by international ratings such as DJSI, CDP, FTSE4Good etc.;
- to take into account stakeholders' expectations: the aim of your policy is to strengthen dialogue at both global and regional levels, integrating regular consultations with key organizations and renowned experts in the field of corporate responsibility.

D.1.3.4 Atos main Corporate Responsibility Key Performance Indicators

The following dashboard is the overall list of performance indicators. Atos' main KPIs are highlighted in blue.

Aspects	KPIs	GRI	Sections
1. Being a responsible employer			
People management	Average hours of training per year per employee	LA9	D.2.2.2 Right People with the right skills
	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	LA10	D.2.2.2 Right People with the right skills
	Percentage of employees receiving regular performance and career development reviews	LA11	D.2.2.2 Right People with the right skills
Diversity	Proportion of senior management hired from the local community at significant locations of operation	EC6	D.2.3.2 Promote Diversity
	Percentage of female within Atos	LA12	2.2.1 Attract and develop People
	Return to work and retention rates after parental leave, by gender	LA3	D.2.6 Being a Responsible employer - KPI overview
	Percentage of female within the Board of Directors	LA12	D.2.3.2 Promote Diversity
	Breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity (seniority, nationalities)	LA12	D.2.3.2 Promote Diversity
	Number of disabled employees	LA12	D.2.3.2 Promote Diversity
	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	LA13	D.2.3.2 Promote Diversity
	GPTW diversity perception	AO6	D.2.6 Being a Responsible employer - KPI overview
Employee engagement	Percentage of positive responses to "Taking everything into account, I would say this is a great place to work"	AO2	D.2.4.2 Awareness and involving employees/Taking into account employees' expectations
	GPTW Trust Index	AO2	D.2.4.2 Awareness and involving employees/Taking into account employees' expectations
Working conditions	Coverage of the organization's defined benefit plan obligations	EC3	D.2.2.3 Recognition and Loyalty
	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	EC5	D.2.2.3 Recognition and Loyalty
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	LA2	D.2.2.3 Recognition and Loyalty
	Number of active users in Communities	AO11	D.2.4.1 Social collaboration
	Absenteeism rate	AO16	D.2.3.1 Working conditions
	Lost working days	AO16	D.2.3.1 Working conditions

Aspects	KPIs	GRI	Sections
2.Generating value for clients through sustainable and innovative solutions			
Client satisfaction	Results of surveys measuring customer satisfaction	PR5	D.3.1.1 Permanent improvement of the clients satisfaction
Innovation	Financial implications and other risks and opportunities for the organization's activities due to climate change	EC2	D.3.2.5 Digital technologies put forward to tackle climate changes in COP21 D.5.2.3 Risk management process
	Development and impact of infrastructure investments and services supported	EC7	D.3.2 Meeting sustainability challenges of clients through offerings D.4.3 Responsible Company in the territorial anchor
	Total contract value of "sustainability offering"	AO7	D.3.2 Meeting sustainability challenges of clients through offerings
	Client Innovation Workshops	AO10	D.3.1.2 Innovative approach on sustainable business
Data protection and Security	Information security and percentage of coverage of ISO 27001 certification	AO3	D.4.1.3 Asset Protection
	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	PR8	D.4.1.2 Data Protection
3. Being an ethical and fair player within Atos' sphere of influence			
Compliance and ethics	Percentage of management employees trained in Code of Ethics	SO4	D.4.1.1 Compliance
	Confirmed incidents of corruption and actions taken	SO5	D.4.1.1 Compliance
	Monetary value of significant fines and total number of non monetary sanctions for non compliance with laws and regulation	SO8	D.4.1.1 Compliance
Local impact and communities	Direct economic value generated and distributed	EC1	A2. Revenue Profile E.4.7.7 Note 4 and 5 Non personnel operating expenses/other operating incomes and expenses E.4.7.4 Note 3 Personnel Expenses G.7.3 Dividend Policy G.7.3 Note 7 Income Tax expenses
	Number of employees entering the Company	LA1	D.2.2.1 Attract and develop people
	Community investments	EC1	D.4.3 Responsible Company in the territorial anchor
	Financial assistance from governments	EC4	D.4.3 Responsible Company in the territorial anchor
	Proportion of spending on local suppliers	EC9	D.4.2.1 A permanent dialogue with Atos suppliers
Supply chain	Significant indirect economic impacts, including the extents of impacts	EC8	D.4.2.1 A permanent dialogue with Atos suppliers
	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	SO3	D.4.2.2 Enhance Sustainable relation
	Percentage of strategic suppliers evaluated by EcoVadis	AO17	D.4.2.2 Enhance Sustainable relation
	Percentage of total expenses assessed	AO17	D.4.2.2 Enhance Sustainable relation

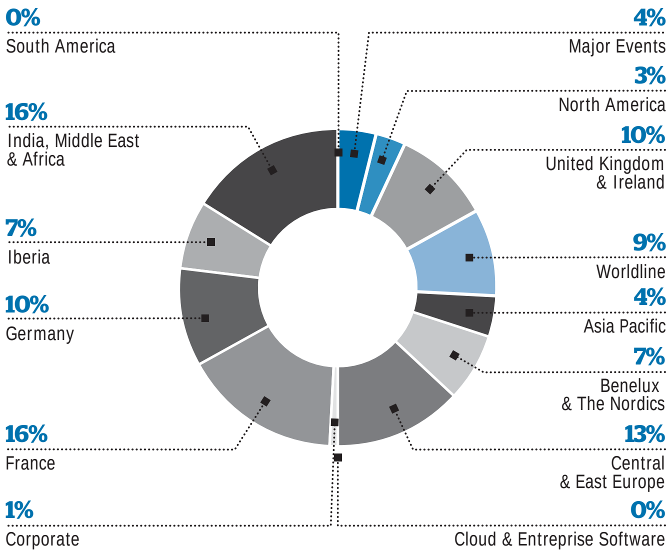
Aspects	KPIs	GRI	Sections
4. Managing the corporate environmental footprint			
Environmental impact	Energy consumption within the organization	EN3	D.5.2.5 Reporting Process
	Energy consumption outside of the organization	EN4	D.5.2.5 Reporting Process
	Energy intensity (by revenue and by employee)	EN5	D.5.2.5 Reporting Process
	Reduction of energy consumption	EN6	D.5.2.5 Reporting Process
	Reductions in energy requirements of products and services	EN7	D.5.2.5 Reporting Process
	Direct greenhouse gas (ghg) emissions (scope 1)	EN15	D.5.2.5 Reporting Process D.5.3.1 Carbon Emissions
	Energy indirect greenhouse gas (ghg) emissions (scope 2)	EN16	D.5.2.5 Reporting Process D.5.3.1 Carbon Emissions
	Other indirect greenhouse gas (ghg) emissions (scope 3)	EN17	D.5.2.5 Reporting Process D.5.3.1 Carbon Emissions
	Greenhouse gas (GHG) emissions intensity (by revenue, by employee)	EN18	D.5.2.5 Reporting Process D.5.3.1 Carbon Emissions
	Reduction of greenhouse gas (ghg) emissions	EN19	D.5.2.5 Reporting Process D.5.3.1 Carbon Emissions
	Waste Electrical and Electronic Equipment (WEEE)	AO19	D.5.3.6 Other environmental challenges
	Monetary Value of significant fines for non compliance with laws and regulations concerning the provision and use of products and services	PR9	D.5.3.6 Other environmental challenges
	Number of sites certified ISO 14001	AO14	D.5.2.4 Environmental Management System

D.2 Being a Responsible employer

D.2.1 People, Atos main asset

[G4-10] [G4-LA1] [G4-DMA-Employment]

Atos employees' total population is composed by 81,917 employees [G4-9] in 52 countries [G4-6] with the following split per Business Unit [G4-10]:



LEGAL STAFF BREAKDOWN PER GENDER AND AGE
[G4-LA1]

	Female	% total employees	Male	% total employees	Female and Male	% total employees
<= 30	6,758	8%	13,455	16%	20,213	25%
30 > <= 50	11,436	14%	32,943	40%	44,379	54%
> 50	3,992	5%	13,312	16%	17,304	21%
Error*	4	0%	17	0%	21	0%
TOTAL	**22,190**	**27%**	**59,727**	**73%**	**81,917**	**100%**

* *Due to date of birth incorrect or not communicated*

D.2.1.1 Attract and Develop people

[G4-DMA-Training and education]

Talent Recruitment

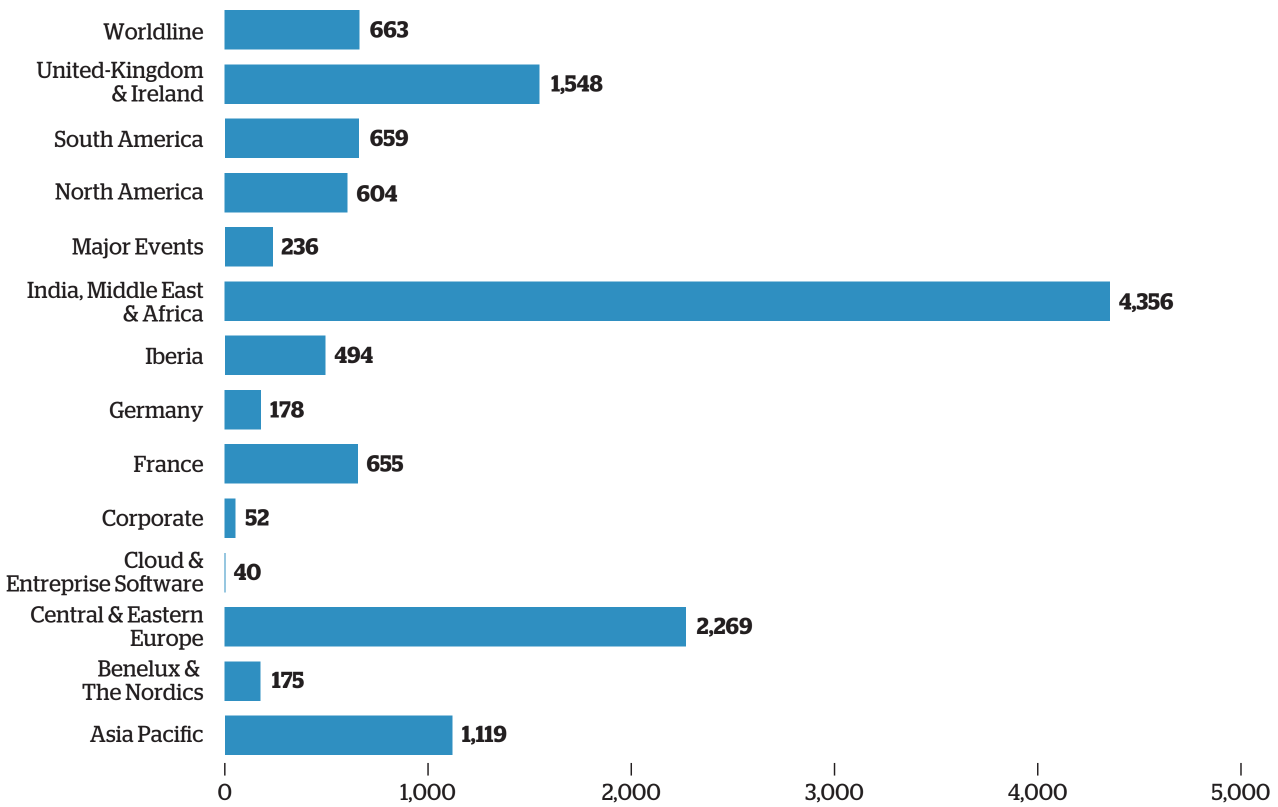
Across 2015, Atos has continued to hire new talent (75% of hires being under 30 years of age) with a focus on top talent in the market that can become the future leaders of tomorrow. Additionally, we have increased our hiring of interns and apprentices by 35%, hiring over 3200 students to work on short term placements as well as work & learn initiatives. As part of our commitment to hire students and top talent, we have also launched a Tier 1 University program which, with Executive Sponsorship, has formulated a plan to work with 90 top universities globally, hiring their students, working with their faculties, and positioning Atos as an attractive employer for new talent.

In line with our commitment to encourage employees to move internally, either through promotion or transversally, we have also been successful in filling over 50% of our senior positions by our own employees in H2. We have also launched a new "Internal First" initiative to educate both our Managers and Employees on the benefits of moving internally and staying with Atos, develop their and our own capabilities internally instead of having to go out into in the external market.

Generally, as a function, and in alignment with the other HR pillars, recruitment became a true center of excellence, creating a single team to support cross country initiatives, new global strategies, and the sharing and implementation of best practices across the function. Additionally, with this new operation in place, we have finalized an RFP for a new recruitment tool (to be rolled out in 2016/7), delivered a nearshore recruitment sourcing solution, and rolled out new recruitment outsourcing solutions across the Americas and Central Europe.

In the past 12 months, Atos hired in a total number of 13,048 people (including interns & apprentices), of which 32% were females.

NUMBER OF PEOPLE ENTERING IN THE COMPANY PER BUSINESS UNIT
[G4-LA1]



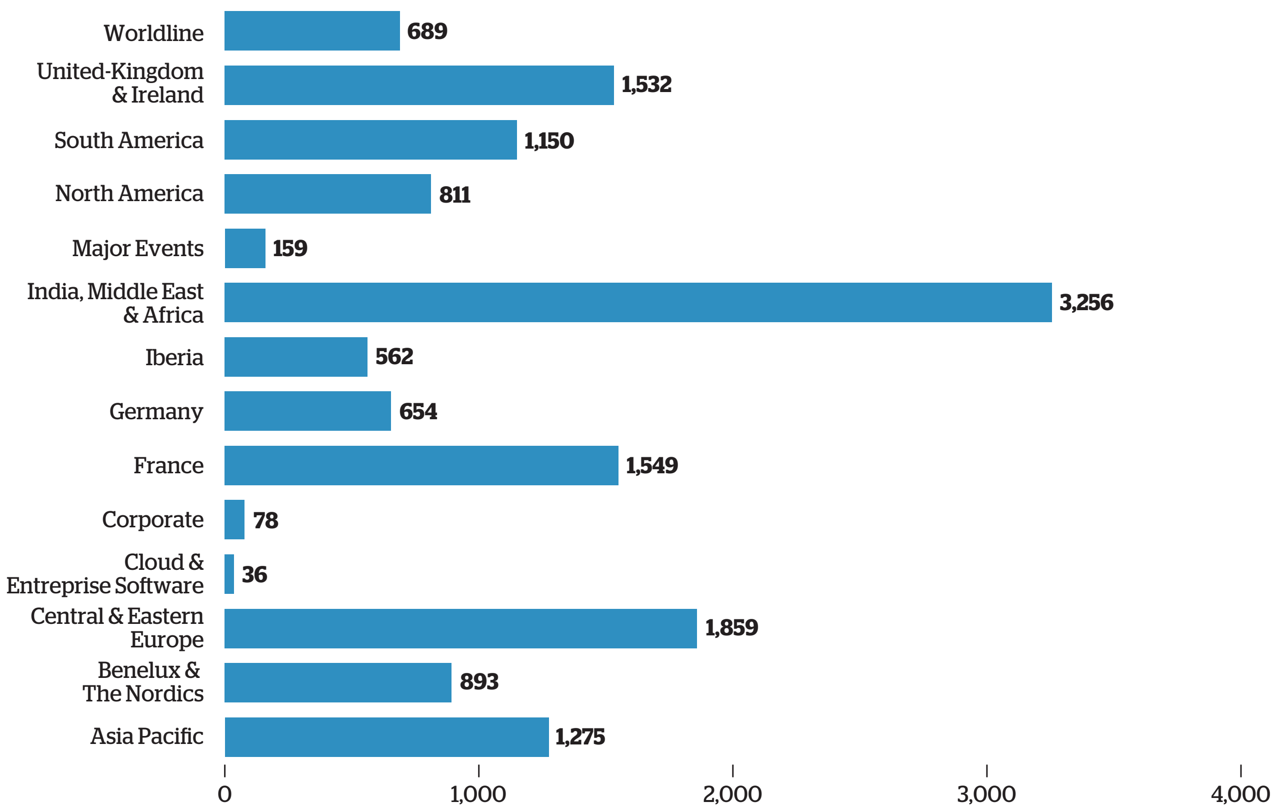
NUMBER AND RATE OF PEOPLE ENTERING IN THE COMPANY PER GENDER AND AGE
[G4-LA1]

	Female	Rate of total hiring	Male	Rate of total hiring	Female and Male	Rate of total hiring
<= 30	2,820	22%	5,170	40%	7,990	61%
30 > <= 50	1,213	9%	3,324	25%	4,537	35%
> 50	199	2%	316	2%	515	4%
Error*	2	0%	4	0%	6	0%
TOTAL	**4,234**	**32%**	**8,814**	**68%**	**13,048**	**100%**

* *Due to date of birth incorrect or not communicated*

During the same period, 13,838 employees left the Company [G4-LA1] (more details on headcount evolution are provided in section E.1.7 Human resources, including dismissals). The workforce turnover in 2015 was 16.89% [G4-LA1].

NUMBER OF PEOPLE LEAVING THE COMPANY PER BUSINESS UNIT
[G4-LA1]



NUMBER AND RATE OF PEOPLE LEAVING THE COMPANY PER GENDER AND AGE
[G4-LA1]

	Female	Rate of total hiring	Male	Rate of total hiring	Female and Male	Rate of total hiring
<= 30	1,569	11%	3,733	27%	5,302	38%
30 > <= 50	1,590	11%	4,933	36%	6,523	47%
> 50	514	4%	1,478	11%	1,992	14%
Error (*)	5	0%	16	0%	21	0%
TOTAL	**3,678**	**27%**	**10,160**	**73%**	**13,838**	**100%**

* *Due to date of birth incorrect or not communicated*

Talent Development

Atos has also built at Group level dedicated Talent development programs to help them become best in class in their actions and grow career fast. Each of these programs is directly sponsored by an Executive Committee member to ensure a strong link between Talent development and business strategies. These programs include:

The Juniors Group

Part of Atos 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 50 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 Atos global business performance.

Gold for Managers

Nominated by Atos Executive Committee 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.

The Atos Gold for Managers Program has been awarded by the European Foundation for Management Development (EFMD) in the Talent Development category in 2013.

PRM Master Class

In 2015, 50 Atos engineers were offered the possibility to increase their skills and knowledge in a project and program management Masterclass (PRM Masterclass), set up together with the Cranfield University School of Management.

Gold for Experts

The Gold for Experts Program was launched in 2013 in cooperation with the Institute for Manufacturing Education and Consultancy Services (IfM ECS) of Cambridge University and the Department for Computer Science of Paderborn University. The goal is to equip Atos Talents with expert profiles, with best in class capability to define and implement innovative end-to-end solutions for customers, helping them gain competitive advantage.

On-the-job experience

Talents at Atos get the opportunity to participate to Group strategic transformation programs such as eXpand or Wellbeing@work, contributing to make Atos a strong performer in the market place and a best place to work.

D.2.1.2 Right People with the right skills

[G4-DMA-Training and education] [G4-LA9] [G4-LA10] [G4-LA11]

A vast training catalogue counting over 10,000 courses is freely available for every Atos employee, and a number of programs are being deployed by Atos University to develop the most critical skills such as Project and Service Delivery Management, Architecture, Sales and Leadership. Overall, the Atos workforce benefited from 1.8 million hours of training in 2015, representing in average 21.29 hours of training per employee [LA9].

Sales capabilities

Selling Digital Services requires a trusted, consultative & digitally literate sales force. Atos has developed four key training programs addressing those requirements, and deploys them as part of its Sales Academy. Additional effort is conducted in parallel to increase knowledge of the Atos sales community around its customer industry markets and business models, as well as its Digital offerings portfolio.

Service Delivery capabilities

To equip its workforce with digital solutions design and delivery capabilities, Atos invests heavily in training and certifications programs focusing on new roles (e.g. Digital Architect, Data Scientist), new skills (e.g. Agile, Scrum, DevOps), and new technologies (e.g. virtualization, Internet of Things, Big Data, high performance computing). This effort is also supported by Atos' eco-system of technology partners (e.g. EMC² Federation, Microsoft, SAP) and strategic alliances (Siemens, Xerox).

At the end of 2015, Atos had an average of 21 different skills identified per employee [LA10].

Management capabilities

Atos growth ambition in Digital Services requires vision and thought leadership from its top management, innovation and change leadership coupled with consulting and advisory skills for most of its employees, as well as behavioral compliance with Job rotation agility for every one of them. A specific training program addresses each of these requirements to equip and grow managers & employees of Atos, and develop an agile organization in which Service to Clients and Innovation are at the heart, and which optimally offers managerial support to the performance and development of our people.

Careers within Atos

Every employee of Atos is entitled to an Individual Development Plan, as part of his/her regular career and performance conversations with the management. Atos reinforces systematic and consistent semester based objectives setting and appraisal reviews, supported by policies and tool. 86.86% of employees received regular performance and career development reviews in the last 12 months, representing a very solid majority of the staff [LA11]. This not only secures a solid basis for further development of our employees, but it also ensures the alignment of people objectives across the organization, increases clarity and transparency in workforce capabilities, and help identifying potential gaps. Those gaps are intended to be filled primarily with internal candidates, and as such also further enhance the development opportunities for our people. More than 16% of staff received a horizontal or vertical promotion in 2015.

Global mobility

2015 has seen verticalization of the mobility function within Atos and professionalization of the service delivery model. This achievement has created a sustainable and risk managed delivery model providing more efficiency, clarity and accountability in supporting business' mobility requirements. This model also provides more flexibility to anticipate future needs and support Group strategy. On the other hand it also offers more transparency to employees on mobility options, and provides them the possibility to more pro-actively follow up in their career ambitions. In 2015, social media and collaboration platform "MyMobility" was introduced, with already approx. 10,000 followers and more than 30,000 visits per month, is a clear example of the efforts Atos is deploying in this area.

Throughout 2015 Atos feels that the economic climate will continue to place productivity and return on investment high on the agenda, and this accentuates the need to develop employees and to ensure smooth and fruitful international assignment experiences for the benefit of customers and employees.

D.2.1.3 Recognition and Loyalty
[G4-DMA-Market presence]

Minimum wage comparison

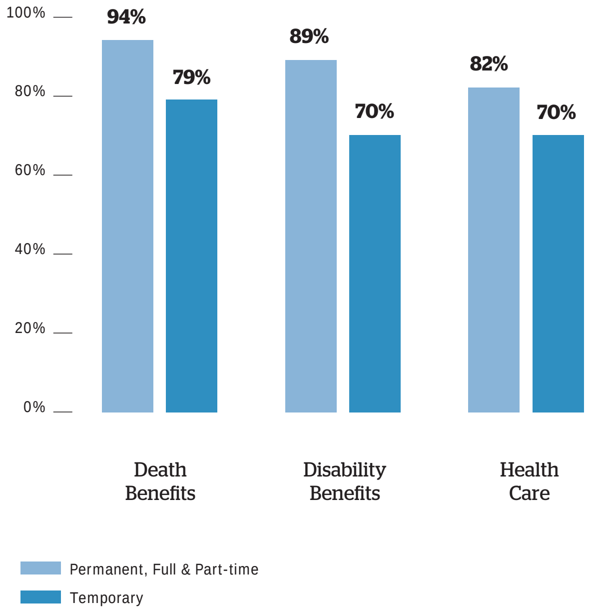
In all countries where the Group operates, Atos entry level wage (lowest wage in Atos paid to a permanent and full time employee) is in line with local policies and above local minimum wage. In 58.21% of the countries where a minimum wage is set up by law, Atos is paying more than this level of wage [G4-EC5].

Health care coverage, death and disability benefits

Health care is offered to 82% of permanent employees and disability benefits are offered to 89% of permanent employees [G4-LA2]. Additional occupational medical/health benefits are rare in Germany, Austria, Switzerland and Sweden. In these countries, the compulsory health insurance is fairly comprehensive, so supplementary medical benefits are generally not necessary.

Death Benefits are offered to 94% of the employees [G4-LA2]. In Austria, Germany and Switzerland, death benefits are included in the pension plans and provided in the form of pension for spouse and children. In other countries, death benefits are mainly provided in the form of lump sum payments. The principal lump sum amount is sometimes increased according to the family status (France, Morocco, Denmark) and doubled for a death as a result of an accident (China, Japan, Thailand, Poland, Spain, Brazil, Chile, Mexico, and UAE).

EMPLOYEES PARTICIPATING IN RISK BENEFIT ARRANGEMENT PER CONTRACT TYPE
[G4-LA2]



Coverage of the organization's defined benefit plan obligations [G4-EC3]

Funding strategies for defined benefit pension plans vary per plan and country and are set up to reflect the relevant local funding requirements, respecting legally required timelines for recovery plans for plans in deficit.

Atos Global Compensation principles

Atos' compensation policy is designed to support the Group 2016 Strategic Ambition to reinforce its position as Tier 1 Company for IT services and payments solutions, and to become a reference Wellbeing@work Company.

The Compensation policy is based on Atos Human Resources values and aims:

- to attract and retain talents;
- to reward performance and innovation collectively and individually in a balanced and competitive way.

To reach those objectives, which will be implemented in the countries where Atos operates according to local specificities and regulations, the Group conducts an annual benchmarking exercise with Atos competitors in the ICT (Information and Communication Technology) market to ensure the Group competitiveness, both in level and structure, and ensure that compensation packages are in line with market practices in every location.

The Atos Total Compensation Package includes a fixed salary, a variable bonus for eligible employees and benefits aligned with market practice. Key individuals may also receive Long Term incentives such as stock-options and performance shares.

Atos Variable remuneration

For several years, Atos implemented a semester, and not annual, bonus policy, based on the Bonus Score Card principles. This approach fosters ambitious objectives setting, and contributes to the alignment of business and strategic goals with missions assigned to employees.

Targets are split in four major categories:

- Financial Objectives, cascading Group targets at employee's scope (mainly External Revenue, Order Entry, Free Cash Flow and Operating Margin);
- Quality, such as customer satisfaction survey results, applicable especially to Sales Operations and Global Functions;
- Efficiency Objectives, such as individual objectives linked to priorities in the employee's role and such as TOP² and eXpand initiative deployment;
- People Objectives, managerial or individual objectives, focused on people development and also including the Wellbeing@work initiative roll-out.

Each semester, the Group Executive Committee reviews the Global Variable Compensation Policy to make sure that it is aligned with the Group's operational strategy and that objectives are SMART (Specific, Measurable, Achievable, Relevant and Time-related). The Executive Committee ensures that the Variable Compensation Policy encourages the Group employees to deliver the best collective and individual performance. The financial results of Atos have a real impact on bonus payouts at all levels and for all functions.

Reward and Recognition Programs

Recognition is a key motivating factor. In order to allow every great contributor to be recognized at fair value, the Group rolls-out major programs, as part of the Wellbeing@work initiative, such as:

- **"Accolade"**, which empowers managers to instantaneously reward their teams according to three levels (Bronze, Silver and Gold) for exceptional performances. In 2015, 11,897 Accolades have been distributed over the countries in which Atos operates in the world;
- **"Success Story Award"**, which rewards the best delivery teams: Employees apply by posting projects on Atos internal social network. Six categories of rewards are delivered: one per global market, including Worldline. Group Executive Committee selects the best project for each category, and employees also vote for the best project (People Choice Award). Extensive communication supports this program and key players are invited to a dedicated ceremony with the Group Executive Committee. In 2015, the dedicated community on Atos Social Network gathered 7,398 members, and the 62 applicant-projects received more than 6,183 votes. Since its creation in 2011, this internal contest became a major event for Atos Business Technologists.

Remuneration analysis

Atos needs to continue to ensure competitiveness in the market where the Company operates. It results in 2015 that 22% of the Atos population working in a country where the ratio between the highest OTE and the median one is below 10 [G4-54].

Ratio between the highest OTE and the median OTE	% of the Headcount
Under 10	22%
10<x<20	60%
More than 20	18%
TOTAL	**100%**

[G4-55]

Atos aims to offer all its employees a competitive remuneration package and a development in their compensation, aligned with the relevant employment markets and in line with the performance and achievements of both the individual employee and the company in total. Legally or contractually required compensation increases are consistently applied, and for employees for whom this kind of increases are not applicable, Atos' objective is to follow the income developments of comparable managers and professionals in the industry. This process is monitored closely, applied globally and to all employee levels in the organization.

Employee stock ownership and management: long term incentive plans

Employee Stock Ownership Plans

Since 2011, Atos has regularly been running a large Employee Stock Ownership plan opened to a large number of employees.. This plan, called Sprint, offers to employees the possibility to buy Atos shares according to two kinds of vehicles:

- Sprint Dynamic, which offers a 20% discount on Atos reference Share Price;
- Sprint Secure, which allows employees buying units of a leveraged product benefiting from the share value growth, providing also a capital guarantee in euro.

Sprint operations have been implemented in 2011, 2012 and 2014, with a significant increase of eligible employees (from 60,000 to 70,000) and participating countries (from 14 to 27). The number of subscribers has increased with 50% since 2012, with more than 2,700 Atos employees subscribing in 2014.

To make this success bigger and increase the number of participants, Atos worked out a plan in 2015 for a launch at the very beginning of 2016.

This plan will aim at targeting more people and more countries with a simpler offer.

Atos will indeed propose to our employees the possibility to buy Atos shares including again a discount on the share price plus, and this is new for Atos, company matching shares. Further detailed communication will be provided to all employees in the first quarter of 2016.

Management Equity Plans

In order to reward and retain key talents and top managers, Atos regularly implemented stock-option plans and performance share plans, detailed in the section G.4 Executive compensation and stock ownership.

On July 28, 2015, in line with the Group main strategic guidelines over the period 2015-2018, 850 Atos employees - mainly senior managers and executives, and also selected high-potential employees - have been granted Atos performance shares. Ambitious and cumulative performance conditions have been set for this performance share plan. One of them is especially linked with the External Revenue Growth, as Growth is a key element of the Group strategy.

Atos performance shares plans are detailed in the section G.4 Executive compensation and stock ownership and more specifically the Corporate Responsibility's condition of the performance share plan granted in 2013, 2014 and 2015.

D.2.2 Enhance the Wellbeing@work

D.2.2.1 Working conditions
[G4-15] and [G4-16]

General statement of respect of international labor right [G4-15]

The protection of labor rights has long been a part of Atos policy. Atos Code of Ethics confirms that Atos will always take decisions based on competences 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 Atos is willing to ensure such protection. As active participant, Atos ensure the respect of the following principles:

- Supporting and respecting the protection of internationally proclaimed human rights;
- Making sure that Atos 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 labour;
- Effective abolition of child labour.

In addition, in order to apply to public tenders Atos has to follow the requisites of the local labor law: this has always been done and managed properly.

Atos initiated several initiatives which aim to guarantee a better balance between professional and personal lives of employees.

Health

A Health@work blueprint has been drawn up within Atos with the aim of promoting best practices and bringing together existing tools which are designed to support employees with their health and wellbeing. It also sets out the ambitions for this subject.

Atos is committed to ensure it complies with legal standards and also strives to meet best practice. For example, for the 4rd year in a row, the UK Royal Society for the Prevention of Accidents (RoSPA) rewarded Atos UK with a Gold Award for Health and Safety and a Silver Award in the MORR (Management of Occupational Road Risk) category. Atos US has also been rewarded by the American Heart Association Award and the Cigna Award.

One initiative to encourage physical activities has been designed through a website, "atosrevitalized.com": this multi-media and interactive health & wellbeing tool was launched in 2012 and has had now over 20,000 users within Atos, also including the App version.

With regard to average improvement in Wellbeing Score across 2015, the following has to be considered:

- the average improvement figure over 12 months has remained at around 9%;
- overall Wellbeing Score has reach 45% – which is firmly in the "Good" categorisation and some 7% higher than the average Wellbeing Score across entire Revitalized client base of some 400 organisations;
- there are more than 20,000 registered users at end of 2015, with over 14,000 of them logging in the previous 4 week period;
- revitalized business case ROI calculator indicates that 14,000 active users contributing to overall Wellbeing Scores 7% higher than average could result in potential financial benefit over £ 1.5 million per annum based on an increased working productivity when compared to workers with average wellbeing values.

On top of this, Atos offers a large variety of e-learning materials which cover health and wellbeing topics.

Even if Atos' activities are not of an industrial nature, and therefore have a low risk of generating occupational diseases, Atos ensures that an effective prevention program is put in place, especially regarding psychosocial risks, which are the first factor of occupational diseases in IT services.

E-learnings are part of the preventive actions, especially explaining employees how to understand and detect a psychosocial risk such as stress. These e-learnings are available in several countries, and in several languages, such as in France.

In addition, in France, Atos has put in place a "stress lab": during their medical check-up, employees are proposed to complete this anonymous online questionnaire, which will evaluate the levels of stress, anxiety and breakdown of the employee. In case of an identified risk, the results will be discussed between the doctor and the employee (since only they have access to the results) in order to find solutions to reduce the risk. Some additional actions may include the involvement of the management if the employee agrees.

As a concrete achievement, according to the Great Place To Work (GPTW) survey, employees have been satisfied regarding health program.

Smart Working Conditions

Atos privileges permanent and full time working relations with its employees: 98.2% of persons of the total workforce is under a permanent employment contract and 91.9% is in full time [G4-10]. Nevertheless, Atos accepts part time job when an employee considers that it is better for his work life balance.

Atos operates in collaborative mode, which allows remote working, which offer more flexibility for employees in their work life balance: 21% of employees have signed a formal contract to do homeworking.

The whole set of initiatives to improve a healthy and smart working environment has allowed reducing the absenteeism rate of the Company.

Thus, the absenteeism percentage regarding the direct operational workforce in 2015 was 2.79% [AO16]. In addition, the total work related accidents are 228.

D.2.2.2 Promote Diversity

[G4-DMA-Diversity and equal opportunity] and [G4-DMA-Equal remuneration for women and men]

The Diversity Program contemplates four main dimensions: Gender, Cultural Diversity, Disability, and Senior Capital and it is targeted at the further development of diversity within our Group as a way to bring excellence in people management and to improve Group's operational performance. The Program is sponsored by a Steering Committee with Group Executive Committee members.

All along 2015, Atos has confirmed its firm engagement in favour of Diversity with the consolidation of the Group Diversity Committee, consisting of the Group Diversity Manager, Diversity Leaders from all the different geographies and representatives from various Group functions (e.g. Legal, Human Resources, etc.) and the implementation of concrete transversal actions all over the Group.

In particular, in 2015 Atos organized a substantial number of initiatives in the Diversity domain, among others:

- Further development of the Group Diversity Policy;
- Organization of the "Diversity Day" within the Wellbeing@work Week at worldwide level;
- Development of the Atos Diversity business case;
- Continue increase of the number of women in top management succession planning;
- Deployment of new initiatives in the junior and senior capital and in the disability domains;
- Implementation of new diversity related trainings at local and global levels.

Although Atos has a major part of its staff in Europe, Atos employs people from 134 different nationalities [G4-LA12]. 6 nationalities are represented in the Board of Directors.

In addition, Atos supports territorial anchor having 92.98% of the senior management coming from the local communities [G4-EC6].

11,953 national employees were recruited in 2015 [G4-EC6].

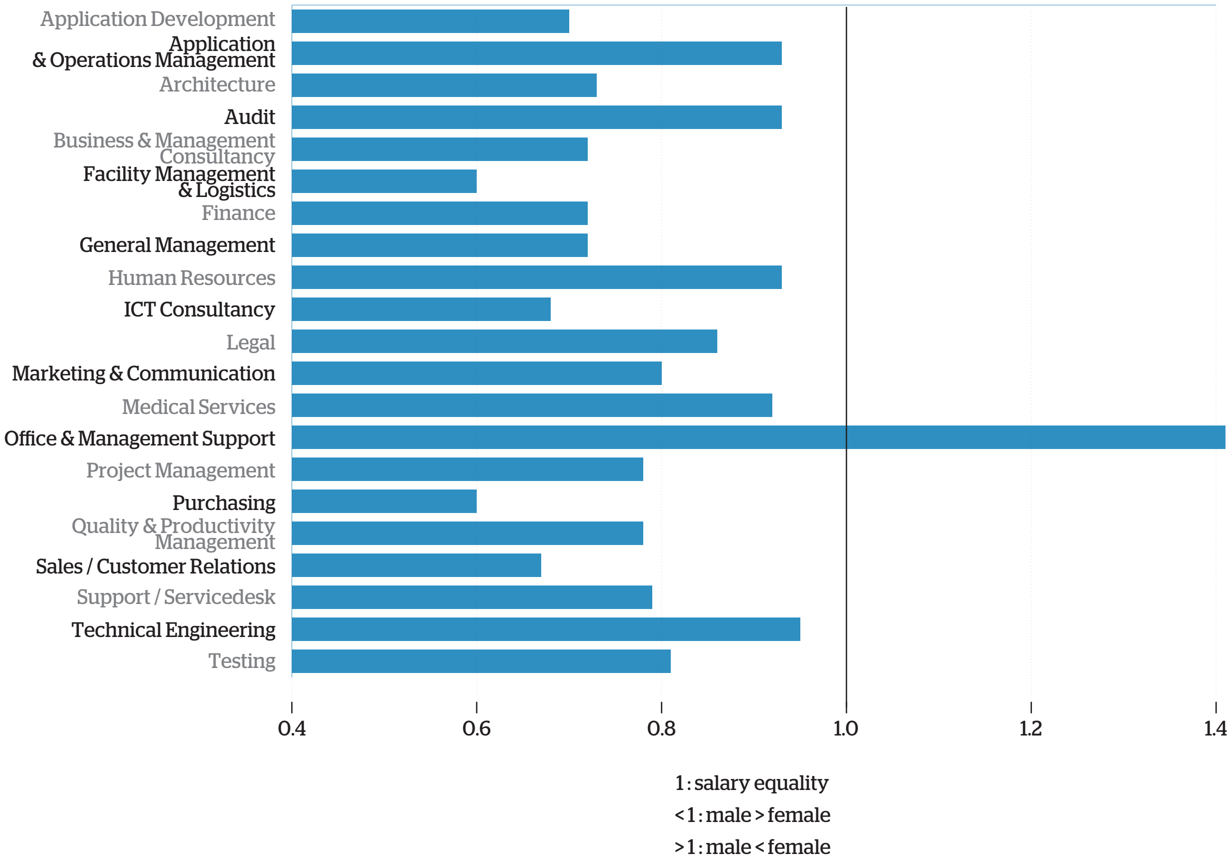
Promoting gender [G4-LA12]

Despite the fact that engineering and IT education are mainly followed by males, Atos share of females is 27.09% globally and Atos tries to continuously improve its efforts. In the Group Executive Committee the female ratio is 15.16%.

In addition, as at December 31, 2015 the Board of Directors was composed of 45% of women, compared to 36% in 2014. The Company is fully complying with the 20% rate of women directors set forth by the French law n°2011-103 dated January 27, 2011.

Many countries have introduced legislation to enforce the principle of equal pay for work of equal value. This issue is supported by ILO Convention 100 on "Equal Remuneration for Men and Women Workers for Work of Equal Value".

RATIO OF TOTAL REMUNERATION OF MEN TO WOMEN BY JOB FAMILY
[G4-LA13]



The differences of salary between females and males are explained by several factors: males are the most numerous in the senior management and have on average a higher seniority.

Take in account disabled people

Being in charge of the IT support for the Paralympic Games, Atos is always impressed by the fact that Paralympic athletes show outstanding performance in many different disciplines whatever difficulties they have to face. The same applies in the business where disabled employees accomplish also remarkable achievement within Atos teams. Specific programs have been implemented in different locations, in collaboration with union representatives, to attract and develop handicapped people into meaningful employment. Again, the goal of this initiative is both to support this population and also open people's mind to consider opportunities for disabled persons. In May 2013, in France, Atos signed with French trade unions representatives a collective agreement related to the employment and development of disabled people.

In 2015, Atos Group employed 1,257 people with a disability.

D.2.3 Building a Great Place to Work

D.2.3.1 Social collaboration

The Social Collaboration and Knowledge Sharing department is a logical outgrowth of the unique Zéro emailTM initiative Atos conducted from 2011 onwards until 2015 [AO11].

During second half of 2015, this new function was established in order to take responsibility for the design and implementation of an Atos-wide social collaboration and knowledge sharing culture, processes, policies and tools. This global team ensures further adoption by continuing to develop processes that enable employees to work together across organizational, geography and time boundaries in a flexible and organized way. 1 of the key responsibilities is to support the integration of newly acquired businesses. The ESN communities used to share the Atos way of working and its values, as well as the different expert communities have proven to be instrumental for the onboarding of new employees, both coming from acquisition as well as due to organic growth. Together that resulted in the onboarding of about 20,000 new employees to the Atos Collaboration Platform and Communities.

At the end of 2015, more than 91,600 employees are registered on the Atos enterprise social network, making it one of the largest ESN's in the world, with 30% of employees actively using the landscape of around 2,480 active communities.

During 2015, the average size of collaborative communities on our platform has increased from less than 100 members to 194 by end of 2015. To foster global collaboration and sharing of knowledge we aim to further increase the size of our communities.

In November, Atos won the European MAKE (Most Admired Knowledge Enterprise) award. This is a first time ever that Atos wins this internationally reputed award. The award is given to companies which continuously demonstrate shareholder's value creation through superior management of knowledge and collaboration. We are proud to be seen as one of very few IT companies worldwide that is efficiently sharing & replicating best practices across the global ecosystem of clients and partners. This award bears testimony to our strong culture of collaboration.

D.2.3.2 Awareness and involving employees

Atos ensures the full compliance with the International Labor standards, by applying principles of the ILO Conventions, as it is required through its participation to the Global Compact of the United Nations, which states as principle 3 that Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

To ensure the respect of the freedom of association, Atos has built a concrete organization of the social dialogue.

Communication with the employee representatives is a permanent and constructive dialogue within the employee representative bodies at European and country levels. The major project during 2015 was the integration of Xerox ITO.

The social dialogue is very constructive and positive and it can be illustrated by effective social collaboration at European and country levels.

A culture of permanent social dialogue

It was planned in the Societas Europeas Council agreement to schedule at least 3 meetings per years.

During 2015, eight meetings were scheduled and effectively took place (both ordinary and extraordinary).

For 2016, five meetings have already been planned.

From social dialogue to social effective collaboration

On top of the organization of the meetings with Societas Europeas Council, the management and the employees representatives have agreed to set up additional Commissions that work very closely with management in order to have a productive, useful and profitable dialogue.

For example, subject matters that are to be discussed within these commissions are:

- participation Board;
- data Privacy;
- well Being At Work.

In addition, Atos recognizes the role of collaboration of the social representatives for the biggest and most confidential topics within the Company.

Atos started this year the information and consultation of the SEC related to the acquisitions of Xerox ITO and of Unify as well as the acquisition of Equens. In March 2015, after several productive meetings we get the opinion on the Xerox ITO and in December 2015 on the Unify acquisition. We expect to get the Equens opinion on Q1 2016. The employee representatives' body was involved from the very beginning of this plan.

Social dialogue at local level

Next to the extensive discussions with the SEC on European and multinational issues in many countries regular consultations sessions take place with local employee representatives in work councils and/or unions.

Beyond the regulatory and legally required obligations, Atos values this social dialogue as an important mean to keep the employees informed and involved in the development of the Company. The local implementation of acquisitions or integrations, like Xerox ITO, Unify and Equens, through presentations to local work councils are important elements of this. Next to this, local organization structures, and working conditions are often an important topic in these consultations and negotiations.

In France for example, in 2015, important changes were agreed on health insurance, prevention of mental health risks, and on measures to support employees who move out/in “Ile de France”. Other important changes started to be discussed on working time including leave and atypical work (such as working time the night/Weekend and bank holidays). In Germany, the legal structure of the Company, and the implementation of automated tooling were major consultations items, especially in relations to the protection of employee data privacy.

Collective bargaining agreements

Atos thinks that job security contributes to the psychological health of its workforce. Therefore, Atos follows local and international regulations concerning minimum notice period(s) regarding significant operational changes. Also, 66% of employees are covered by collective bargaining agreements [G4-11].

Collective bargaining agreements are agreements regarding working conditions and terms of employment concluded between an employer, a group of employers, or one or more employers' organizations.

Atos collective agreements cover for example 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…) or training.

Taking into account employees' expectations [AO10]

To go beyond the collaboration of the employee representatives, Atos has been committing since 2010 to involve employees though the annual Great Place To Work Survey. This global survey, managed by the Great Place to Work Institute®, helps Atos to determine the expectations from employees and the focused areas for improvement.

The survey is structured around fives dimensions: Credibility, Respect, Fairness, Pride and Camaraderie.

In 2015, 56 Atos countries took part in the Great Place To Work (GPTW) survey, with 50,576 employees participating, representing 63% of the persons invited to take part to the survey (79,963 employees).

The average score communicated by GPTW on the 59 statements showed 56% positive answers. This result of the Trust Index score demonstrates the commitment and involvement of employees to share their views and to help building a great working environment together.

The results are confirmed by one Great Place to Work award in Poland for the third year in a row, and four Atos legal entities are in position to receive the award: Austria AddIT, Austria UnitIT, Russia, Colombia, Worldline Taiwan, and Worldline Luxemburg.

Compared to 2014, Atos has improved 2015 results in the two improvement areas:

Management behavior and leadership style		Reward and recognition	
Management is approachable, easy to talk with.	+6%	I am able to take time off from work when I think it's necessary.	+4%
People here are given a lot of responsibility.	+7%	I am treated as a full member here regardless of my position.	+7%
Management trusts people to do a good job without watching over their shoulders.	+8%	I can be myself around here.	+8%

The internal Atos Wellbeing@work program set-up dedicated actions in each geographies participating to the survey aiming to improve well-being and as a consequence, the GPTW results in 2016.

Atos is in a continuous improvement plan regarding people well-being at work, GPTW results improvement by 3 points being a clear priority for each GBU CEO and GBU HR director for the 4th year in a row.

Develop awareness and encourage dialogue

The Wellbeing@work program has global and local governance in place. About 10 initiatives are developed with action plan and KPIs. Each initiative is led by a global initiative leader and implemented through a local team in GBUs and countries.

These 10 initiatives - Working environment; Recognized & reward; Communication & collaboration; 3 years development plan; Corporate responsibility & sustainability; Wellbeing@work for clients; Great place to work; Social collaboration & Knowledge sharing; Diversity; Internship - are discussed and best practices from GBUs are presented in regular Wellbeing@work monthly Workshops, fitting to our collaborative company culture.

The global Wellbeing@work program develops and implements many initiatives, has set-up a community on the Atos entreprise social network blueKiwi, throughout the year to encourage an open dialogue with and active participation of employees to help create a great place to work together. Each employee could submit through this community any ideas to improve well-being at work in Atos. A dedicated international team is organized to follow-up the ideas and implement them.

D.2.4 Being a Responsible employer - KPI overview

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	KPI Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
G4-LA9	**Average training hours per employee**							
G4-LA9_c1	Average hours of training per employee	21.29	16.87	16.95362623	100.00%	–	100.00%	–
G4-LA9_c2	Average hours of training per male employee	19.13	16.59	Not disclosed	100.00%	–	100.00%	–
G4-LA9_c3	Average hours of training per female employee	27.11	17.57	Not disclosed	100.00%	–	100.00%	–
G4-LA10	Employability initiatives							
LA10_A_b1	Number of different Certifications owned by at least one Atos employee	3,692	2,943	2,456	100.00%	–	100.00%	–
LA10_A_b2	Total number of certifications registered	139,227	72,406	Not disclosed	100.00%	–	100.00%	–
LA10_A_c2	Average number of certifications per Employee	1.70	0.95	0.70	100.00%	–	100.00%	–
LA10_A_b3	Number of different skills owned by at least one Atos employee (excluding certifications)	6,291	5,451	Not disclosed	100.00%	–	100.00%	–
LA10_A_b4	Total number of skills registered	1,706,084	1,402,214	Not disclosed	100.00%	–	100.00%	–
LA10_A_c4	Average number of skills per employee	20.98	18.32	16.21	100.00%	–	100.00%	–
LA10_A_b5	Number of employees who updated their profile during the year	47,215	37,800	Not disclosed	100.00%	–	100.00%	–
LA10_A_C5	Percentage of employees who updated their profile during the year	58%	49%	Not disclosed	100.00%	–	100.00%	–
G4-LA11	Career development monitoring							
LA11_A_c1	Percentage of employees receiving performance appraisal in the last 12 months	86.86%	92.39%	93.00%	87.75%	–	84.78%	–
LA11_A_b1	Number of female who received a regular performance and career development review during the reporting period	17,392	17,117	Not disclosed	87.75%	–	84.78%	–
LA11_A_b2	Number of male who received a regular performance and career development review during the reporting period	43,696	42,765	Not disclosed	87.75%	–	84.78%	–
G4-EC6	Proportion of senior management hired from the local community							
EC6_A_b1	Number of national senior managers	2,292	2,189	Not disclosed	100.00%	–	100.00%	–
EC6_A_b2	Total number of senior managers	2,465	2,348	Not disclosed	100.00%	–	100.00%	–
EC6_A_c1	Percentage of national senior managers	92.98%	93.23%	93.08%	100.00%	–	100.00%	–
EC6_A_b3	Number of national employee	71,263	65,970	Not disclosed	91.98%	–	90.91%	–
EC6_A_b4	Total number of employee	75,348	69,600	Not disclosed	91.98%	–	90.91%	–
EC6_A_c2	Percentage of national employees	94.58%	94.78%	95.00%	91.98%	–	90.91%	–
EC6_A_b5	Number of national employees recruited	11,953	11,343	10,398	100.00%	–	100.00%	–
EC6_A_b6	Total number of employees recruited	12,882	12,096	11,138	100.00%	–	100.00%	–
EC6_A_c3	Percentage of national employees recruited (Excluding acquisitions)	92.79%	93.77%	93.00%	100.00%	–	100.00%	–
G4-LA3	Return to work and retention rates after parental leave							
LA3_A	Total number of employees that were entitled to parental leave	228	287	Not disclosed	10.13%	–	12.31%	–
LA3_B	Total number of employees that took parental leave	380	404	Not disclosed	10.13%	–	12.31%	–
LA3_C	Total number of employees who returned to work after parental leave ended	37	35	Not disclosed	10.13%	–	12.31%	–
LA3_D	Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	62.16%	93.48%	Not disclosed	10.13%	–	12.31%	–
G4-LA12	Diversity and Equal Opportunity							
LA12_C	Percentage of female in Governace bodies (Board of Directors)	45%	36%	31%	100.00%	–	100.00%	–
LA12_B_c3	Number of nationalities within Atos	134	137	141	100.00%	–	100.00%	–
LA12_B_c4	Percentage of females within Atos	27.09%	27.86%	27.00%	100.00%	–	100.00%	–
LA12_B_b1	Disabled employees	1,257	1,116	959	100.00%	–	100.00%	–
LA12_B_c1	Percentage of disabled people	1.53%	1.46%	Not disclosed	100.00%	–	100.00%	–
LA12_B	Female ratio within the top management team	15.16%	14.15%	14%	100.00%	–	100.00%	–
LA12_c12	Percentage of women that had promotions during the year	16.87%	16.27%	18%	100.00%	–	100.00%	–
LA12_c13	Percentage of men that had promotions during the year	16.94%	16.03%	24%	100.00%	–	100.00%	–
G4-LA13	Salary rate between men and women							
LA13_A_c1	General ratio woman/men in Annual Basic Salary within the Atos´ job families	0.74	0.77	0.78	100.00%	–	100.00%	–
LA13_A_c2	General ratio woman/men in Total Remuneration within the Atos´ job families	0.73	0.75	Not disclosed	100.00%	–	100.00%	–

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	KPI Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
AO6	Diversity Perception (GPTW)							
AO6_c4	People here are treated fairly regardless of their age	61%	61%	60%	61.74%	–	65.14%	–
AO6_c5	People here are treated fairly regardless of their gender	75%	80%	82%	61.74%	–	65.14%	–
AO6_c6	People here are treated fairly regardless of their race or ethnicity	80%	75%	76%	61.74%	–	65.14%	–
AO6_c7	People here are treated fairly regardless of their sexual orientation	79%	78%	80%	61.74%	–	65.14%	–
AO6_c8	People here are treated fairly regardless of disability	76%	76%	76%	61.74%	–	65.14%	–
AO6_c9	Average on Diversity Perception (GPTW survey questions)	74%	74%	75%	61.74%	–	65.14%	–
AO2	Employee Satisfaction							
AO2_A	Number of people participating in satisfaction surveys (Employees answering GPTW surveys)	50,576	49,866	45,352	87.71%	–	65.14%	–
AO2_B	Percentage of Responses to Great Place to Work surveys (Average of Response rate)	63%	73%	69%	87.71%	–	65.14%	–
AO2_C	Percentage of positive responses to "Taking everything into account, I would say this is a great place to work"	52%	55%	54%	87.71%	–	65.14%	–
AO2_D	Atos Trust Index® informed by Great Place to Work (GPTW)	56%	56.00%	Not disclosed	87.71%	–	65.14%	–
G4-EC3	**Coverage of the organization's defined benefit plan obligations**	Qualitative						
G4-EC5	Minimum wage comparison							
EC5_A_c3	Percentage of "Atos countries" with minimum national wage, where Atos entry wage > minimum national/IT sector wage [> 50%]	58.21%	58.57%	Not disclosed	100.00%	–	100.00%	–
EC5_A_b3	Number of "Atos countries" where Atos entry wage > minimum national/IT sector wage [> 50%]	39	41	30	100.00%	–	100.00%	–
EC5_A_b4	Number of "Atos countries" where Atos entry wage > minimum national/IT sectorwage [10%-50%]	21	21	20	100.00%	–	100.00%	–
EC5_A_b5	Number of "Atos countries" where Atos entry wage > minimum national/IT sector wage [0%-10%]	7	8	11	100.00%	–	100.00%	–
EC5_A_b6	Number of "Atos countries" where Atos entry wage < minimum national/IT sector local wage	0	0	0	100.00%	–	100.00%	–
EC5_B	Number of "Atos countries" with no minimum national wage	11	12	13	100.00%	–	100.00%	–
EC5_A_b3a	Number of "Atos countries" where the Atos female entry wage > minimum national/IT sector wage [> 50%]	45	47	Not disclosed	100.00%	–	100.00%	–
EC5_A_b4a	Number of "Atos countries" where the Atos female entry wage > minimum national/IT sectorwage [10%-50%]	14	16	Not disclosed	100.00%	–	100.00%	–
EC5_A_b5a	Number of "Atos countries" where the Atos female entry wage > minimum national/IT sector wage [0%-10%]	8	5	Not disclosed	100.00%	–	100.00%	–
EC5_A_b6a	Number of "Atos countries" where the Atos female entry wage < minimum national/IT sector local wage	0	0	Not disclosed	100.00%	–	100.00%	–
EC5_A_b3b	Number of male in "Atos countries" where Atos male entry wage > minimum national/IT sector wage [> 50%]	39	43	Not disclosed	100.00%	–	100.00%	–
EC5_A_b4b	Number of male in "Atos countries" where Atos male entry wage > minimum national/IT sectorwage [10%-50%]	24	21	Not disclosed	100.00%	–	100.00%	–
EC5_A_b5b	Number of male in "Atos countries" where Atos male entry wage > minimum national/IT sector wage [0%-10%]	4	3	Not disclosed	100.00%	–	100.00%	–
EC5_A_b6b	Number of male in "Atos countries" where Atos male entry wage < minimum national/IT sector local wage	0	0	Not disclosed	100.00%	–	100.00%	–
G4-LA2	Benefits to employees							
LA2_A_C15	Percentage of Permanent employees participating in Death Benefits	94%	94%	94%	100.00%	–	100.00%	–
LA2_A_C16	Percentage of Temporary employees participating in Death Benefits	79%	73%	82%	100.00%	–	100.00%	–
LA2_A_C17	Percentage of Permanent employees participating in Disability benefits	89%	90%	91%	100.00%	–	100.00%	–
LA2_A_C18	Percentage of Temporary employees participating in Disability benefits	70%	72%	81%	100.00%	–	100.00%	–
LA2_A_C19	Percentage of Permanent employees participating in Health Care	82%	82%	82%	100.00%	–	100.00%	–
LA2_A_C20	Percentage of Temporary employees participating in Health Care	70%	68%	71%	100.00%	–	100.00%	–

GRI code	KPI Name	2015 Group	2014 Group	2013 Group	2015 Perimeter Per employee	2015 Perimeter Per revenue	2014 Perimeter Per employee	2014 Perimeter Per revenue
AO11	Collaborative technologies development (Zéro email™)							
AO11_c1	Percentage of active Community users	30%	10%	Not disclosed	100.00%	–	100.00%	–
AO11_c2	Percentage of Collaborative Communities	29%	22%	Not disclosed	100.00%	–	100.00%	–
AO11_c3	Percentage of Dormant Communities	59%	41%	Not disclosed	100.00%	–	100.00%	–
AO11_b1	Number of active users in Communities	24,620	7,264	Not disclosed	100.00%	–	100.00%	–
AO11_b3	Number of Collaborative communities	2,480	2,305	Not disclosed	100.00%	–	100.00%	–
AO11_b4	Number of Dormant communities	4,981	4,324	Not disclosed	100.00%	–	100.00%	–
AO11_b5	Total number of communities	8,513	10,547	5,100	100.00%	–	100.00%	–
AO11_c4	Internal emails sent per week per mailbox	62	69	Not disclosed	100.00%	–	100.00%	–
AO16	Lost working days/Absenteeism rate							
AO16_B	Global absenteeism rate	2.79%	2.98%	2.70%	69.31%	–	71.26%	–
AO16_A_b3	Number of staff seriously injured work related	228	186	16100.00%	99.62%	–	100.00%	–
AO16_A_b4	Number of Atos staff´s dead work related	0	3	Not disclosed	99.62%	–	100.00%	–
G4-11	Collective bargaining coverage							
G4-11_A_c2	Percentage of employees covered by collective bargaining agreements	66%	67%	66%	100.00%		100.00%	

All KPIs are not including ITO scope (except AO2 and AO6).

G4-LA3 includes only France (excluding Bull).

AO2 and AO6 includes the countries which performed Great Place to Work surveys during 2015 including ITO.

AO16_B (Global absenteeism rate) exclude India, United Arab Emirates, Corporate Germany, Germany, Philippines, Canopy USA, Canopy Germany and BlueKiwi.

G4-LA11 excludes Germany, Corporate Germany & Austria. Calculation Methodology has been updated compared to previous exercise.

D.3 Generating value for clients through innovative and sustainable solutions

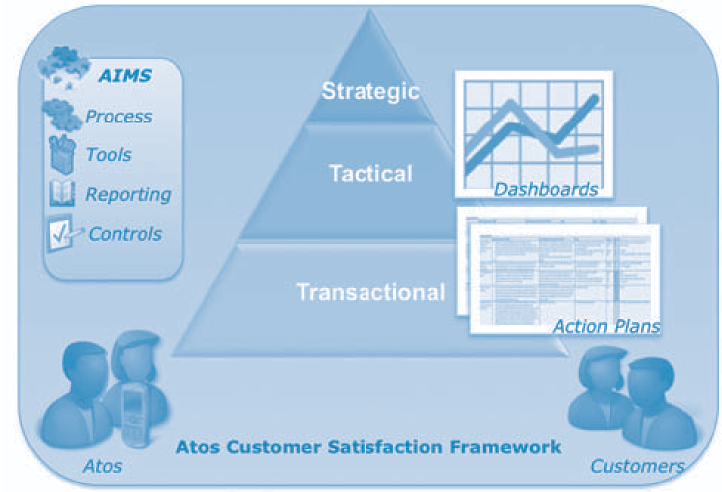
D.3.1 Meeting Clients needs and expectations

[G4-DMA-Product and service labeling] [G4-PR5]

D.3.1.1 Permanent improvement of the clients satisfaction

A comprehensive improvement loop is built from three layers survey engine to drive action plans accordingly as described below. It works from the Strategic level, with actions like innovation workshops or innovative proof of concept, to tactical actions for Quality and Productivity improvement or Customer Journey mapping to ease Client interactions, to continuous improvement on the "shop floor" operations.

Atos three layers Satisfaction survey process and the improvement framework are represented as follow:



The Strategic surveys are handled by Atos Executive representatives (Management and/or Sales) and covered Atos TOP accounts (225) through face to face.

The Tactical surveys are driven by the Service Lines and allow getting feedback at contracts level from the Clients team on Atos Services or project deliverables and overall performance.

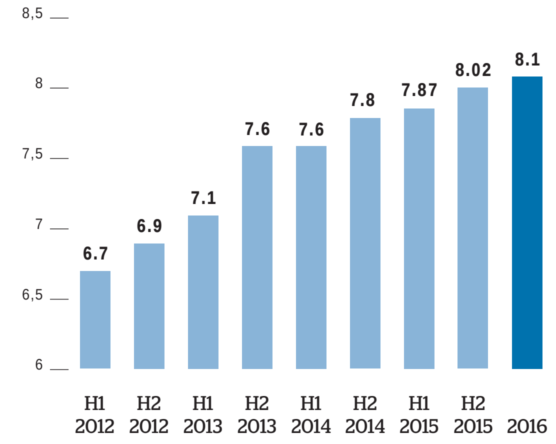
For large account serviced by Atos, an immediate feedback is requested from the end-users following a service request. This allows monitoring of service performance perception and driving daily operations.

The Overall improvement loops, associated tools, specific workshops, cook books on most repetitive situation are described in Atos Customer Experience framework deployed worldwide.

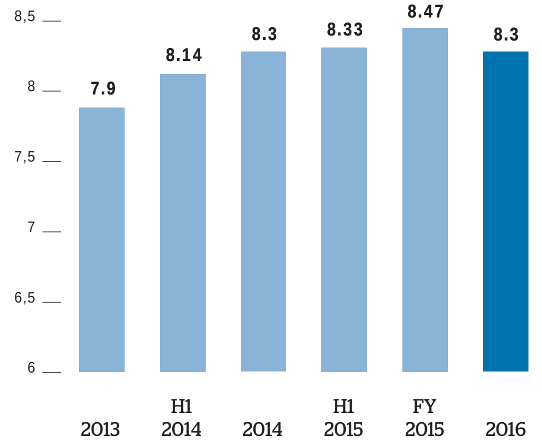
As part of our three years plan Atos tracked two KPIs at global level, The Overall Customer Satisfaction and the Net Promoter Score as defined in our industry.

The Overall Customer Satisfaction and the Net Promoter Score evolved as follow for the Managed Service Tactical Survey:

MANAGED SERVICES OVERALL CUSTOMER SATISFACTION

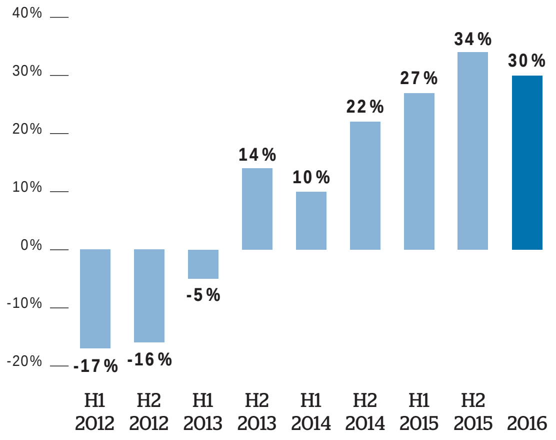


MANAGED SERVICES CUSTOMER NET PROMOTER SCORE

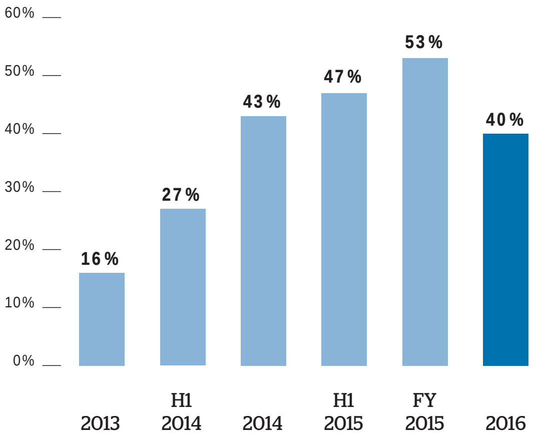


The Overall Customer Satisfaction and the Net Preference Score evolved as follow for the Consulting & Systems Integration Tactical Survey:

CONSULTING & SYSTEMS INTEGRATION OVERALL CUSTOMER SATISFACTION



CONSULTING & SYSTEMS INTEGRATION CUSTOMER NET PROMOTER SCORE



So with 3 years background now, we can display a positive trend and confirmed effectiveness of the first phase of Atos' satisfaction management program across Managed Services business.

Atos can now also display similar trend for our Consulting & Systems Integration activates, leading to similar conclusion:

Overall past 3 years results confirmed this customer experience improvement process to be a key contributor to Atos sustainable business.

Along 2016 Atos will integrate newly acquired businesses as part of this process, and continue to build the core components of the second step: “Driving loyalty, thanks to satisfactions, trust, service behaviors, value delivered” and so going one step further at building these loyalty drivers in our account management.

D.3.1.2 Innovative approach of Sustainable business

Atos Scientific Community

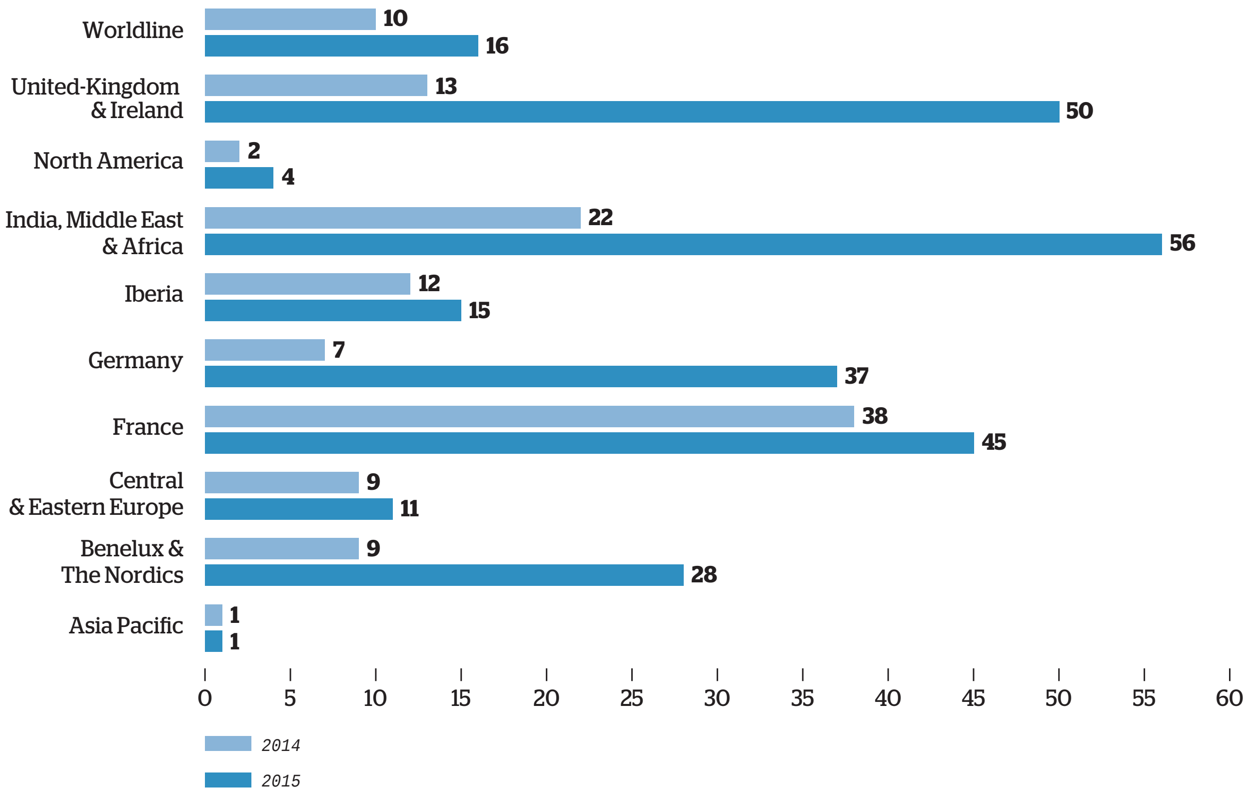
The Atos Scientific Community is comprised of the best 120 business technologists within the organization. They are “creators of change”, making sure that whenever Atos clients choose to work with the Company, they always get the best solution available by taking a proactive approach to identify and anticipate game changing technologies.

Anticipate Customers’ expectations regarding innovation

The Client Innovation Workshops Program was launched by Atos in 2012. The innovation workshops are customer-focused and customer-tailored events in which we are sketching with our clients how the emerging technologies and trends can be leveraged for their business success in the digital era. Around 20 topics that are considered to be of critical importance to the market – such as Sustainability, Cybersecurity, Predictive Analytics, Additive Manufacturing, Collaboration 2.0, Future Workplace and Augmented Reality – are put forward for each customer to choose from.

In 2015, Atos doubled the number of delivered workshops in comparison with the previous years. To meet the increasing demand of our clients, we delivered 264 innovation workshops worldwide [AO10]. This amazing collaborative adventure brought to life multiple creative solutions to the challenges we and our clients face both today and in the future.

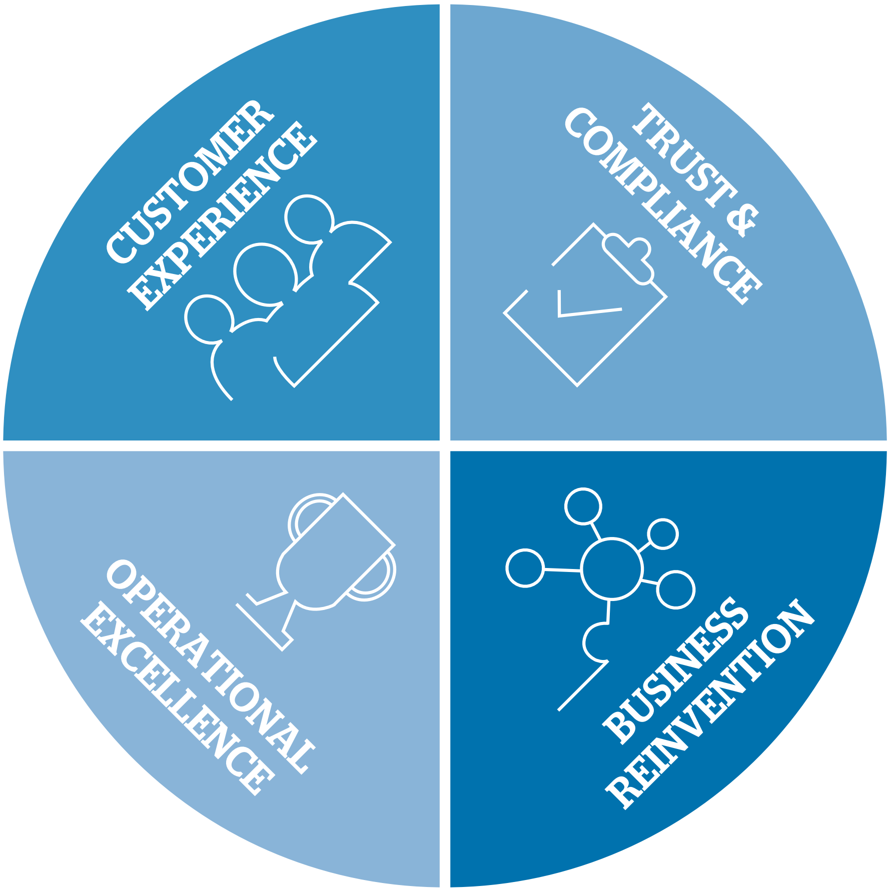
NUMBER OF INNOVATION WORKSHOPS PER BUSINESS UNIT



D.3.2 Meeting sustainability challenges of clients through offerings

[G4-EC7] and [G4-DMA-Indirect economic impacts]

Digital helps to improve the performance of small and large organizations in all markets, beyond the purely economic aspects, and contribute to achieving their CSR objectives. This question is clearly reflected in the four Customer Transformation Challenges (CTCs) described hereafter: customer experience, trust and compliance, business reinvention, and operational excellence.



D.3.2.1 Business Reinvention

Open-up new horizons with analytics

Analytics innovations from Atos and large partners such as Siemens deeply help organizations gain deeper customer insights, reinvent business, optimize operations, and favor trust and compliance. Analyst figures demonstrate that information centric corporations are already 20% more profitable and have twice the market value of their peers.

In **High-Performance Computing**, Atos applies its HPC technologies to next generation analytics. With its Bull Sequana X-1000 supercomputers, Atos is building tomorrow's technologies for next generation Exascale Systems, able to compute one billion operations per second. These will enable analytics use cases impossible to handle today, in domains such as public services (imagining high-quality smart city urban services, improving the accuracy of weather forecasts…), manufacturing (designing more environment-friendly engines), healthcare (leveraging genomics for better diagnosis and personalized medicine), etc. This opens new opportunities for analytic applications to be not only more accurate, but also incredibly faster.

Digital Transformation driven by Internet of Things

Digital Transformation embarks many domains (cities, transport, utilities… and notably manufacturing) in a multi-year journey towards 3D value chains: Demand Oriented, Data Driven, and Digitally Executed. Internet of Things (IoT) is at the heart of this revolution. The increased number of connected devices creates as much opportunity to understand and anticipate customer expectations, but also to improve the production line, monitor food traceability or optimize traffic management or pollution in the city. This becomes possible thanks to the use of RFID technology and intelligent sensors networked. It allows collecting processing and using real-time data, connected infrastructures open up a huge field of innovations.

This leads to profound changes in many sectors, especially in industry, where Internet of Things (IoT) operates a shift from a “manufacture and sell” mode towards a “sense and respond” mode. Atos helps organizations to define, deploy and operate this transformation:

- Customer driven product life cycles and “servicization” strategies: Connected products and product as a service, Product Life Cycle and 3D, personalized manufacturing, customer led innovation;
- Integrated enterprise management and orchestration for production effectiveness and mass personalization: Vertical Integration, Global Plant Management, augmented workforces, Manufacturing Execution System;
- Optimized supply chains with cross-organizations collaboration and supply chain intelligence (SCM) for real time optimization: Demand Forecasting, Transportation CPDS, Assembly to order, 3DPrinting, etc.

D.3.2.2 Customer experience

Connected consumers, connected citizens, all influencers?

Atos helps enterprises and governments unify all touchpoints for citizens and consumers, and connect all physical and digital assets (i.e.: connected store, connected vehicle, connected home…) to provide a seamless experience.

Atos notably contributes to:

- create ‘World of Warcraft’ (WOW) Interactions with mobile apps, digital wallet, digital signage, connected living, online services;
- provide a unified experience across all communication channels (web and mobile devices);
- provide 1-to-1, personalized insight.

Atos solutions also provide a global answer to the digital workplace challenge for Digital Natives, with:

- optimized Employee Experience: Instant on access, personal based workspaces, seamless request and enrollment, device swapping…;
- immersive Collaboration: Seamless collaborative experience with federated open and social solutions.

D.3.2.3 Operational excellence

Cloud services, lever for innovation and responsive business

Canopy Cloud is transforming the way clients interact with customers:

- invent and deploy globally mobile applications, with full security;
- expand collaboration throughout workforce, with customers and partners;
- leverage the cloud to get services and data delivered, regardless of devices and location.

Canopy cloud is transforming the way you consume IT: it accelerates the provision of services to your business users, with instant activation and deployment through highly flexible platforms, service catalogs and orchestration.

Atos Canopy offering helps customers to:

- create cloud services from existing off-the-shelf and custom developed applications, without worrying about the underlying infrastructure, and to automate workflow and deployment processes (Canopy Compose);
- develop cloud-native applications and focus on business logic and data while Canopy manages the rest of stack, accelerating app. development, test, deploy (Canopy Cloud Fabric, etc.)

D.3.2.4 Trust and Compliance, foundations of a sustainable business

[G4-EC2] [G4-DMA-Customer privacy]

Atos provides an offering that enables enterprises and governments to combine openness and trust, and make security both a lever of protection and a lever of value creation. Among are developed solutions to meet:

- growing customer trust and sales with Worldline privacy solutions and secure payments;
- boost employees agility with trusted workplaces allowing mobile and remote collaboration every time and everywhere;
- protect $billions of IP and avoid data leaks with Data Loss Prevention (DLP) and Big Data Security, to prevent data loss, whether it be from unauthorized insider activity or external threats including advanced with potential catastrophic consequences, including loss of revenue, negative publicity and reduced brand equity;
- prevent, detect and react to threats and intrusions with predictive Security Operation Centers and forensics. The security excellence allows focusing on core competences (Whatever sector the Company is in, goals are to increase customer/citizen satisfaction and loyalty, and improve performance); to achieve the kinds of returns expected from other business investments; to reduce compliance costs (as automation and reporting increases, less needs to be spent on auditing and compliance 'by hand').

D.3.2.5 Digital technologies put forward to tackle climate changes in COP21

A powerful illustration is the MERLIN space program - which objective is to measure the level of methane gas in the atmosphere - has been confirmed during COP21 and will be developed in a joint collaboration between the French and German National Space Agencies (CNES and DLR). In 2020, the French-German MERLIN satellite (Methane Remote Sensing Lidar Mission) will go into Earth orbit to measure concentrations of atmospheric methane with unprecedented precision and thus better understand the sources of this greenhouse gas playing a key role in global warming. Atos has been selected for the development of the Mission Control System (MCS), based on the new designed CNES generic product Line so called “Initiative for Space Innovative Standards Ground System”, a new standard of control centers. This will meet the requirements of space programs in terms of performance, security and scalability over several decades. The consortium led by Atos, in partnership with Thales, will develop the future control centers of space missions.

D.3.3 Shape the digital future with our partners

[G4-23] [G4-EC7]

The Atos ecosystem of partners is designed to meet the Customer Transformation Challenges (CTC) customer experience, trust and compliance, business reinvention and operational excellence. It helps to comply with sustainability requirements and gain competitive advantage through operational efficiency, worldwide capacity, digital security, mobility and reputation.

Atos' partnership approaches include Global Strategic Alliances (example: Siemens, EMC Federation, SAP) and Global Strategic Business Partners. The collaboration with a selected eco-system of partners, steadily strengthened according to market expectation, leverage an extensive technology portfolios to ensure the delivery of world-class solutions that deliver real and tangible business benefits to clients across almost all markets and sectors.

SAP and Atos expertise support sustainability challenges [G4-23]

SAP and Atos partner together to provide customers with state of the art solutions in the areas of sustainability and IT, relying on Atos recognized digital leadership in sustainability and SAP® solutions for sustainability.

These solutions, widely Canopy cloud based, help clients to boost profitability with reduced energy consumption, improved product safety and stewardship, and safer workplaces. Atos has a long-term strategic partnership with SAP, in which we join forces to help clients achieve their sustainability goals, operational excellence, profitable growth, and business continuity. We work closely with SAP to provide cutting-edge expertise in the areas of sustainability and IT, relying on Atos recognized leadership in sustainability and SAP solutions for sustainability.

As one of the key SAP partners globally, Atos has a unique SAP HANA end-to-end capability, offering everything from exploring business innovation potential, mastering the technology stack and 24x7infrastructure management, to custom developments and unique co-innovation with some of the largest SAP users in the world. HANA based Sustainability solutions are specifically designed for customers that have high energy use as part of their business model, providing in-depth assessment of where energy is being used, where potential wastage might occur and how to intervene effectively.

Atos runs a comprehensive Sustainability portfolio based on SAP software including environment, health, and safety management; risk management and compliance; sustainability reporting; and energy management.

Through its Canopy Cloud – the Atos Cloud Company - Atos offers Enterprise Sustainabilitya large portfolio of SAP solutions, helping clients to provide new services with higher flexible and secured resources from the cloud, including sustainability reporting.

In 2015, Atos and SAP strengthened their Global Partnership helping customers to achieve their sustainability goals, operational excellence, profitable growth and business continuity. Atos received the SAP® Pinnacle Award as the Global Value-Added Reseller of the Year. This prize rewards Atos ability to develop the partnership with SAP, support exponential growth, developing cloud platform services and generating value creation for clients.

Atos & Siemens, accelerating the future

In 2015, Atos and Siemens decided to define new initiatives that would further expand their strategic alliance like exploring further opportunities in the fields of advanced data analytics, cybersecurity and device connectivity with the clear ambition to be recognized as the preferred European player for digital services for global companies.

Furthermore, Siemens extended lock-up shareholder commitment to Atos until 2020, demonstrating the faith into the strategic Alliance, which will be enhanced in the domain of digitalization.

The Alliance joint innovation investment program which has been increased from the initial € 100 million funding to € 150 million has allowed developing a pre-configured analytics platform providing a unique competitive advantage to its customers to accelerate their digitalization transformation, especially in the field of smart data and digital services.

This platform has been recognized by industry analysts as exceeding market standards thanks in a large part to its capacity to be reused for a range of data analytic services. The two companies have developed a variety of joint software solutions for manufacturing, utilities, traffic management and Data Centers that enable the industries to exploit the opportunities of the third digital revolution, fast and cost efficiently.

The Atos-Siemens alliance has by far over delivered on the original expectations for joint business collaboration. Atos and Siemens offer joint services to 130 major customers through 25 collaboration areas covering various domains, such as manufacturing, energy and utilities, infrastructures and transportation,.

Innovation in generating new, unique, competitive joint solutions for sustainability is a key part of the business partnership.

In the Big Data space for manufacturing customers, the joint investment analytics platform with Siemens is enabling the customers of Atos to gain more transparency on the performance of their plant equipment, and thereby create direct impact over the energy efficiency of their production environment, leading to significant energy savings and direct impact on carbon footprint.

Atos strengthens the relationship with the EMC Federation

In 2015 Atos reinforced its partnership with the EMC Federation (EMC, VMware, Pivotal, RSA, VCE and VirtuStream) to provide customers best-in-class cloud services and technologies, notably in the areas of Software-Defined Data Centers and Hybrid Cloud.

Beyond addressing enterprise business challenges, such as reacting faster to business opportunities through innovative services, keeping operational costs competitive, and balancing and mitigating risks, this partnership supports sustainability performance.

The members of the Federation are, like Atos, committed to demonstrating how digitalization of a company contributes to improving its sustainability performance.

Indeed, the shared nature of cloud computing infrastructures drives IT efficiency, avoiding the duplication of resources and low utilization rates usually found in traditional IT. Additionally, the automation and standardization inherent in cloud computing allow the consolidation of resources and increases in performance while also introducing greater flexibility and scalability. A cloud-based infrastructure is one of the conditions for deploying on-demand services at large scale. As a result, cloud computing lowers IT operational costs while boosting efficiency and agility. Globally, it reduces the carbon output and improves the bottom line.

Canopy, the Atos Cloud, engineers cloud solutions that realize the full potential of the cloud technologies provided by the EMC Federation, improving operational performance and delivering sustainable benefits for end-users. Through the innovative solutions that can be built on top, cloud computing enables development of citizen services (e-government, e-health), more collaborative ways of working (academic research) and communicating (social networks), and, more generally, it provides more accessibility (e-education, leisure) and flexibility to citizens and consumers in a globalized economy. Furthermore, important compliance matters such as the governance and usage of sensitive data are at the heart of the Atos Cloud and the partnerships that Atos develops.

D.3.4 Generating value for clients through sustainable and innovative solutions – KPI overview

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	KPI Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
G4-PR5	Customer satisfaction survey							
PR5_A_c1	Overall Customer Satisfaction from Strategic surveys (score from 0 to 10)	7.7	7.6	7.07	–	100.00%	–	100.00%
	Overall Managed Services Customer Satisfaction from Tactical surveys (score from 0 to 10)	8.02	7.8	7.6	–	100.00%	–	100.00%
G4-EC2	**Financial implications and other risks and opportunities due to climate change**	Qualitative						
G4-EC7	**Development and impact of infrastructure investments and services supported**	Qualitative						
AO7	Sustainable projects with clients in Euros							
AO7_c1	TCV solutions Green IT infrastructure	511,908,000	403,239,000	Not disclosed	–	100.00%	–	100.00%
AO7_c2	TCV solutions Smart citizenship (digital citizenship)	924,609,930	77,598,000	14,514,944	–	100.00%	–	100.00%
AO7_c3	TCV solutions Operational excellence - Energy Management	200,075,197	133,418,000	121,014,774	–	100.00%	–	100.00%
AO7_c4	TCV solutions People, safety and compliance	1,902,217	1,319,000	1,309,000	–	100.00%	–	100.00%
AO7_c5	TCV solutions Risk and reputation (ISRM)	84,046,000	53,700,000	51,650,000	–	100.00%	–	100.00%
AO7_c6	TCV solutions Sustainability offerings	1,951,985,344	669,274,000	188,488,718	–	100.00%	–	100.00%
AO10	Initiatives regarding innovative services/product developments							
AO10_c1	Customer innovation workshops delivered in GBUs	264	123	114	–	100.00%	–	100.00%
G4-PR8	Customer complaints							
PR8_A1_c1	Number of third party complaints regarding breaches of customer privacy, higher than €100 thousand	0	0	0	–	100.00%	–	100.00%
PR8_A1_c2	Number of customer complaints regarding breaches of customer privacy, higher than €100 thousand	0	0	0	–	100.00%	–	100.00%
AO3	Data Security Incidents							
AO3_c2	Percentage of Open Security Incidents open vs closed	27.87%	6.23%	Not disclosed	–	87.75%	–	99.58%
AO3_c3	Percentage of employees who successfully performed the Safety & Security E-learning	71%	71%	72%	–	100.00%	–	100.00%
AO3_c4	Percentage of employees who successfully performed the Data Protection E-learning	38%	65%	Not disclosed	–	100.00%	–	100.00%
AO3_c5	Percentage of Compliance to Virus Defense Policy	89%	86%	Not disclosed	–	87.75%	–	99.58%
AO3_c6	Weighted Intrusion Rate of Internet in GBU	2.28	3.26	Not disclosed	–	87.75%	–	99.58%
AO3_c7	Weighted Intrusion Rate of Intranet in GBU	4.90	5.21	Not disclosed	–	87.75%	–	99.58%
AO3_c8	Weighted Intrusion Rate of Service Network in GBU	1.79	6.21	Not disclosed	–	87.75%	–	99.58%
AO3_c9	Percentage of coverage of ISO 27001 certifications	100%	100%	Not disclosed	–	87.75%	–	99.58%

TCV: Total cost value

D.4 Ethical excellence in Atos' Sphere of Influence

D.4.1 Ethical excellence within the entire group

D.4.1.1 Compliance

[G4-DMA-Anti-corruption] and [G4-DMA-Compliance]

Compliance Governance

During the second semester of 2015, Atos 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 Legal 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 program within the GBUs Compliance Committees;

Compliance Monitoring

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 Non Compliance Response procedure [G4-49].

The Non Compliance Response Procedure is an internal process to be followed in the event there is a disclosed breach of the Code of Ethics, or laws and regulations more generally. This Procedure defines the review and investigation process, reporting and decision making steps, such as remediation actions in a measureable and consistent manner, in cases of non-compliant actions.

The Procedure is continually being improved to ensure the process is relevant and that it appropriately addresses the objectives of investigation, remediation and reporting. The Non Compliance Response Procedure will be further improved throughout 2016 to ensure full alignment with the new Code of Ethics.

For 2015, fourteen alerts were reported and monitored at the Group Compliance level [G4-50].

Since 2012, an Ethics Committee, composed of independent and highly respected external professionals, has been created with the mission to strategize on the role of ethics generally, and particularly within Atos' operations. The Ethics Committee is sponsored by the Group Chief Compliance Officer, the Group Human Resources Director, the Group General Secretary and the Global Compliance team. In revising the Code of Ethics, this Committee was consulted and several recommendations were incorporated into the new Code of Ethics.

Policies to prevent non-compliance risk [G4-56], [G4-57] and [G4-58]

Participant since 2010 to the UN Global Compact, Atos has implemented several internal policies, to prevent non-compliance risks such as bribery, corruption, violations of competition laws and export control laws, and fraud in general.

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 [G4-SO3]. In 2015, no significant fines or non-monetary sanctions for non-compliance with laws and regulations were levied against the Group [G4-SO8], nor any client or supplier claim related to corruption [G4-SO5].

Atos' Code of Ethics substantially reviewed in 2015

Atos' Code of Ethics, as further described in Section G.6.2, was reviewed in early 2015 and a new version of the Code was approved by the Atos' Board of Directors on May 28, 2015.

The new Code of Ethics introduces a direct reference to Atos Corporate Values, establishing ethical practices as a backbone of the Atos corporate strategy: Responsibility, Trust, Sustainable competitiveness, Service quality and listening to clients, Innovation, Wellbeing@work, Excellence.

The new Code of Ethics enhances the role of the compliance function in providing leadership and guidance to the global operations with the objective of protecting the Atos brand and ensuring sustainable business. Additionally, the new 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 deployment of the Code of Ethics throughout the global operations began in September 2015. Strong involvement of the Human Resources department has ensured a consistent and thorough implementation, particularly in those countries requiring employees' representation councils' involvement, 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 through-out the first semester of 2016.

Improved compliance tools and processes

Atos has implemented several measures to prevent bribery and corruption, in support of Atos's Code of Ethics principles relating to business integrity [G4-SO5]:

- Atos Business Partners, including agents, intermediaries, consortium partners and consultants assisting Atos 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). Through a series of questions and document requests, the BPT collects the various elements necessary for the assignment of a risk assessment to the business partner, as well as the requisite validation process. The level of risk assessment will identify the appropriate validation process, involving a simple approval process by the GBU Head of Sales for low-risk business partners to complex approval processes by the Group CFO and Group General Counsel, in addition to the GBU management, for high risk business partners. In addition, Atos strictly complies with international sanction laws and regulations and in the event a business partner matches with any of the main international sanction lists, it will be rejected by the BPT;

- In 2015, the business partner contract templates developed by Group Compliance, were revised to reflect best practice in the area of business partner management;
- In addition, the Atos Contribution Policy further enhances the compliance efforts relating to bribery and corruption. The Policy prevents Atos' 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;
- Prevention of fraud and non-compliance with Atos values and the Code of Ethics is a key priority of the Atos Group. As detailed above, the Non Compliance Response Procedure provides for the management process and actions related to any non-compliance alerts;
- To reinforce this prevention, the new Code of Ethics, as described in Section G.6.2, 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 [G4-57 and G4-58]. 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.

Improvement of Compliance Awareness [G4-56]

Atos aims to promote employee awareness of company policies through a variety of channels, such as global communications, e-learnings and modules, and classroom training.

Regarding training, the launch in September 2013 of specific e-learning on the Code of Ethics has made it possible for Atos to achieve another step in the improvement of its compliance program. This specific training on the Code of Ethics' principles ensures a better understanding of the Code of Ethics and promotes fair practices in the daily business activities. This e-learning is mandatory for all employees, regardless of their job, function, country and hierarchical level.

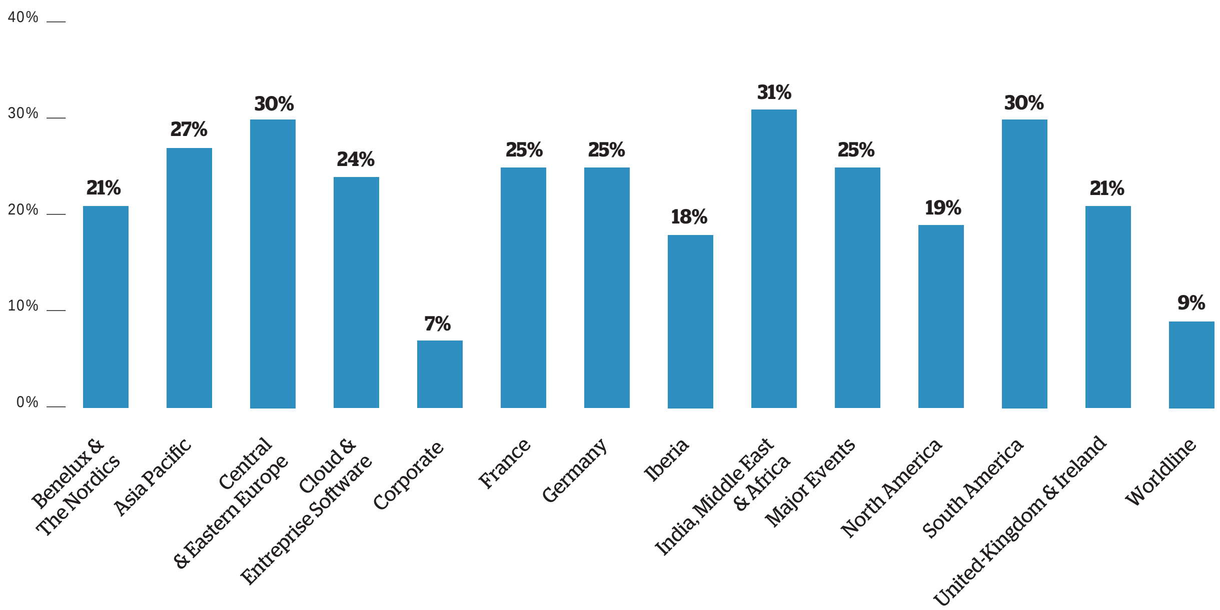
In 2016, a new version of the e-learning will be launched. Additionally, Atos Code of Ethics has been attached to all employment contracts concluded as from January 1, 2011.

To complement this e-learning module on the Code of Ethics, specific classroom training sessions are organized in some GBUs for top managers. In 2014, a new classroom training on the Code of Ethics was developed and deployed in some GBUs to replace the former content: ETO²S training ("Ethics in Tier 1 Organization School") presents the responsibilities and the risks of non-compliance for Atos and the managers related to the principles of the Code of Ethics, explains the main Atos policies and processes to ensure compliance with these principles, and gives concrete examples of ethical behaviours of manager in their daily work.

In 2015, 24.76% of employees completed the e-learning on the Code of Ethics and 358 managers were trained in classroom trainings [G4-SO4]. Since the launch in 2013 of the e-learning on the Code of Ethics, 77% of employees have been trained (cumulative figures).

To ensure the full understanding of the new process related to due diligence and validation of Atos Business Partners, the Group Compliance Team conducted several trainings for sales people, explaining the IT tool and all the materials available to manage business partners contractually. In 6 months, more than 500 people were trained across the different geographies, ensuring a broad and efficient roll-out of the new process and tool.

NUMBER OF PEOPLE WHO COMPLETED THE E-LEARNING ON THE CODE OF ETHICS IN 2015 [G4-SO4]



D.4.1.2 Data Protection

[G4-16] and [G4-DMA-Customer privacy]

Atos' comprehensive data protection approach
[G4-DMA-Customer privacy] [G4-PR8]

The right to the protection of one's personal data has been recognized and reaffirmed as a fundamental right. Accordingly, compliance with data protection requirements is, first, essential for all Atos employees who expect from Atos a level of compliance which is as close as possible to the strictest applicable legal regime. Secondly, the business opportunities created by the processing of personal data seem exponential as we are now entering in the Internet of Things Era. For these very reasons, Atos has committed to abide to strict undertakings and to implement strong organizational and security measures to guarantee that its employees' and its clients' personal data benefit from a high level of protection.

For this purpose, Atos has developed a comprehensive data protection approach which relies on three pillars.

The first pillar consists in all the policies, procedures and guidelines developed and implemented by Atos internally. The core of these policies is composed of the Atos Binding Corporate Rules (the "Atos BCR") and of the Atos Group Data Protection Policy. The Atos BCR, which have been approved by European Data Protection Authorities the 4th of November 2014 (lead by the French Commission Nationale de l'Informatique et des Libertés) as establishing, for all of the companies of the Atos Group having adhered to them, an adequate level of protection to personal data (thereby justifying transfers of personal data of its employees and clients outside the European Union), set up data protection principles based on the provisions of EU Directive 95/46 on data protection, which are generally regarded as being amongst the most protective data protection rules. In order to ensure that these principles and procedures are effectively implemented, a strong, permanent and coordinated Data Protection Community is set up and constitutes the second main pillar of Atos Data Protection approach.

This community is coordinated by the Group Data Protection Officer, reporting directly to the Group Head of Compliance, one of the key executives of the Group Legal, Compliance and Contract Management department.

It is organized on the basis of a Network of Local Data Protection Offices composed of legal experts on data protection legislation and of Country Data Protection Officers having a more technical and security focused background.

Atos has, as a third pillar, developed training targeting all Atos employees to create general awareness on the topic as well as more dedicated trainings to point out the issues employees face in their particular domain of expertise: any individual employee of Atos will therefore be aware and knowledgeable on data protection.

The general training for all Atos employees is a mandatory e-learning module educating employees on what data protection is intended for, on how to determine what is "personal" data in order to be able to identify it, on the contents and principles defined in the Atos Data Protection policy and the data protection organization, and explaining rights and obligations related to data protection for Atos employees.

In 2014, 38% of Atos employees completed successfully this Data Protection e-learning [AO3].

The results of these commitments and principles governing Atos' approach to the protection of personal data generate concrete benefits both for Atos but also for its ecosystem generally. Indeed, this commitment has incited our providers and clients to adopt similar standards of protection of personal data, therefore creating a virtuous circle of compliance. Furthermore and from an operational perspective, in 2015, Atos did not receive any complaints regarding breaches for customer privacy [G4-PR8].

Increasing data protection compliance by rolling-out the Atos BCR

In the course of 2015, Atos has been active in implementing an effective roll-out of its BCR. As explained above, the Atos BCR are a commitment taken by the Atos Group towards ensuring a strong level of compliance with data protection requirements as they result from the EU data protection legislation, one of the most stringent in the world.

D.4.1.3 Asset Protection

A transverse approach to the protection of assets

Atos Group security organization has a set of 50 Global Security and Safety policies, standards and guidelines. The Atos Group security policies are mandatory and binding for all Atos entities and employees in order to guarantee the safety and the security of Atos internal and external (i.e. "Customer related") business processes. They apply to all staff, contractors and consultants throughout the Atos organization.

The Atos Group Safety and Security policies encompass the protection of all Atos assets, whether owned, used or held in custody by Atos (information, intellectual property, sites, network, personnel, software and hardware).

The main Atos security policies are part of the Atos "Book of Internal Policies":

- AP90 Atos information Security Policy;
- AP91 Atos information Classification Policy;
- AP92 Atos Safety Policy;
- AP96 Atos IT acceptable use Policy.

In addition, Atos has put in place measures and policies to protect its intellectual property assets and confidential information, including, but not limited to, the use of confidentiality agreements, encryption and logical and physical protection of information where required.

Furthermore the Atos Legal, Compliance and Contract Management department advises on all commercial transactions as 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.

Security Management System, organization and governance

Atos' Information Security Management System (ISMS), built in 2001, is enforced across all GBUs, Worldline and Service Lines. The Security organization is aligned with the continuous improvement cycle related to this ISMS.

Following 2013 initiatives, Security organization and governance continued to be reinforced in Atos Global Service Lines (e.g. Managed Services and Consulting & Systems Integration) as well as further assignment or set up of Security Management teams and roles to address specific areas (e.g. creation of a Computer Security Incident Response Team). Group security Governance is structured around weekly calls under the responsibility of the Group Chief Security Officer – Head of Security, with all Group and GBU security officers, representatives from all Atos entities.

During weekly calls, Chief Security Officers (CSO) from all part of the Group organization are working all together on:

- Tracking all decisions and actions around the security;
- Reviewing all the security events and security incidents of global interest;
- Reviewing results of all the vulnerabilities scanners running since the second semester of 2013 on all categories of Atos networks (Internet, Intranet, production environments);
- Improving the security management system.

The Group's main certifications regarding security include: ISO 27001, ISAE 3402 and PCI/DSS for Worldline (payments industry).

Security Key Performance Indicators and reporting

From a security performance management perspective, Atos is monitoring the deployment of ISO 27001 at all the Atos business activities. In 2015 Atos maintained the scope of his Information Security Management System which is now implemented at 100% of the GBUs (Asia Pacific, BTN, CEE, France, Germany, Iberia, IMEA, LATAM, NAO, UK-IR and Worldline) which have sites certified on the ISO 27001 standard by external auditor [AO3].

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, and monitoring and logging of system events). All these measures are part of the Atos security framework.

D.4.2 Ethics in the Supply Chain

[G4-DMA-Procurement practices]

D.4.2.1 A permanent dialogue with Atos suppliers

[G4-12]

Atos Global Procurement is organized in 3 areas working together both at Global and Local levels:

Global Categories, Global Process & Development and GBU Purchasing departments.

Supplier relationship Management within Atos means the consistent and sustained implementation of the following activity 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, Sustainability).

Since mid-2014, Atos Global Procurement has taken the lead on the development of purchasing with sheltered workshops ("Entreprise Adaptée" et "Etablissement et Service d'Aide par le Travail": French companies employing at least 80% of disabled people) for France. As a result, the amount spent with sheltered workshops in France has reduced from € 380 thousand in 2014 to € 231 thousand however € 380 thousand of orders were placed in 2015.

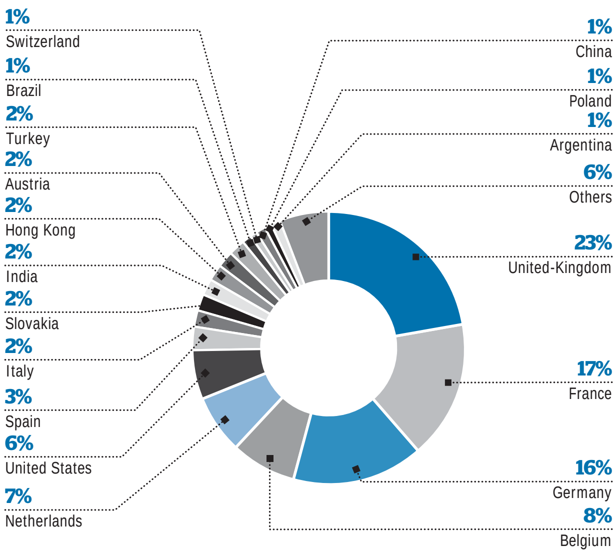
In Spain, thanks to the involvement of the Atos local procurement team, the spend with sheltered workshops ("Centros Especiales de Empleo") has reached € 1,342 million.

In 2014, Atos Global Procurement department's ambition was to integrate of Bull entities into Atos Group and In 2015 Bull procurement synergies were completed along with the process & tooling integrations. From middle 2015 a similar programme of synergy activity was started with Xerox ITO and this will continue throughout 2016. Many of Bull's and Xerox ITO's suppliers are already known to Atos but the integrations still require a lot of work to rationalize contracts and specifications.

As stated in the Atos 3 year plan 14/15/16'one objective of the Atos Procurement organization is to concentrate spend on fewer suppliers (Globally and at Country level), thus reducing the number of suppliers to manage. By 2016, 80% of Atos total spend should be transacted with 350 (revised from 200 due to acquisitions adding new countries, new categories of spend, new locations) suppliers, while it is today done with 549 suppliers.

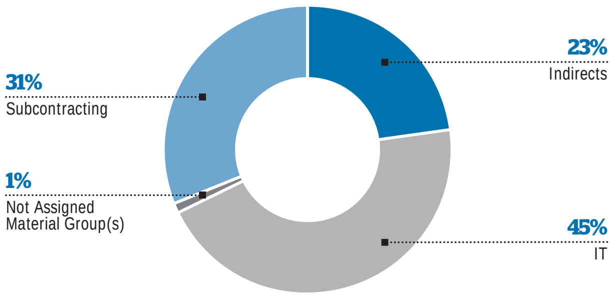
On the 52 Countries where Atos Procurement is operating, 6 countries (United-Kingdom, Germany, France, Netherlands, USA and Belgium) represent 75% of the spend while 37 countries represent less than 10% of the total spend. The 9 largest countries representing 84% of Atos spend are under control in terms of sustainability and all located in Europe and North-America.

ATOS SPEND BY COUNTRY
[G4-EC8]



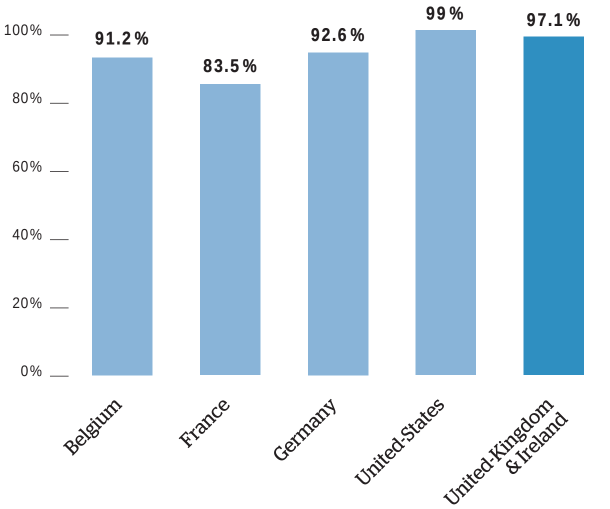
Since we are a service company, a large part of our purchases are concentrated on people-related areas. Indeed, 32% of Atos total spend is dedicated to Staffing & subcontracting. Including Facility management and Professional services, it represents 36% of Atos total spend. These categories indirectly generate employment in countries where strong labour laws are in place. On the other hand, IT spend represent 45% of Atos total spend and is done with the largest IT Tier 1 suppliers, which are all fully in line with our sustainability objectives.

ATOS' SPEND 2015 BY CATEGORY
[G4-12]



Finally, although Global Procurement teams aims to centralize spend and sign global agreements with larger suppliers, **92%** the delivery of goods and services are done at local level, reducing our impact on the environment. This is explained by the usage of vendors located in numerous countries or the usage of distributors for IT materials.

PERCENTAGE OF PROCUREMENT BUDGET SPENT ON LOCAL SUPPLIERS BY GBU
[G4-EC9]



D.4.2.2 Enhance Sustainable relation

Atos Sustainable Supplier Charter is available on Atos website to anyone interested to know more about Atos sustainable procurement values. It is distributed to all suppliers participating to a request for proposal with Atos and is attached to all contracts. The charter's objective is to summarize principles and actions undertaken by Atos Procurement department for Corporate and Social Responsibility. It encourages Atos' suppliers to follow the principles of the UN Global Compact in the areas of human rights, labour, the environment and anti-corruption. In the context of Request for Proposals, suppliers are also informed that they should respect these principles to be able to work with Atos. Moreover, they might be assessed by EcoVadis on their CSR performance at any time during their contract with Atos.

As explained in section D.4.2.1, Atos Procurement's objective is to strengthen the relationship with key suppliers (Top 350) and have most of them assessed by EcoVadis on their CSR performance. EcoVadis assessments are done on four levels: Environment, Labor practices, Fair business practices and Supply chain. Suppliers are asked to answer to a detailed questionnaire about their engagement in CSR and required to provide documents supporting their answers. Then, a team of CSR experts analyses the answers and documents in detailed in order to give a global score (on 100), a score per area and detailed comments including improvement schemes.

In 2015, 60 suppliers have been scored by EcoVadis representing 44% of the total spend and 11% of our strategic suppliers [AO17 and G4-SO3]. The selection was based on the level of spend, the category risk level and the geographic risk. With the usage of ZEN (Atos ESN), the entire purchasing community is aware about the relationship with EcoVadis and the status of the ongoing assessments of strategic suppliers. In total, at the end of 2015, Atos had a vision on 405 suppliers EcoVadis scorecards. The average score is 52, which confirms the following assessment:

- A structured and proactive Corporate Responsibility approach;
- Policies and tangible actions on major topics;
- Basic reporting on actions or performance indicators;
- Company embraces continuous performance improvements on corporate responsibility and should be considered for a long-term business relationship.

Suppliers with insufficient scores (below 35/100) are required to implement corrective action plans and to be re-evaluated after 12 months. In 2015, less than 12% of our panel had low scores, usually because of a misunderstanding of EcoVadis assessment process and platform. However, if a supplier refuses to participate to EcoVadis assessment or is not willing to cooperate with Atos to improve its CSR performance this will, in most cases, lead to very few or no contracts being placed with that vendor.

Atos objective in 2016 is to carry out assessments on key new suppliers from Bull, Xerox ITO and other planned acquisitions.

In 2015, Atos has been reassessed by EcoVadis on its CSR performance and obtained the score 74/100, improving last year score by 4 points.

D.4.3 Responsible Company in the territorial anchor

[G4-EC1] [G4-EC8] and [G4-DMA-Economic performance]

Corporate citizenship and civic engagement continues to leverage Atos well established entrepreneurship in the public interest:

- Atos is an important stakeholder within society (employment, technologies & solutions enabling progress of society, environmental footprint);
- Atos experiences rapid growth in the BRIC's & several fast emerging countries;
- Atos is a prime partner of governments and public services (national and local authorities);
- Atos is a prime partner of basic & essential commodities/services: energy/utilities, transportations, communications & collaboration and financial transactions/payments;
- Atos is a prime contributor to the Digital economy.

The core themes underpinning social innovation remain unchanged in areas which are intimate to its core competencies:

- Access/Equality to Education – IT literacy: IT science, IT enabling computer/assisted instruction (CAI);
- Women empowerment & inclusion: promotion of women in science, higher education of women, women at work;
- Youth employability & empowerment in the ICT economy;
- Social cohesion/Giving back to the community: Community outreach & Program determined by geographic proximity, business activity-oriented, or employee-led;

- Welfare/wellbeing improvement in deprived areas (including Educational activities);
- Digital Inclusion.

In 2015, around 796 employees participated in strategic social initiatives focusing on the three core areas of action: education, youth empowerment and digital inclusion.

In total, Atos has spent € 3.96 million on funding for social communities in 2015. This amount includes the donations to charity and social communities, plus the commercial initiatives and the community investments as defined in the London Benchmark Group (a reference model used for by Atos to report on the Social Contribution) [G4-EC1, G4-EC7]. A total amount of € 54.5 million was received in financial assistance from governments in 2015 [G4-EC4].

D.4.4 Being an ethical and fair player within Atos' sphere of influence – KPI overview

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	KPI Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
G4-SO4	Percentage of employees trained to the Code of Ethics							
SO4_B_b1	Number of employees trained in Code of Ethics - Elearning	20,286	40,395	24634	100.00%	–	–	–
SO4_B_c1	Percentage of employees trained in Code of Ethics - Elearning	24.76%	52.77%	31.86%	100.00%	–	–	–
SO4_D_b1	Number of management employees trained in Code of Ethics - Elearning	358	466	Not disclosed	100.00%	–	72.25%	–
SO4_D_b2	Number of targeted management employees	830	645	Not disclosed	100.00%	–	72.25%	–
SO4_D_c1	Percentage of management employees trained in Code of Ethics - Classroom	43%	72%	Not disclosed	100.00%	–	72.25%	–
SO4_E_b1	Number of employees who successfully completed the web based Code of Ethics training	19,928	39,929	24312	100.00%	–	100.00%	–
SO4_E_c1	Percentage of employees who successfully completed the web based Code of Ethics training	24%	52%	32%	100.00%	–	100.00%	–
G4-SO5	**Actions taken in response to incidents of corruption**			Qualitative				
SO5_A1_c2	Number of claims with clients or suppliers related to corruption (higher than €100 thousand)	0	0	0	100.00%	–	100.00%	–
G4-SO8	Significant fines for non-compliance							
SO8_A1_c1	Total value of significant fines (higher than €100 thousand)	0	0	0	–	100.00%	–	100.00%
SO8_c3	Number of significant fines (higher than € 100,000 thousand)	0	0	0	–	100.00%	–	100.00%
G4-LA1	Organizational workforce in headcount and Employee Turnover							
LA1_A_c2	Number of employees at the end of the Reporting Period (Legal staff)	81,917	76,556	76,320	100.00%	–	100.00%	–
LA1_A_b1	Females at the end of the Reporting Period (Legal staff)	22,190	21,330	Not disclosed	100.00%	–	100.00%	–
LA1_A_b2	Males at the end of the Reporting Period (Legal staff)	59,727	55,226	Not disclosed	100.00%	–	100.00%	–
G4-10_C	**Total Employees (including supervised workers: interims + interns + subcos)**	90,445	83,728	83,121	100.00%	–	100.00%	
G4-10_A_c1	Percentage of employees with a permanent contract	98.23%	98%	98%	100.00%	–	100.00%	–
G4-10_A1	Males with a permanent contract	58,718	54,399	Not disclosed	100.00%	–	100.00%	–
G4-10_A3	Females with a permanent contract	21,748	21,001	Not disclosed	100.00%	–	100.00%	–
G4-10_A_c2	Percentage of employees with a temporary contract	1.77%	1.51%	1.79%	100.00%	–	100.00%	–
G4-10_A2	Males with a temporary contract	1,009	827	Not disclosed	100.00%	–	100.00%	–
G4-10_A4	Females with a temporary contract	442	329	Not disclosed	100.00%	–	100.00%	–
G4-10_A_c3	Percentage of employees in Full Time working	91.98%	90.91%	Not disclosed	100.00%	–	100.00%	–
G4-10_B2	Number of male in full time employment	55,868	52,214	Not disclosed	100.00%	–	100.00%	–
G4-10_B4	Number of female in full time employment	18,147	17,386	Not disclosed	100.00%	–	100.00%	–
G4-10_A_c4	Percentage of employees in Part Time working	8.02%	7.31%	Not disclosed	100.00%	–	100.00%	–
G4-10_B1	Number of male in part time employment	2,850	2,132	Not disclosed	100.00%	–	100.00%	–

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	KPI Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
G4-10_B3	Number of female in part time employment	3,601	3,464	Not disclosed	100.00%	–	100.00%	–
	Employee Hiring							
LA1_A_c1	New employees hires during the Reporting Period	13,048	12,417	Not disclosed	100.00%	–	100.00%	–
LA1_A	Males hires during the Reporting Period	8,814	8,409	Not disclosed	100.00%	–	100.00%	–
LA1_A	Females hires during the Reporting Period	4,234	4,008	Not disclosed	100.00%	–	100.00%	–
	Employee Turnover							
LA1_B_c1	Number of employees leaving employment during the Reporting Period	13,838	12,177	Not disclosed	100.00%	–	100.00%	–
LA1_B_b1	Males leaving employment during the Reporting Period	10,160	8,881	Not disclosed	100.00%	–	100.00%	–
LA1_B_b2	Females leaving employment during the Reporting Period	3,678	3,296	Not disclosed	100.00%	–	100.00%	–
G4-EC1	Community investments (Economic value distributed)							
EC1_A6_c1	Total community investments *(in €)*	3,961,485	1,266,097	999,204	–	71.03%	–	86.85%
EC1_A6_c3	Donations to Charity	248,835	815,825	623,716	–	71.03%	–	86.85%
EC1_A6_c4	Contribution to Commercial initiatives for good causes	87,130	173,308	195,691	–	71.03%	–	86.85%
EC1_A6_c8	Contribution to Universities and similars	3,625,520	183,008	119,176	–	71.03%	–	86.85%
EC1_A6_c9	Contribution to Responsible IT Projects	0	93,956	60,621	–	71.03%	–	86.85%
EC1_A6_c0	Management Cost of Social Contribution initiatives	23,209	67,483	14,287	–	71.03%	–	86.85%
	Total number of employees involved in the main social initiatives	796	Not disclosed	Not disclosed	73.69%	–	–	–
G4-EC4	Financial assistance from governments							
EC4_A_c1	Financial assistance from governments *(in €)*	54,545,001	35,155,809	30,989,229	–	52.52%	–	100.00%
G4-EC9	Proportion of spending on local suppliers							
EC9_A_c1	Percentage of local spending	92%	90%	92%	–		–	86.69%
G4-SO3	**Total number and percentage of operations assessed for risks related to corruption**	Qualitative						
G4-EC8	**Significant indirect economic impacts, including the extents of impacts**	Qualitative						
AO17	Supplier Screening							
AO17_A_c0	Number of strategic suppliers assessed by Ecovadis	60	89	111	–	80.00%	–	80.00%
AO17_A_c1	Percentage of strategic suppliers evaluated by EcoVadis	11%	16%	Not disclosed	–	80.00%	–	80.00%
AO17_A_c2	Total spend evaluated evaluated by EcoVadis *(in €)*	1,970,000,000	1,054,586,125	Not disclosed	–	80.00%	–	80.00%
AO17_A_c3	Total percentage of spend assessed by EcoVadis	44%	31%	45%	–	80.00%	–	80.00%

D.5 Managing the corporate environmental footprint and tackling climate change

D.5.1 Ambition, challenges, opportunities, achievements and recognition (DMA)

[G4-DMA-Energy] [G4-DMA- Emissions]

D.5.1.1 Tackling climate change as main ambition

The overall ambition and objectives of Atos' environmental program are:

- to regularly keep improving the Group's overall footprint and more specifically, conscious of the crucial role of digital technologies, actively contribute to combating climate change and preserve natural capital;
- to take into account the fast-evolving stakeholders' expectations in terms of environmental challenges, both at Group and regional levels;
- to maintain Atos leadership within the IT sector and best-in-class recognition on environmental practices by major climate performance indexes and leading international third parties such as DJSI (Dow Jones Sustainability Index), CDP (Climate Performance Leadership Index), FTSE4Good Index, EcoVadis, etc.

In 2015, Atos already widely recognized as a global leader within the IT sector for its actions to reduce GHG emissions, has decided to strengthen its involvement to tackle climate change. In this regard, Atos has joined the platform designed by CDP and the We Mean Business Coalition to act and be recognized for leadership on climate change. In this framework, Thierry Breton, CEO of Atos, endorsed publicly four new initiatives concerning new emission targets, carbon price, engagement with stakeholders and public information.

In this way, Atos reaffirms its ambition to:

- be considered as a leader in climate performance;
- enhance the IT sector contributions to climate challenges;
- promote Atos solutions as an enabler to move towards a low-carbon economy;
- send a strong message to the market and stakeholders regarding its corporate responsibility.

D.5.1.2 Energy and carbon as main challenges

Seven years ago, as part of its Corporate Responsibility Program, Atos took the decision to closely monitor these challenges and in particular, to decouple this increasing need of data processing from the energy required to run the IT systems. Today, Atos' position on these challenges has mobilized the full attention of the senior management and has transformed into clear objectives and action plans:

- focus the internal environmental program on energy consumption, supply and efficiency first;
- set ambitious objectives (about energy and carbon), leading the way of the IT sector;
- promote energy efficiency as one of the key indicators for the sites optimization strategy;
- monitor main office sites and strategic datacenters through an ISO 14001 certification program;
- switch to decarbonized and renewable energy sources wherever this is practical;
- take all concrete steps to reduce datacenter emissions and offset residual emissions to make our datacenter services carbon neutral;
- involve internal functions to integrate the challenges into processes, operations and GBUs, to become business as usual;
- share our ambition with employees in all the countries where Atos operates;
- Publicly communicate about climate and environmental objectives, progress and achievements.

D.5.1.3 Using digital technologies as main opportunities

From an Atos point of view, these energy and carbon challenges are also clearly seen as opportunities, leading to improved internal processes and operational efficiency, to new ways of working and potential savings.

In this context Atos, innovates and delivers new digital solutions that help our clients tackle both their business and environmental challenges (smart solutions, green datacenters, and carbon neutral hosting…).

Atos is very much engaged in this dynamic of change towards a longer-lasting economic model more in tune with sustainability issues. Doing so, Atos transforms a potential constraint into a source of competitive advantage and business opportunities.

D.5.1.4 Main achievements and recognition

Main achievements

Challenge & commitment	Key objectives for 2015	Key achievement at the end of 2015
Deploy an Environmental Management System	Atos has set a global objective for the ISO 14001 certification of all its major sites: • “strategic” datacenters (sites operated by Atos and targeted co-located sites); • main office sites with more than 500 employees. Due to both the Group’s acquisition program and the Group’s consolidation program, the number of eligible sites (datacenters and offices) evolves over time.	This is a permanent ongoing objective: among the sites fulfilling the ISO 14001 certification criteria at the end of 2015, 107 sites were already certified or in the process of being certified. (95 sites certified).
Improve the datacenters energy efficiency (PUE)	Datacenter management has included a “global average PUE” improvement objective.	At the end of 2015, after major acquisitions, requiring further optimizations or implying new consolidations, Atos’ average PUE of all datacenters was 1.72 and the average PUE for the strategic datacenters was 1.64.
Decarbonized energy for datacenters to support the energy transition	Wherever possible (local offer, end of contract), aim to consume 100% decarbonized electricity in the strategic datacenters owned and operated by Atos (co-location excluded).	At the end of 2015 circa 88% (66% in 2014) of electricity consumed by Atos strategic datacenters owned and operated by Atos (co-location excluded) is supplied by decarbonized sources (including nuclear and renewable sources).
Reduce the Group carbon intensity footprint	Achieved a -50% carbon intensity reduction target (tons of CO_2/M€ revenue) between 2012 and 2015. (2012 base line).	Atos, managed to halve its overall CO_2 emissions between 2008 and 2012 and achieved a -50% carbon intensity reduction target (tons of CO_2/M€ revenue) between 2012 and 2015.
Offset datacenters carbon emissions	Compensate 100% of Atos’ datacenter residual CO_2 emissions.	Since 2010, to complement its efforts to reduce carbon emissions, Atos has been compensating 100% of its datacenters’ residual CO_2 emissions.

Such results are verified and communicated through the GRI and CDP reporting mechanisms. Depending on the topic and the indicator, the baseline and the scope vary (e.g. reference year, types of sites concerned, countries impacted).

At the end of 2015, the Company committed to four new climate initiatives ahead of COP 21 international convention on Climate Change. At this occasion new commitments, set to tackle climate change, have been disclosed. New objectives and targets for 2020 and beyond are described in the Corporate Responsibility Report.

Recognition & awards

In 2015, Atos was recognized by many key players such as the CDP or the DJSI, as a global leader within the IT sector for its actions to reduce carbon emissions and mitigate the business risks of climate change:

On the 2015 CDP Climate Performance Leadership Index, Atos was recognized as the global leader within the IT sector for its actions to reduce carbon emissions and mitigate the business risks of climate change. This result is due to the continuous efforts made to include the environmental challenge in Atos' strategy. The Company has been scored against two scoring schemes: performance and disclosure. Performance: Atos is ranked on the "A List," and as such, is among the top 5% of worldwide leaders that have been awarded an "A" grade, by the CDP, for their performance. Disclosure: Atos scored 100 demonstrating the highest level of transparency and comprehensiveness in its disclosure.

D.5.2 Closer monitoring of activities and main challenges

[G4-DMA-Energy] [G4-DMA- Emissions]

D.5.2.1 Governance

At Group level, the Group CR&S Officer is supervising all CR&S challenges including environmental challenges which are monitored by the Group Environmental Manager and the Environmental team. At local level, GBU heads of CR&S are in charge of supervising the environmental challenges and securing the target achievements.

The environmental program is discussed in Group Executive Committee every quarter, in the global environmental monthly meeting and in the CR&S core team weekly meeting.

Among its missions, the Group Environmental core team:

- establishes Atos environmental strategy and policy worldwide and set the key objectives;
- designs the Group program and main action plans in collaboration with the associated operations, GBUs Service Lines and support functions;
- bring supports when required for action plans, audits and certifications;
- monitors the program performance and drives data collection for environmental KPIs making the information available for annual reports and Atos stakeholders;
- monitors main global regulation and standard potentially affecting Atos environmental performance;
- examines activities to establish where improvements can be made, shares best practices (capitalization) and explores innovative initiatives to launch.

D.5.2.2 Environmental Policy

Since January 2015, a global Environmental Policy, describing the path for improving the environmental performance of Atos, has been formalized and validated by the Group's senior management. The policy applies to all Service Lines and all GBUs.

The policy consists in explaining the environmental challenges faced by Atos, sharing the Group main objectives and providing guidelines to reach them. Concretely, the Policy details a course of recommendations, based on specific actions, to monitor and reduce the environmental footprint of the organization. It is supported by key performance indicators and a formal reporting process.

The policy is also a reference document for our external stakeholders to better understand the tangible engagement of Atos in favor of the environment. It is publicly available and downloadable on atos.net.

D.5.2.3 Risk management process

[G4-EC2]

As part of its enterprise risk management process (addressing the main risks that can impair the achievement of the Group's objectives), Atos specifically addresses environmental risks. "Natural disaster and major country crisis" and "Sustainability/Climate change" are among the 28 risks that have been systematically assessed through this process.

The overall result of the internal risk analysis study, carried out in 2015 through 200 key managers, ranks the environmental risks at a low level. So far, due to the perceived likelihood of their direct impacts in the short/medium term, the environmental risks are generally considered by the managers, as having a minor impact on the achievement of the Group's objectives.

It must be noted, that extensive business continuity strategies have been implemented including geographical dispersion, site/servers mirroring, suppression of Single Points Of Failures (SPOFs: power supply, network connections), remote control and ability to provide services from different locations. These strategies can minimize the effects of local phenomena and aim at mitigating wider natural events as well as other disruption causes: fires, civil disturbance…

The risk relating to the "Natural disaster and major country crisis" has been identified by all GBUs and scored as below: Importance is the combination of "Impact" x "Likelihood" of risks, for the achievement of Atos' "business objectives":

- importance: low (not very likely/moderate impact);
- mitigation effectiveness: very effective.

The risk relating to "Sustainability/climate change" has been identified by all GBUs and scored as follows:

- importance: low (not very likely/minor impact);
- mitigation effectiveness: very effective.

In decision-making, low-consequence/low-probability risks are generally perceived by Atos as acceptable and as a result mainly requiring monitoring. These risks are mostly monitored through the Group's global environmental policy mentioned above and the ISO 14001 environmental management system detailed below.

D.5.2.4 Environmental management system

[AO14] [G4-15]

The implementation of an Environmental Management System (EMS), at Atos major sites, is a key track of Atos Corporate Responsibility Program, fully consistent with the Global Environmental Policy mentioned above. The ISO 14001 certification has been chosen as the Group's Environmental Management Systems.

Atos has set a global objective for the ISO 14001 certification of all its major sites:

- "strategic" datacenters (operated by Atos and selected co-location datacenters;
- main office sites with more than 500 employees.

At the end of 2015, the 28 "strategic" datacenters in the ISO 14001 scope were located in 9 countries. The "Strategic" datacenters operated by Atos represent the Group's flagships, in terms of IT load, security, state of the art capabilities and services. They are sites where Atos aims to grow continuously by volume from new business and from consolidation; where Atos continuously improves the infrastructure including quality criteria such as equivalent to Tier III redundancy and where energy efficiency is a key operational performance KPI.

At the end of 2015, the main offices in the ISO 14001 scope, providing workplaces for more than 500 employees, represented more than 50% of Atos employees.

On the request of several GBUs, the global certification scope has been expanded to include additional sites. This approach can be motivated by the desire to meet local market expectations, to anticipate regulations, or more generally to be recognized, by the stakeholders, as a leader on environmental issues.

It must be noted that in many cases the additional costs due to environmental regulations or the volunteer ISO 14001 certifications program is balanced by the potential opportunities and additional business linked to supporting clients' environmental efforts and security needs.

D.5.2.5 Reporting Process

In line with the GRI "comprehensive" recommendations, Atos is monitoring a large range of environmental KPIs. Concerning main challenges such as energy, GHG emissions and travel, the global reporting process includes a biannual data collection executed at sites levels and compiled at Group level. All KPIs are assessed by external auditors.

D.5.2.6 Communication and training

Atos is listed by NGOs, market index/indices and rating agencies that regularly assess the environmental performance of the Group:

- Carbon Disclosure Project (CDP);
- Dow Jones Sustainability Indexes (DJSI);
- FTSE4good ESG rating;
- ASPI Eurozone®;
- ECPI Ethical EMU;
- EIRIS ESG;
- GeSI Sustainability index.

In terms of internal communication and awareness, Atos has deployed several actions for the employees about environmental challenges:

- the deployment of ISO 14001 requires the implementation of an awareness program engaging employees on environmental issues;
- there are several collaborative communities (blueKiwi) dedicated to sustainability topics (Atos environmental program, market trends and stakeholder expectations, innovations, business challenges, best practices, opinion on current issues like the COP21);
- for all employees, an easily available online e-learning module is dedicated to sustainability, and available in four languages (English, French, German, Spanish).

D.5.3 Strategy in Actions to improve efficiency everywhere

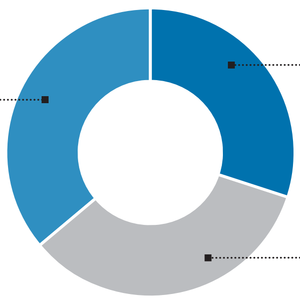
[G4-EN15] [G4-EN16] [G4-EN17] [G4-EN18] [G4-EN19]

D.5.3.1 Carbon Emissions

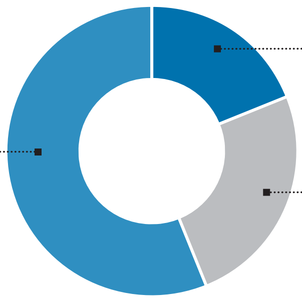
In 2015, Atos produced 170,361tonnes CO_2 (149,165 tonnes in 2014), for all activities worldwide [G4-EN18].

Atos emissions are sub-categorized by GHG Scopes as defined within the GHG Protocol and by three business activity categories: datacenters, offices and travel.

SPLIT OF CO2 EMISSIONS PER GHG SCOPES
[G4-EN15], [G4-EN16], [G4-EN17]



SPLIT OF CO2 EMISSIONS PER BUSINESS ACTIVITIES
[G4-EN18]

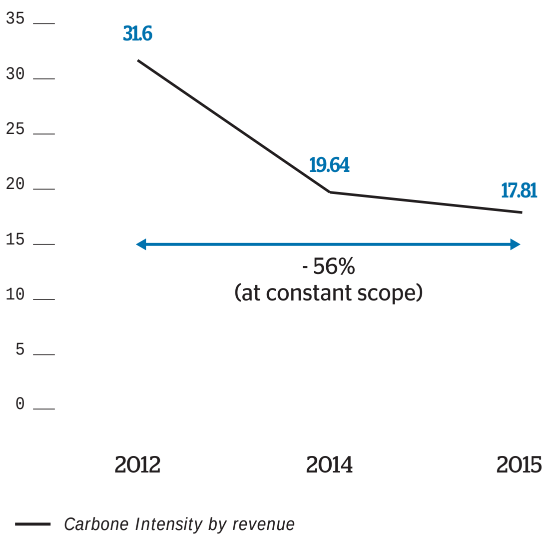


Due to the Group's acquisition policy (new companies, geography, sites, employees, markets, business...) and its fast-growing revenue, carbon absolute figures can hardly be compared from year to year.

Carbon intensity

Carbon intensity figures are more significant (emissions per revenue or employees) and demonstrate the effective progress in terms of energy efficiency since 2008.

In 2015, Atos carbon intensity figures were 17.81 tons CO_2 per M€ and 2.17 tons CO_2 per employee [G4-EN18]. (19.64 tCO_2/M€ revenue in 2014).



Atos, managed to halve its overall CO_2 emissions between 2008 and 2012 and achieved a -50% carbon intensity reduction (tons of CO_2/M€ revenue) between 2012 and 2015 (at constant scope).

New ambitions, objectives and targets for 2020 are described in the Corporate Responsibility Report.

D.5.3.2 Main Actions at a glance

Key area	Main levers
Offices	• Consolidate and rationalize sites to enhance energy efficiency by increasing utilization • Include energy in the decision process criteria's when selecting new locations • Extend the Atos smart campus concept to new sites (sharing economy) • Ensure the implementation of the ISO 14001 programs in all eligible sites
Datacenters	• Consolidate and rationalize sites to enhance energy efficiency by increasing utilization • Improve infrastructure (electrical, cooling) and introduce best practices to lower energy consumption • Implement cloud, virtualization and smart solutions (DCIM) to better manage IT load and increase equipment utilization • Use the PUE criteria in the decision process when selecting new locations • Build best in class new datacenters with a PUE as close as possible to the theoretical minimum of one. • Ensure the implementation of the ISO 14001 certification in all eligible sites • Procure decarbonized energy supplies • Offset 100% of residual carbon emissions
Travel	• Implement the Travel Policy to reduce costs and environmental impacts • Encourage low carbon transportation (like public transportation) and car sharing • Extend the use of travel agencies to better monitor the travel requests • Reduce travel through the use of the digital remote collaboration tools • Introduce flexibility such as home-working or the ability to work from different offices sites

D.5.3.3 Datacenters and offices

Energy Audits: The Energy Efficiency Directive

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 was transposed, the first energy audits were due to take place before the end of 2015.

Atos, as a large company is fully concerned by the Directive. For Atos, it mandates a program of energy audits across its major European sites and for business travel every four years in compliance with national registrations.

In order to maximize the benefits of the Directive and avoid non-compliance risks, the Legal department has included this Directive in its legal risk mapping approach.

In 2015, the first energy audits were launched in countries, where the Directive was already transposed. The audits will be progressively extended to other European countries.

Offices: Energy efficiency

In 2014, a global Real-Estate policy was updated. This policy promotes strict guidelines and processes for real-estate management (energy efficiency selection criteria for new location selection, extensions and rationalization) in particular in terms of square meters. It provides recommendations based on m^2/FTE, m^2/desk, taking into consideration the development of home-working in the occupancy rate. It includes.

In addition, the Atos Smart Campus concept including new working conditions, digital tools, home and mobile working also brings a positive contribution to the environmental footprint of the employees. Desk-sharing and open spaces reduce the number of square meters required for the performance of activities and thus, reduce the resources needed for lighting, heating or cooling workspaces.

In order to lower the overall office footprint, Atos considers "green office criteria" in the decision process when selecting new locations (smart design and low-energy building techniques; "Efficiency-labels certifications and standards (LEED; BREEAM; HPE; THPE; DGNB); highly energy-efficient appliances; public transport availability…).. The Atos headquarters in Bezons was the first office building in France to obtain the triple certification: HQE (high quality standard) for construction, HQE for operations and THPE (Very High Energy Performance).

In offices, although electricity supply is in many cases not fully under tenant's control, several Atos offices also benefit from decarbonized electricity sourcing negotiations (see datacenters section).

In 2015, the optimization program has continued, with the successive integration of Bull's and Xerox ITO's sites. By the end of 2015, Atos sites represented more than 1.3 million m^2 (1.1 million m^2 in 2014) in more than 449 locations worldwide. In 2015, this program allowed to save up to 10% of the real-estate expenditure.

Datacenters Energy Efficiency

As is the case for the offices, a global datacenters consolidation and optimization program is underway. Each year the program leads to the migration, closure and opening of datacenters. At the end of 2015, Atos manages 115 (85 in 2014) multi-customer datacenter sites 30 countries.

The last Gartner 2015 Magic Quadrant for European datacenter outsourcing services, ranked Atos as the front runner in the Leadership quadrant. This score shows the expertise and capability of Atos to provide best in class consulting services to its clients with the design, cooling and performing of their own datacenters.

Over the years, in terms of energy optimization, numerous actions have been taken by Atos at its datacenters. The best practices introduced include: the rationalization of electrical installations; the installation of slabs preventing air loss through suspended floors; a rise in supply air temperature; the ability to use fresh air or water for cooling; the introduction of containment corridors to create cold air zones; the use of management tools for regular measurement of power use effectiveness (PUE); the adoption of green IT solutions to optimize hardware and its usage (consolidation, virtualization, cloud)…

The Atos-Siemens alliance has also invested in a "Datacenter Infrastructure Management" (DCIM) solution with strong capabilities for optimizing and reducing energy consumption, including asset management for improved datacenter floor and rack utilization. After a pilot implementation in the UK, 2015 prepared a rollout in 12 more datacenters (6 in Europe and 6 in the US).

At Atos, the PUE is among the "7 strategic business criteria" part of the datacenter consolidation and optimization program and a key indicator when choosing a new location.

In 2015, Atos' two most efficient strategic datacenters were the brand new Longbridge site near Birmingham, UK, with a PUE of 1.15 obtained by indirect free air cooling and the completely renewed Fürth datacenter, Germany, with a sharp PUE reduction after commissioning the new infrastructure, from previous 1.9 to 1.24 at the end of 2015.

Atos is also monitoring a "global average PUE" for its datacenters. The long-term objective is to progressively reduce the average PUE. Nevertheless, the Group's acquisition policy and the resulting successive integration of existing sites – requiring further optimizations or implying new consolidations – can lead to temporary increase the average PUE. In addition, even if considered as a good energy efficiency indicator, the PUE must be assessed taking into account the site location, the availability and quality of service levels chosen for the applications (redundancies), and the server load.

At the end of 2015, after major acquisitions, requiring further optimizations or implying new consolidations, Atos' average PUE of all datacenters was 1.72 and the average PUE for the strategic datacenters was 1.64.

See also in the sections below how Atos datacenters are also well engaged in the reduction of carbon emissions with decarbonized energy supply and an emission offsetting program.

Datacenters Decarbonized and Renewable Power Supply

Atos has launched a program to gradually migrate from a carbon-based electricity supply (generated using fossil fuels) to low-carbon electricity supply (renewable and decarbonized energy including nuclear).

Concretely the progress accomplished in recent years is significant but is also strongly conditioned by the local energy market constraints. At local level, the program implementation depends on several criteria such as the type of local supply, the availability of electricity offered and the prices per KWh. It also requires to taking into consideration environmental regulations (national or international) and tax arrangements, such as carbon tax for instance. More broadly, when considering the Total Cost of Ownership (TCO), the final decisions can vary from a selection primarily based on cost elements.

At the end of 2015, several large countries hosting main datacenters and offices, such as Brazil, France, Germany, the Netherlands and the United Kingdom, are now supplied with decarbonized energy.

Associated with this program, Atos' specific objective is, wherever possible (local offer, end of contract), to consume 100% decarbonized electricity in the strategic datacenters owned and operated by Atos (co-location excluded), and to progressively switch to renewable energy. 2015 global achievement is described in the "Main achievements" section.

Datacenter Carbon Offsetting Program

To complement its efforts to reduce carbon emissions, Atos also compensates its datacenters' CO2 emissions. This initiative, providing carbon neutral hosting, allows clients, to declare "zero" in their public carbon report (scope 3, outsourced services) for the services hosted by Atos.

In the procurement process, Atos ensure that carbon offsets are certified by the best internationally recognized standards such as VCS (Verified Carbon Standard) or Gold Standard projects. In this respect, Atos is collaborating with a trusted partner for several years, EcoAct, a company specialized in carbon strategy.

Atos has chosen to fund the technology of wind power, encouraging the development of renewable electricity production. The wind farms are located in India, a country where Atos is well established (several offices, more than 10% of Atos employees). Since 2010, the selected wind-power projects are located in India.

Since 2010, as mentioned in the "main achievements" section, Atos has been compensating the total amount of its datacenters' residual CO_2 emissions.

D.5.3.4 Travel and digital collaboration tools

Smart Travel and home-working

In some countries such as France or Germany, electric cars are provided to employees. In France, since 2012, the electric car fleet "MyCar", developed in partnership with the Bolloré Group, is open to Atos employees for business travels, bookable online and free of charge. MyCar now also benefits from the whole Autolib's infrastructure in the Paris Region.

Concerning car fleet CO_2 emission, the initial European had set a mandatory CO_2 emission target of 130 g CO_2 per kilometer (g/km) for 2015. Since 2010 Atos Car Fleet policy within the Group Travel Policy stipulates that all company cars leased by the Group should have CO_2 emission levels below 120 g/km. Year after year, the cars are replaced by new more ecological models. The EU target for 2020 has moved to 95 g/km and to 68-78 g/km in 2025. The Atos Car Fleet policy will be adjusted accordingly.

In 2015, the average of CO_2 emissions was 105 g/km in 2015 (111g/km in 2014), when it was 145 g CO_2/km in 2009.

Social Collaboration, a Virtuous Contributor for the Environment

Within Atos, the working environment, promoted through the concept of Smart Campus combines a digital platform and a physical working environment. Besides providing efficient working conditions on site, it improves the connected mobility thanks to the use of remote digital collaboration tools (Enterprise Social Network on blueKiwi, Lync, video conferencing, SharePoint…). The concept also allows sharing IT resources and telecom network charges, contributing to cutting down IT equipment and costs.

D.5.3.5 Bull technologies

[G4-EN7]

Atos bullx Petaflops Supercomputers

In 2015, bullx, thanks to its patented direct liquid cooling system and green characteristics, was listed twice among the leaders in the world Green 500 list which grades the most energy-efficient supercomputers in the world. Its efficiency was also clearly attested by its IT and energy performance results (Megaflops/W) based on the Linpack test, a test used to rank supercomputers. Today's bullx supercomputer transforms the necessary electric power into computing power in a highly efficient way.

Atos' new generation of supercomputers from petaflops to exaflops by 2020

Atos is also designing a new generation of European supercomputers able to reach the exascale in the 2020s. To keep energy consumption and costs down, Atos exascale program has fixed an upper limit of 20 MW per supercomputer. A limit in line with the environmental standards set by bodies such as the US Department of Energy for new system designs.

Bull sequana is specifically developed to be energy-aware. It includes high-definition energy efficiency monitoring based on multiple and fine-grain sensors. Its warm water based cooling system is the technology recommended by the European Commission as a target solution for future large-scale computing centers. Overall, thanks to its innovative green characteristics and a high power usage effectiveness, Bull sequana, consumes 10 times less energy compared to previous generation systems.

In 2015, the CEA agency and Atos have announced their collaboration to deliver by 2020 an exaflop supercomputer, named Tera 1000. The supercomputer will be the successor to two generations of bullx supercomputers (Tera 10 and Tera 100 turned on in 2010). Following an initial phase in 2015, the second phase by 2017, will pre-design the next generation of exaflop supercomputers. The prototype, fully operational, will have a computation capacity of 25 petaflops, and electricity consumption 20 times lower than Tera100 with respect to capacity.

D.5.3.6 Other environmental challenges

Atos considers other environmental challenges such as the management of e-waste, the use of specific raw materials or the consumption of water. Considering Atos' main activities, these challenges are not assessed "material" (see materiality matrix) at Group level but can be of significance at GBU level or at Service Line level.

As an example, E-waste challenges are significant for Bull technologies (BD &S Service Line activities) that include manufacturing and sale of computer equipment. Though, to date, their impact on the overall business of Atos remains limited.

Hardware Technologies [PR9]

As a hardware provider (products, servers), Atos BDS faces specific challenges:

- comply with the specific laws, regulations, best standards (REACH, RoHS, WEEE, ASHRAE...);
- limit the impact of products manufactured thanks to eco-design practices;
- pay attention to origin of raw materials while minimize their usage;
- optimize the energy efficiency in the manufacturing process as during the usage phase;
- implement quality, safety and environment (QSE) practices and lean manufacturing in plants;
- minimize risks on the supply chain through regular CSR assessments of suppliers;
- favor eco-friendly transport and freight to mitigate the footprint of logistics.

Atos BDS's main manufacturing site located in Angers is one of the top 100 companies in France to have developed an integrated QSE quality management system. The QSE certification (ISO 9001 quality, OHSAS 18001 and ILO-OSH 2001 health and safety, ISO 14001 environment) was renewed in 2014 and joined by ISO 50001 v2011 certification for energy management. Within these certification framework and programs, the site monitors regulations to ensure that its activities comply with the environmental, technical and legal provisions regarding the IT sector.

The design process for the servers integrates European directives such as: the CE standard, the REACH Directive on eliminating pollutants; the RoHS Directive on eliminating hazardous substances; the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) standards on maximum temperature and humidity for server functionality.

In early 2013, the Group embarked on a consultation process with its major suppliers on the origin of the raw materials they use, in view of the issue of "conflict minerals" and in order to prevent impacts on Bull computers. These minerals (which include cassiterite, wolframite, coltan and gold) are essential for the manufacture of certain electronic devices.

Considering Atos BDS practices and the attention given to comply with laws and regulations, Atos considers that these challenges are monitored. Their potential impact is also marginal compared to the whole activity of the Group.

In relation to the challenges set out above, during the 2015 financial year there were no fines, administrative, judicial or arbitration proceedings (including any proceedings of which the Group is aware and may be threatened by) that had, or might have had, significant effects on the financial position or profitability of the Group [G4-PR9].

E-waste [AO19]

The leasing practice now globally implemented within the Group means that the suppliers are responsible for the IT equipment end of life. Furthermore, the signature of the Sustainable Supplier Charter attached to the contract, requires suppliers to commit to a professional treatment for their products.

In Europe, in compliance with the European Waste Electrical and Electronic Equipment Directive (called the WEEE Directive 2012/19/EU), external specialist subcontractors, collective systems or environmental bodies are used to collect or recover, recycle or reuse the e-waste recovered from clients.

E.g. Since July 2013, in mainland France and in French overseas territories, Atos BDS has joined a collective system and uses the services of the environmental body EcoLogic, certified by the French Ministry of the Environment for computer equipment.

Office Waste [AO19]

Atos is primarily a digital services company whose activities do not generate significant volume of waste. Atos office waste production (such as cardboard, office paper or plastic bottles...) is associated with the tertiary sector. Office waste has not been identified as primary in Atos materiality test assessment.

Atos' Real-Estate policy, favor the rent of office spaces and frequently, these offices are shared among multiple tenants. Office waste is managed by the landlord accordingly to legal obligations.

Atos' Real-Estate policy and optimization program also encourage large sites (over 500 employees). These sites are eligible to the ISO 14001 certification program and the volume of office waste is tracked among the environmental indicators. In this case, the waste management ensures the waste collection, removal and recycling.

Water

Although a critical natural resource to consider, Atos' operations do not impact the environment directly in terms of water consumption and procurement on the basis of today's local constraints. Water has not been identified as primary in Atos materiality test assessment.

Regarding Atos BDS hardware technologies, the main sources of water use are to be found with the providers, manufacturers of electronic cards and processors used for computer servers. Even though the Atos BDS Service Line operations include engineering activities (assembly of parts of the server's components), Atos BDS is not a manufacturer.

For datacenters, water is mainly necessary for cooling servers. The water used for this purpose flows in specific closed water loop sealed circuit. During heat waves, water can also be used to supply some datacenters cooling units. Water spray can reduce units' peak power consumption.

Biodiversity

Although biodiversity, air pollution and land use are critical environmental issues to consider, Atos' operations do not directly impact those issues on the basis of today's local implementations or activities. This subject has not been identified as primary in Atos materiality test assessment.

However, Atos activities like those of any other companies can have indirect impacts through land use, energy consumption, GHG production, waste generation... In this respect, our main concern is to minimize our environmental impact and to ensure that our suppliers are also taking appropriate steps to reduce their impacts.

Other Air Emissions [G4-EN20] and [G4-EN21]

Unlike, CO_2 emissions widely presented in the previous sections, ODS ozone-depleting substances (ODS), sulfur oxides (SO_x) and nitrogen oxides (NO_x) have not been identified as primary in Atos activities and materiality test assessment.

D.5.4 Managing the corporate environmental footprint – KPI overview

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	**KPI Name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
G4-EN3	Energy consumption within the organization							
EN3_E_c1	Total Energy Consumption: Direct and Indirect energy *(GJ)*	2,240,714	2,072,483	2,200,608	–	91.80%	–	86.66%
	Total Direct Energy Consumption in DCs & Offices *(GJ)*	170,563	186,854	150,206	–	91.80%	–	86.66%
	Direct energy consumption in Offices *(GJ)*	148,849	169,139	133,060	–	91.80%	–	90.48%
	Direct energy consumption in DCs *(GJ)*	21,714	17,715	17,146	–	91.80%	–	86.66%
	Total Indirect Energy Consumption in DCs & Offices *(GJ)*	2,070,151	1,885,629	2,050,402	–	91.80%	–	86.66%
	Indirect Energy Consumption in Offices *(GJ)*	629,258	608,154	654,522	–	91.80%	–	90.48%
	Indirect Energy Consumption in DCs *(GJ)*	1,440,893	1,277,475	1,395,880	–	91.80%	–	86.66%
EN3_A_c7	Total fuel consumption from non-renewable sources *(GJ)*	170,563	186,854	150,206	–	91.80%	–	86.66%
EN3_B_c1	Total fuel consumption from renewable sources *(GJ)*	0	0	Not disclosed	–	91.80%	–	–
EN3_C_c1	Total electricity and heating energy consumption *(GJ)*	2,070,151	1,885,629	2,050,402	–	91.80%	–	86.66%
	Total electricity consumption from renewable sources *(GJ)*	698,125	Not disclosed	Not disclosed		91.80%		
G4-EN4	Energy consumption outside of the organization							
	Total km Traveled per Employee	6,114	6,180	3808.828977	85.54%	–	71.51%	–
EN4_A6_c93	Total km Traveled by Car	220,423,475	191,226,514	Not disclosed	85.54%	–	71.51%	–
EN4_A6_c50	Total km Traveled by Train	50,820,255	43,201,759	Not disclosed	85.54%	–	71.51%	–
	Total km Traveled by Taxi	2,308,629	1,814,641	Not disclosed	85.54%	–	71.51%	–
EN4_A6_c92	Total km Traveled by Plane	154,867,923	102,057,808	Not disclosed	85.54%	–	71.51%	–
Manual	Total km travelled per revenue *(in € millions)*	6,114	53,623	32,175	–	90.22%	–	73.97%
EN4_A6_c1	Percentage of company cars below 120 gr CO_2/km	79%	57%	75%	–	100.00%	–	87.06%
EN4_A6_b71	Number of cars below 120g CO_2/km	6,112	4,208	5,464	–	100.00%	–	87.06%
EN4_A6_b70	Number of company cars	7,770	7,357	7,323	–	100.00%	–	87.06%
EN4_A6_b82	Average of emissions in company´s fleet cars *(g CO_2/km)*	104.72	111.20	105.29	–	100.00%	–	87.06%
G4-EN5	Energy Intensity							

		2015	2014	2013	2015 Perimeter		2014 Perimeter	
GRI code	KPI Name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
EN5_A_c1	Energy intensity ratio (revenue) *(in GJ per € million)*	236.82	262.68	Not disclosed	–	91.80%	–	86.66%
EN5_A_c2	Energy intensity ratio (employee) *(in GJ per employee)*	29.05	30.84	Not disclosed	93.05%	–	78.07%	–
G4-EN6	Energy Saving Initiatives							
EN6_A_c1	Estimated Energy savings in Data Centres *(GJ)*	20,487	9,051	13,693	–	62.76%	–	54.27%
EN6_A_c3	Cost savings due to improved energy efficiency DCs *(in €)*	685,670	5,307,882	592178	–	62.76%	–	54.27%
EN6_A_c5	Estimated Energy saving Offices due to initiatives (GJ)	91,847	34,095	33,419	–	62.76%	–	54.27%
EN6_A_c6	Cost savings due to improved energy efficiency in Offices *(in €)*	2,653,364	3,954,247	1652917	–	62.76%	–	54.27%
G4-EN7	Reductions in energy requirements of products and services							
EN7_A_c1	Electricity consumption avoided due to PUE improvement *(Kwh)*	4,775,810	5,825,970	Not disclosed	–	77.60%	–	73.71%
G4-EN15	Direct greenhouse gas emissions (DCs & Offices)							
EN15_A_c2	Total CO_2 emissions (scope 1) *(in tones of CO_2)*	31,116	34,900	Not disclosed	–	91.32%	–	86.66%
G4-EN16	Indirect greenhouse gas emissions (DCs & Offices)							
EN16_A_c1	Total CO_2 emissions (scope 2) *(in tones of CO_2)*	43,879	32,410	Not disclosed	–	91.32%	–	86.66%
G4-EN17	Other indirect greenhouse gas (ghg) emissions (scope 3)							
EN17_A_c1	Total CO_2 emissions (scope 3) *(in tones of CO_2)*	95,366	81,855	Not disclosed	–	91.32%	–	73.97%
G4-EN18	Greenhouse gas (ghg) emissions intensity							
Manual	Global Footprint *($KgCO_2e$)*	170,360,671	149,165,801	152,434,317	–	91.32%		82.75%
Manual	Global Footprint in Data Centres *($KgCO_2e$)*	52,144,371	42,088,528	55,941,592	–	91.32%		82.75%
Manual	Global Footprint in Offices *($KgCO_2e$)*	58,083,329	57,429,220	40,643,097	–	91.32%		82.75%
Manual	Global Footprint in Travels *($KgCO_2e$)*	60,132,970	49,648,054	55,849,629	–	91.32%		82.75%
EN18_A_c1	**Global Footprint by revenue** *(tCO_2/in € million revenue)*	17.806	19.639	19.309	–	91.32%		82.75%
EN18_A_c2	**Global Footprint by employee** *(tCO_2/employee)*	2.165	2.262	2.260	89.69%	–	76.81%	–
G4-EN19	Reduction of greenhouse gas (ghg) emissions							
EN19_A_c2	Estimation of reductions achieved (TO CO_2e)	11,030	2,627	2,954	–	62.76%	–	54.27%
EN19_A_cmp20	CO_2e reduction due to the Energy saved in Data Centres *($KgCO_2e$)*	2,267	557,037	Not disclosed	–	62.76%	–	54.27%
EN19_A_cmp20	CO_2e reduction due to Energy saved in Electricity DC *($KgCO_2e$)*	2,254	520,042	Not disclosed	–	62.76%	–	54.27%
EN19_A_cmp20	CO_2e reduction due to the Energy saved in Gas DC *($KgCO_2e$)*	13	36,995	Not disclosed	–	62.76%	–	54.27%
EN19_A_cmp40	CO_2e reduction due to the Energy saved in Offices *($KgCO_2e$)*	8,763	2,070,032	Not disclosed	–	62.76%	–	54.27%
EN19_A_cmp40	CO_2e reduction due to Energy saved in Elec Offices *($KgCO_2e$)*	6,476	1,899,839	Not disclosed	–	62.76%	–	54.27%
EN19_A_cmp40	CO_2e reduction due to Energy saved in Gas Offices *($KgCO_2e$)*	2,287	170,194	Not disclosed	–	62.76%	–	54.27%
G4-PR9	**Significant fines for non-compliance concerning the provision and use of products and services**	Qualitative						
AO14	Compliance with environmental laws and regulations (ISO 14001)							
AO14_c5	ISO14001 certified sites (Offices plus DC)	95	65	48	–	100.00%	–	100.00%
AO19	Waste Electrical and Electronic Equipment (WEEE)							
AO19_A9_b3	WEEE collected or recovered from customers *(Kg)*	457,546	132,665	Not disclosed	–	80.88%	–	–
AO19_A2_b3	WEEE collected or recovered and reused/recycled *(Kg)*	446,079	115,294	Not disclosed	–	80.88%	–	–

G4-EN3, G4-EN5, G4-EN15, G4-EN16, G4-EN17, G4-EN18 for Offices include Argentina, Austria, Belgium, Brazil, Bulgaria, Canada, Croatia, France, Germany, Hungary, India, Italy, Lithuania, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, Philippines, Poland, Portugal, Romania, Russia, Serbia, Singapore, Slovakia, Spain, Taiwan, Thailand, Turkey, UK, USA, Worldline Belgium, Worldline France, Worldline Germany, Worldline Spain and Worldline UK,

G4-EN3, G4-EN5, G4-EN15, G4-EN16, G4-EN17, G4-EN18 for Data Centres include Austria, Belgium, Brazil, Bulgaria, Canada, Croatia, Denmark, Finland, France, Germany, India, Lithuania, Luxembourg, Malaysia, Morocco, Netherlands, Philippines, Poland, Romania, Serbia, Singapore, Slovakia, Spain, Switzerland, Taiwan, Thailand, Turkey, UK, USA, Worldline Belgium, Worldline France, Worldline Germany, Worldline Spain and Worldline UK.

G4-EN4, G4-EN15, G4-EN17, G4-EN18 for Travels include Andorra, Austria, Belgium, Bulgaria, Canada, China, Croatia, Czech Republic, France, Germany, India, Italy, Malaysia, Morocco, Netherlands, Philippines, Portugal, Romania, Serbia, Slovakia, Spain, Taiwan, Thailand, Turkey, UK, USA, Worldline Belgium, Worldline France, Worldline Germany, Worldline Spain and Worldline UK.

D.6 Information about the report

D.6.1 Scope of the report

[G4-13], [G4-17], [G4-22], [G4-23], [G4-28], [G4-29], [G4-30], [G4-32] and [G4-33]

This chapter describes the scope of 2015 Atos' Corporate Responsibility Integrated Report and the guidelines on which it is based. It also addresses how Atos reports according to globally-accepted reporting standards, and the process used to obtain the information presented in this report.

D.6.1.1 New French legal requirements related to the CR reporting [G4-15]

With Grenelle 2 law, the French Companies must report a higher number of information related to the corporate responsibility.

Any information required by this law must be reported; any omission must be justified.

With the Materiality methodology, Atos has defined objectively and according to the practices of reporting within IT Companies Sector the list of information which is "material" and need to be reported, and the list of the one for which a justification of its omission must be given.

This methodology ensures to the external auditors, who will certify the presence of the information and the fairness of the justification, to release their audit report in accordance with the French law.

D.6.1.2 Global Reporting Initiative (GRI) guidelines

[G4-6], [G4-15], [G4-18], [G4-20], [G4-21], [G4-28], [G4-29] and [G4-32]

The report is set up according to the Global Reporting Initiative (GRI) G4 Guidelines, a worldwide standard for reporting on corporate responsibility. After material assessment, Atos reports on the full general disclosures and a total of 38 Performance Indicators clustered into management disclosures and six categories (economic, environment, labor practices & decent work, human rights, society, product responsibility) plus 8 specific Atos Performance indicators. Atos has produced its 2015 Corporate Responsibility Integrated Report "In accordance" with G4 Comprehensive option. Atos has successfully completed the GRI Content Index Service. The overall process is assured by an external auditor. Atos aims to demonstrate that the extra financial performance disclosures are accurate and exhaustive in line with the GRI-G4 requirements.

Atos has applied the "Guidance on Defining Report Content" following the Principles of Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness.

Atos is committed to transparent and public reporting on sustainability. This report covers the period from January 1, 2015 to December 31, 2015 in a comparable period (one year) to the previous 2014 report. In term of scope the geographical perimeter has changed compared to 2014. Detailed explanations are provided in next paragraphs.

Xerox ITO and UNIFY, the Company recently acquired by Atos, are not taken into account as part of the Corporate Responsibility reporting scope.

Process for defining report content

The selection of the corporate responsibility challenges and KPIs is aligned with Atos business strategy and based on a materiality assessment (See in section D.1.3.3). Corporate Responsibility strategy includes a prioritization of topics which is an essential requirement for our performance dashboard and internal project follow up.

The GRI Content Index table can be found in the Corporate Responsibility Report. It states which subjects have been considered applicable and then included in the report. The required profile information and an overview of the management approach for each indicator category is also provided.

Aspects Boundaries
[G4-17]

The following aspects of GRI 4 are material for the Group for the overall Atos organization at the exception of the "product responsibility compliance" aspect, which is only material for Bull within the organization. Outside the organization, these aspects are material for the mentioned stakeholders.

Aspects	Aspect boundaries outside the organization
Economic Performance	Clients, Investors and analysts, Communities and NGOs
Market Presence	Business partners, research institutions and universities, communities and NGOs
Indirect Economic Impacts	Suppliers, Communities and NGOs
Procurement Practices	Suppliers, Business partners, research institutions and universities
Energy	Clients, Investors and analysts
Emissions	Clients, Investors and analysts
Employment	Not material outside the organization
Training and Education	
Diversity and Equal Opportunity	
Equal remuneration for women and men	
Anti-corruption	Clients, Investors and analysts, Suppliers, Public entities
Society Compliance	Investors and analysts, Communities and NGOs, Public entities
Product and Service Labelling	Clients
Customer Privacy	Clients
Product responsibility Compliance	Not material outside the organization

Reporting scope for the indicators resulting from the materiality study

Atos obtains its Corporate Responsibility (CR) data from internal measurement and from external sources (third parties). Data relating to subcontractors are not reported here, but can be found in section F.1.5 Partnerships and subcontractors.

For the year 2015, the Group is organized as follows:

- APAC (Asia Pacific): Australia, China, Hong Kong, Japan, Malaysia, Philippines, Singapore, Taiwan, Thailand;
- CEE: Austria, Bulgaria, Croatia, Czech Republic, Poland, Romania, Russia, Serbia, Slovakia, Turkey, Italy and Switzerland;
- BTN (Benelux and the Nordics): The Netherlands, Belgium, Luxembourg, Denmark, Estonia, Finland and Sweden;
- FRANCE: France;
- GERMANY: Germany;
- IBERIA: Portugal, Spain, Andorra;
- IMEA: India, Morocco, South Africa, Qatar, United Arab Emirates, Egypt and Kingdom of Saudi Arabia;
- SAM (South America): Argentina, Brazil, Colombia, Peru;
- UK&I: The United Kingdom and Ireland;
- NAO (North America Operations): Canada, USA, Mexico;
- WORLDLINE: Argentina, Austrian, Belgian, China, Chile, French, German, Hong Kong Indian, Indonesian, Luxembourg, Malaysian, Netherlands, Spanish, United Kingdom,, Singapore, and Taiwan subsidiaries;
- CORPORATE: France, Germany, Netherlands, Switzerland, United Kingdom;
- MAJOR EVENTS: Brazil, France, Spain, Switzerland, United Kingdom;
- CES: blueKiwi.

On the basis of this context, the perimeter (countries under scope) of the indicators does not vary significantly on the 2015 reporting period. The tables in sections D.2.6, D.3.4, D.4.4 and D.5.4 specify the perimeter associated to each indicator.

Reporting tool

Atos' Corporate Responsibility & Sustainability Office is the contact point for questions regarding the report and includes representatives from each GBU/Service Line and representatives from the global functions. Representatives are responsible for the collecting process and evidence archiving.

Since 2011, Atos uses a SAP Sustainability Performance Management (SuPM) tool to facilitate the gathering of information, global workflows, validations, exploitation and visualization of KPIs results. Atos' challenge is to report every year with the global tool.

The most of the indicators are gathered through the sustainability global tool (SuPM) at country level. Most of HR indicators data (category "LA") have been extracted from a Group HR tool (Clarity) and uploaded into SuPM via linking and interfaces. Some other indicators are still not gathered into the sustainability global tool but have been collected at Group level in other tools.

All the procedures, templates and final data are stored on the Atos Collaborative tools (blueKiwi and SharePoint) with worldwide access.

D.6.1.3 Methodological detailed information [G4-20] [G4-21] [G4-22] and [G4-EC1]

Information related to G4-22

No restated information from last year, on FY 2014 reporting.

Detailed information related to G4-EC1 and G4-EC7 KPIs

The information required in G4-EC1 is mostly included in financial statement (A.2. Revenue Profile, notes in E.4.7.4, and G.7.3 Dividend Policy), but for the part relating "Community Investment" Atos reports the total Social Contribution reached in 2014.

Atos Social Contribution is the accountability of initiatives under the Corporate Citizenship Program. That accountability is aligned with the London Benchmark Group (LBG) framework for measuring Corporate Community Investment. Atos accounts their Businesses' voluntary engagement with charitable organizations or activities within four categories: Donations to Charity, Commercial initiatives for good causes, Contribution to Universities and similar institutions, and Responsible IT Projects. The last two categories correspond to what LBG considers "Community Investment". The total cost of Atos categories is detailed in table of part D.4.4 (Being an ethical and fair player within Atos' sphere of influence – KPI overview).

The forms of contribution are Cash, Time (employee volunteering during paid working hours), In-kind (including pro bono) and Management costs. In 2015 the total cost of social initiatives in cash was € 828,080, in time was € 344,051, in-kind was € 53,683, and in Management cost was € 67,483 [G4-EC7_C].

Detailed information related to G4-EN3 KPI

The data collection related to the environmental KPIs involves all the GBUs. 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 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). [3.9.1] [3.9.2]

Conversion factors are based on Defra: Guidelines to Defra/DECC's Greenhouse Gas Conversion Factors for Company Reporting, available at: http://www.ukconversionfactorscarbonsmart.co.uk/. For the figures, Atos used Electricity/Heat Conversion Factors from those last updated for 2014. [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.

Atos 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].

Atos do 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 G4-EN5 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 2012 baseline measurement. [G4-EN5_A]

For the Energy 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 to 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 (as on December 31) for all countries within the baseline. [G4-EN5_B]

The types of energy included in the intensity ratio are: 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 G4-EN6 KPI

The types of energy included in the energy reductions are: electricity, gas, district heating, backup generator fuel (diesel and fuel oil). [G4-EN6_B]

Atos 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 G4-EN7 KPI

The electricity consumption avoided due to Power Usage Effectiveness (PUE) improvement in Atos' strategic datacenters during the reporting period is 4.775.810 Kwh [G4-EN7_A]. Their weighted 12 months average PUE in 2015 was 1.64, compared to 1.69 in 2014.

The scope of G4-EN7 is the strategic datacenters (DCs). The total kW capacity of the strategic DCs decreased 27% in 2015 compared to 2014, due to the fact that some DCs were phased out as strategic DCs, by closure or by Atos' definition.

The avoided power consumption was calculated by multiplying the overall 6% average reduction of facility power with the actual facility power of end 2015.

While the PUE decreased 2.4%, the DC facilities were 6% more efficient in energy consumption in 2015 compared to 2014.

Initial data required: Current IT Load (kWh), Current PUE, PUE reduction (in %), new PUE after reduction.

- (a) Calculation of the kWh per year before PUE reduction= current IT load x 730 x 12 months x current PUE.
- (b) Calculation of the kWh per year after PUE reduction= current IT load x 730 x 12 months x new PUE.
- kWh saving per year = (a)-(b).

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. [G4-EN7_C]

Detailed information related to G4-EN15, G4-EN16, G4-EN17 and G4-EN18 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]

Atos 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 – 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.

Where possible, we use 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]

We include 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]

Atos is not producing any biogenic CO_2 emissions. [G4-EN15_C, G4-EN17_C]

Detailed information related to G4-EN19

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 carbon emissions intensity target

Target: Achieved a -50% carbon intensity reduction target (tons of CO_2/M€ revenue) between 2012 and 2015 (2012 base line).

In order to measure progress towards emissions reductions on a completely comparable year on year basis, the assessment is made against a fixed set of KPIs and countries externally audited and verified in 2012, known as the "baseline year". This set of KPIs comprise the main emissions sources generated by Atos across Scopes 1, 2 and 3, specifically direct and indirect energy consumed by offices and Data Centres, plus emissions arising from travel.

They are converted to CO_2 equivalents using the GHG Protocol Standard combined with latest available Conversion Factors compiled by the UK Government (DEFRA, 2016).

Where new KPIs or emissions data sources become available subsequent to 2012, due for example to improved data collection processes, this is not included within the assessment, as it would falsely infer an increase in emissions when compared to the audited and verified 2012 "baseline". In a very few instances specific KPI data may not be available in the reporting year for the comparison, in which case the original 2012 "baseline" values are substituted as estimates.

The countries included in the 2012 "baseline" perimeter are for Atos: Austria, France, Germany, India, the Netherlands, the Philippines, Romania, Spain and the UK, and for Worldline: France, Germany and Belgium.

References DEFRA 2016: Greenhouse Gas Conversion Factor Repository, available at:
http://www.ukconversionfactorscarbonsmart.co.uk/.
Accessed February 19th, 2016.

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 Human Resources KPIs

All the Human Resources indicators derived from the HR Information System (G4-LA1, G4-LA2, G4-LA3, G4-LA9, G4-LA10, G4-LA11, G4-LA12, G4-LA13, G4-EC5, G4-EC6, and AO6) are based on an extraction made on January 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.

Xerox ITO, recently acquired by Atos in 2015 was not taken into account as part of the HR official headcount.

Detailed information related to LA1

The turnover is calculated as the total leaving excluding outsourcing divided by total headcount at the end of the year.

Detailed information related to AO16

Working accidents: Since 2013, Atos publishes data related to working accidents. In 2015, the scope covers 99.62%, excluding Algeria, Gabon, Ivory Coast, Senegal, UAE, Qatar, Saudi Arabia, Egypt, Mali and Lebanon.

The calculation covers sickness and accidents.

Detailed information related to G4-LA9

The calculation of the average training by employee is done using the headcount closing 2014.

Detailed information related to G4-SO4

SO4 includes:

- The web based training for all employees: mandatory, it is available on the Training platform of Atos.
- Classroom training or with remote participation: for all managers N-1, N-2 et N-3 of the Company – N meaning the Executive Vice Presidents of the Group. It is performed by lawyers with a same content: ETO²S.

Detailed information related to G4-SO8

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 SO8 follows this procedure and the results of 0 means that Atos 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 Group.

Detailed information related to AO2

This indicator is based on the Great Place to Work survey.

Detailed information related to AO3 - Weighted Intrusion Rate

The formula for the WIR calculation is: WIR= (9*L3+3*L2+L1) / (total number of IP scanned).

L3 are the most severe vulnerabilities so we apply a factor 9.

L2 are medium vulnerabilities so we apply a factor 3.

L1 are vulnerabilities for information so we do not apply any factor.

We divide then by the total number of IP addresses scanned.

Detailed information related to AO17 and G4-SO3

AO17 information contains data provided by Ecovadis.

Ecovadis assessment is not only on corruption, but also on HR and environment. Atos works with Ecovadis to assess strategic suppliers risks related to corruption (G4-SO3: Total number and percentage of operations assessed for risks related to corruption and the significant risks identified).

AO17_A_c0 Number of strategic suppliers assessed by Ecovadis: Number of suppliers assessed by Ecovadis during the current year out of the Strategic suppliers (representing 80% of revenues spent).

AO17_A_c1 Percentage of strategic suppliers evaluated by EcoVadis: Number of ATOS's strategic suppliers evaluated by EcoVadis / number of ATOS's strategic suppliers.

AO17_A_c2 Total spend evaluated by EcoVadis (EUR) :Total spend assessed by Ecovadis (regardless if spent on strategic suppliers).

AO17_A_c3 Total percentage of spend assessed by EcoVadis : Total spend assessed by EcoVadis / global ATOS spend during the year.

Detailed information related to AO7

AO7 KPI is calculated based on the revenues of sustainably-oriented offers that ATOS sell to their clients. These revenues are multiplied by an index that assesses the degree of sustainability within each offer (from 20%-100%). Sustainably-oriented offers are identified and the associated indexes (degrees of sustainability) are set by ATOS Group 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 at Group level. Atos portfolio continually evolves and the KPI definitions are subject to updates.

Around 50 offers are included in the calculation of the KPI. The main offers representing more than two-third of the global KPI figure is presented in the following table:

Offer	Revenue *(in € million)*	Sustainability degree	Sustainable revenue *(in € million)*	Contribution to the KPI
Cloud	552	100%	552	18%
Worldline – MES Commercial Acquiring	201	100%	201	11%
GKO – Customer Data Center Services/DCIM focus	189	100%	189	11%
Worldline – FPL Issuing Processing	177	100%	177	10%
GKO – Smart Utilities (smart energy mgt)	192	80%	153	9%
Worldline – FPL Acquiring Processing	90	100%	90	5%
Cyber Security (former ISRM)	72	100%	72	4%

Cloud

A defining characteristic of cloud computing is the consumption of IT resources from a shared infrastructure that can be easily provisioned through little or no interaction with internal IT or an external cloud service provider, for example. This allows the following sustainability objectives to be fully addressed: Environmental footprint: the shared nature of the infrastructure implies that in most cases it is operated at levels far above traditional IT. For instance, a cloud infrastructure is always loaded at rates above 80% when traditional IT often operates at rates below 40%. Also, cloud data centers are often more modern and efficient, operating at PUE levels below 1.2, and they therefore consume less energy. Economic impact: cloud computing allows enterprises to bring innovative services to market more rapidly, improving their competitiveness. Social impact: cloud computing allows new services to be provided to customers and to the public, for example, in the areas of health, safety and education. A weighting of 100% is reflecting this approach.

Worldline- MES Commercial Acquiring

Worldline, as an acquirer licenced as a payment institution, delivers one-stop commercial which transfers to the merchants' bank account the funds received in a card transaction from the cardholder's issuing bank. This solution brings process' time and resources savings thanks to an efficient and fast processing, security and fraud risk management. It reduces the risk of holding money and associated carbon footprint.

GKO - Customer Data Center Services/DCIM focus

The services we provide with our DCs are fully secured and energy efficient since the design phase until operations (virtualization, PUE optimization, innovative cooling system , etc) and that the expertise we deliver to our clients in their own DCs are helping them to improve their business performance providing the right environment, security, data protection and business continuity. In addition to the rationalization and energy consumption optimization programs and in order to reduce the environmental impact, Atos yearly invests in offsetting the remnant carbon emitted by its DCs offering carbon neutral DC services to its clients. A weighting of 100% is reflecting this approach.

Worldline - FPL Issuing Processing

Worldline supports card issuers in their daily or strategic business. Issuers can rely on an end to end payment solution that complies with the most demanding international requirements and covers 3 domains: Technical Processing, Cardholder Service, and our optional Value Added Services which allow us to optimally respond adaptation to customer needs. This solution allows to optimize processes and cost linked to the dematerialization of payments and the access to service facilities, reduce the carbon footprint and save resources by avoiding cash transportation among others.

GKO -Smart Utilities (smart energy management)

Smart Energy Management stand for the optimized power generation leveraging mean of production from renewals like wind and solar. Environmental impact: Difficult to predict in time and quantity, the optimization consist on balancing the injection of renewals limiting power generated with fossil energy. Economic impact: Smart Energy Management participate to better monetize the renewals with a near real-time injection on the high price short term market. Social impact: Smart Energy Management system will also ease the generalization of green certificate implementation which are already in place in some countries like Austria or Belgium. A weighting of 80% is reflecting this approach.

Worldline - FPL Acquiring Processing

Worldline Acquiring Processing Services aim to support acquirers with cashless payment processing services, which cover the full acquiring lifecycle, from merchant contract set-up to merchant post–settlement activities. This solution provides time, cost and flows optimization due to the dematerialization of payments, online accessibility and mobility and reduction of the carbon footprint by avoiding cash transportation among others. A weighting of 100% is reflecting this approach.

Cyber Security (former ISRM)

Cyber Security strongly contributes to the sustainability performance of organizations by providing Trust and Compliance: - Protect organizational assets: critical systems or infrastructures, intellectual property, privacy sensitive information of companies, governments and individuals. - Provide regulatory compliance: proven control where needed tailored to specific industries like banking or pharmaceutical. - Provision business continuity: prevent severe business interruption and reputational damage by external threats - Enable digital transformation: provide competitive advantage by securing new business models using mobile, cloud, social media and the internet of things - Enforce digital trust: set up and maintain long term trusted business relations with partners and customer. A weighting of 100% is reflecting this approach.

Detailed information for the no reporting of some Grenelle 2 information

The amount of the provisions and guarantees for environment-related risks: 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 reliable compared to the activity sector.

Noise affects or any other form of specific pollution: Materiality matrix assessment and analysis has highlighted that Atos Group operations do not have a significant or critical impact on other forms of pollution including noise nuisances for instance. As a consequence, no relevant and appropriate actions or measures need to be taken in this area.

Atos's operations don´t impact significantly on land use as we are operating within areas already zoned for economic activities (business / commercial / industry zones). This subject has not been identified as essential/priority in Atos materiality test assessment.

The consequences concerning the adaptation to the consequences of climate change: have been assessed and the conclusion is that the risk is marginal for Atos.

Working accidents, including accident frequency and severity rates: Since 2013, Atos publishes data related to working accidents. In 2015, the scope was extended, representing 99.62% of the Headcount excluding Algeria, Gabon, Ivory Coast, Senegal, UAE, Qatar, Saudi Arabia, Egypt, Mali and Lebanon. Due to the small value gathered the detail of the frequency and severity is considered not relevant to be monitored in the Group.

D.6.2 Report of one of the statutory auditor, appointed as independent third-party, on the consolidated social, environmental and societal information published in the management report on the year ended December 31, 2015 [G4-32] and [G4-33]

This is a free English translation of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditor(s) of ATOS SE, (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 31st, 2015 included in the management report (hereinafter named "CR 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 CR 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 upon request at the headquarters of the company.

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.

Responsibility of the independent third party

On the basis of our work, our responsibility is to:

- attest that the required CR Information is included in the management report or, in the event of non-disclosure of a part or all of the CR 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 CR Information);
- express a limited assurance conclusion that the CR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CR Information).
- to express limited assurance on the fact that the description made by the Group in chapter D.1.3.1 "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 D. "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 people and was conducted between December 2015 and March 2016 during a thirteen week period. We were assisted in our work by our sustainability experts.

We performed our work in accordance with the French professional standards and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000[2] concerning our conclusion on the fairness of CR Information.

Attestation regarding the completeness of CR 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 CR 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 CR 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 methodological limitations set out in the management report.

Conclusion

Based on the work performed and given the limitations mentioned above, we attest that the required CR Information has been disclosed in the management report.

1 *whose scope is available at www.cofrac.fr*
2 *ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information*

Conclusion on the fairness of CR Information

Nature and scope of our work

We conducted an average of thirty interviews with the people responsible for preparing the CR 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 CR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CR 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 CR Information that we considered to be the most important[1] :

- at parent entity, 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 to identify potential undisclosed data, 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 20% and 100% of headcount and between 24 and 33% of quantitative environmental data disclosed.

For the remaining consolidated CR 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 CR 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 CR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

1 ***Quantitative information :***
Energy intensity (revenue); Energy intensity (employee); CO2 emissions by revenue; CO2 emissions by employee; Number of sites certified ISO 14001Average hours of training that employees have undertaken during the year; Percentage of management employees trained in Code of Ethics - Classroom; Percentage of total employees who received performance and career development review during the year; Percentage of females; Percentage of female in Governance bodies (Board of Directors); Trust Index; Percentage of Responses to Great Place to Work surveys (Average of Response rate) ; Number of active users in Communities; Absentee rate (%); Results of surveys measuring customer satisfaction (strategic); Total contract value of "sustainability offering"; New employee hires during the Reporting Period; 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 ; Turnover; Diversity Perception (GPTW); Total number of substantiated complaints ; Monetary value of significant fines for non-compliance; Delivered costumer innovation workshops; Percentage of coverage of ISO 27001 certifications; Total number of employees involved in the main social initiatives; Weighted Intrusion Rate of Internet in GBU; Weighted Intrusion Rate of Intranet in GBU; Weighted Intrusion Rate of Service Network in GBU; Minimum wage comparison.
Qualitative information :
A permanent dialogue with Atos suppliers; Trust and compliance; Description concerning the carbon objective; Partnerships and subcontractors.

2 *Brazil, Austria, Germany, Worldline Germany, Worldline France*

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 interviewed the persons responsible of the "Global Business Unit" representing different geographical areas in order to understand how they deploy the policies defined by the Group's Corporate Responsibility, to assess the consistency of the issues identified by the Group with local CR issues and identify possible specific local issues existence.

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 D.1.3.1 "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 24, 2016
One of the Statutory Auditors

Deloitte & Associés

Jean-Pierre Agazzi Partner	Florence Didier-Noaro Partner

E Financials

E.1 Operational review

E.1.1 Executive summary

Revenue in 2015 reached € 10,686 million, +18.1% compared to 2014 statutory and +0.4% organically. The year-on-year growth was mainly led by the contribution of Bull acquired in August 2014 and of Xerox ITO since July 2015. Exchange rates had a positive effect of € 373 million, mainly coming from the British pound (+11% year-on-year versus the Euro), the US dollar (+19%), and the Swiss Franc (+14%).

Operating margin reached € 883.7 million in 2015, up +25.9% year-on-year thanks to productivity gains from industrialization programs, the effect of recent acquisitions and the related cost synergies, mainly on Bull, and the exchange rates effect. Profitability reached 8.3% of revenue, +120bps compared to 7.1% in 2014 at constant scope and exchange rates.

Representing 53% of the Group in 2015, **Managed Services** revenue was € 5,658 million, +23.6% year-on-year. At constant scope and exchange rates, revenue grew by +0.4%. The Service Line continued to successfully drive the transition of its customers to cloud infrastructures resulting in positive organic growth, thanks to volumes increase and market share gains globally compensating unit price decrease. Growth materialized primarily in the UK, largely benefitting from the ramp-up of the DWP PIP contract, essentially during the first half of the year, and several other large infrastructure contracts. Revenue also grew in Asia Pacific, particularly thanks to higher volumes in Financial Services, Central & Eastern Europe, India, and Iberia. Finally, revenue in North America returned to growth during the second half of the year thanks to the positive contribution of Xerox ITO while the situation was more challenging in Financial Services for Benelux & The Nordics and Germany, and in Telco, Media & Utilities in France.

Operating margin was € 501.8 million, representing 8.9% of revenue compared to 7.6% in 2014 at constant scope and exchange rates. Operating margin increased in the United Kingdom thanks to revenue growth and strong operational savings, and in North America with project margin improvement on large contracts and strong actions on direct and indirect costs including the first results from the integration of Xerox ITO. Profitability also improved in Germany thanks to strong delivery cost improvement in personnel and non-personnel costs and in France with the materialization of the cost synergies on Bull perimeter. Operating margin was stable in Benelux & The Nordics excluding the base effect of the pension agreement signed last year. Finally Germany and the UK also benefitted from pension schemes optimization in 2015.

Representing 30% of the Group, **Consulting & Systems Integration** revenue was € 3,255 million in 2015, up +3.8% year-on-year and down -2.2% at constant scope and exchange rates. The dynamic fostered by the new management is driving the return to organic growth. In Germany the situation improved during the second half of the year. Revenue grew thanks to several new public projects in France with local public administrations and in Central & Eastern Europe. In the UK, a strong consulting activity in the Defense sector partly compensated ending Systems Integration contracts in the public sector. Finally, revenue remained under pressure in Benelux & The Nordics where the market did not pick-up yet, particularly in the telco sector.

Operating margin was € 207.2 million, representing 6.4% of revenue. The improvement of +40 basis points compared to 2014 at constant scope and exchange rates resulted from a better management of projects, stronger workforce management as well as cost synergies resulting from the Bull integration.

Revenue in **Big Data & Cybersecurity** was € 597 million in 2015, up +6.2% organically compared to 2014. Revenue growth was driven by the Big Data practice with High Performance Computing contracts in France and Iberia, and by the Cybersecurity activity in France and in the UK. Demand remained strong in the Security practice, more particularly for encryption and access management solutions. The Service Line 2015 revenue was impacted by the delays of several Swiss Governmental orders in the security practice.

Operating margin was € 102.5 million, representing 17.2% of revenue. This improvement of +340 basis points compared to 2014 at constant scope and exchange rates came from the significant revenue growth, as well as cost synergies resulting from the Bull integration.

From a contributive perspective to Atos, **Worldline** revenue was € 1,176 million, improving by +4.7% at constant scope and exchange rates. On a standalone basis, revenue reached € 1,227 million in 2015, up +4.4%. The three global business lines contributed to the growth performance in 2015:

- in Merchant Services & Terminals, growth accelerated along the year in Commercial Acquiring, supported by a double digit growth rate in online transactions volumes, by an accelerated international expansion and by a more favorable price mix. The Business Line also benefitted from increased sales of Payment Terminals, thanks to the Commercial Acquiring increase as well as expansion in Benelux and in emerging markets;
- Financial Processing & Software Licensing expanded thanks to the dynamism of Online Banking Services with new contracts signed and continued growth in volumes, and a strong level of License sold in Asia, France and Germany;
- in Mobility & e-Transactional Services growth was led by e-Consumer & Mobility enjoying a double-digit growth rate with several new contracts signed. This more than compensated the effect from the ramp down of a large contract in the UK ended in Q3 this year as planned.

OMDA increased by +50 basis points on a standalone basis as planned, reaching € 235.3 million and 19.2% of revenue. Operating margin was € 174.9 million, or 14.9% of revenue, a decrease of -60 basis points compared to 2014, mainly due to increased depreciation of IT development costs further to the go live of products and platforms on which Worldline invested in previous periods. In 2015, Worldline pursued actions to increase its competitiveness by optimizing efficiency and costs through the “TEAM” program, recovering on specific projects delivery and benefitting from the successful launch of its new product offerings.

Large geographies such as Germany, Benelux & The Nordics, and North America significantly improved their revenue evolution during the second part of the year:

- Germany improved its revenue trend (from -7.9% in H1 to -1.4% in H2) thanks to strong actions from the new management;
- Benelux & The Nordics (from -6.1% in H1 to -1.8% in H2) improved the trend quarter after quarter and benefited from sales in Big Data & Cybersecurity in the public sector in Belgium;
- North America (from -7.6% in H1 to flat in H2) was positively impacted by both the contribution from Xerox ITO and the end of the ramp down of MetLife contract.

In 2015, the main contributors to Group revenue growth were the United Kingdom and Worldline, and to a lesser extent, France and "Other Business Units":

- United Kingdom posted a strong +5.5% organic revenue performance thanks to the dynamics in Managed Services;
- Worldline continued to contribute to the Group organic growth with a steady +4.7% over the year;
- in France (from +0.1% in H1 to +1.1% in H2), revenue strongly grew in Big Data & Cybersecurity as a result of the cross-selling program of Bull offerings and in Systems Integration during the second half of the year. This more than compensated several ramp-downs in Managed Services;
- "Other Business Units" also contributed to Group revenue growth, thanks to Asia Pacific with a strong activity notably in Public & Health, and in Latin America in Financial Services and in Manufacturing, Retail & Transportation;

In 2015, the Group generated the expected cost synergies on Bull from the 3 areas targeted: restructuring of SG&A, purchasing, and real estate. This was particularly visible in France and in Global Structures with a strong margin improvement. The Group continued to execute the TOP Tier 1 Program through industrialization, global delivery from offshore locations, and continuous optimization of G&A. As part of this program, the Group also continued to optimize its pension schemes. This resulted in a positive effect of € 38 million disclosed in H1 for Germany and Global Structures, and € 36 million in H2 in the UK compared to € 50 million in H2 last year in the Netherlands.

In 2015, the Group **order entry** totaled **€ 11,214 million,** up +23% year-on-year, representing a **book to bill ratio** of **105%** and 118% in the fourth quarter.

The main new contracts signed this year were in Managed Services, with National Savings & Investments in the UK, Telefonica in Germany including a portion of Systems Integration, BASF mainly in Germany, Enel in Central & Eastern Europe and Iberia, DCNS in France, or Royal Mail in the UK. Main new contracts in Consulting & Systems Integration were with Accor in France, with the Czech Ministry of Interior in Central & Eastern Europe and Nokia in Germany, while Big Data & Cybersecurity signed new contracts with the CEA (Commission for Atomic Energy and Alternative Energies) in France and the National Police in Switzerland.

Renewals of the year included large contracts in Managed Services such as the renewal of the framework agreement with Siemens which is recorded over time (€ 0.3 billion recorded as order entry in 2015), extensions of the PIP contract with the department for Work and Pensions in the UK, NHS Scotland, Carl Zeiss in Germany, the Walt Disney Company and McGraw-Hill Education in the US. Worldline sales dynamic was also strong in particular with the renewal of all issuing processing contracts that had reached their term.

In line with this positive evolution of Atos commercial activity, the **full backlog** at the end of December 2015 increased by €+2.9 billion year-on-year including the integration of Xerox ITO, and amounted to **€ 19.1 billion,** representing 1.7 year of revenue. The **full qualified pipeline** was **€ 6.2 billion** at the end of 2015, +12.5% compared to the end of December 2014, including the integration of Xerox ITO.

The **total headcount** was **91,322** at the end of December 2015, compared to 85,865 at the end of December 2014. The increase of **+6.4%** of the Group workforce was mainly due to the circa 9,500 staff from Xerox ITO who joined the Group on July 1st, 2015 and from the ones who exited following the outsourcing of on-site services activities in France and the early termination of the WCA contract with the DWP in the United Kingdom.

Attrition was **12.1%** at Group level of which 21.2% in offshore countries.

The number of **direct employees** at the end of December 2015 was **85,558,** representing 93.7**% of the total Group headcount** at the end of 2015, compared to 92.1% at the end of 2014. **Indirect staff** decreased by **-15%** year-on-year, in line with the continuous optimization of the indirect workforce.

Number of **staff in offshore countries** increased by +37% year-on-year, reaching 24,744 people by the end of December 2015 (including circa 4,200 staff from Xerox ITO). The majority of the offshore workforce is located in India, the rest being mainly in Eastern Europe. Offshore for Systems Integration represented 43% of direct staff in line with the objective to reach 50% by the end of 2016.

E.1.2 Statutory to constant scope and exchange rates reconciliation

Revenue in 2015 reached € 10,686 million, +18.1% compared to 2014 statutory and +0.4% organically. Operating margin reached € 883.7 million in 2015 (8.3% of revenue), up +25.9% year-on-year and +16.9% compared to € 756.1 million (7.1% of revenue) in 2014 at constant scope and exchange rates (+120bps).

(in € million)	FY 2015	FY 2014	% change
Statutory revenue	10,686	9,051	+18.1%
Scope effect		1,223	
Exchange rates effect		373	
Revenue at constant scope and exchange rates	**10,686**	**10,648**	**+0.4%**
Operating margin	883.7	701.9	+25.9%
Scope effect		9.0	
Exchange rates effect		45.1	
Operating margin at constant scope and exchange rates	**883.7**	**756.1**	**+16.9%**
as % of revenue	***8.3%***	***7.1%***	

The table below presents the effects on 2014 revenue of acquisitions and disposals, internal transfers reflecting the Group's new organization, and change in exchange rates.

	FY 2014 revenue				
(in € million)	FY 2014 statutory	Scope effects	Internal transfers	Exchange rates effects*	FY 2014 at constant scope and exchange rates
North America	597	650	2	116	1,365
UK & Ireland	1,707	-59		181	1,829
France	1,305	362	-3		1,665
Germany	1,587	50			1,636
Benelux & The Nordics	1,038	61		-1	1,098
Other Business Units	1,719	159	1	53	1,931
of which Central & Eastern Europe	*877*	*47*		*18*	*943*
of which Iberia	*330*	*60*			*390*
of which former Other BUs	*511*	*52*	*1*	*35*	*598*
Total IT Services	**7,952**	**1,223**	**0**	**349**	**9,525**
Worldline	**1,099**			**25**	**1,124**
TOTAL GROUP	**9,051**	**1,223**	**0.0**	**373**	**10,648**
Managed Services	4,577	792	3	262	5,634
Consulting & Systems Integration	3,136	194	-74	72	3,328
Big Data & Cybersecurity	240	237	71	15	562
Total IT Services	**7,952**	**1,223**	**0**	**349**	**9,525**
Worldline	**1,099**			**25**	**1,124**
TOTAL GROUP	**9,051**	**1,223**	**0**	**373**	**10,648**

* *At FY 2015 exchange rates.*

Scope effects on revenue amounted to € 1,223 million and are mainly related to the positive contributions of Bull (8 months additional contribution for € 697 million), Xerox ITO (6 months for € 637 million), and Cambridge Technology Partners (€ 13 million). Revenue basis was retreated from €-82 million following the early termination of the DWP WCA contract initiated by Atos and from €-41 million for the sale of on-site services activity in France to Manpower.

Internal transfers between Service Lines included € 71 million for the first 8 months of 2014 from Consulting & Systems Integration to the Big Data & Cybersecurity Service Line created on September 1st 2014.

Exchange rates effect accounted for a total of € 373 million in revenue, mainly coming from the British pound (+11% year-on-year), the US dollar (+19%), and the Swiss Franc (+14%).

Net scope effect on operating margin amounted to € 9.0 million and exchange rates effect accounted for € 45.1 million. These effects and the ones of internal transfers were the following:

	FY 2014 operating margin				
(in € million)	FY 2014 statutory	Scope effects	Internal transfers	Exchange rates effects*	FY 2014 at constant scope and exchange rates
North America	44.8	47.0	0.4	8.2	100.4
UK & Ireland	143.9	-0.5		15.7	159.1
France	73.3	-18.8	-1.3		53.2
Germany	110.7	-0.7			109.9
Benelux & The Nordics	128.7	-3.4		0.0	125.4
Other Business Units	142.5	-7.3	1.0	17.2	153.3
of which Central & Eastern Europe	*72.6*	*-3.8*		*4.8*	*73.5*
of which Iberia	*10.9*	*-2.1*			*8.8*
of which former Other BUs	*59.0*	*-1.4*	*1.0*	*12.4*	*71.0*
Global structures	-112.3	-7.3		0.8	-118.8
Total IT Services	**531.6**	**9.0**	**0.0**	**41.8**	**582.4**
Worldline	**170.4**			**3.3**	**173.7**
TOTAL GROUP	**701.9**	**9.0**	**0.0**	**45.1**	**756.1**
Managed Services	364.4	37.6	-2.2	25.7	425.5
Consulting & Systems Integration	233.3	-23.3	-19.7	10.4	200.7
Big Data & Cybersecurity	52.3	-2.6	21.9	5.8	77.3
Corporate costs	-118.4	-2.7			-121.1
Total IT Services	**531.6**	**9.0**	**0.0**	**41.8**	**582.4**
Worldline	**170.4**			**3.3**	**173.7**
TOTAL GROUP	**701.9**	**9.0**	**0.0**	**45.1**	**756.1**

* *At FY 2015 exchange rates.*

E.1.3 Performance by Service Line

	Revenue				Operating margin		Operating margin %	
(in € million)	FY 2015	FY 2014[1]	% organic	% yoy	FY 2015	FY 2014[1]	FY 2015	FY 2014[1]
Managed Services	5,658	5,634	+0.4%	+23.6%	501.8	425.5	8.9%	7.6%
Consulting & Systems Integration	3,255	3,328	-2.2%	+3.8%	207.2	200.7	6.4%	6.0%
Big Data & Cybersecurity	597	562	+6.2%	+149.0%	102.5	77.3	17.2%	13.8%
Corporate costs[2]					-102.7	-121.1	-1.1%	-1.3%
Worldline	1,176	1,124	+4.7%	+7.1%	174.9	173.7	14.9%	15.5%
TOTAL GROUP	**10,686**	**10,648**	**+0.4%**	**+18.1%**	**883.7**	**756.1**	**8.3%**	**7.1%**

1 *At constant scope and exchange rates.*
2 *Corporate costs exclude Global Service Lines costs allocated to the Service Lines.*

E.1.3.1 Managed Services

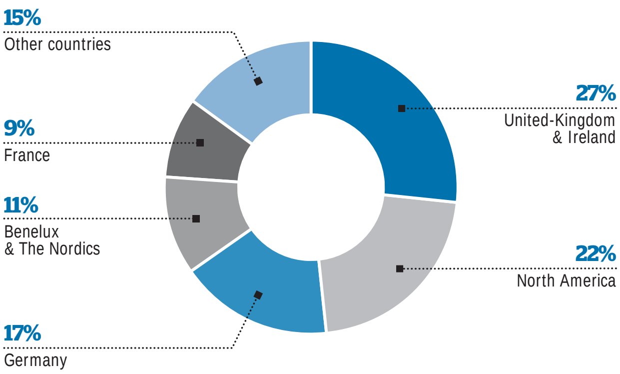
(in € million)	FY 2015	FY 2014*	% organic	% yoy
Chiffre d'affaires	5,658	5,634	+0.4%	+23.6%
Operating margin	501.8	425.5		
Operating margin rate	8.9%	7.6%		

* *At constant scope and exchange rates.*

2015 **revenue** in Managed Services was € 5,658 million, up +23.6% year-on-year. At constant scope and exchange rates, revenue grew by +0.4%. The Service Line continued to successfully drive the transition of its customers to cloud infrastructures resulting in positive organic growth, thanks to volumes increase and market share gains globally compensating unit price decrease. Growth materialized primarily in Public & Health in the United Kingdom, largely benefitting from the full ramp-up of the DWP PIP contract, essentially during the first half of the year, and from other large infrastructure contracts. Revenue also grew in all the countries of "Other Business Units", notably in Asia Pacific with higher volumes and hardware sale opportunities with a large customer in Financial Services in addition to ramp-up of contracts with global customers in Manufacturing, Retail & Transportation as well as in Telco, Media & Utilities. Revenue in India, Middle-East & Africa benefitted from new contracts such as Dynacons in India. South America grew notably thanks to increased revenue with a cosmetics retailer in Brazil. Finally, revenue in North America returned to growth during the second half of the year thanks to the positive contribution of Xerox ITO and the ramp-up of several contracts in Manufacturing, Retail & Transportation.

The situation was more challenging in some other areas: Benelux & The Nordics faced the ramp-down of contracts, in particular with a long standing customer in Financial Services; in Germany, the activity was impacted by lower volumes and ramp-downs on delivered services notably within Financial Services; France faced the ramp down on several projects with two large Telco players.

MANAGED SERVICES REVENUE PROFILE BY GEOGRAPHY



Operating margin in Managed Services was € 501.8 million in 2015, representing 8.9% of revenue, an improvement of +130 basis points compared to 2014, on a like for like basis. This performance was mainly driven by the United Kingdom, in line with the revenue evolution explained above, and by strong operational savings, as well as the effect from pension schemes optimization in the second semester. Profitability increased in North America thanks to project margin improvement on large contracts and strong actions on direct and indirect costs as part of the Tier One Program. Profitability also improved in Germany thanks to strong delivery cost savings in personnel and non-personnel costs and to pension plan agreement signed during the first half of the year. France benefitted from the materialization of the cost synergies on Bull perimeter. Finally, operating margin was stable in Benelux & The Nordics excluding the base effect of the pension impact in the second half of 2014.

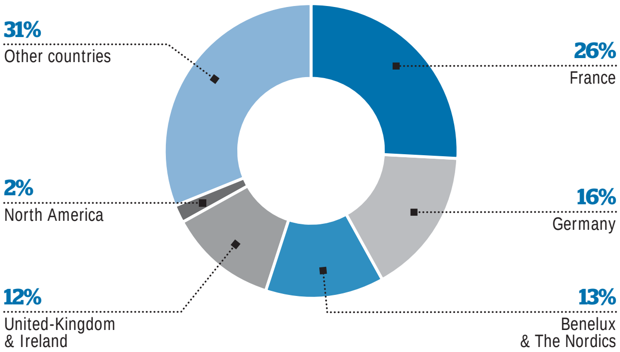
E.1.3.2 Consulting & Systems Integration

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	3,255	3,328	-2.2%	+3.8%
Operating margin	207.2	200.7		
Operating margin rate	6.4%	6.0%		

* *At constant scope and exchange rates.*

Consulting & Systems Integration **revenue** reached € 3,255 million, up +3.8% year-on-year and down -2.2% at constant scope and exchange rates. The dynamic fostered by the new management is driving the return to organic growth. In Germany the situation improved during the second half of the year. In 2015, Public & Health was the most dynamic sector and revenue grew in France thanks to several new projects with public administrations and higher volumes in the Defense sector, as well as in Central & Eastern Europe driven by the full year effect of an airport infrastructure contract. In the UK, a strong consulting activity in the Defense sector partly compensated ending Systems Integration contracts in the public sector. Financial Services increased in almost all geographies and especially in Benelux & the Nordics and South-America. Telcos, Media & Utilities decline was concentrated in Germany largely attributable to lower volumes in the telco sector, with Telefonica/E-plus and Nokia, as well as in Benelux & The Nordics where the market did not pick-up yet. Finally, Manufacturing, Retail & Transportation decrease mainly came from the ramp-down of Thyssen contract in Germany and from a lower level of activity in the US.

CONSULTING & SYSTEMS INTEGRATION REVENUE PROFILE BY GEOGRAPHY



Operating margin was € 207.2 million, representing 6.4% of revenue. The improvement of +40 basis points compared to 2014 at constant scope and exchange rates resulted from a better management of projects, stronger workforce management as well as cost synergies resulting from the Bull integration. Benelux and the Nordics were impacted by the base effect of the 2014 pension agreement mitigated by productivity improvements.

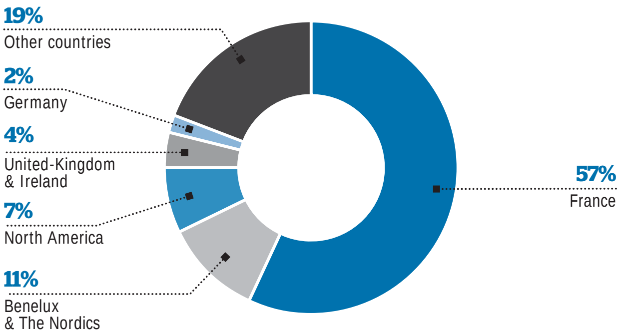
E.1.3.3 Big Data & Cybersecurity

(in € million)	FY 2015	FY 2014*	% organic
Revenue	597	562	+6.2%
Operating margin	102.5	77.3	
Operating margin rate	17.2%	13.8%	

* *At constant scope and exchange rates.*

Revenue in Big Data & Cybersecurity was € 597 million in 2015, up +6.2% organically compared to 2014. Revenue growth was driven by the Big Data practice with High Performance Computing contracts in France and Iberia, and by the Cybersecurity activity in France and in the UK. Demand was very strong in the Security practice, more particularly for encryption and access management solutions. The Service Line 2015 revenue was impacted by the delays of several Swiss governmental orders in the security practice.

BIG DATA & CYBERSECURITY REVENUE PROFILE BY GEOGRAPHY



Operating margin was € 102.5 million, representing 17.2% of revenue. This improvement of +340 basis points compared to 2014 at constant scope and exchange rates came from the significant revenue growth, as well as cost synergies resulting from the Bull integration.

E.1.3.4 Worldline

A detailed review of Worldline 2015 results can be found at worldline.com, in the investors section.

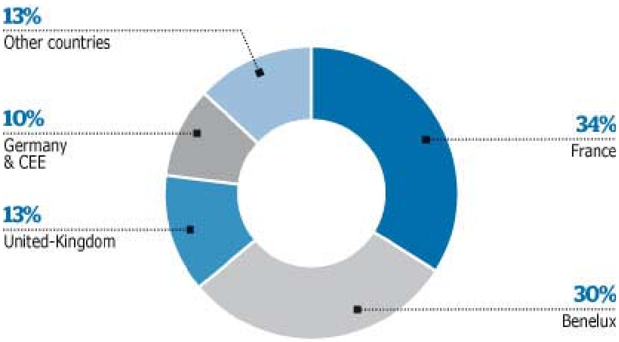
(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,176	1,124	+4.7%	+7.1%
Operating margin	174.9	173.7		
Operating margin rate	14.9%	15.5%		

* *At constant scope and exchange rates.*

From a contributive perspective to Atos, Worldline **revenue** was € 1,176 million, improving by +4.7% organically. On a standalone basis, revenue reached € 1,227 million in 2015, up +4.4% at constant scope and exchange rates. The three Business Lines contributed to the revenue organic growth in 2015:

- in Merchant Services & Terminals, growth accelerated along the year in Commercial Acquiring, supported by a double digit growth rate in online transactions volumes, by an accelerated international expansion, and by a more favorable price mix. This dynamism benefitted to the Terminals business;
- Financial Processing & Software Licensing expanded thanks to the strength of Online Banking Services with new contracts signed and continued growth in volumes, and strong License sales in Asia, France and Germany;
- Growth in Mobility & e-Transactional Services was led by e-Consumer & Mobility enjoying a double-digit growth rate with several new contracts signed. This more than compensated the effect from the ramp-down of a large contract in the UK ended in Q3 this year as planned.

WORLDLINE REVENUE PROFILE BY GEOGRAPHY



While OMDA increased by +50 basis points on a standalone basis as planned, reaching € 235.3 million and 19.2% of revenue, **operating margin** was € 174.9 million, or 14.9% of revenue, a decrease of -60 basis points compared to 2014, mainly due to increased depreciation of IT development costs further to the go live of platforms on which Worldline invested in previous periods. In 2015, Worldline pursued actions to increase its competiveness by optimizing efficiency and costs through the “TEAM” program, recovering on specific projects delivery and benefitting from the success of its new product offerings allowing a better pricing mix.

E.1.4 Performance by Business Unit

(in € million)	Revenue FY 2015	Revenue FY 2014[1]	Revenue % organic	Revenue % yoy	Operating margin FY 2015	Operating margin FY 2014[1]	Operating margin % FY 2015	Operating margin % FY 2014[1]
United-Kingdom & Ireland	1,930	1,829	+5.5%	+13.1%	213.5	159.1	11.1%	8.7%
France	1,674	1,665	+0.6%	+28.3%	102.3	53.2	6.1%	3.2%
Germany	1,560	1,636	-4.6%	-1.7%	118.2	109.9	7.6%	6.7%
North America	1,338	1,365	-2.0%	+124.1%	140.5	100.4	10.5%	7.4%
Benelux & The Nordics	1,055	1,098	-3.9%	+1.7%	97.9	125.4	9.3%	11.4%
Other Business Units	1,951	1,931	+1.0%	+13.5%	142.0	153.3	7.3%	7.9%
Global structures[2]					-105.5	-118.8	-1.1%	-1.2%
Worldline	**1,176**	**1,124**	**+4.7%**	**+7.1%**	**174.9**	**173.7**	**14.9%**	**15.5%**
TOTAL GROUP	**10,686**	**10,648**	**+0.4%**	**+18.1%**	**883.7**	**756.1**	**8.3%**	**7.1%**

1 *At constant scope and exchange rates.*
2 *Global structures include the Global Service Lines costs not allocated to the Group Business Unit and corporate costs.*

Large geographies such as Germany, Benelux & The Nordics, and North America significantly improved their revenue evolution during the second part of the year:

- Germany improved its revenue trend (from -7.9% in H1 to -1.4% in H2) thanks to strong actions from the new management;
- Benelux & The Nordics (from -6.1% in H1 to -1.8% in H2) improved the trend quarter after quarter and benefited from sales in Big Data & Cybersecurity in the public sector in Belgium;
- North America (from -7.6% in H1 to flat in H2) was positively impacted by both the contribution from Xerox ITO and the end of the ramp down of MetLife contract.

In 2015, the main contributors to Group revenue growth were the United Kingdom and Worldline, and to a lesser extent, France and "Other Business Units":

- United Kingdom posted a strong +5.5% organic revenue performance thanks to the dynamics in Managed Services;
- Worldline continued to contribute to the Group organic growth with a steady +4.7% over the year;
- France with +1.1% organic revenue growth in H2, grew in Big Data & Cybersecurity and in Systems Integration;
- "Other Business Units" also contributed to Group revenue growth, thanks to Asia Pacific with a strong activity notably in Public & Health, and in Latin America in Financial Services and in Manufacturing, Retail & Transportation.

In 2015, the Group generated the expected cost synergies on Bull from the 3 areas targeted: restructuring of SG&A, purchasing, and real estate. This was particularly visible in France and in Global Structures with a strong margin improvement. The Group continued to execute the Tier One program through industrialization, global delivery from offshore locations, and continuous optimization of SG&A. As part of this program, the Group also continued to optimize its pension schemes. This resulted in a positive effect of € 38 million disclosed in H1 for Germany and Global Structures, and € 36 million in H2 in the UK compared to € 50 million in H2 last year in the Netherlands.

E.1.4.1 United Kingdom & Ireland

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,930	1,829	+5.5%	+13.1%
Operating margin	213.5	159.1		
Operating margin rate	11.1%	8.7%		

* *At constant scope and exchange rates.*

Revenue was € 1,930 million, up +13.1% year-on-year and +5.5% at constant scope and exchange rates.

The strong performance of the Business Unit is mainly attributable to Managed Services (+8.1%) in Public & Health driven by increased volumes on the DWP PIP contract and from a strong activity with the Ministry of Justice and in Manufacturing, Retail & Transportation with the full effect of the contract won in 2014 with Royal Mail Group.

Consulting & Systems Integration was down by -4.4%. Public sector was in line with 2014 notably thanks to higher volumes in Defense, the ramp-up of the Post Office Application Management contract and increased project activity with the Nuclear Decommissioning Authority. In Financial Services, the Service Line managed to almost offset the end of a large project with an insurance company by SAP projects with a leading Merchant Banking Group. While the activity was reduced with some customers in Transportation, the Service Line won new logos in Retail. In Telcos, Media & Utilities, new consulting projects helped compensating the base effect with one large customer.

Big Data & Cybersecurity revenue strongly grew thanks to contracts with the Ministry of Justice and two large cybersecurity projects in the defense and transportation sectors.

Operating margin was € 213.5 million, significantly up compared to last year (€+54.5 million). The improvement resulted from revenue growth and a more efficient project management on large contracts, as well as pension schemes optimization for € 36 million in the second half of the year. The margin performance also stemmed from transformation initiatives, including internal costs savings and the reduction of the number of subcontractors. These savings were partly reinvested into new sales opportunities in order to drive future business growth in key digital transformation areas.

E.1.4.2 France

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,674	1,665	+0.6%	+28.3%
Operating margin	102.3	53.2		
Operating margin rate	6.1%	3.2%		

* *At constant scope and exchange rates.*

At € 1,674 million, **revenue** in France was up +28.3% year-on-year thanks to Bull integration and +0.6% organically. In 2015, France confirmed the return to revenue growth thanks to a robust and protracted positive trend in Big Data & Cybersecurity, as well as in Consulting & Systems Integration.

In Managed Services, a solid growth was posted in Manufacturing, Retail & Transportation thanks to the ramp-up of contracts with a global aircraft manufacturer and with PWC. New contracts with a leading French Telco Group and increased activity with the CNAMTS (the French National Health Insurance Fund for Employees) allowed to partly compensate for lower volumes overall in Telcos, Media & Utilities.

Consulting & Systems Integration revenue grew in Public & Health thanks to the ramp up of new contracts with local government and higher volumes with European Institutions. Revenue was almost stable in Manufacturing, Retail & Transportation and was impacted by less projects in Telcos, Medias & Utilities.

Big Data & Cybersecurity accelerated its revenue organic growth to reach +13.8% in the second semester, primarily boosted by the Public & Health Market, notably with the French Ministry of Defense, the CEA (Commission for Atomic Energy and Alternative Energies), and Météo France.

Operating margin reached € 102.3 million, representing 6.1% of revenue, an improvement by almost +300 basis points. Profitability improved in all Service Lines, primarily led by Big Data & Cybersecurity, driven by the significant revenue growth combined with the generation of the cost savings from the synergy program with Bull. In spite of the revenue reduction, Managed Services succeeded to improve its performance benefitting mainly from drastic savings on indirect costs also in the frame of the cost synergy program on Bull and the Tier One Program. Finally, Consulting & Systems Integration's performance was up as well thanks to the additional margin generated by an overall better utilization of human resources through Technology Services resulting from workforce management measures initiated in the first semester and a strong monitoring of indirect costs along the year.

E.1.4.3 Germany

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,560	1,636	-4.6%	-1.7%
Operating margin	118.2	109.9		
Operating margin rate	7.6%	6.7%		

* At constant scope and exchange rates.

Revenue was € 1,560 million, down by -4.6% compared to 2014 at constant scope and exchange rates.

In Managed Services (-2.5%), revenue temporarily decreased in Telcos, Media & Utilities due to a timing effect between the ramp-down of the existing contract with E-plus and the ramp up of the contract signed with Telefonica in Q4 following their merger. Revenue increased in Manufacturing, Retail & Transportation driven by transition and transformation activities on Siemens new contracts while Financial Services was impacted by lower resale volumes.

In Consulting & Systems Integration, the revenue profile improved gradually throughout the year: from -13.4% in the first half to -4.7% in the second half. Overall, a good performance in the Public & Health sector and in Financial Services partly compensated less revenue in the other markets. Telcos, Media & Utilities was impacted by the timing effect with Telefonica/E-plus as described above and by the end of the transition with Nokia. In Manufacturing, Retail & Transportation, a new project with a large car manufacturer partly offset the ramp-down of one contract with Thyssen.

Big Data & Cybersecurity revenue increased by +2.8%, mainly driven by the strong HPC activity in Telcos, Media & Utilities and by a good performance in Manufacturing, Retail & Transportation especially in the automotive industry.

Operating margin reached € 118.2 million or 7.6% of revenue, +90 basis points compared to the prior year at constant scope and exchange rates. Operating margin in Managed Services improved thanks to strong savings actions, notably significant cuts in G&A expenses, optimization of the external workforce, and an increased activity in the delivery platforms from offshore locations. Consulting & Systems Integration profitability was impacted by the revenue decline mentioned above, mainly in the telco sector. This was partially mitigated by strong G&A savings, staff reorganization, and offices rationalization. Operating margin in Big Data & Cybersecurity significantly increased in line with higher revenue and indirect cost savings. Finally, the Group continuous optimization program of its pension schemes contributed by € 18 million to the German operating margin during the first half of the year, as disclosed in the H1 2015 results.

E.1.4.4 North America

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,338	1,365	-2.0%	+124.1%
Operating margin	140.5	100.4		
Operating margin rate	10.5%	7.4%		

* At constant scope and exchange rates.

Revenue reached € 1,338 million, +124% year-on-year thanks to the contribution of Xerox ITO in the second half of the year. Revenue was down by -2.0% compared to 2014 at constant scope and exchange rates. From a sequential point of view, the Business Unit closed the second semester with +0.1% organic growth compared to the same period of last year, as the first commercial synergies with Xerox ITO started to materialize and as the largest part of the McGraw-Hill Education separation project and the MetLife termination negative base effect in Managed Services were progressively left behind.

Consulting & Systems Integration was down -13.2% as higher volumes and additional business achieved particularly in Financial Services and Public & Health were not enough to compensate for the completion of contracts (notably the successful delivery of a large contract with a global manufacturer of agricultural machinery) and volume reductions within Manufacturing, Retail & Transportation.

Revenue in Big Data & Cybersecurity benefitted from a new HPC contract in the Public & Health market.

Profitability improved to 10.5% of revenue as **operating margin** grew in Managed Services thanks to procurement and sales contract renegotiations as well as increased offshoring and costs synergies on Xerox ITO perimeter. Operating margin in Big Data & Cybersecurity increased, positively impacted by the HPC sale mentioned above as well as cost savings from the Tier One Program. Consulting & Systems Integration project margin shortage was partly offset by a tight monitoring of costs.

E.1.4.5 Benelux & The Nordics

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,055	1,098	-3.9%	+1.7%
Operating margin	97.9	125.4		
Operating margin rate	9.3%	11.4%		

At constant scope and exchange rates.

At € 1,055 million, 2015 **revenue** was down -3.9% organically, closing the year with an upturn in the fourth quarter at +0.1%. In Managed Services, revenue was supported by upselling with large customers such as Achmea and Rabobank and a positive trend in Manufacturing, Retail & Transportation which benefitted from the implementation of new contracts with a large Dutch consumer electronics global player and with a European major construction services company. This partly compensated contract ramp-downs in Financial Services coupled with scope reductions with Dutch public institutions.

Consulting & Systems Integration revenue decreased by -3.1% organically; representing 42% of the Service Line, Technology Services activity achieved a solid growth (+9.3%), resulting from a strong commercial and workforce management push. In terms of markets, Financial Services growth was fueled by new projects with some customers in the Netherlands. In Manufacturing, Retail & Transportation, increasing services delivery with a major truck manufacturer almost compensated for less volume on other contracts. Finally, Telcos, Medias & Utilities decreased due to the ramp down of the KPN contract.

Big Data & Cybersecurity posted a robust growth driven by sales in the Belgian Public Sector during the fourth quarter of the year.

Operating margin reached € 97.9 million in 2015, representing 9.3% of revenue, compared to € 125.4 million in 2014 which included the result of circa € 50 million resulting from the optimization of the pension scheme. Therefore, excluding this effect, Benelux & The Nordics managed to improve its profitability level in the context of a revenue decrease. This performance resulted from workforce management improvement in Consulting & Systems Integration with the shift of resources to Technology Services leading to a higher utilization rate, and a strong optimization of the costs base in Managed Services. The margin increase in Big Data & Cybersecurity directly stemmed from the growth of the business.

E.1.4.6 Other Business Units

(in € million)	FY 2015	FY 2014*	% organic	% yoy
Revenue	1,951	1,931	+1.0%	+13.5%
Operating margin	142.0	153.3		
Operating margin rate	7.3%	7.9%		

At constant scope and exchange rates.

Revenue in "Other Business Units" reached € 1,951 million, up +1.0% organically with a strong activity in Managed Services, in particular in Public & Health thanks to additional business with Slovakian ministries and several contracts ramp-ups in Austria, and in Financial Services from higher volumes with a large bank in Hong-Kong. This allowed to compensating some projects completed last year in Austria, Switzerland and Turkey in Manufacturing, Retail & Transportation.

Revenue also grew in Consulting & Systems Integration especially in Public & Health with the Ashgabat contracts coupled with incremental service deliveries in Slovakia, compensating for a lower revenue in Manufacturing, Retail & Transportation related to the Nanjing Youth Olympic Games project delivered last year and with less projects in Austria.

Revenue declined in Big Data & Cybersecurity due to orders delayed in the Public Sector in Switzerland, some of them having been signed at the end of the year.

Operating margin was € 142.0 million, representing 7.3% of revenue. Margin increased in Iberia thanks to a better productivity and strong savings in indirect costs. In the meantime, Central & Eastern Europe faced the postponement of security contracts in the Swiss public sector as mentioned above and India, Middle East & Africa recorded an increase of direct costs compared to prior year.

E.1.4.7 Global structures costs

Global structures costs decreased by €-13.3 million compared to 2014 at constant scope and exchange rates as a result of the continuous optimization of the Group central functions and the optimization of the pension scheme in the first semester, while functions are getting more centralized at Group level.

E.1.5 Revenue by Market

	Revenue		
(in € million)	**FY 2015**	**FY 2014***	**% organic**
Manufacturing, Retail & Transportation	3,634	3,696	-1.7%
Public & Health	3,089	2,849	+8.4%
Telcos, Media & Utilities	2,084	2,217	-6.0%
Financial Services	1,878	1,886	-0.5%
TOTAL GROUP	**10,686**	**10,648**	**+0.4%**

* *At constant scope and exchange rates.*

E.1.5.1 Manufacturing, Retail & Transportation

Manufacturing, Retail & Transportation was the largest market segment of the Group (34%) and reached € 3,634 million in 2015, declining by -1.7% compared to 2014 at constant scope and exchange rates. Manufacturing, Retail & Transportation revenue started benefitting from its strong commercial activity at the end of the year, the first part of the year having been impacted by the completion of several contracts.

In this market, the top 10 clients (excluding Siemens) represented 21% of revenue with Xerox, a large aircraft manufacturer, a large car manufacturer, Nike, a large electronics company, Daimler Group, Vehicle and Operator Services Agency (VOSA), Volkswagen, Johnson & Johnson and Carl Zeiss Stiftung.

E.1.5.2 Public & Health

Public & Health was the second market of the Group with 29% and totaled revenue of € 3,089 million, representing an increase by +8.4% compared to 2014 at constant scope and exchange rates. Growth mainly came from the United Kingdom thanks to the ramp-up of the DWP PIP and Ministry of Justice contracts. Big Data & Cybersecurity also showed a strong performance, especially in France.

34% of the revenue in this market was realized with 10 main clients: department for Work & Pensions (DWP), Ministry of Justice (UK), European Union Institutions, Ministry of Ecology (France), Nuclear Decommissioning Authority (NDA) and NHS Scotland (UK), SNCF, CEA (Commission for Atomic Energy and Alternative Energies) in France, Public bodies in Eastern Europe, department of Information Resources Texas (US).

E.1.5.3 Telcos, Media & Utilities

Telcos, Media & Utilities represented 20% of the Group revenue and reached € 2,084 million, down by -6.0% compared to 2014 at constant scope and exchange rates. Revenue decrease was mainly related to less volumes with Telecom players in Europe, especially in Germany with E-plus and Benelux & The Nordics with KPN, and in the Energy sector in France.

Main clients were BBC, EDF / British Energy, Nokia, Orange, McGraw-Hill Education, Telefonica/O2, Disney World, Telecom Italia, Microsoft and GDF Suez. The top 10 main clients represented 56% of the total Telcos, Media & Utilities Market revenue.

E.1.5.4 Financial Services

Financial Services was the fourth Market of the Group and represented 18% of the total revenue at € 1,878 million, almost stable compared to 2014 at constant scope and exchange rates. The strong performance of "Other GBUs" coming from additional volumes and new projects fully mitigated the end of the contract with Talanx in Germany.

In this market, 48% of the revenue was generated with the 10 main clients: National Savings & Investments, the largest German bank, a large bank in Hong Kong, BNP Paribas, Achmea, McGraw-Hill Financial, Société Générale, La Poste, Crédit Agricole, and ING.

E.1.6 Portfolio

E.1.6.1 Order entry and book to bill

The total Group order entries reached € 11,214 million in 2015, increasing by +23% compared to 2014, representing a book-to-bill ratio of 105%, and 118% in the fourth quarter.

Order entry and book to bill by Service Line in IT Services was as follows:

	Order Entry	Book to bill
	FY 2015	FY 2015
Managed Services	5,707	101%
Consulting & Systems Integration	3,608	111%
Big Data & Cybersecurity	757	127%
TOTAL IT SERVICES	**10,072**	**106%**

The main new contracts signed in 2015 were in Managed Services, with National Savings & Investments in the UK, Telefonica in Germany including a portion of Systems Integration, BASF mainly in Germany, Enel in Central & Eastern Europe and Iberia, DCNS in France, or Royal Mail in the UK. Main new contracts in Consulting & Systems Integration were with Accor in France, with the Czech Ministry of Interior in Central & Eastern Europe and Nokia in Germany, while Big Data & Cybersecurity signed new contracts with the CEA (Commission for Atomic Energy and Alternative Energies) in France and the National Police in Switzerland.

Order entry and book to bill by **Market** were as follows:

Renewals of 2015 included large contracts in Managed Services such as the renewal of the framework agreement with Siemens which is recorded over time (€ 0.3 billion recorded as order entry in 2015), extensions of the PIP contract with the department for Work and Pensions in the UK, NHS Scotland, Carl Zeiss in Germany, the Walt Disney Company and McGraw-Hill Education in the US. Worldline sales dynamic was also strong in particular with the renewal of all issuing processing contracts that had reached their term.

	Order Entry			Book to bill		
	H1	H2	FY 2015	H1	H2	FY 2015
Manufacturing, Retail & Transportation	1,873	2,129	4,002	117%	105%	110%
Public & Health	1,584	2,012	3,596	110%	122%	116%
Telcos, Media & Utilities	756	1,294	2,051	74%	122%	98%
Financial Services	875	691	1,565	99%	70%	83%
TOTAL GROUP	**5,088**	**6,126**	**11,214**	**103%**	**107%**	**105%**

E.1.6.2 Full backlog

In line with the positive evolution of Atos commercial activity, the full backlog at the end of December 2015 increased by €+2.9 billion year-on-year including the integration of Xerox ITO, and amounted to € 19.1 billion, representing 1.7 year of revenue.

E.1.6.3 Full qualified pipeline

The full qualified pipeline was € 6.2 billion at the end of 2015, +12.5% compared to the end of December 2014, including the integration of Xerox ITO. It represented 6.6 months of revenue.

E.1.7 Human Resources

The total headcount was 91,322 at the end of December 2015, compared to 85,865 at the end of December 2014. The increase of +6.4% of the Group workforce was mainly due to the circa 9,500 staff from Xerox ITO who joined the Group on July 1st, 2015 and from the ones who exited following the sale of on-site services activities in France to Manpower and the early termination of the Work Capability Assessment contract with the department for Work and Pensions in the United Kingdom on the initiative of Atos. All the scope effects mentioned above happened in the Managed Services Service Line.

In 2015, the Group hired more than 13,000 staff, mostly in the two largest Service Lines. The hirings have been mostly performed in the offshore countries, mainly in India, and also in the UK and in the US in the growing areas.

Attrition was 12.1% at Group level of which 21.2% in offshore countries.

The number of direct employees at the end of December 2015 was 85,558, representing 93.7% of the total Group headcount at the end of 2015, compared to 92.1% at the end of 2014. Indirect staff was 5,764, -15% year-on-year, in line with the continuous optimization of the indirect workforce, mainly on the Bull perimeter.

Number of staff in offshore countries increased by +37% year-on-year, reaching 24,744 people by the end of December 2015 (including circa 4,200 staff from Xerox ITO). The majority of the offshore workforce is located in India, the rest being mainly in Eastern Europe. Offshore for Systems Integration represented 43% of direct staff in line with the objective to reach 50% by the end of 2016.

Headcount evolution in 2015 by Business Units and by Service Line was as the following:

	Opening January 2015	Scope	Hiring	Leavers, Dismissal & Restructuring	Closing December 2015
Managed Services	35,765	7,195	6,276	-7,875	41,361
Consulting & Systems Integration	34,138	17	5,590	-6,036	33,710
Big Data & Cybersecurity	1,885	18	287	1,195	3,385
Functions	586	-6	52	-280	352
Worldline	6,670		631	-551	6,750
Total Direct	**79,044**	**7,224**	**12,836**	**-13,547**	**85,558**
United-Kingdom & Ireland	9,744	-1,353	1,164	-1,784	7,771
France	13,103	-798	605	-1,281	11,629
Germany	7,954	30	152	-558	7,578
North America	3,060	9,497	1,161	-1,644	12,074
Benelux & The Nordics	5,937	-160	139	-727	5,189
Other Business Units	32,505	8	8,972	-7,357	34,128
Global structure	71		12	355	438
Worldline	6,670		631	-551	6,750
Total Direct	**79,044**	**7,224**	**12,836**	**-13,547**	**85,558**
Total Indirect	**6,821**	**-8**	**511**	**-1,560**	**5,764**
TOTAL GROUP	**85,865**	**7,216**	**13,348**	**-15,107**	**91,322**

The number of direct employees in Managed Services at the end of December 2015 was 41,361, up +16% compared to the beginning of the year, mostly for scope reasons explained above. Direct staff number in Consulting & Systems Integration in 2015 remained almost stable at 33,710 and utilization rate was 82%. Direct staff number in Big Data & Cybersecurity was 3,385 at the end of 2015. Worldline direct staff remained stable at 6,750.

E.2 2016 objectives

The Group decided to change the free cash flow and operating margin definitions with the objective to exclude equity based compensation effects on the performance, in conformity with market practice.

As such, Group free cash flow excludes proceeds from equity based compensation and operating margin excludes the amortization cost of equity based compensation plans.

The following 2016 objectives have to be considered under these new definitions.

Revenue: to continue to improve organic growth compared to 2015. Objective of a revenue growth at constant exchange rates above +8%.

Operating margin: between 9.0% and 9.5% of revenue[1].

Free cash flow: circa € 550 million[2].

The figures above include Unify Managed Services from February 1st, 2016 and exclude Equens contribution.

1 *Excluding the amortization of equity based compensation plans representing circa 30 basis points in 2015 and 2016.*

2 *Excluding proceeds from equity based compensation which represented € 57 million in 2015 and circa € 50 million in 2016.*

E.3 Financial review

E.3.1 Income statement

The Group reported a net income (attributable to owners of the parent) of € 406.2 million for 2015, which represented 3.8% of Group revenue and an increase of 53.2% compared to 2014. The normalized net income before unusual, abnormal and infrequent items (net of tax) for the period was € 605.2 million, representing 5.7% of 2015 Group revenue.

(in € million)	12 months ended December 31, 2015	% Margin	12 months ended December 31, 2014	% Margin
Operating margin	**883.7**	**8.3%**	**701.9**	**7.8%**
Other operating income/(expenses)	-294.4		-261.6	
Operating income	**589.3**	**5.5%**	**440.3**	**4.9%**
Net financial income/(expenses)	-45.2		-51.6	
Tax charge	-109.7		-104.1	
Non-controlling interests and associates	-28.2		-19.4	
Net income – Attributable to owners of the parent	**406.2**	**3.8%**	**265.2**	**2.9%**
Normalized net income – Attributable to owners of the parent*	**605.2**	**5.7%**	**438.0**	**4.8%**

* *Defined hereafter.*

Operating margin

Income and expenses are presented in the Consolidated Income Statement by nature to reflect the specificities of the Group's business more accurately. Below the line item presenting revenues, ordinary operating expenses are broken down into staff expenses and other operating expenses.

These two items together are deducted from revenues to obtain operating margin, one of the main Group business performance indicators.

Operating margin represents the underlying operational performance of the on-going business and is analyzed in detail in the Operational Review.

Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual, abnormal and infrequent and represented a net expense of € 294.4 million in 2015 of which € 189.9 million for staff reorganization, rationalization and integration/acquisition costs. The following table presents this amount by nature:

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Staff reorganization	-96.3	-129.9
Rationalization and associated costs	-41.8	-25.9
Integration and acquisition costs	-51.8	-15.4
Amortization of intangible assets (PPA from acquisitions)	-71.9	-50.7
Other items	-32.6	-39.7
TOTAL	**-294.4**	**-261.6**

The € 96.3 million **staff reorganization** expense was mainly the consequence of:

- the adaptation of the Group Workforce in several countries such as Germany, North America, Iberia and the United Kingdom;
- the streamlining of middle management layers, including Global Structures;
- the restructuring initiated on Bull indirect functions as part of the plan to generate cost synergies.

The € 41.8 million **rationalization and associated costs** primarily resulted from the closure of office premises and datacenters consolidation, mainly in Germany (€ 15.4 million) and Benelux & The Nordics (€ 8.0 million), linked to restructuring plans. This amount also includes external costs for the implementation of Worldline's TEAM Program (€ 3.9 million).

The **integration and acquisition costs** amounting to € 51.8 million represented mainly Xerox ITO acquisition and integration costs, the remaining integration costs for Bull, and to a lesser extent the acquisition costs related to the Equens / Paysquare and Unify transactions.

The 2015 **amortization of intangible assets recognized in the Purchase Price Allocation (PPA) of acquisitions** of € 71.9 million was mainly composed of:

- € 42.9 million of SIS Customer Relationships amortized over 8.75 years starting July 1st, 2011;
- € 16.2 million of Bull Customer Relationships and Patents amortized over respectively 9.3 years and 9.9 years starting September 1st, 2014; and
- € 9.9 million of Xerox ITO customer relationships starting July 1st, 2015.

The **other items** represented an expense of € 32.6 million which mainly included €-29.4 million related to a one-time specific program to reskill IT engineers notably in Germany and in France (including staff coming from Bull).

Net financial expense

Net financial expense amounted to € 45.2 million for the period (compared to € 51.6 million last year) and was composed of a net cost of financial debt for € 17.4 million and non-operational financial costs for € 27.8 million.

Net cost of financial debt was € 17.4 million (compared to € 15.3 million in 2014) and resulted from the following elements:

- the average gross borrowing of € 1,185.5 million compared to € 651.0 million in 2014 bearing an average expense rate of 2.32% compared to 3.86% last year.

  The average gross borrowing expenses were mainly explained by:

  - the used portion of the syndicated loan for an average of € 687.2 million (compared to an average of € 494.4 million in 2014) bearing an effective interest rate of 1.59%,
  - a € 600.0 million bond issue in July 2015, with a yearly average impact on the total gross borrowings of € 296.5 million bearing a coupon rate of 2.375%,
  - other sources of financing, including securitization, for an average of € 180.8 million, bearing an effective interest rate of 4.83%;
- and the average gross cash increased from € 1,057.9 million in 2014 to € 1,105.3 million in 2015 bearing an average income rate of 0.91% compared to 0.93% in 2014.

Non-operational financial costs amounted to € 27.8 million compared to € 36.3 million in 2014 and were mainly composed of pension financial related costs (€ 29.3 million compared to € 18.6 million expense in 2014) and a net foreign exchange gain of €+6.2 million versus a net foreign exchange loss of €-4.1 million in 2014.

Corporate tax

The Group effective tax rate was 20.2% including the French CVAE tax corresponding to the tax charge of € 109.7 million with a profit before tax of € 544.1 million.

Please refer to Note 7 of the appendices to the consolidated financial statements; Income tax for further explanations.

Non-controlling interests

Non-controlling interests included shareholdings held by joint venture partners and other associates of the Group. Non-controlling interests amounted to € 30.8 million in December 2015 (compared to € 17.3 million in December 2014).

The increase is mostly related to the full-year impact of the dilution of our participating interest in Worldline (€ 29.7 million compared to € 16.1 million in 2014) following its IPO on June 27, 2014.

Normalized net income

The normalized net income excluding unusual, abnormal, and infrequent items (net of tax) was € 605.2 million, increasing by 38.2% in comparison with previous year.

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Net income – Attributable to owners of the parent	**406.2**	**265.2**
Other operating income and expenses	-294.4	-261.6
Tax effect on other operating income and expenses	96.2	85.9
Other unusual items on tax	-0.8	2.9
Total unusual items – Net of tax	**-199.0**	**-172.8**
Normalized net income – Attributable to owners of the parent	**605.2**	**438.0**

Earning per share

(in € million)	12 months ended December 31, 2015	% Margin	12 months ended December 31, 2014	% Margin
Net income – Attributable to owners of the parent [a]	**406.2**	**3.8%**	**265.2**	**2.9%**
Impact of dilutive instruments	-		-	
Net income restated of dilutive instruments – Attributable to owners of the parent [b]	**406.2**	**3.8%**	**265.2**	**2.9%**
Normalized net income – Attributable to owners of the parent [c]	**605.2**	**5.7%**	**438.0**	**4.8%**
Impact of dilutive instruments	-		-	
Normalized net income restated of dilutive instruments – Attributable to owners of the parent [d]	**605.2**	**5.7%**	**438.0**	**4.8%**
Average number of shares [e]	101,179,041		99,358,877	
Impact of dilutive instruments	805,555		1,211,306	
Diluted average number of shares [f]	101,984,596		100,570,183	
(in €) Earning per share (EPS)				
Basic EPS [a] / [e]	**4.01**		**2.67**	
Diluted EPS [b] / [f]	**3.98**		**2.64**	
Normalized basic EPS [c] / [e]	**5.98**		**4.41**	
Normalized diluted EPS [d] / [f]	**5.93**		**4.36**	

Further to the strong increase of net income as detailed above, basic and diluted EPS reached respectively € 4.01 (€ 2.67 in 2014) and € 3.98 (€ 2.64 in 2014). Normalized basic and diluted EPS reached respectively € 5.98 (€ 4.41 in 2014) and € 5.93 (€ 4.36 in 2014).

E.3.2 Cash Flow

The Group net cash position was € 593.1 million at the end of December 2015, compared to € 989.1 million at the end of December 2014.

Free cash flow representing the change in net cash or net debt, excluding dividends paid to shareholders, net material acquisitions/disposals and equity changes, reached € 450.3 million versus € 367.1 million achieved in 2014.

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Operating Margin before Depreciation and Amortization (OMDA)	**1,200.4**	**919.4**
Capital expenditures	-441.0	-354.1
Change in working capital requirement	48.8	104.6
Cash from operation (CFO)	**808.2**	**669.9**
Taxes paid	-105.5	-119.7
Net cost of financial debt paid	-17.4	-15.3
Reorganization in other operating income	-149.5	-137.8
Rationalization & associated costs in other operating income	-46.7	-39.6
Integration and acquisition costs	-42.1	-15.0
Other changes*	3.3	24.6
Free Cash Flow (FCF)	**450.3**	**367.1**
Net material (acquisitions)/disposals	-859.8	-341.5
Capital increase/(decrease) & bonds conversion	1.2	288.4
Group share buy-back program	-	-234.5
Dividends paid to owners of the parent	-30.7	-38.3
Change in net cash / (debt)	**-439.0**	**41.2**
Opening net cash / (debt)	**989.1**	**905.4**
Change in net cash/(debt)	-439.0	41.2
Foreign exchange rate fluctuation on net cash/(debt)	43.0	42.5
Closing net cash / (debt)	**593.1**	**989.1**

* *"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, sales of treasury shares & common stock issues following employees exercise of stock options and other financial items with cash impact, net long term financial investments excluding acquisitions and disposals, and profit sharing amounts payable transferred to debt.*

Cash from operations (CFO) amounted to € 808.2 million and increased by € 138.3 million compared to prior year. This increase resulted from the change of the three following components:

- OMDA (€+281.0 million) mainly reflecting the increase in operating margin;
- higher capital expenditures (€-86.9 million);
- reduction of the contribution from working capital (€-55.8 million).

OMDA of € 1,200.4 million represented 11.2% of revenue, compared to 10.2% of revenue last year.

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Operating margin	**883.7**	**701.9**
+ Depreciation of fixed assets	405.6	313.0
+ Net book value of assets sold/written off	41.4	16.7
+ Charge for equity-based compensation	33.3	22.7
+/- Net charge/(release) of pension provisions	-109.0	-84.4
+/- Net charge/(release) of provisions	-54.6	-50.5
OMDA	**1,200.4**	**919.4**

Capital expenditures amounted to € 441.0 million or 4.1% compared to 3.9% in 2014.

The **change in working capital** contributed positively by € 48.8 million, € 49.1 million in the first semester and €-0.3 million in the second semester. The DSO ratio reached 32 days compared to 38 days at the end of December 2014. DSO has been positively impacted by the implementation of financial arrangements on large customer contracts by 13 days compared to 12 days in December 2014. The DPO ratio reached 75 days compared to 78 days at the end of December 2014.

Cash out related to **tax paid** reached € 105.5 million and was € 14.2 million lower than last year. The expected increase of tax paid due to an expanded scope was offset by the utilization of tax losses carried forward.

The **cost of net debt** reached € 17.4 million compared to € 15.3 million in 2014. This was mainly explained by:

- a lower cost of gross debt which was 2.32% in 2015 compared to 3.86% last year;
- a higher average gross debt which increased by € 534.5 million during the year (€ 1,185.5 million compared to € 651.0 million in 2014). Such increase came mainly from a higher used portion of the syndicated loan by € 192.8 million compared to 2014 and the successful placement of a five-year bond issue of € 600.0 million on July 2nd, 2015. The average gross cash amounted to € 1,105.3 million during the year 2015 compared to € 1,057.9 million in 2014.

Reorganization, rationalization and associated costs, and integration and acquisition costs reached € 238.3 million, including the cash out related to the acceleration of the Bull reorganization.

Other changes of € 3.3 million mainly corresponded to:

- issuance of common stock following employees exercise of stock options for € 56.9 million (€ 17.0 million lower than last year);
- a one-time specific program to reskill IT engineers notably in Germany and in France (including staff coming from Bull) for €-29.4 million;
- a payment in the second semester of €-19.9 million related to the settlement on the contract with Transport for the Greater Manchester booked in the first semester;
- the last installment related to the early termination of the DWP-WCA contract for €-14.2 million;
- and € 16.9 million of proceeds from a sale of assets, as already disclosed in the first semester.

As a result, the **Group free cash flow** (FCF) generated during the year 2015 was € 450.3 million.

The net debt impact resulting from **net acquisitions/disposals** corresponded mainly to the acquisition of Xerox shares for € 859.9 million (of which € 812.0 million of acquisition price and € 47.9 million of net debt).

The € 1.2 million **capital increase** resulted from non-controlling interests subscriptions.

As per the resolution approved by the shareholders during the Annual General Meeting held on May 28th, 2015, the Group paid in cash a **dividend** of € 30.7 million to its shareholders (out of € 81 million of dividend).

Foreign exchange rate fluctuation which is determined on debt or cash exposure by country represented an increase in the net cash of € 43.0 million mainly coming from the change of Euro against GPB, US dollar, and Asian currencies.

E.3.3 Financing policy

Atos has implemented a strict financing policy which is reviewed by the Group Audit Committee, with the objective to secure and optimize the Group's liquidity management. Each decision regarding external financing is approved by the Board of Directors. Under this policy, all Group treasury activities, including cash management, short-term investments, hedging and foreign exchange transactions, as well as off-balance sheet financing through operating leases, are centrally managed through the Group Treasury department. Following a cautious short term financial policy, the Group did not make any short term cash investment in risky assets.

E.3.3.1 Financing structure

Atos' policy is to fully cover its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

On July 2nd, 2015 Atos issued a bond of € 600.0 million with a 5-year maturity. The coupon rate is 2.375%. Atos and the bonds are unrated. There are no financial covenants.

On November 6th, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021. The first option of extension for one year has been exercised in 2015 and the new maturity of the € 1.8 billion credit facility is therefore November 2020. Atos keeps the right to exercise the second option of extension for one year in 2016 to request the extension of the Facility maturity date until November 2021.

The revolving credit facility includes one financial covenant which is the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times.

Atos securitization program of trade receivables has been renewed for 5 years on June 18th, 2013 with a maximum amount of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The new program is structured in two compartments, called "ON" and "OFF":

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

As of December 31st, 2015, the Group has sold:

- in the compartment "ON" € 405.2 million receivables for which € 10.0 million were received in cash. The sale is with recourse, thus re-consolidated in the balance sheet;
- in the compartment "OFF" € 41.1 million (amount in line with prior year) receivables which qualify for de-recognition as substantially all risks and rewards associated with the receivables were transferred.

Financial covenants of the Atos securitization program are the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times and the consolidated interest cover ratio (Operating Margin divided by the net cost of financial debt) which may not be less than 4 times.

E.3.3.2 Bank covenants

The Group was well within its borrowing covenant for the multi-currency revolving credit facility, with a consolidated leverage ratio (net debt divided by OMDA) of -0.49 at the end of December 2015 (the ratio is negative due to the net cash position of the Group at the end of December 2015). The consolidated leverage ratio must not be greater than 2.5 times under the terms of the multi-currency revolving credit facility.

The Group was also well within the limit of the consolidated interest cover ratio which apply only to the Atos securitization program of trade receivables. The consolidated interest cover was 50.79 (Operating margin divided by the net cost of financial debt which may not be less than 4 times).

E.3.3.3 Investment policy

Atos has a policy to lease its office space and data processing centers. Some fixed assets such as IT equipment and company cars may be financed through leases. The Group Treasury department evaluates and approves the type of financing for each new investment.

E.3.3.4 Hedging policy

Atos' objective is also to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the existing floating-rate financial debt. Authorized derivative instruments used to hedge the debt are swap contracts, entered into with leading financial institutions and centrally managed by the Group Treasury department.

In November 2011, the Group has hedged for an amount of € 280.0 million the interest rate exposure on the used portion of the credit facility signed in 2011. The instruments used were Swap rates and matured in November 2015.

E.4 Consolidated financial statements

E.4.1 Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in the French language and it 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, 2015, on:

- the audit of the accompanying consolidated financial statements of Atos S.E.;
- 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 sampling techniques or other selection methods, to obtain audit evidence about 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 assets and liabilities and of the financial position of the Group as at 31 December 2015 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:

- As described in Note 1 of the consolidated financial statements, the acquisition of Xerox ITO Group was recognized in accordance with IFRS 3 revised; as a result, the purchase price was 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 allocation 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. Based on these procedures, we assessed the reasonableness of such estimates and the appropriateness of the disclosure in the notes.

- As specified in the "Accounting estimates and judgments" note in section E.4.7.2 of the consolidated financial statements, the preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses in the financial statements and disclosures of contingent assets and liabilities as of the balance sheet date. This note specifies that the estimates, assumptions and judgments, which may result in a significant adjustment to the carrying amounts of assets and liabilities, mainly relate to:

- Goodwill amounting to Euro 3,118.1 million as of December 31, 2015 was subject to impairment testing by the company as described in the "Goodwill" note of the section E.4.7.2 and in Note 11 to the consolidated financial statements. Based on the information provided to us, our work consisted in assessing the appropriateness of the methodology applied and the data used to determine the values-in-use, especially to review the cash-flow projections for each cash-generating unit ("CGU") and the actual performance against budget, and in verifying the overall consistency of assumptions with forecasts from each CGU's financial business plan approved by management. We have reviewed the calculations made by your company and verified that Note 11 to the consolidated financial statements provides appropriate disclosure.
- The "Revenue recognition" note in section E.4.7.2 of the consolidated financial statements outlines the methods applied with respect to revenue recognition. Based on the information provided to us, our work consisted in assessing the appropriateness of the information provided in the note mentioned above and in ensuring that the methods are correctly applied. In addition, our work consisted in assessing the reasonableness of the accounting estimates used by Management.
- As specified in the "Pensions and similar benefits" note in section E.4.7.2 of the consolidated financial statements, the company uses actuarial methods and actuarial assumptions to evaluate the pension commitments. The value of plan assets is measured on the basis of valuations provided by the external custodians of pension funds and these assets are subject to additional verifications by management if necessary. Based on the information provided to us, our work consisted on assessing the appropriateness of the methodology applied and the data used to assess the pension obligations and the plan assets valuation, on verifying the consistency of assumptions used, and on verifying that Note 20 to the consolidated financial statements provides appropriate disclosure.
- The company recognizes deferred tax assets in an amount of euros 442.4 million in the consolidated statement of financial position, on the basis of the December Actuals, business plans and impairment test data, covering a 3-year period ,as described in Note "Corporate Income Tax" in section E.4.7.2 of the consolidated financial statements. Our work consisted in assessing the data and assumptions used by the management of Atos in order to verify the recoverability of deferred tax assets recognized, and in verifying that Note 8 to the consolidated financial statements provides appropriate disclosure.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to our opinion expressed 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 and Paris, March 24, 2016

The Statutory Auditors

French original signed by

Deloitte & Associés	Grant Thornton
Jean-Pierre Agazzi	*French member of Grant Thornton International* Victor Amselem

E.4.2 Consolidated income statement

(in € million)	Notes	12 months ended December 31, 2015	12 months ended December 31, 2014
Revenue	**Note 2**	**10,685.5**	**9,051.2**
Personnel expenses	Note 3	-5,169.1	-4,573.2
Operating expenses	Note 4	-4,632.7	-3,776.1
Operating margin		**883.7**	**701.9**
% of revenue		**8.3%**	**7.8%**
Other operating income and expenses	Note 5	-294.4	-261.6
Operating income		**589.3**	**440.3**
% of revenue		**5.5%**	**4.9%**
Net cost of financial debt		-17.4	-15.3
Other financial expenses		-68.6	-72.7
Other financial income		40.8	36.4
Net financial income	Note 6	-45.2	-51.6
Net income before tax		**544.1**	**388.7**
Tax charge	Notes 7-8	-109.7	-104.1
Share of net profit/(loss) of associates		2.6	-2.1
NET INCOME		**437.0**	**282.5**
Of which:			
• **attributable to owners of the parent**		**406.2**	**265.2**
• non-controlling interests	Note 9	30.8	17.3

(in € and number of shares)	Notes	12 months ended December 31, 2015	12 months ended December 31, 2014
Weighted average number of shares		101,179,041	99,358,877
Basic earnings per share	**Note 10**	**4.01**	**2.67**
Diluted weighted average number of shares		101,984,596	100,570,183
Diluted earnings per share	**Note 10**	**3.98**	**2.64**

E.4.3 Consolidated statement of comprehensive income

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Net income	**437.0**	**282.5**
Other comprehensive income		
• **to be reclassified subsequently to profit or loss (recyclable):**	**157.1**	**94.8**
Cash flow hedging	-3.9	4.1
Change in fair value of available for sale financial assets	46.2	-
Exchange differences on translation of foreign operations	112.1	90.8
Deferred tax on items recyclable recognized directly on equity	2.7	-0.1
• **not reclassified to profit or loss (non-recyclable):**	**45.5**	**-501.4**
Actuarial gains and losses generated in the period on defined benefit plan	78.1	-676.1
Deferred tax on items non-recyclable recognized directly in equity	-32.6	174.7
Total other comprehensive income	**202.6**	**-406.6**
Total comprehensive income for the period	**639.6**	**-124.1**
Of which:		
• attributable to owners of the parent	592.2	-141.3
• non-controlling interests	47.4	17.2

E.4.4 Consolidated statement of financial position

(in € million)	Notes	12 months ended December 31, 2015	12 months ended December 31, 2014
ASSETS			
Goodwill	Note 11	3,118.1	2,627.9
Intangible assets	Note 12	920.3	646.6
Tangible assets	Note 13	818.8	693.7
Non-current financial assets	Note 14	259.2	227.6
Non-current financial instruments	Note 23	1.4	3.2
Deferred tax assets	Note 8	442.4	419.7
Total non-current assets		**5,560.2**	**4,618.7**
Trade accounts and notes receivables	Note 15	2,273.3	2,124.1
Current taxes		23.5	17.3
Other current assets	Note 16	868.9	648.2
Current financial instruments	Note 23	8.1	10.2
Cash and cash equivalents	Note 18	1,946.8	1,620.3
Total current assets		**5,120.6**	**4,420.1**
TOTAL ASSETS		**10,680.8**	**9,038.8**

(in € million)	Notes	12 months ended December 31, 2015	12 months ended December 31, 2014
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock		103.5	101.3
Additional paid-in capital		2,626.1	2,521.6
Consolidated retained earnings		688.6	399.6
Translation adjustments		18.3	-94.4
Net income attributable to the owners of the parent		406.2	265.2
Equity attributable to the owners of the parent		3,842.7	3,193.3
Non-controlling interests	Note 9	254.4	208.8
Total shareholders' equity		**4,097.1**	**3,402.1**
Provisions for pensions and similar benefits	Note 20	1,121.6	1,258.1
Non-current provisions	Note 21	86.8	93.8
Borrowings	Note 22	1,210.8	528.1
Deferred tax liabilities	Note 8	70.0	66.4
Non-current financial instruments	Note 23	4.7	8.3
Other non-current liabilities		12.2	18.8
Total non-current liabilities		**2,506.1**	**1,973.5**
Trade accounts and notes payables	Note 24	1,605.5	1,397.0
Current taxes		104.7	73.0
Current provisions	Note 21	199.8	263.9
Current financial instruments	Note 23	8.7	4.6
Current portion of borrowings	Note 22	143.1	103.1
Other current liabilities	Note 25	2,015.8	1,821.6
Total current liabilities		**4,077.6**	**3,663.2**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**10,680.8**	**9,038.8**

E.4.5 Consolidated cash flow statement

(in € million)	Notes	12 months ended December 31, 2015	12 months ended December 31, 2014
Profit before tax		**544.1**	**388.7**
Depreciation of assets	Note 4	405.6	313.0
Net charge / (release) to operating provisions		-163.6	-134.9
Net charge / (release) to financial provisions		29.9	23.2
Net charge / (release) to other operating provisions		-101.4	-10.2
Purchase Price Allocation amortization (PPA)	Note 5	71.9	50.7
Losses / (gains) on disposals of fixed assets		16.8	9.6
Net charge for equity-based compensation		33.3	22.7
Losses / (gains) on financial instruments		2.8	-9.8
Net cost of financial debt	Note 6	17.4	15.3
Cash from operating activities before change in working capital requirement, financial interest and taxes		**856.8**	**668.3**
Taxes paid		-105.5	-119.7
Change in working capital requirement		48.8	104.6
Net cash from / (used in) operating activities		**800.1**	**653.2**
Payment for tangible and intangible assets		-441.0	-354.1
Proceeds from disposals of tangible and intangible assets		37.8	9.2
Net operating investments		**-403.2**	**-344.9**
Amounts paid for acquisitions and long-term investments		-820.7	-633.5
Cash and cash equivalents of companies purchased during the period		10.9	-3.7
Proceeds from disposals of financial investments		9.5	9.0
Cash and cash equivalents of companies sold during the period		-0.3	-
Dividend received from entities consolidated by equity method		2.5	2.5
Net long-term investments	**Note 26**	**-798.1**	**-625.7**
Net cash from / (used in) investing activities		**-1,201.3**	**-970.6**
Capital Increase		-	35.3
Common stock issues on the exercise of equity-based compensation		56.9	73.9
Capital increase subscribed by non-controlling interests		1.2	253.1
Purchase and sale of treasury stock		0.1	-234.5
Dividends paid to owners of the parent		-30.7	-38.3
Dividends paid to non-controlling interests		-1.2	-1.9
Proceeds of disposal of non controlling interests		-	372.3
New borrowings	Note 22	688.0	182.6
New finance lease	Note 22	0.2	0.2
Repayment of long and medium-term borrowings	Note 22	-9.8	-47.9
Net cost of financial debt paid		-17.4	-15.3
Other flows related to financing activities		-7.1	-6.0
Net cash from / (used in) financing activities		**680.2**	**573.5**
Increase / (decrease) in net cash and cash equivalents		**279.0**	**256.1**
Opening net cash and cash equivalents		**1,542.5**	**1,238.3**
Increase / (decrease) in net cash and cash equivalents	Note 22	279.0	256.1
Impact of exchange rate fluctuations on cash and cash equivalents		52.2	48.1
Closing net cash and cash equivalents	**Note 23**	**1,873.7**	**1,542.5**

E.4.6 Consolidated statement of changes in shareholders' equity

(in € million)	Number of shares at period-end *(in thousand)*	Common Stock	Additional paid-in capital
At January 1st, 2014	**98,166**	**98.1**	**2,385.1**
• Common stock issued	3,168	3.2	136.5
• Appropriation of prior period net income			
• Dividends paid			
• Equity-based compensation			
• Changes in treasury stock			
• Worldline IPO impact			
• Other			
Transactions with owners	3,168	3.2	136.5
Net income			
Other comprehensive income			
Total comprehensive income for the period			
At December 31st, 2014	**101,334**	**101.3**	**2,521.6**
• Common stock issued	2,186	2.2	104.5
• Appropriation of prior period net income			
• Dividends paid			
• Equity-based compensation			
• Changes in treasury stock			
• Other			
Transactions with owners	2,186	2.2	104.5
• Net income			
• Other comprehensive income			
Total comprehensive income for the period			
AT DECEMBER 31ST, 2015	**103,519**	**103.5**	**2,626.1**

Consolidated retained earnings	Translation adjustments	Items recognized directly in equity	Net income	Total	Non controlling interests	Total shareholders' equity
358.7	**-185.7**	**-8.6**	**261.6**	**2,909.2**	**30.0**	**2,939.2**
-30.8				108.9		108.9
261.6			-261.6	-		-
-38.3				-38.3	-1.9	-40.2
22.7				22.7		22.7
-120.7				-120.7		-120.7
439.1				439.1	169.0	608.1
13.7				13.7	-5.5	8.2
547.3	-	-	-261.6	425.4	161.6	587.0
			265.2	265.2	17.3	282.5
-501.4	91.3	3.6		-406.5	-0.1	-406.6
-501.4	**91.3**	**3.6**	**265.2**	**-141.3**	**17.2**	**-124.1**
404.6	**-94.4**	**-5.0**	**265.2**	**3,193.3**	**208.8**	**3,402.1**
-49.7				57.0		57.0
265.2			-265.2	-		-
-30.7				-30.7	-1.3	-32.0
24.3				24.3	6.1	30.4
0.1				0.1		0.1
6.5				6.5	-6.6	-0.1
215.7	-	-	-265.2	57.2	-1.8	55.4
			406.2	406.2	30.8	437.0
42.7	112.7	30.6		186.0	16.6	202.6
42.7	112.7	30.6	406.2	592.2	47.4	639.6
663.0	**18.3**	**25.6**	**406.2**	**3,842.7**	**254.4**	**4,097.1**

E.4.7 Appendices to the consolidated financial statements

DETAILED SUMMARY OF NOTES

E.4.7.1 General information

Atos SE, the Group's parent company, is a société européenne (public limited company) incorporated under French law, whose registered office is located at 80, Quai Voltaire, 95870 Bezons, France. It is registered with the Registry of Commerce and Companies of Pontoise under the reference 323,623,603. Atos SE shares are traded on the NYSE Euronext Paris market under ISIN code FR0000051732. The shares are not listed on any other stock exchange. The Company is administrated by a Board of Directors.

The consolidated financial statements of the Group for the twelve months ended December 31st, 2015 comprise the Group and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

These consolidated financial statements were approved by the Board of Directors on February 23th, 2016. The consolidated financial statements will then be submitted to the approval of the General Meeting of Shareholders scheduled to take place on May 2016.

E.4.7.2 Basis of preparation and significant accounting policies

Basis of preparation

Pursuant to European Regulation No. 1606/2002 of July 19th, 2002, the consolidated financial statements for the twelve months ended December 31st, 2015 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31st, 2015. 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 31st, 2015 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 1st, 2015 had no material impact on the consolidated financial statements:

- the retrospective application of IFRIC 21 "Levies", which describes the criteria for recognizing a liability for levies other than income tax, had no material impact on the Group's consolidated profit for the Fiscal Years 2014 and 2015. The impact of IFRIC 21 on the Group Equity as of January 1st 2014 and January 1, 2015 has not been restated;
- defined Benefits Plans: Employee Contributions (Amendments to IAS 19);
- annual improvement to IFRSs 2010-2012 cycle;
- annual improvements to IFRSs 2011-2013 cycle.

A number of new standards and amendments to standards published in 2015 are effective for annual periods beginning after January 1st, 2015 and earlier application is permitted. However, the Atos Group has not early applied the following new or amended standards in preparing these consolidated statements.

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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 Atos Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9.
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.	Atos has been taking part to workshops conducted by major actors of the IT sector to: • evaluate the main impacts of IFRS 15 application on its consolidated financial statements; • reach common positions on the application of this standard in the IT industry.

The following other new or amended standards issued in 2015 are not expected to have a significant impact on Atos Group's consolidated financial statements and potentially applicable to the Group consolidated financial statements:

- accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11);
- clarification of Acceptable Methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38);
- investment Entities: Applying the Consolidated Exception (Amendments to IFRS 10 and IAS 28);
- disclosure Initiative (Amendment to IAS 1);
- annual improvement to IFRSs 2012-2014 cycle.

These consolidated financial statements are presented in euro, which is the Group's functional currency. All figures are presented in € millions 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 a significant adjustment 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 11 Goodwill.

Measurement of recognized tax loss carry-forwards

Deferred tax assets are recognized on tax loss carry-forwards when it is probable that taxable profit will be available against which the tax loss carry-forwards can be utilized. Estimates of taxable profits and utilizations of tax loss carry-forwards were prepared on the basis of profit and loss forecasts as included in the 3-year business plans.

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.

Pensions

The Group uses actuarial assumptions and methods to measure pension costs and provisions. The value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate. The estimation of pension liabilities, as well as valuations of plan assets requires the use of estimates and assumptions.

Customer relationships

An intangible asset related to the customer relationships and backlog brought during a business combination is recognized as Customer Relationships. The value of this asset is based on assumptions of renewal conditions of contract and on the discounted flows of these contracts. This asset is amortized on an estimation of its average life.

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, combined 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 fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Segment reporting

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 and Chairman of the Board of Directors who makes strategic decisions.

The internal management reporting is designed on two axes: Global Business Units and Service Lines (Consulting, Systems Integration, Managed Services, HTTS and Business Process Outsourcing). Global Business Units have been determined by the Group as key indicators by the Chief operating decision maker. As a result and for IFRS 8 requirements, the Group discloses Global Business Units as operating segments.

A GBU is defined as a geographical area or the aggregation of several geographical areas – except for the Worldline activities which contains one or several countries, without taking into consideration the activities exercised within each country. Each GBU is managed by dedicated members of the Executive Committee.

The measurement policies that the Group uses for segments reporting under IFRS 8 are the same as those used in its financial statements. Corporate entities are not presented as an operating segment. Therefore, their financial statements are used as a reconciling item (refer Note 2 of the financial statements). Corporate assets which are not directly attributable to the business activities of any operating segments are not allocated to a segment, which primarily applies to the Group's headquarters. Shared assets such as the European mainframe are allocated to the GBU where they are physically located even though they are used by several GBUs.

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Presentation rules

Current and non-current assets and liabilities

Assets and liabilities classified as current are expected to be realized, used or settled during the normal cycle of operations, 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.

Assets and liabilities held for sale or discontinued operations

Should there be assets and liabilities held for sale or discontinued operations, they would be presented on separate lines in the Group's balance sheet, without restatements for previous periods. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets and liabilities are available for immediate sale in their present condition.

Should these assets and liabilities represent either a complete business line or a GBU, the profit or loss from these activities are presented on a separate line of the income statement, and is restated in the cash flow statement and the income statement over all published periods.

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 as explained in the paragraph "Financial assets – Derivative financial instruments".

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.

Non-controlling interests may, on the acquisition date, be measured either at fair value or based on their stake in the fair value of the identifiable assets and liabilities of the acquired entity. The choice of measurement basis is made on a transaction-by-transaction basis.

During the first consolidation, all the assets, liabilities and contingent liabilities of the subsidiary acquired are measured at their fair value.

In step acquisitions, any equity interest held previously by the Group is remeasured at fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss is recognized through the net income.

Purchase of non-controlling interests and sale of interests in a controlled subsidiary

Purchase of non-controlling interests and sale transactions of interests in a controlled subsidiary that do not change the status of control are recorded through shareholders' equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in net income. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in net income.

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 geographical areas where the Group has operations – except for the Worldline activities.

The recoverable value of a CGU is based on the higher of its fair value less costs to sell and its value in use determined using the discounted cash-flows method. When this value is less than its carrying amount, an impairment loss is recognized in the operating income.

The impairment loss is first recorded as an adjustment of the carrying amount of the goodwill allocated to the CGU and the remainder of the loss, if any, is allocated pro rata to the other long term assets of the unit.

The Cash Generating Units used for the impairment test are not larger than operating segments determined in accordance with IFRS 8 “Operating segments”.

Goodwill is not amortized and is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on December actuals and latest 3 year plan, or more often whenever events or circumstances indicate that the carrying amount could not be recoverable. Such events and circumstances include but are not limited to:

- significant deviance of economic performance of the asset when compared with budget;
- significant worsening of the asset’s economic environment;
- loss of a major client;
- significant increase in interest rates.

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.

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the generation of the asset into:

- a research phase; and
- a development phase.

Under IAS 38, no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. 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 to use or sell the intangible asset; 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 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, generally not exceeding five to seven years for internally developed IT solutions in operating margin. Customer relationships, patents and trademark acquired in a business combination are amortized on a straight-line basis over their expected useful life, generally not exceeding ten years; their related depreciation are recorded in 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

Although some outsourcing contracts may involve the transfer of computing equipment, the control of the asset usually remains with the customer as he generally retains the property. When the ownership of the computing equipment is transferred to Atos, this transfer is generally paid, at the beginning of the contract. Therefore IFRIC 18 does not have a significant impact on the Group accounts.

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.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases.

Impairment of assets other than goodwill

Assets that are subject to amortization are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable value.

Financial assets

Financial assets are accounted for at trade date.

Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are treated as assets available for sale and recognized at their fair value. For listed shares, fair value corresponds to the share price at closing date. In the absence of an active market for the shares, the investments in non-consolidated companies are carried at historical cost. An impairment charge is recognized when there is objective evidence of a permanent or significant impairment in value. The most common financial criteria used to determine fair value are equity and earnings outlooks. Gains and losses arising from variation in the fair value of available for sale assets are recognized as "items recognized directly in equity". If there is evidence that an asset is permanently impaired, the cumulative loss is written off in the income statement under "other financial income and expense".

Available-for-sale financial assets

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, trade accounts and notes receivable

Loans are part of non-current financial assets. Loans, trade accounts and notes receivable are recorded initially at their fair value and subsequently at their amortized value. The nominal value represents usually the initial fair value for trade accounts and notes receivable. In case of deferred payment over one year, where the effect is significant on fair value, trade accounts and notes receivables are discounted. Where appropriate, a provision is raised on an individual basis to take likely recovery problems into account.

Certain service arrangements might qualify for treatment as lease contracts if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the asset to its customers, the Group recognizes assets held under finance lease and presents them as "Trade accounts and notes receivable" for the part that will be settled within 12 months, and "Non-current financial assets" for the part beyond 12 months.

Assets securitization

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.

Derivative financial instruments

Derivative instruments are recognized as financial assets or liabilities at their fair value. Any change in the fair value of these derivatives is recorded in the income statement as a financial income or expense, except when they are eligible for hedge accounting, whereupon:

- for fair value hedging of existing assets or liabilities, the hedged portion of an instrument is measured on the balance sheet at its fair value. Any change in fair value is recorded as a corresponding entry in the income statement, where it is offset simultaneously against changes in the fair value of hedging instruments;
- for cash flow hedging, the effective portion of the change in fair value of the hedging instrument is directly offset in shareholders' equity as "items recognized directly in equity". The change in value of the ineffective portion is recognized in "Other financial income and expenses". The amounts recorded in net equity are transferred to the income statement simultaneously to the recognition of the hedged items.

Cash and cash equivalents

Cash and cash equivalent include cash at bank and financial instruments such as money market securities. Such financial instruments are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. They are held for the purpose of meeting short-term cash commitments and have a short maturity, in general three months or less from the date of acquisition. Some instruments, such as term deposits, that have at inception a longer maturity but provide for early withdrawal and a capital guarantee may also be classified as cash equivalents under certain circumstances. Money market securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Cash and cash equivalents are measured at their fair value through profit and loss.

For entities having subscribed to the Group cash pooling agreement, the cash/debt balance sheet position which are linked to this agreement are mutualized and only the net position is presented in the consolidated balance sheet.

Treasury stock

Atos shares held by the parent company are recorded at their acquired cost as a deduction from consolidated shareholders' equity. In the event of a disposal, the gain or loss and the related tax impacts are recorded as a change in consolidated shareholders' equity.

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 relies in particular on projections of future benefits to be paid to Group employees, by anticipating the effects of future salary increases. Its implementation further includes the formulation of specific assumptions, detailed in Note 20, which are periodically updated, in close liaison with external actuaries used by 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 cumulated at each benefit plan's level to form 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 on post-employment benefit plans generated in the period are recognized in "other comprehensive income".

Benefit plans costs are recognized in the Group's operating income, except for interest costs on obligations, net of expected returns on plans assets, which are recognized in "other financial income and expenses".

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.

Provisions are discounted when the time value effect is material. Changes in discounting effects at each accounting period are recognized in financial expenses.

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.

Non-controlling interests purchase commitments

Firm or conditional commitments under certain conditions to purchase non-controlling interests are similar to a purchase of shares and are recorded in borrowings with an offsetting reduction of non-controlling interests.

For puts granted after January 1st, 2010, when the cost of the purchase exceeds the amount of non-controlling interests, the Group chooses to recognize the balance in equity (attributable to owners of the parent). Any further change in the fair value of the non-controlling interests purchase commitment will also be recorded in equity (attributable to owners of the parent).

Revenue Recognition

The Group provides Information Technology (IT) and Business Process Outsourcing (BPO) services. Depending on the structure of the contract, revenue is recognized accordingly to the following principles:

Variable or fixed price contracts considerations

Revenue based on variable IT work units is recognized as the services are rendered.

Where the outcome of fixed price contracts can be estimated reliably, revenue is recognized using the percentage-of-completion (POC) method. Under the POC method, revenue is recognized based on the costs incurred to date as a percentage of the total estimated costs to fulfil the contract. Revenue relating to these contracts is recorded in the consolidated balance sheet under “Trade accounts and notes receivable” for services rendered in excess of billing, while billing exceeding services rendered is recorded as deferred income under “Other current liabilities”. Where the outcome of a fixed price contract cannot be estimated reliably, contract revenue is recognized to the extent of contracts costs incurred that are likely to be recoverable.

Revenue for long-term fixed price is recognized when services are rendered.

If circumstances arise, that change the original estimates of revenues, costs, or extent of progress toward completion, then revisions to the estimates are made. The Group performs ongoing profitability analyses of its services contracts in order to determine whether the latest estimates of revenue, costs and profits, require updating. If, at any time, these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for estimated losses on completion.

Principal and agent considerations

Revenue is reported net of supplier costs when the Group is acting as an agent between the client and the supplier. Factors generally considered to determine whether the Group is a principal or an agent, are most notably whether it is the primary obligor to the client, it assumes credit and delivery risks, or it adds meaningful value to the supplier’s product or service.

Multiple-element arrangements considerations

The Group may enter into multiple-element arrangements, which may include combinations of different services. Revenue is recognized for the separate elements when these elements are separately identifiable. A group of contracts is combined and treated as a single contract when that group of contracts is negotiated as a single package and the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin, and the contracts are performed concurrently or in a continuous sequence.

Upfront payments considerations

Upfront payments to clients incurred at contract inception are recorded in “Other current assets” and spread as a reduction of revenue over the term of the contract. Upfront payments received from clients at contract inception are recorded in “Other current liabilities” and spread as an increase in revenue over the term of the contract.

Transition costs

Transitions costs are either expensed as incurred or recognized in revenue on a POC basis over the transition phase. Only in rare instances where the services rendered during the transition phase cannot be separately identified, costs can be deferred and expensed over the contract term if it can be demonstrated that there are recoverable. Capitalized transition costs are classified in “Trade accounts and notes receivable” of the consolidated balance sheet and amortization expense is recorded in “Operating expenses” in the consolidated income statement.

In case the contract turns out to be loss-making, capitalized transition costs are impaired for the related forecasted loss, before recognizing an additional provision for estimated losses on completion when necessary.

Operating margin

The underlying operating performance on the 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 CNC (Conseil National de la Comptabilité) recommendation n°2009-R-03 (issued on July 2nd, 2009) regarding the financial statements presentation.

Other operating income and expenses

“Other operating income and expenses” covers income or expense items that are unusual, abnormal 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, infrequent and abnormal are classified in the Operating income;
- if a restructuring plan qualifies for Operating income, the related real estate rationalization & associated costs expenses regarding premises and buildings is also presented in Operating income.

When accounting for business combinations, the Group may record provisions for risks, litigations, etc. in the opening balance sheet for a period of 12 months beyond the business combination date. After the 12-month period, unused provisions arising from changes in circumstances are released through the income statement under “Other operating income and expenses”.

“Other operating income and expenses” also include major litigations, and non-recurrent 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, or any other item that is infrequent, unusual and abnormal.

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 after the grant date have no impact on the initial valuation. The fair value of share options is recognized in "Personnel expenses" 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.

In some tax jurisdictions, Group's entities receive a tax deduction when stock options are exercised, based on the Group share price at the date of exercise.

In those instances, a deferred tax asset is recorded for the difference between the tax base of the employee services received to date (being the future tax deduction allowed by local tax authorities) and the current carrying amount of this deduction, being nil by definition. Deferred tax assets are estimated based on the Group's share price at each closing date, and are recorded in income tax provided that the amount of tax deduction does not exceed the amount of the related cumulative stock option expenses to date. The excess, if any, is recorded directly in the equity.

Employee Share Purchase Plans offer employees the opportunity to invest in Group's shares at a discounted price. Shares are subject to a five-year 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 20 percent discount granted to employees;
- the consideration of the five-year lock-up restriction to the extent it affects the price that a knowledgeable, willing market participant would pay for that share; and
- the grant date: date on which the plan and its term and conditions, including the exercise price, is announced to employees.

Fair values of such plans are fully recognized in "Personnel expenses" at the end of the subscription period.

The Group has also granted to management and certain employees' free shares plans. The fair value of those plans corresponds to the value of the shares at the grant date and takes into account the employee turnover during the vesting period as well as the value of the lock-up period restriction when applicable. Free share plans result in the recognition of a personal expense spread over the rights vesting period.

Corporate income tax

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. 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.

Deferred tax assets and liabilities are netted off at the taxable entity level, when there is a legal right to offset. Deferred tax assets corresponding to temporary differences and tax losses carried forward are recognized when they are considered to be recoverable during their validity period, 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 deducted from consolidated equity are not taken into account in the calculation of 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 (stock options and convertible debt).

The dilutive impact of each convertible instrument is determined in order to maximize the dilution of basic earnings per share. The dilutive impact of stock options is assessed based on the average price of Atos shares over the period.

Related party transactions

Related party transactions include in particular transactions with:

- persons or a close member of that person's family if that person is a member of the key management personnel of the Group as defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, including members of the Board of Directors, Supervisory Board and Management Board, as well as the Executive Senior Vice-Presidents.
- entities if one of the following conditions apply:
  - the entity is a member of the Group,
  - the entity is a joint venture in which the Group is participating,
  - the entity is a post-employment benefit plan for the benefit of employees of the Group,
  - the entity is controlled or jointly controlled by a person belonging to the key management.

E.4.7.3 Financial risk management

The Group's activities expose it to a variety of financial risks including liquidity risk, interest rate risk, credit risk and currency risk. Financial risk management is carried out by the Group Treasury department and involves minimizing potential adverse effects on the Group's financial performance.

Liquidity risk

Liquidity risk management involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

Atos's policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

Credit facilities are subject to financial covenants that are carefully followed by Group Treasury department.

Maturity analysis of financial liabilities is disclosed in Note 22.

Interest rate risk

Interest rate risk arises mainly from borrowings. The management of exposure to interest rate risk encompasses two types:

- a price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the Group is exposed to potential opportunity losses should interest rates fall. A change in interest rates would impact the market value of fixed-rate financial assets and liabilities. However, this loss of opportunity would not impact financial income and expenses as reported in the consolidated income statement and, as such, future net income of the Group up to maturity of these assets;
- a risk on floating-rate financial assets and liabilities should interest rates increase.

The main objective of managing overall interest rate on the Group's debt is to minimize the cost of debt and to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the floating-rate financial debt. Authorized derivative instruments used to hedge the debt are swap contracts entered with leading financial institutions.

Credit risk

The Group has no significant concentrations of credit risk. The client selection process and related credit risk analysis is fully integrated within the global risk assessment project conducted throughout the life cycle of a project. Derivative counterparties and cash transactions are limited to high-credit quality financial institutions.

Currency risk

The Group's financial performance is not materially influenced by fluctuations in exchange rate since a significant portion of the business takes place within the Eurozone and costs and revenues are generally denominated in the same currency.

The Group has established a policy for managing foreign exchange positions resulting from commercial and financial transactions denominated in currencies different from the local currency of the relevant entity. According to this policy, any material exposure must be hedged as soon as it occurs. In order to hedge its foreign exchange rate exposure, the Group uses a variety of financial instruments, mainly forward contracts and foreign currency swaps.

Price risk

The Group has no material exposure to the price of equity securities, nor is it exposed to commodity price risks.

E.4.7.4 Notes to the consolidated financial statements

Note 1 Changes in the scope of consolidation

Xerox ITO

On June 30th, 2015, Atos completed the acquisition of Xerox ITO which was announced in December 2014.

Thanks to this acquisition, Atos has a stronger and more balanced global presence. Xerox ITO business employs circa 9,500 employees in 47 countries of which 4,244 are located in the US and 3,857 are in global delivery countries such as India, the Philippines, and Mexico. With circa US$ 2 billion revenue on a 12 months basis, North America becomes the largest geography for Atos, where it is now ranked number 9 in IT services following the acquisition. In addition, as announced at the time of signing, Atos has entered into a worldwide strategic collaboration with Xerox and becomes one of Xerox's primary IT services providers.

Consideration transferred

The final net purchase price totaled US$ 913.5 million (€ 812.1 million). A first estimate of the purchase price based on April 2015 Xerox ITO financial statements led to a US$ 966.7 million (€ 858.8 million) initial price, paid as of June 30th, 2015. Xerox and Atos then agreed on a € 46.7 million price adjustment that will have a positive cash impact in 2016.

(in € million)	Consideration paid
First installment on purchase price paid June 30th, 2015	858.8
Price adjustment	-46.7
TOTAL	**812.1**

Identifiable assets acquired and liabilities assumed at the date of acquisition

(in € million)	Assets acquired and liability assumed at the end of the measurement period
Intangible assets	229.4
Tangible assets	157.6
Non-current financial assets	1.4
Deferred tax assets	19.0
Other non current asset	2.7
Total non-current assets	**410.1**
Trade accounts and notes receivables	245.6
Other current assets	94.0
Cash and cash equivalents	10.9
Total current assets	**350.5**
TOTAL ASSETS (A)	**760.6**
Provisions for pensions and similar benefits	24.8
Non-current provisions	7.2
Borrowings	58.8
Deferred tax liabilities	1.5
Other non-current liabilities	0.3
Total non-current liabilities	**92.6**
Trade accounts and notes payables	81.1
Current taxes	2.5
Current portion of borrowings	13.9
Other current liabilities	169.5
Total current liabilities	**267.0**
TOTAL LIABILITIES (B)	**359.6**
Fair value of acquisition (A) - (B)	**401.0**

The valuation of assets acquired and liabilities assumed at their fair value has resulted in the recognition of new intangible assets excluding software for a total amount of € 156.7 million of which € 154.2 million for Customer Relationships determined by an independent expert. Customer Relationships are being amortized over 6 to 12 years. A charge of € 9.9 million was recorded for the six-month period ended December 31th, 2015.

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 would be revised.

Preliminary Goodwill

Preliminary goodwill was recognized as a result of the acquisition as follows:

(in € million)	Preliminary Goodwill
Total consideration paid	812.1
USD vs EUR hedging of the consideration paid	-46.8
Tax effect on USD vs EUR hedging of the consideration paid	16.1
Fair value of identifiable net assets	401.0
TOTAL	**380.4**

The € 820.7 million of "consideration paid for acquisitions and long-term investments" presented in the cash flow statement includes € 812.0 million for the net consideration paid for Xerox ITO. This net consideration was composed of € 858.8 million of first instalment paid net of the € 46.8 million USD hedging impact.

The residual goodwill is attributable to synergies expected to be achieved from integrating Xerox ITO operations into the Group.

Acquisition-related costs

The Group incurred € 5.2 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.

Bull

Identifiable assets acquired and liabilities assumed at the date of acquisition

(in € million)	Initial assets acquired and liability assumed	Additional adjustments identified in 2015	Assets acquired and liability assumed at the end of the measurement period
Intangible assets	209.7	-0.1	209.6
Tangible assets	64.3	-	64.3
Investment in associates	7.1	-4.9	2.2
Non-current financial assets	39.2	-	39.2
Deferred tax assets	48.1	1.3	49.4
Other non current asset	0.2	-	0.2
Total non-current assets	**368.5**	**-3.7**	**364.8**
Trade accounts and notes receivables	295.0	-4.7	290.3
Current taxes	4.7	0.3	5.0
Other current assets	203.2	-0.3	202.9
Current financial instruments	0.6	-	0.6
Cash and cash equivalents	75.8	-	75.8
Total current assets	**579.3**	**-4.7**	**574.6**
TOTAL ASSETS (A)	**947.8**	**-8.4**	**939.4**
Minority interest	0.5	3.1	3.6
Total shareholder's equity	**0.5**	**3.1**	**3.6**
Provisions for pensions and similar benefits	197.5	-5.9	191.6
Non-current provisions	135.9	53.5	189.4
Borrowings	147.3	-	147.3
Deferred tax liabilities	72.0	-0.2	71.8
Total non-current liabilities	**552.7**	**47.4**	**600.1**
Trade accounts and notes payables	79.9	-0.1	79.8
Current taxes	3.8	1.4	5.2
Current financial instruments	0.8	-	0.8
Current portion of borrowings	19.5	-	19.5
Other current liabilities	322.1	-2.5	319.6
Total current liabilities	**426.0**	**-1.2**	**424.8**
TOTAL LIABILITIES (B)	**979.2**	**49.3**	**1,028.5**
Fair value of acquisition (A) - (B)	**-31.4**	**-57.7**	**-89.1**

Identifiable assets acquired and liabilities assumed have been further analyzed during the first eight months of 2015 based on a better understanding of Bull acquired business. This analysis led to recognize an additional net liability of € 57.7 million mainly composed of additional provisions for losses on contracts for which triggering events were originating prior to August 31st, 2014.

Goodwill

Goodwill recognized as a result of the acquisition is detailed as follows:

(in € million)	December 2014	December 2015
Total consideration paid	602.7	602.7
Fair value of identifiable net assets	-31.4	-89.1
TOTAL	**634.1**	**691.8**

The residual goodwill is attributable to synergies expected to be achieved from integrating Bull operations into the Group, and which started to materialize in 2015.

Note 2 Segment information

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the company Chairman and CEO of the Board of Directors who makes strategic decisions.

In 2015, the chief operating decision maker decided to reorganize and reduce the operating segments. The following adaptations are detailed here below:

The GBU **Central & Eastern Europe and Iberia** were transferred under the segment “Other Countries”.

Operating segments in 2014	Bridge	Operating segments in 2015
Central & Eastern Europe (CEE)	Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Switzerland and Turkey	Other Business Units
Iberia	Andorra, Portugal and Spain	Other Business Units

As a result of these changes, the Group segment organization in 2015 was the following:

Operating segments	Activities
United Kingdom & Ireland	Consulting & Systems Integration, Managed Services and Big Data and Security in Ireland and the United Kingdom.
France	Consulting & Systems Integration, Managed Services and Big Data and Security in France.
Germany	Consulting & Systems Integration and Managed Services in Germany.
North America	Consulting & Systems Integration, Managed Services and Big Data and Security in Canada, Mexico, the United States of America and also the Xerox ITO activities.
Benelux & The Nordics	Consulting & Systems Integration, Managed Services and Big Data and Security in Belgium, Denmark, Estonia, Finland & Baltics, Luxembourg, Sweden and The Netherlands.
Other Business Units	Consulting & Systems Integration, Managed Services and Big Data and Security in Algeria, Andorra, Argentina, Australia, Austria, Brazil, Bulgaria, China, Colombia, South Korea, Croatia, Cyprus, Czech Republic, Egypt, Gabon, Greece, Hungary, Hong-Kong, India, Italy, Ivory Coast, Japan, Lithuania, Lebanon, Malaysia, Madagascar, Mauritius, Morocco, Namibia, New-Zealand, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russia, Saudi-Arabia, Senegal, Singapore, Serbia, Slovakia, Slovenia, South-Africa, Spain, Switzerland, Taiwan, Thailand, Tunisia, Turkey, UAE, Uruguay and also Major Events activities.
Worldline	Hi-Tech Transactional Services & Specialized Businesses in Argentina, Austria, Belgium, Chile, China, France, Germany, Hong-Kong, Iberia, India, Indonesia, Malaysia, Philippines, Singapore, Taiwan, Thailand, The Netherlands and the United Kingdom.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The revenues from each external contract amounted to less than 10% of the Group's revenue.

The operating segment information for the periods was the following:

(in € million)	United Kingdom & Ireland	France	Germany	North America
12 months ended December 31, 2015				
External revenue by segment	**1,930.1**	**1,674.0**	**1,560.5**	**1,338.3**
% of Group revenue	18.1%	15.7%	14.6%	12.5%
Inter-segment revenue	-5.0	39.6	218.5	63.4
Total revenue	1,925.1	1,713.6	1,779.0	1,401.7
Segment operating margin	**213.5**	**102.3**	**118.2**	**140.5**
% of margin	11.1%	6.1%	7.6%	10.5%
Total segment assets	**1,028.7**	**1,650.6**	**851.0**	**1,124.2**
Other information on income statement				
Depreciation of assets	-60.8	-28.7	-74.0	-78.4
Other informations				
Year end headcount	8,320	12,453	8,348	12,255
Capital expenditure	80.0	24.9	67.5	52.4
Net cash	112.9	52.3	505.7	46.7
12 months ended December 31, 2014				
External revenue by segment	**1,706.6**	**1,305.1**	**1,586.8**	**597.3**
% of Group revenue	18.9%	14.4%	17.5%	6.6%
Inter-segment revenue	61.3	124.3	191.6	29.9
Total revenue	1,767.9	1,429.4	1,778.4	627.2
Segment operating margin	**143.9**	**73.3**	**110.7**	**44.8**
% of margin	8.4%	5.6%	7.0%	7.5%
Total segment assets	**1,064.8**	**1,382.3**	**904.4**	**236.0**
Other information on income statement				
Depreciation of assets	-51.7	-19.9	-67.9	-13.2
Other informations				
Year end headcount	10,314	14,350	8,807	3,269
Capital expenditure	59.9	14.1	79.5	18.6
Net cash	-121.7	93.3	503.0	137.2

The assets detailed above by segment are reconciled to total assets as follows:

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Total segment assets	**8,268.1**	**6,981.5**
Tax Assets	465.9	437.0
Cash & Cash Equivalents	1,946.8	1,620.3
TOTAL ASSETS	**10,680.8**	**9,038.8**

Benelux & The Nordics	Other Business Units	Worldline	Total Operating segments	Global Structures	Elimination	Total Group
1,055.2	**1,951.0**	**1,176.4**	**10,685.5**			**10,685.5**
9.9%	18.3%	11.0%	100.0%			100.0%
111.9	581.0	-18.3	991.1	89.0	-1,080.1	-
1,167.1	2,532.0	1,158.1	11,676.6	89.0	-1,080.1	10,685.5
97.9	**142.0**	**174.9**	**989.2**	**-105.5**		**883.7**
9.3%	7.3%	14.9%	9.3%			8.3%
750.1	**1,483.1**	**1,025.2**	**7,912.9**	**355.2**	**-**	**8,268.1**
-37.5	-61.6	-50.8	-391.8	-13.8		-405.6
5,677	35,676	7,350	90,079	1,243		91,322
47.3	65.8	66.1	404.0	37.0		441.0
351.6	470.0	323.3	1,862.5	-1,269.4		593.1
1,037.9	**1,718.7**	**1,098.8**	**9,051.2**			**9,051.2**
11.5%	19.0%	12.1%	100.0%			100.0%
96.6	416.6	50.3	970.6	55.2	-1,025.8	-
1,134.5	2,135.3	1,149.1	10,021.8	55.2	-1,025.8	9,051.2
128.7	**142.5**	**170.3**	**814.2**	**-112.3**		**701.9**
12.4%	8.3%	15.5%	9.0%			7.8%
718.8	**1,471.8**	**962.8**	**6,740.9**	**240.6**	**-**	**6,981.5**
-41.6	-63.8	-43.7	-301.8	-11.2		-313.0
6,582	34,224	7,303	84,849	1,016		85,865
33.8	61.7	68.9	336.5	17.6		354.1
33.3	428.0	203.1	1,276.2	-287.1		989.1

The Group revenues from external customers are split into the following Service Lines:

(in € million)	Managed Services	Consulting & Systems Integration	Big Data & Cybersecurity	Worldline	Total Group
12 MONTHS ENDED DECEMBER 31, 2015					
External revenue by segment	**5,657.7**	**3,254.6**	**596.8**	**1,176.4**	**10,685.5**
% of Group revenue	52.9%	30.5%	5.6%	11.0%	100.0%
12 months ended December 31, 2014					
External revenue by segment	**4,576.6**	**3,136.1**	**239.7**	**1,098.8**	**9,051.2**
% of Group revenue	50.6%	34.6%	2.6%	12.1%	100.0%

Note 3 Personnel expenses [G4-EC1]

(in € million)	12 months ended December 31, 2015	% Revenue	12 months ended December 31, 2014	% Revenue
Wages and salaries	-4,082.4	38.2%	-3,600.9	39.8%
Social security charges	-1,143.2	10.7%	-994.1	11.0%
Tax, training, profit-sharing	-27.2	0.3%	-36.4	0.4%
Equity-based compensation	-33.3	0.3%	-22.7	0.3%
Net (charge)/release to provisions for staff expenses	8.0	-0.1%	-3.5	0.0%
Net (charge)/release of pension provisions	109.0	-1.0%	84.4	-0.9%
TOTAL	**-5,169.1**	**48.4%**	**-4,573.2**	**50.5%**

Equity-based compensation

The € 33.3 million charges recorded within operating margin for equity-based compensation (€ 22.7 million in 2014) is made of:

- € 21.5 million related to previous free shares plans granted from 2011 until 2014 and € 4.6 million of 2015 free shares plan granted in July 2015;
- € 6.6 million related to previous stock options plans implemented from 2012 until 2014 and € 0.6 million of 2015 Worldline stock options plan implemented in September 2015.

Free shares plans

In July 2015, the Group has implemented three new free shares plans detailed as follows:

	July 28, 2015		July 1, 2015	
	French Plan	Foreign plan	French Plan	Foreign plans
Number of shares granted	318,000	550,000	15,623	21,124
Share price at grant date *(in €)*	69.07	69.07	66.98	66.98
Expected life	2.5 years	4.5 years	1.5 years	2.0 years
Lock-up period	2.0 years	-	-	-
Risk free interest rate *(in %)*	0.15	0.15	-	-
Borrowing-lending spread *(in %)*	4.0	4.0	-	-
Expected dividend yield *(in %)*	1.2	1.2	1.2	1.2
Fair value of the instrument *(in €)*	**61.31**	**65.89**	**65.79**	**65.39**
Expense recognized in 2015 *(in € million)*	**2.5**	**1.5**	**0.3**	**0.3**

Total expense in operating margin related to free share plans during the year was the following:

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Plans 2015	4.6	-
Plans 2014	9.0	3.9
Plans 2013	10.9	12.6
Plan 2012	0.1	0.1
Plan 2011	1.5	3.3
TOTAL	**26.1**	**19.9**

The change in outstanding share options for Atos SE during the period was the following:

	12 months ended December 31, 2015		12 months ended December 31, 2014	
	Number of shares	Weighted average strike price *(in €)*	Number of shares	Weighted average strike price *(in €)*
Outstanding at the beginning of the year	**2,806,747**	**39.5**	**5,015,053**	**39.5**
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-500	60
Exercised during the year	-1,399,483	40.7	-1,900,407	38.9
Expired during the year	-112,740	50.0	-307,399	54.1
Outstanding at the end of the year	**1,294,524**	**40.0**	**2,806,747**	**39.5**
Exercisable at the end of the year, below year-end stock price*	**1,294,524**	**40.0**	**2,806,747**	**39.5**

* *Year-end stock price: € 77.40 at December 31st, 2015 and € 66.30 at December 31st, 2014.*

Atos SE options outstanding at the end of the year have a weighted average remaining contractual life of 2.8 years (2014: 3.3 years). Such options are fully vested.

Subsidiaries stock options plans

On September 1st, 2015, Worldline has granted stock options for a total of 1,558,500 options (of which 560,500 options regarding a foreign plan). The share price at grant date was at € 21.38. The exercise price is at € 22.87.

	September 1, 2015
Share price at grant date *(in €)*	21.38
Strike price *(in €)*	22.87
Expected volatility	21%
Expected maturity of the plan	5 years
Risk free interest rate	0.352%
Expected dividend yield	1.10%
Fair value of options granted *(in €)*	**2.94**
Expense recognized in 2015 *(in € million)*	**0.6**

The Group recognized a total expense of € 7.2 million during the year detailed as follows:

Grant date	Number of shares initially granted	2015 expense *(in € million)*
Bull		
July 1, 2014	2,030,000	0.9
November 8, 2013	70,000	0.1
August 9, 2013	600,000	1.2
March 1, 2013	755,000	1.1
March 2, 2012	985,000	1.3
Worldline		
September 1, 2015	1,558,500	0.6
September 3, 2014	1,527,220	2.0
TOTAL		**7.2**

Beneficiaries of Bull stock options can either convert their shares into Atos shares or obtain a cash payment indexed on Atos share through a liquidity contract upon exercise of their options.

The change in outstanding share options for **Atos Worldline SA** during the period was the following:

	12 months ended December 31, 2015		12 months ended December 31, 2014	
	Number of shares	Weighted average strike price *(in €)*	Number of shares	Weighted average strike price *(in €)*
Outstanding at the beginning of the year	**1,527,220**	**17.2**	**-**	**-**
Granted during the year	1,558,500	22.9	1,527,220	17.2
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	**3,085,720**	**20.1**	**1,527,220**	**17.2**
Exercisable at the end of the year, below year-end stock price	**-**	**-**	**-**	**-**

Note 4 Non personnel operating expenses [G4-EC1]

(in € million)	12 months ended December 31, 2015	% Revenue	12 months ended December 31, 2014	% Revenue
Subcontracting costs direct	-1,714.8	16.0%	-1,365.9	15.1%
Hardware and software purchase	-793.9	7.4%	-584.7	6.5%
Maintenance costs	-475.3	4.4%	-420.2	4.6%
Rent & Lease expenses	-465.5	4.4%	-317.1	3.5%
Telecom costs	-280.3	2.6%	-284.7	3.1%
Travelling expenses	-181.0	1.7%	-160.2	1.8%
Company cars	-74.3	0.7%	-95.2	1.1%
Professional fees	-195.9	1.8%	-177.3	2.0%
Taxes & Similar expenses	-28.7	0.3%	-41.1	0.5%
Others expenses	-96.5	0.9%	-125.6	1.4%
Subtotal expenses	**-4,306.2**	**40.3%**	**-3,572.0**	**39.5%**
Depreciation of assets	-405.6	3.8%	-313.0	3.5%
Net (charge)/release to provisions	46.6	-0.4%	54.0	-0.6%
Gains/(Losses) on disposal of assets	-24.7	0.2%	-9.0	0.1%
Trade Receivables write-off	-33.0	0.3%	-19.6	0.2%
Capitalized Production	90.2	-0.8%	83.5	-0.9%
Subtotal other expenses	**-326.5**	**3.1%**	**-204.1**	**2.3%**
TOTAL	**-4,632.7**	**43.4%**	**-3,776.1**	**41.7%**

Note 5 Other operating income and expenses [G4-EC1]

Other operating income and expenses relate to income and expenses that are unusual, abnormal and infrequent and represented a net expense of € 294.4 million in 2015. The following table presents this amount by nature:

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Staff reorganization	-96.3	-129.9
Rationalization and associated costs	-41.8	-25.9
Integration and acquisition costs	-51.8	-15.4
Amortization of intangible assets (PPA from acquisitions)	-71.9	-50.7
Other items	-32.6	-39.7
TOTAL	**-294.4**	**-261.6**

The € 96.3 million **staff reorganization** expense was mainly the consequence of:

- the adaptation of the Group Workforce in several countries such as Germany, North America, Iberia and the United Kingdom;
- the streamlining of middle management layers, including Global Structures;
- the restructuring initiated on Bull indirect functions as part of the plan to generate cost synergies.

The € 41.8 million **rationalization and associated costs** primarily resulted from the closure of office premises and datacenters consolidation, mainly in Germany (€ 15.4 million) and Benelux & The Nordics (€ 8.0 million), linked to restructuring plans. This amount also includes external costs for the implementation of Worldline's TEAM Program (€ 3.9 million).

The **integration and acquisition costs** amounting to € 51.8 million represented mainly Xerox ITO acquisition and integration costs, the remaining integration costs for Bull, and to a lesser extent the acquisition costs related to the Equens / Paysquare and Unify transactions.

The 2015 **amortization of intangible assets recognized in the Purchase Price Allocation (PPA) of acquisitions** of € 71.9 million was mainly composed of:

- € 42.9 million of SIS Customer Relationships amortized over 8.75 years starting July 1st, 2011;
- € 16.2 million of Bull Customer Relationships and Patents amortized over respectively 9.3 years and 9.9 years starting September 1st, 2014; and
- € 9.9 million of Xerox ITO customer relationships starting July 1st, 2015.

The **other items** represented an expense of € 32.6 million which mainly included €-29.4 million related to a one-time specific program to reskill IT engineers notably in Germany and in France (including staff coming from Bull).

Note 6 Net financial result

Net financial expense amounted to € 45.2 million for the period (compared to € 51.6 million last year) and was composed of a net cost of financial debt for € 17.4 million and non-operational financial costs for € 27.8 million.

Net cost of financial debt

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Net interest expenses	**-11.9**	**-11.7**
Interest on obligations under finance leases	-1.9	-0.6
Gain/(loss) on disposal of cash equivalents	0.3	0.8
Gain/(loss) on interest rate hedges of financial debt	-3.9	-3.8
NET COST OF FINANCIAL DEBT	**-17.4**	**-15.3**

Net cost of financial debt was € 17.4 million (compared to € 15.3 million in 2014) and resulted from the following elements:

- the average gross borrowing of € 1,185.5 million compared to € 651.0 million in 2014 bearing an average expense rate of 2.32% compared to 3.86% last year. The average gross borrowing expenses were mainly explained by:

  The average gross borrowing expenses were mainly explained by:

  - the used portion of the syndicated loan for an average of € 687.2 million (compared to an average of € 494.4 million in 2014) bearing an effective interest rate of 1.59%,
  - a € 600.0 million bond issue in July 2015, with a yearly average impact on the total gross borrowings of € 296.5 million bearing a coupon rate of 2.375% and an effective interest rate of 2.64% including fees and amortization of the issuance premium,
  - other sources of financing, including securitization, for an average of € 180.8 million, bearing an effective interest rate of 4.83%;
- and the average gross cash increased from € 1,057.9 million in 2014 to € 1,105.3 million in 2015 bearing an average income rate of 0.91% compared to 0.93% in 2014.

Other financial income and expenses[1]

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Foreign exchange income/(expenses)	-1.2	-7.3
Fair value gain/(loss) on forward exchange contracts held for trading	7.4	3.2
Discounting financial income/(expenses)	-	0.4
Other income/(expenses)	-34.0	-32.6
OTHER FINANCIAL INCOME AND EXPENSES	**-27.8**	**-36.3**
Of which:		
• other financial expenses	-68.6	-72.7
• other financial income	40.8	36.4

Non-operational financial costs amounted to € 27.8 million compared to € 36.3 million in 2014 and were mainly composed of pension financial related costs (€ 29.3 million compared to € 18.6 million expense in 2014) and a net foreign exchange gain of €+6.2 million versus a net foreign exchange loss of €-4.1 million in 2014.

The pension financial cost represented the difference between the pension obligation interest costs and interest incomes on assets.

See Note 20 Pensions.

Note 7 Income tax expenses [G4-EC1]

Current and deferred taxes

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Current taxes	-120.3	-117.4
Deferred taxes	10.6	13.3
TOTAL	**-109.7**	**-104.1**

(1)

Effective tax rate

The difference between the French standard tax rate and the Effective Tax Rate (ETR) is explained as follows:

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Profit before tax	544.1	388.7
French standard tax rate	38.0%	38.0%
Theoretical tax charge at French standard rate	**-206.8**	**-147.7**
Impact of permanent differences	4.5	-7.7
Differences in foreign tax rates	76.7	46.7
Movement on recognition of deferred tax assets	63.4	9.7
Equity-based compensation	-11.5	-7.5
Change in deferred tax rates	-7.6	-0.2
Taxes not based on taxable income (mainly CVAE, IRAP, US State income Tax)	-29.9	-7.9
Withholding taxes	-5.0	-5.1
French Tax credit	15.1	9.0
Other	-8.6	6.6
Group tax expense	**-109.7**	**-104.1**
EFFECTIVE TAX RATE	**20.2%**	**26.8%**

In 2015, Atos has recognized additional deferred tax assets in France due to the improvement of its Bull activities. As a result, the Group effective tax rate is 20.2% for 2015.

Restated effective tax rate

After restating the unusual items, the restated profit before tax was € 838.5 million, restated tax charge of € 205.1 million and the restated effective tax rate was 24.5%.

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Profit before tax	**544.1**	**388.7**
Other operating income and expenses	-294.4	-261.6
Profit before tax excluding unusual items	**838.5**	**650.3**
Tax effect on other operating income and expenses	96.2	85.9
Other unusual items on tax	-0.8	2.9
Group tax expense	-109.7	-104.1
Total of tax excluding unusual items	**-205.1**	**-192.9**
RESTATED EFFECTIVE TAX RATE	**24.5%**	**29.7%**

Note 8 Deferred taxes

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Deferred tax assets	442.4	419.7
Deferred tax liabilities	70.0	66.4
NET DEFERRED TAX	**372.4**	**353.3**

Breakdown of deferred tax assets and liabilities by nature

(in € million)	Tax losses carry forward	Intangible assets recognized as part of PPA	Fixed assets	Pensions	Other	Total
At January 1st, 2014	**148.2**	**-70.7**	**71.6**	**96.2**	**-56.2**	**189.1**
Charge to profit or loss for the year	63.0	14.9	6.2	-33.2	-37.6	13.3
Charge to goodwill	-1.9	-71.6	0.4	6.0	43.6	-23.5
Change of scope	-11.6	-	-	-	-	-11.6
Charge to equity	-	-	-	174.7	1.2	175.9
Reclassification	-0.6	-1.5	-6.1	1.9	6.3	-
Exchange differences	3.5	-0.5	5.2	2.0	-0.1	10.1
At December 31st, 2014	**200.6**	**-129.4**	**77.3**	**247.6**	**-42.8**	**353.3**
Charge to profit or loss for the year	24.5	22.9	-3.3	-10.0	-23.5	10.6
Charge to goodwill	1.2	0.2	-0.1	2.1	0.6	4.0
Business combination	-	-	0.5	-	17.0	17.5
Charge to equity	-	-	-	-33.9	-2.6	-36.5
Reclassification	6.7	2.1	11.8	-8.7	-2.5	9.4
Exchange differences	2.9	-0.6	8.0	3.3	0.6	14.2
AT DECEMBER 31ST, 2015	**235.9**	**-104.8**	**94.2**	**200.4**	**-53.2**	**372.5**

The tax goodwill generated by the Xerox ITO acquisition will be amortized for tax purposes on a linear basis over 15 years. A deferred tax liability will be booked over the 15 years of the tax amortization offsetting the positive effect of tax savings in the profit & loss.

Tax losses carry forward schedule (basis)

	12 months ended December 31, 2015			12 months ended December 31, 2014		
(in € million)	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2015	-	-	-	2.4	6.9	9.2
2016	11.7	-	11.7	1.0	5.6	6.7
2017	1.2	2.1	3.3	6.0	8.3	14.3
2018	5.0	2.0	7.0	25.2	18.0	43.2
2019	11.7	12.3	24.0	-	-	-
Tax losses available for carry forward for 5 years and more	186.3	55.5	241.8	304.6	90.7	395.3
Ordinary tax losses carry forward	**215.9**	**71.9**	**287.8**	**339.2**	**129.4**	**468.6**
Evergreen tax losses carry forward	**575.7**	**2,216.7**	**2,792.4**	**397.5**	**2,382.8**	**2,780.3**
TOTAL TAX LOSSES CARRY FORWARD	**791.6**	**2,288.6**	**3,080.2**	**736.7**	**2,512.2**	**3,248.9**

The countries with the largest tax losses available for carry forward were France (€ 1,979.5 million), Germany (€ 231.6 million), The Netherlands (€ 165.4 million), the United Kingdom (€ 163.2 million), Brazil (€ 108.8 million), Spain (€ 93.1 million), the United States (€ 75.7 million), Austria (€ 73.5 million), and Italy (€ 55.5 million).

Deferred tax assets not recognized by the Group

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Tax losses carry forward	744.9	823.6
Temporary differences	63.3	16.3
TOTAL	**808.2**	**839.9**

Note 9 Non-controlling Interests

(in € million)	December 31, 2014	2015 Income	Capital Increase	Dividends	Scope Changes	Other	December 31, 2015
Worldline	186.6	29.7	-	-	-	19.5	235.8
Canopy The Open Cloud Company Limited	6.0	-0.2	-	-	-5.8	-	-
Arbeitsmarketservice BetriebsgmBH & Co KG	1.0	-	-	-	-	-	1.0
MSL Technology S.L.	9.2	1.2	-	-	-	0.1	10.5
Diamis	1.6	0.2	-	-0.1	-	-	1.7
Yunano	-1.0	-0.2	-	-	-	-	-1.2
Atos Pty Ltd	0.4	-0.8	1.0	-	-	0.1	0.7
Other	5.0	0.9	-	-1.2	-1.8	3.0	5.9
TOTAL	**208.8**	**30.8**	**1.0**	**-1.3**	**-7.6**	**22.7**	**254.4**

(in € million)	December 31, 2013	2014 Income	Capital Increase	Dividends	Scope Changes	Other	December 31, 2014
Worldline	-	16.1	0.6	-	-	169.9	186.6
Canopy The Open Cloud Company Limited	14.6	-1.0	0.6	-	-	-8.2	6.0
Arbeitsmarketservice BetriebsgmBH & Co KG	2.0	0.0	-	-1.0	-	-	1.0
MSL Technology S.L.	10.0	-0.5	-	-0.3	-	-	9.2
Diamis	1.7	0.1	-	-0.2	-	-	1.6
Yunano	-0.1	-0.9	-	-	-	-	-1.0
Atos Pty Ltd	0.5	-0.1	-	-	-	-	0.4
Other	1.3	3.6	-	-0.4	0.5	-	5.0
TOTAL	**30.0**	**17.3**	**1.2**	**-1.9**	**0.5**	**161.7**	**208.8**

The € 19.5 million of "other" movement on Worldline corresponded mainly to the non-controlling interests share related to the Visa transaction (please refer to Note 14 for more details).

Note 10 Earnings per share

Potential dilutive instruments comprised stock options (805,555 employee stock options) and did not generate a restatement of net income used for the diluted EPS calculation.

The average number of stock options not exercised in 2015 amounted to 2,008,315 shares.

(in € million and shares)	12 months ended December 31, 2015	12 months ended December 31, 2014
Net income – Attributable to owners of the parent [a]	**406.2**	**265.2**
Impact of dilutive instruments	-	-
Net income restated of dilutive instruments – Attributable to owners of the parent [b]	**406.2**	**265.2**
Average number of shares outstanding [c]	101,179,041	99,358,877
Impact of dilutive instruments [d]	805,555	1,211,306
Diluted average number of shares [e]=[c]+[d]	101,984,596	100,570,183
EARNINGS PER SHARE IN EUR [A]/[C]	**4.01**	**2.67**
Diluted earnings per share in EUR [b]/[e]	3.98	2.64

No significant share transactions occurred subsequently to the 2015 closing that could have a dilutive impact on earnings per share calculation.

Note 11 Goodwill

(in € million)	December 31, 2014	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	December 31, 2015
Gross value	3,214.3	-	438.2	68.8	3,721.3
Impairment loss	-586.4	-	-	-16.8	-603.2
CARRYING AMOUNT	**2,627.9**	**-**	**438.2**	**52.0**	**3,118.1**

(in € million)	December 31, 2013	Disposals Depreciations	Impact of business combination	Exchange rate fluctuations	December 31, 2014
Gross value	2,486.7	-	665.9	61.7	3,214.3
Impairment loss	-571.0	-	-	-15.4	-586.4
CARRYING AMOUNT	**1,915.7**	**-**	**665.9**	**46.3**	**2,627.9**

Goodwill is allocated to Cash Generating Units (CGUs) that are then part of one of the operating segments disclosed in Note 2 Segment information as per IFRS 8 requirements. The change in internal management reporting is applied retrospectively and comparative figures are restated.

A summary of the carrying values of goodwill allocated by CGUs or grouping of CGUs is presented hereafter. Overall, goodwill increased from € 2,627.9 million to € 3,118.1 million mainly due to the acquisition of Xerox ITO as detailed in the Note 1 in the Business combination section.

(in € million)	December 31, 2015	December 31, 2014
United Kingdom and Ireland	517.3	482.0
France	489.8	458.2
Germany	286.9	290.6
North America	413.1	36.6
Benelux & The Nordics	371.3	370.0
Other countries	622.4	578.5
Worldline	417.3	412.0
TOTAL	**3,118.1**	**2,627.9**

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial business plans approved by management, covering a three-year period. They are also based on the following assumptions:

- terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.0% (aligned with 2014). Although exceeding the long term average growth rate for the countries in which the Group operates, this rate reflects specifics perspectives of the IT 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 and country risks relating to each geographical area. The Group considers that the weighted average cost of capital should be determined based on an historical equity risk premium of 6.0% (aligned with 2014), in order to reflect the long-term assumptions factored in the impairment tests.

As a result, the discount rates used by CGUs are presented hereafter:

	2015 Discount rate	2014 Discount rate
United Kingdom and Ireland	9.6%	9.7%
France	9.5%	9.6%
Germany	9.5%	9.6%
North America	9.5%	9.6%
Benelux & The Nordics	9.6%	9.6%
Other countries	between 9.5% to 13.1%	between 9.6% to 11.6%
Worldline	8.5%	8.8%

Based on the 2015 goodwill impairment test, which was carried out at year-end, no impairment losses were recognized at December 31st, 2015.

An analysis of the calculation's sensitivity to a combined change in the key parameters (operating margin, discount rate and perpetuity growth rate) based on reasonably probable assumptions of variations of +/-50bp for each of these parameters was performed and did not identify any probable scenario where the CGU's recoverable amount would fall below its carrying amount.

Note 12 Intangible assets

(in € million)	Gross value	Amortization	Net value
At January 1st, 2014	**953.5**	**-508.1**	**445.4**
Additions/charges	108.2	-49.9	58.3
Disposals/reversals	-29.5	27.6	-1.9
Impact of business combination	2.6	0.1	2.7
Intangible assets recognized as part of PPA	207.0	-50.7	156.3
Exchange differences and other	3.0	-17.2	-14.2
At December 31st, 2014	**1,244.8**	**-598.2**	**646.6**
Additions/charges	189.7	-77.5	112.2
Disposals/reversals	-94.5	88.9	-5.6
Impact of business combination	72.7	-	72.7
Intangible assets recognized as part of PPA	156.7	-71.9	84.8
Exchange differences and other	44.9	-35.3	9.6
AT DECEMBER 31ST, 2015	**1,614.3**	**-694.0**	**920.3**

As part of the Purchase Price Allocation (PPA) of Xerox ITO, the Group recorded € 154.2 million of customer relationships starting July 1st, 2015.

As part of the Purchase Price Allocation (PPA) of Bull, the Group recognized intangible assets for a total amount of € 207.0 million broken down as follows:

- trademark for € 50.0 million;
- patents for € 140.4 million; and
- customer Relationships for € 16.6 million related to the value of customer relationships and backlog.

The valuation approach retained for Trademark and Patents was the relief from royalty method. Customer Relationships were valued as per the multi-period excess earning method (income approach).

These amounts are being amortized over a period of:

- 9.90 years for the Patents corresponding to an average of amortization duration of a portfolio of patent; and
- 9.30 years for the Customer Relationships.

An amount of € 333.3 million was recorded as part of Siemens IT Solutions and Services acquisition in 2011 as Customer Relationships amortized on a straight line basis over a period of 8.75 years.

Note 13 Tangible assets

(in € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1st, 2015	**483.5**	**1,107.8**	**167.2**	**1,758.5**
Additions	68.6	213.9	42.5	325.0
Impact of business combination	44.8	104.7	8.1	157.6
Disposals	-79.9	-264.9	-25.9	-370.7
Exchange differences and other	23.9	44.1	-2.1	65.9
AT DECEMBER 31ST, 2015	**540.9**	**1,205.6**	**189.8**	**1,936.3**
Accumulated depreciation				
At January 1st, 2015	**-281.4**	**-703.1**	**-80.3**	**-1,064.8**
Depreciation charge for the year	-47.1	-237.0	-31.4	-315.5
Eliminated on disposal	41.2	248.6	27.0	316.8
Exchange differences and other	-14.8	-22.3	-16.9	-54.0
AT DECEMBER 31ST, 2015	**-302.1**	**-713.8**	**-101.6**	**-1,117.5**
Net value				
At January 1st, 2015	**202.1**	**404.7**	**86.9**	**693.7**
AT DECEMBER 31ST, 2015	**238.8**	**491.8**	**88.2**	**818.8**

(in € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1st, 2014	**398.0**	**1,041.9**	**192.5**	**1,632.4**
Additions	52.4	167.3	46.0	265.7
Impact of business combination	37.2	27.4	-	64.6
Disposals	-17.8	-211.3	-43.0	-272.1
Exchange differences and other	13.7	82.5	-28.3	67.9
At December 31st, 2014	**483.5**	**1,107.8**	**167.2**	**1,758.5**
Accumulated depreciation				
At January 1st, 2014	**-249.1**	**-670.2**	**-94.1**	**-1,013.4**
Depreciation charge for the year	-36.4	-190.1	-32.8	-259.3
Eliminated on disposal	13.9	202.4	41.1	257.4
Exchange differences and other	-9.8	-45.2	5.5	-49.5
At December 31st, 2014	**-281.4**	**-703.1**	**-80.3**	**-1,064.8**
Net value				
At January 1st, 2014	**148.9**	**371.7**	**98.4**	**619.0**
At December 31st, 2014	**202.1**	**404.7**	**86.9**	**693.7**

The tangible assets of the Group include mainly IT equipment used in production centers, in particular datacenters and software factories. Moreover, Atos policy is to rent its premises. Therefore, the land and building assets include mainly technical infrastructure of the Group datacenters.

Finance leases

Tangible assets held under finance leases had a net carrying value of € 50.7 million. Future minimum lease payments under non-cancellable leases amounted to € 52.6 million at year-end.

(in € million)	December 31, 2015			December 31, 2014		
	Minimum lease payments	Interest	Principal	Minimum lease payments	Interest	Principal
Less than one year	26.1	-0.9	25.2	2.9	-0.2	2.7
Between one and five years	26.5	-1.0	25.5	5.7	-0.4	5.3
TOTAL	**52.6**	**-1.9**	**50.7**	**8.6**	**-0.6**	**8.0**

The increase of finance lease as at December 31st, 2015 (€ 42.7 million) came mainly from the finance lease of Xerox ITO.

Note 14 Non-current financial assets

(in € million)		December 31, 2015	December 31, 2014
Pension prepayments	Note 20	128.5	136.4
Fair value of non-consolidated investments net of impairment		55.7	9.3
Other*		75.0	81.9
TOTAL		**259.2**	**227.6**

* *"Other" include loans, deposits, guarantees and investments in associates accounted for under the equity method.*

Visa Inc. announced in November 2015 the acquisition of the shares in Visa Europe Ltd. (representing 100% of the issued and outstanding share capital) from the Visa Members for an upfront cash consideration of € 11.5 billion as well as convertible preferred stock in Visa Inc. for € 5.0 billion.

Worldline Belgium, as a Principal Member of Visa Europe Ltd., is holding one share in Visa Europe Ltd., with a repurchase value of € 44.9 million for this share against a net book value of € 10 in Worldline books.

As this share is a financial asset available for sale, the difference between the net book value and the fair value of the share at the end of December has been recognized in Other Comprehensive Income for € 44.7 million, net of estimated tax impacts.

Note 15 Trade accounts and notes receivable

(in € million)	December 31, 2015	December 31, 2014
Gross value	2,339.7	2,231.8
Transition costs	43.2	5.6
Provision for doubtful debt	-109.6	-113.3
Net asset value	**2,273.3**	**2,124.1**
Prepayments	-53.2	-87.1
Deferred income and upfront payments received	-610.0	-458.8
Net accounts receivable	**1,610.1**	**1,578.2**
Number of days' sales outstanding (DSO)	**32**	**38**

The average credit period on sale of services is between 30 and 60 days depending on the countries.

For balances outstanding for more than 60 days beyond the agreed payment terms, the Group considers the need for depreciation on a case-by-case basis through a quarterly review of its balances.

Atos securitization program of trade receivables has been renewed for 5 years on June 18th, 2013 with a maximum amount of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The new program is structured with two compartments, called ON and OFF:

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

As of December 31st, 2015, the Group has sold:

- in the compartment "ON" € 405.2 million receivables for which € 10.0 million were received in cash. The sale is with recourse, thus re-consolidated in the balance sheet;
- in the compartment "OFF" € 41.1 million receivables which qualify for de-recognition as substantially all risks and rewards associated with the receivables were transferred.

The DSO ratio reached 32 days compared to 38 days at the end of December 2014. DSO has been positively impacted by the implementation of financial arrangements on large customer contracts by 13 days compared to 12 days in December 2014.

Ageing of net receivables past due

(in € million)	December 31, 2015	December 31, 2014
1-30 days overdues	76.8	84.5
31-60 days overdues	29.6	33.5
Beyond 60 days overdues	57.3	57.9
TOTAL	**163.7**	**175.9**

Movement in provisions for doubtful debt

(in € million)	December 31, 2015	December 31, 2014
Balance at beginning of the year	**-113.3**	**-106.1**
Impairment losses recognized	-28.8	-38.2
Amounts written off as uncollectible	32.9	19.6
Impairment losses reversed	1.9	26.1
Impact of business combination	-3.0	-16.5
Other*	0.8	1.8
Balance at end of the year	**-109.5**	**-113.3**

* *Reclassification and exchange difference.*

Note 16 Other current assets

(in € million)	December 31, 2015	December 31, 2014
Inventories	59.9	52.1
State – VAT receivables	149.7	99.5
Prepaid expenses	310.5	200.9
Other receivables & current assets	342.5	270.8
Advance payment	6.3	24.9
TOTAL	**868.9**	**648.2**

The increase of other current assets (€ 220.7 million) came mainly from Xerox ITO.

Note 17 Breakdown of assets and liabilities by financial categories

The book value of financial assets corresponds to their fair value.

As of December 31st, 2015 the breakdown of assets was the following:

(in € million)	Loans and receivables	Available-for-sale financial assets	Financial assets held for trading (carried at fair value through profit or loss)	Derivatives related assets
Non-current financial instruments	-	-	-	1.4
Trade accounts and notes receivables	2,273.3	-	-	-
Other current assets	868.9	-	-	-
Current financial instruments	-	46.2	3.5	4.6
Cash and cash equivalents	848.4	-	1,098.4	-
TOTAL	**3,990.6**	**46.2**	**1,101.9**	**6.0**

Available-for-sale-financial-assets corresponded mainly to Visa Europe Ltd. share (see Note 14).

As of December 31st, 2014, the breakdown of assets was the following:

(in € million)	Loans and receivables	Available-for-sale financial assets	Financial assets held for trading (carried at fair value through profit or loss)	Derivatives related assets
Non-current financial instruments	-	-	-	3.2
Trade accounts and notes receivables	2,124.1	-	-	-
Other current assets	648.2	-	-	-
Current financial instruments	-	-	7.7	2.5
Cash and cash equivalents	861.2	-	759.1	-
TOTAL	**3,633.5**	**-**	**766.8**	**5.7**

As of December 31st, 2015, the breakdown of liabilities was the following:

(in € million)	Financial Liabilities designated at fair value through profit or loss	Financial Liabilities – Measurement at amortized cost	Derivatives related liabilities
Borrowings	-	1,210.8	-
Non-current financial instruments	-	-	4.7
Trade accounts and notes payables	1,605.5	-	-
Current portion of borrowings	-	143.1	-
Current financial instruments	0.6	-	8.1
TOTAL	**1,606.1**	**1,353.9**	**12.8**

As of December 31st, 2014, the breakdown of liabilities was the following:

(in € million)	Financial Liabilities designated at fair value through profit or loss	Financial Liabilities – Measurement at amortized cost	Derivatives related liabilities
Borrowings	-	528.1	-
Non-current financial instruments	-	-	8.3
Trade accounts and notes payables	1,397.0	-	-
Current portion of borrowings	-	103.1	-
Current financial instruments	0.5	-	4.1
TOTAL	**1,397.5**	**631.2**	**12.4**

Note 18 Cash and cash equivalents

(in € million)	December 31, 2015	December 31, 2014
Cash in hand and short-term bank deposit	848.4	861.2
Money market funds	1,098.4	759.1
TOTAL	**1,946.8**	**1,620.3**

Depending on market conditions and short-term cash flow expectations, Atos from time to time invests in money market funds or bank deposits with a maturity period not exceeding three months.

Note 19 Equity attributable to the owners of the parent

Capital increase

In 2015, Atos SE increased its common stock by issuing new shares and incorporating additional paid-in-capital for € 106.6 million, resulting in the creation of 2,186,715 new shares composed of:

- the 787,232 new shares resulting from the payment of the 2014 dividend in shares; and
- the exercise during the year 2015 of 1,399,483 share options.

At December 31st, 2015, Atos SE common stock consisted of 103,519,242 shares with a nominal value of one euro per share.

Note 20 Pensions [G4-30]

The total amount recognized in the Group balance sheet in respect of pension plans and associated benefits was € 993.1 million at December 31st, 2015 compared to € 1,121.7 million at December 31st, 2014.

The Group's obligations are located predominantly in the United Kingdom (62% of Group total obligations), Germany (22%), Switzerland (6%) and France (5%).

Characteristics of significant plans and associated risks

In the **United Kingdom,** these obligations are generated by legacy defined benefit plans, the majority of which have been closed to further accrual or new entrants. The plans are final pay plans and are subject to the UK regulatory framework where funding requirements are determined by an independent actuary based on a discount rate reflecting the plan's expected return on investments. Recovery periods are agreed between the plans' trustees and the sponsoring companies and may run up to 20 years if appropriate securities are provided by sponsors. The majority of plans are governed by an independent Board of trustees which include employer representatives. The current asset allocation across United Kingdom plans is 75% fixed income and 25% equities & other assets and may vary depending on the particular profile of each plan. The interest rate and inflation exposures are cautiously managed through investment in Gilts, Indexed-Linked and interest rate swaps which are fully collateralized. The fixed income allocation comprises a significant exposure to investment grade credit and the equity allocation is well diversified geographically.

The plans do not expose the Group to any specific risks that are unusual for these types of benefit plans. Typical risks include, increase in inflation, longevity and a decrease in discount rates and adverse investment returns.

In **Germany** the majority of the liabilities relate to pension entitlements that transferred to the Group with the acquisition of SIS in 2011. They mainly consist of grandfathering benefits related to a harmonization introducing a contribution based pension plan in 2004. The plans are closed for new entrants, but do still accrue benefits for past service up to 2004. The plans cover multiple legal entities in Germany and are subject to the German regulatory framework, which has no funding requirements, but does include compulsory insolvency insurance (PSV). The plans are funded however, using a Contractual Trust Agreement (CTA). The CTA is governed by a professional independent third party. The investment strategy is set by the Investment Committee which consists of employer representatives. The asset allocation related to the largest German schemes is 84% fixed income, 6% equities and 10% property. The fixed income allocation is predominantly in credit investment grade (c. 70%) and the remaining part in core euro zone government bonds. The return seeking portfolio comprises diversified equity and high yield bonds. The asset allocation related to the other scheme is more in line with the lower interest rate sensitivities of the schemes and are predominantly invested in investment grade credit and to a lesser extent balanced funds and European high yield.

The Group obligations are also generated, but to a lesser extent, by legal or collectively bargained end of service or end of career benefit plans. The Group obligations with respect to post-employment healthcare benefits are not significant.

Atos recognized all actuarial gains and losses asset ceiling effects generated in the period in other comprehensive income.

Events in 2015

Over 2015 interest rates increased in both the United Kingdom and the Eurozone leading to a decrease in the measurement of pension liability values and negative investment returns on plan assets especially on fixed income portfolio.

During the first half of 2015, pension benefits within corporate structures have been redefined both in terms of eligibility criteria which have been clarified and benefit formula. The associated reduction in liability of € 17.8 million has been recorded in operating expenses.

In Germany the indexing policy was adjusted to reflect that pensions in payment will not be indexed in years when the local financial situation does not support the cost of indexing, leading to a one-off reduction of operating expenses of € 14.8 million including the release of HR litigation provisions. Furthermore, a lump sum option was introduced and the option for retirees to have their benefit paid out in instalments was incorporated in liability measurement. This led to a reduction of operating expenses of € 13.2 million.

During the second half of the year, the acquisition of Xerox ITO increased liabilities by € 24.1 million, covered by € 2.7 million of plan assets.

In the UK, the company and trustees of the Atos Pension Fund have reached agreement to harmonize the basis for inflation indexation from the Retail Price Index (RPI) to the Consumer Price Index (CPI) in exchange for improved long term security provided to the plan including a Group parental guarantee of £ 150.0 million. This led to a reduction of liabilities and operating expenses of € 29.0 million excluding actuarial and legal costs. Further to this the company and its employees who are members of the Atos section of the Railways Pension Scheme, have agreed to a set of plan changes including the introduction of a salary cap which led to a reduction of liabilities and operating expenses of € 10.0 million excluding actuarial and legal costs. As a result of the end of the DWP WCA contract, liabilities and assets amounting to respectively € 25.8 million and € 25.0 million were transferred back to the government pension scheme leading to a settlement gain of € 0.8 million.

Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31st, 2015 rely on the following components, determined at each benefit plan's level:

(in € million)	December 31, 2015	December 31, 2014
Amounts recognized in financial statements consist of:		
Prepaid pension asset – post employment plans	128.5	136.4
Accrued liability – post employment plans	-1,083.6	-1,217.6
Accrued liability – other long term benefits	-38.0	-40.5
Net amounts recognized – Total	**-993.1**	**-1,121.7**
Components of net periodic cost		
Service cost (net of employees contributions)	75.8	61.5
Prior service cost	-84.8	-0.1
Actuarial (gain)/loss in other long term benefits	-0.3	0.3
Curtailment (gain)/loss	-1.8	0.8
Settlement (gain)/loss	-3.1	-55.2
Administration costs	2.3	1.9
Operating expense	**-11.9**	**9.2**
Interest cost	123.8	176.5
Interest income	-94.5	-157.9
Financial expense	**29.3**	**18.6**
Net periodic pension cost – Total expense / (profit)	**17.4**	**27.8**
Of which, net periodic pension cost – post employment plans	7.4	17.0
Of which, net periodic pension cost – other long term benefits	10.0	10.8
Change in defined benefit obligation		
Defined benefit obligation –post employment plans at January 1st	3,835.7	4,281.2
Defined benefit obligation – other long term benefits at January 1st	52.7	56.1
Total Defined Benefit Obligation at January 1st	**3,888.4**	**4,337.3**
Reclassification of other non-current financial liabilities	-	13.3
Exchange rate impact	191.6	129.2
Service cost (net of employees contributions)	75.8	61.5
Interest cost	123.8	176.5
Employees contributions	12.7	10.2
Plan amendments	-84.8	-0.1
Curtailment	-1.8	0.8
Settlement	-28.3	-2,118.2
Business combinations/(disposals)	17.7	225.4
Benefits paid	-143.3	-138.2
Actuarial (gain)/loss – change in financial assumptions	-147.3	1,204.6
Actuarial (gain)/loss – change in demographic assumptions	-22.7	2.4
Actuarial (gain)/loss – experience results	-9.0	-16.3
Defined benefit obligation at December 31st	**3,872.8**	**3,888.4**

The weighted average duration of the liability is 17.6 years.

(in € million)	December 31, 2015	December 31, 2014
Change in plan assets		
Fair value of plan assets at January 1st	**2,770.2**	**3,942.1**
Exchange rate impact	170.1	116.7
Actual return on plan assets	-5.6	672.8
Employer contributions	53.3	170.5
Employees contributions	12.7	10.2
Benefits paid by the fund	-99.3	-102.0
Settlements	-25.2	-2,063.0
Business combinations/(disposals)	9.8	24.8
Administration costs	-2.3	-1.9
Fair value of plan assets at December 31st	**2,883.7**	**2,770.2**
Reconciliation of prepaid/(accrued) Benefit cost (all plans)		
Funded status-post employment plans	-948.8	-1,077.7
Funded status-other long term benefit plans	-40.3	-40.5
Any other amount not recognized (asset ceiling limitation)	-4.0	-3.5
Prepaid/(accrued) pension cost	**-993.1**	**-1,121.7**
Of which provision for pension and similar benefits	-1,121.6	-1,258.1
Of which non-current financial assets	128.5	136.4
Reconciliation of net amount recognized (all plans)		
Net amount recognized at beginning of year	**-1,121.7**	**-398.1**
Reclassification other current liabilities	-	-13.3
Net periodic pension cost	-17.4	-27.8
Benefits paid by employer	44.0	36.2
Employer contributions	53.3	170.5
Business combinations/(disposals)	-7.9	-200.6
Amounts recognized in Other Comprehensive Income	78.1	-676.1
Other (exchange rate)	-21.5	-12.5
Net amount recognized at end of year	**-993.1**	**-1,121.7**

The development in the main plans in the United Kingdom and Germany was as follows:

(in € million)	UK pension funds	German main plans
Reconciliation of net amount recognized in main plans		
Net amount recognized at beginning of year	**-211.4**	**-399.2**
Net periodic pension cost	6.1	5.1
Benefits paid by employer & employer contributions	50.0	8.0
Business combinations / disposals	-	6.3
Amounts recognized in Other Comprehensive Income	-14.4	64.3
Other (exchange rate)	-15.9	-
Net amount recognized at end of year	**-185.6**	**-315.5**
Defined benefit obligation at December 31st	-2,361.2	-669.6
Fair value of plan assets at December 31st	**2,175.6**	**354.1**
Net amount recognized at end of year	**-185.6**	**-315.5**

The obligations in respect of benefit plans which are partially or totally funded through external funds (pension funds) were € 3,500.1 million at December 31st, 2015 and € 3,403.2 million at December 31st, 2014, representing more than 90% of Group total obligations.

Actuarial assumptions

Group obligations are valued by independent actuaries, based on assumptions that are periodically updated. These assumptions are set out in the table below:

	United Kingdom		Eurozone	
	2015	2014	2015	2014
Discount rate as at December 31st	3.90%	3.70%	2.05% ~ 2.65%	1.60% ~ 2.20%
Inflation assumption as at December 31st	3.10%	3.00%	1.75%	1.75%

The higher discount rate for the Eurozone applies to plans with a duration of more than 15 years, the lower discount rate applies to plans with a shorter duration.

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 pension funds	-4.8%	+4.2%
German main plans	-4.0%	+2.7%

These sensitivities are based on calculations made by independent actuaries and do not include cross effects of the various assumptions, they do however include effects that the inflation assumption would have on salary increase assumptions for the United Kingdom.

Plan assets

Plan assets were invested as follows:

	December 31, 2015	December 31, 2014
Equity	18%	18%
Bonds/Interest Rate Swaps	70%	73%
Real Estate	5%	4%
Cash and Cash equivalent	1%	0%
Other	6%	5%

Of these assets 89% is valued on market value, 7% relates to property, senior private debt, private equity and infrastructure investments where valuations are based on the information provided by the investment managers and 4% relates to insurance contracts.

A significant part of the Bonds and Interest Rate Swaps are part of the interest rate hedging programme operated by the Atos United Kingdom pension plans, which aim to hedge a significant portion of funding liabilities. None of the plans are hedged for longevity risks.

In this total, Atos securities or assets used by the Group are not material.

Situation of the United Kingdom pension funds and impact on contribution for 2016

The Group expects to contribute € 50.8 million to its United Kingdom schemes next year versus € 48.7 million in 2015.

Prepaid pension situations on balance sheet

The net asset of € 128.2 million mostly relates to one scheme in the United Kingdom, and is supported by appropriate refund expectations, as requested by IFRIC 14.

Summary net impacts on 2015 profit and loss

The net impact of defined benefits plans on Group financial statements can be summarized as follows:

	December 31, 2015			December 31, 2014		
(in € million)	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total
Operating margin	20.4	-7.4	13.0	0.4	-5.1	-4.7
Other operating items	0.4	-1.5	-1.1	-0.2	-4.3	-4.5
Financial result	-28.2	-1.1	-29.3	-17.2	-1.4	-18.6
Total (expense) / profit	**-7.4**	**-10.0**	**-17.4**	**-17.0**	**-10.8**	**-27.8**

Note 21 Provisions

(in € million)	December 31, 2014	Charge	Release used	Release unused	Business Combination	Other*	December 31, 2015	Current	Non-current
Reorganization	101.7	29.6	-79.7	-12.8	1.4	1.7	41.9	39.1	2.8
Rationalization	33.6	4.2	-12.4	-1.9	1.5	-1.3	23.7	7.5	16.2
Project commitments	114.1	44.0	-60.9	-30.2	36.4	5.8	109.2	91.2	18.0
Litigations and contingencies	108.3	25.0	-15.1	-46.5	35.3	4.8	111.8	62.0	49.8
TOTAL PROVISIONS	**357.7**	**102.8**	**-168.1**	**-91.4**	**74.6**	**11.0**	**286.6**	**199.8**	**86.8**

* *Other movements mainly consist of the currency translation adjustments.*

(in € million)	December 31, 2013	Charge	Release used	Release unused	Business Combination	Other*	December 31, 2014	Current	Non-current
Reorganization	58.0	55.5	-54.5	-11.6	49.5	4.8	101.7	98.7	3.0
Rationalization	42.3	5.6	-12.6	-7.3	6.2	-0.6	33.6	17.9	15.7
Project commitments	117.8	47.2	-56.7	-26.9	32.4	0.3	114.1	100.2	13.9
Litigations and contingencies	84.3	16.0	-19.2	-21.1	48.3	-	108.3	47.1	61.2
TOTAL PROVISIONS	**302.4**	**124.3**	**-143.0**	**-66.9**	**136.4**	**4.5**	**357.7**	**263.9**	**93.8**

* *Other movements mainly consist of the currency translation adjustments.*

Reorganization

New reorganization provisions were posted for € 29.6 million over the year mainly in Germany (€ 10.2 million) and The Netherlands (€ 5.0 million) driven by new plans aimed at improving Group efficiency and productivity.

The € 79.7 million consumptions primarily corresponded to the ONE Bull reorganization plans in former Bull entities (€ 22.9 million) and workforce optimization in The Netherlands (€ 12.2 million), and Germany (€ 28.7 million).

Rationalization

The new provisions of € 4.2 million mainly relate to office premises rationalization in Germany (€ 1.4 million).

The € 12.4 million rationalization provisions were used against offices onerous leases and dilapidation costs in The Netherlands (€ 4.0 million), in the United Kingdom (€ 3.7 million) and Germany (€ 2.3 million).

Projects commitments

The € 44.0 million charge was mainly incurred in the United Kingdom (€ 18.3 million), in Central Eastern Europe (€ 7.6 million) and in Germany (€ 6.0 million).

Projects commitments provisions consumed for € 60.9 million primarily related to losses incurred in the United Kingdom (€ 25.8 million), France (€ 17.6 million) and Central Eastern Europe (€ 8.6 million).

The € 30.2 million project commitments unused provisions reflected mainly the reduction of former contracts losses thanks to proactive project management or early settlements.

Litigation and contingencies

The closing position of contingency provisions of € 111.8 million was composed of 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 closely monitors these situations with a view to minimize the ultimate liability.

Note 22 Borrowings

(in € million)	December 31, 2015 Current	Non-current	Total	December 31, 2014 Current	Non-current	Total
Bonds	-	600.0	600.0	-	-	-
Bank loans	-	580.0	580.0	-	480.0	480.0
Securitization	10.0	-	10.0	10.0	-	10.0
Finance leases	25.2	25.5	50.7	2.7	5.3	8.0
Other borrowings	107.9	5.3	113.2	90.4	42.8	133.2
TOTAL BORROWINGS	**143.1**	**1,210.8**	**1,353.9**	**103.1**	**528.1**	**631.2**

Borrowings in currencies

The carrying amounts of the Group borrowings were denominated in the following currencies:

(in € million)	EUR	Other currencies	Total
DECEMBER 31, 2015	**1,278.0**	**75.9**	**1,353.9**
December 31, 2014	575.8	55.4	631.2

Value and effective interest rate of financial debt

The value of bank loans, which are primarily composed of variable interest rate loans, are considered as being the same as their carrying value. For other elements of borrowings, carrying value is considered the best estimate of fair value, the difference between the fair value and the carrying value being not material.

Non-current borrowings maturity

(in € million)	2017	2018	2019	2020	>2020	Total
Bonds	-	-	-	600.0	-	600.0
Bank loans	-	-	-	580.0	-	580.0
Finance leases	14.8	7.4	2.1	0.3	0.9	25.5
Other borrowings	0.9	0.1	-0.8	0.2	4.8	5.2
AS AT DECEMBER 31ST, 2015 LONG-TERM DEBT	**15.7**	**7.5**	**1.3**	**1,180.5**	**5.7**	**1,210.7**

(in € million)	2016	2017	2018	2019	>2019	Total
Bank loans	-	-	-	480.0	-	480.0
Finance leases	2.0	1.2	0.9	0.1	1.1	5.3
Other borrowings	29.0	3.7	2.8	1.7	5.6	42.8
AS AT DECEMBER 31ST, 2014 LONG-TERM DEBT	**31.0**	**4.9**	**3.7**	**481.8**	**6.7**	**528.1**

Assumptions retained regarding the presentation of the maturity of non-current borrowings

The valuation of financial liabilities has been conducted based on:

- exchange rates prevailing as of December 31st, 2015; and
- interest rates presented hereafter.

The effective interest rates in 2015 were as follows:

(in € million)	Carrying value	Fair value	Effective interest rate
Bonds	600.0	600.0	2.64%
Bank loans	580.0	580.0	1.59%
Finance leases	50.7	50.7	6.15%
Securitization and Other borrowings	123.2	123.2	-
TOTAL BORROWINGS	**1,353.9**	**1,353.9**	

Change in net debt over the period

(in € million)	December 31, 2015	December 31, 2014
Opening net cash / (debt)	**989.1**	**905.4**
New borrowings	-568.0	-182.6
Bonds	-600.0	-
Repayment of long and medium-term borrowings	489.8	47.9
Variance in net cash and cash equivalents	279.0	256.1
New finance leases	-0.2	-0.2
Long and medium-term debt of companies sold during the period	-0.3	-
Long and medium-term debt of companies acquired during the period	-46.7	-85.0
Impact of exchange rate fluctuations on net long and medium-term debt	43.6	42.5
Profit-sharing amounts payable to French employees transferred to debt	-0.3	-1.0
Other flows related to financing activities	7.1	6.0
Closing net cash / (debt)	**593.1**	**989.1**

Note 23 Fair value and characteristics of financial instruments

	December 31, 2015		December 31, 2014	
(in € million)	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	9.5	-13.4	13.4	-9.0
Forward interest rate contracts	-	-	-	-3.9
Analysed as:				
Non-current	1.4	-4.7	3.2	-8.3
Current	8.1	-8.7	10.2	-4.6

The fair value of financial instruments is provided by banking counterparties.

Interest rate risk

Bank loans of € 580.0 million (€ 480.0 million in 2014) are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The Group may mitigate its interest rate exposure using interest rates swap contracts with financial institutions in order to fix the rate of a portion of the floating-rate financial debt. The fair value of the financial instruments used to hedge the floating-rate financial qualifies for cash flow hedge accounting.

The Group held swap rates contracts for the hedging of interest rate exposure until November 2015. The swap rates contracts were used on a part of the revolving credit facility for an amount of € 280.0 million. The instruments used had a maturity until November 2015.

Exposure to interest rate risk

The table below presents the interest rate risk exposure of the Group based on future debt commitments. The exposure at floating rate after hedging risk management is approximately € 593.1 million at December 31st, 2015. A 1% rise in 1-month Euribor would impact positively the financial expense by € 5.9 million assuming the structure (cash/floating debt/hedges) remains stable for the full period of the year.

		Exposure		
(in € million)	**Notes**	**Less than 1 year**	**More than 1 year**	**Total**
Bank loans	Note 22	-	-580.0	-580.0
Securitization	Note 22	-10.0	-	-10.0
Other		-34.6	-5.3	-39.9
Total liabilities		**-44.6**	**-585.3**	**-629.9**
Cash and cash equivalents	Note 18	1,946.8	-	1,946.8
Overdrafts		-73.1	-	-73.1
Total net cash and cash equivalents*		**1,873.7**	**-**	**1,873.7**
Net position after risk management		1,829.1	-585.3	1,243.8
Bonds	Note 22	-	-600.0	-600.0
Finance Leases	Note 22	-25.2	-25.5	-50.7
Total net debt after risk management				**593.1**

* *Overnight deposits (deposit certificate) and money market securities and overdrafts.*

Liquidity risk

On July 2nd, 2015 Atos has issued a bond of € 600.0 million with a 5-year maturity. The coupon rate is 2.375%. Atos and the bonds are unrated. There are no financial covenants.

On November 6th, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021. The first option of extension for one year has been exercised in 2015 and the new maturity of the € 1.8 billion credit facility is therefore November 2020. Atos keeps the right to exercise the second option of extension for one year in 2016 to request the extension of the Facility until November 2021. The facility is available for general corporate purposes and replaced the existing € 1.2 billion facility signed in April 2011.

The revolving credit facility includes one financial covenant which under the terms is the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times.

Atos securitization program of trade receivables has been renewed for 5 years on June 18th, 2013 with a maximum amount of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The program is structured with two compartments, called ON and OFF:

- compartment “ON” is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- compartment “OFF” is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

The calculation of the above-mentioned ratios as of December 31st, 2015 is provided below:

Nature of ratios subject to covenants	Covenants	Group ratios at December 31, 2015	Group ratios at December 31, 2014
Leverage ratio (net debt/OMDA*)	not greater than 2.5	-0.49	-1.08
Interest cover ratio (operating margin/net cost of financial debt)	not lower than 4.0	50.79	45.88

* *OMDA = Operating margin before non cash items.*

Currency exchange risk

Atos operates in 72 countries. However, in most cases, Atos invoices in the country where the Group renders the service, thus limiting the foreign exchange risk. Where this is not the case, the Group generally uses hedging instruments such as forward contracts or foreign currency swaps to minimize the risk.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2015	2014	2015	2014	2015	2014
(in € million)	EUR		GBP		USD	
Assets	79.8	92.1	45.5	30.3	156.7	60.2
Liabilities	221.2	153.8	74.7	10.4	67.3	23.8
Foreign exchange impact before hedging	-141.4	-61.7	-29.2	19.9	89.4	36.4
Hedged amounts	-	-	-	-	-3.8	-22.6
Foreign exchange impact after hedging	**-141.4**	**-61.7**	**-29.2**	**19.9**	**85.6**	**13.8**

Foreign currency sensitivity analysis

The Group is mainly exposed to the EUR, GBP and the USD.

The following table details the Group sensitivity to a 5% increase and decrease of the sensitive currency against the relevant functional currency of each subsidiary. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% increase in foreign currency rates.

	2015	2014	2015	2014	2015	2014
(in € million)	EUR		GBP		USD	
Income Statement	-7.1	-3.1	-1.5	1.0	4.3	0.7

Hedge accounting

There is no material deviation between the maturity of the financial instruments and the period in which the cash flows are expected to occur.

At December 2015, derivatives are all allocated to the hedge of some transactional risks (foreign exchange currency risks). From an accounting point of view, most of the derivatives were considered as cash flow hedge instruments.

Breakdown of the designation of the instruments per currency is as follows:

(in € million)	December 31, 2015		December 31, 2014	
Instruments	Fair value	Notional	Fair value	Notional
Cash flow hedge				
Interest rate				
SWAP	-	-	-3.9	280.0
Foreign exchange				
Forward contracts USD	-7.5	40.4	-6.1	62.6
Option contracts USD	-	-	-	0.4
Forward contracts INR	4.9	81.5	4.5	104.4
Forward contracts HKD	-	-	0.3	0.8
Forward contracts KRW	0.1	3.4	-	-
Forward contracts THB	-0.2	5.9	0.3	5.4
Forward contracts MYR	-0.4	4.2	-0.1	1.7
Forward contracts PLN	-0.9	51.9	-0.5	57.9
Forward contracts PHP	-0.2	4.0	0.0	0.0
Forward contracts RON	-0.4	23.6		
Forward contracts MAD	-	-	-	3.2
Forward contracts CNY	-	-	-0.1	2.0
Forward contracts CNH	-0.1	0.5	-	-
Forward contracts TRY	-	-	0.3	6.3
Forward contracts BRL	-2.0	6.3	-0.8	16.1
Option contracts JPY	-0.2	1.6	-0.6	2.3
Trading				
Foreign exchange				
Forward contracts USD	0.0	16.2	0.5	55.0
Forward contracts GBP	-	-	0.1	13.6
Forward contracts INR	3.0	49.7	6.5	50.5
Forward contracts THB	-	-	0.1	0.7
Forward contracts HKD	-	-	0.1	0.1
Forward contracts CHF	-	-	-	0.2
Forward contracts CZK	-	-	-	0.4
Forward contracts HUF	-	-	-	0.5
Option contracts JPY	-	-	-0.1	0.3
Forward contracts RON	-	-	-	2.0
Forward contracts PLN	-	-	-	1.0
Forward contracts MAD	-	-	-	3.2

The net amount of cash flow hedge reserve at December 31st, 2015 was €-2.1 million (net of tax), with a variation of €+2.9 million (net of tax) over the year.

Note 24 Trade accounts and notes payable

(in € million)	December 31, 2015	December 31, 2014
Trade payables and notes payable	1,606.3	1,396.0
Amounts payable on tangible assets	-0.8	1.0
Trade payables and notes payable	**1,605.5**	**1,397.0**
Net advance payments	-6.3	-24.9
Prepaid expenses	-310.5	-200.9
NET ACCOUNTS PAYABLE	**1,288.7**	**1,171.2**
Number of days' payable outstanding (DPO)	**75**	**78**

Trade accounts and notes payable are expected to be paid within one year.

Note 25 Other current liabilities

(in € million)	December 31, 2015	December 31, 2014
Advances and down payments received on client orders	53.2	87.1
Employee-related liabilities	577.8	555.2
Social security and other employee welfare liabilities	231.6	201.5
VAT payable	350.2	306.3
Deferred income	565.7	438.2
Other operating liabilities	237.3	233.3
TOTAL	**2,015.8**	**1,821.6**

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 Cash flow statement

Net long-term investments

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Amounts paid for acquisitions and long-term investments:		
Xerox ITO	-812.0	-
Bull (100% of Bull shares)	-	-602.7
Cambridge Technology Partners (CEE)	-	-21.0
SiT (Austria)	-	2.2
Deposit	-2.5	-1.0
Other	-6.2	-11.0
Total amounts paid for acquisitions and long-term investments	**-820.7**	**-633.5**
Cash and cash equivalents of companies purchased during the period:		
Xerox ITO	10.9	-
Bull	-	-9.5
Cambridge Technology Partners (CEE)	-	5.8
Total cash and cash equivalents of companies purchased during the period	**10.9**	**-3.7**
Proceeds from disposals of financial investments:		
Occupational Health business	15.8	-
Proservia	-12.4	-
Deposit	1.2	4.4
Other	4.9	4.6
Total proceeds from disposals of financial investments	**9.5**	**9.0**
Cash and cash equivalents of companies sold during the period		
Other	-0.3	-
Total Cash and cash equivalents of companies sold during the period	**-0.3**	**-**
Dividend received from entities consolidated by equity method	2.5	2.5
Total dividend received from entities consolidated by equity method	**2.5**	**2.5**
NET LONG-TERM INVESTMENTS	**-798.1**	**-625.7**

Note 27 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 long-term borrowings and finance leases are posted on the Group balance sheet.

(in € million)	December 31, 2015	Maturing Up to 1 year	Maturing 1 to 5 years	Maturing Over 5 years	December 31, 2014
Bonds	600.0	-	600.0	-	-
Bank loans	580.0	-	580.0	-	480.0
Finance leases	50.7	25.2	24.6	0.9	8.0
Recorded on the balance sheet	**1,230.7**	**25.2**	**1,204.6**	**0.9**	**488.0**
Operating leases: land, buildings, fittings	867.8	164.9	489.3	213.6	847.4
Operating leases: IT equipment	210.9	101.7	109.2	-	87.8
Operating leases: other fixed assets	75.4	39.9	35.5	-	89.1
Non-cancellable purchase obligations (> 5 years)	62.4	23.9	33.1	5.4	84.3
Commitments	**1,216.5**	**330.4**	**667.1**	**219.0**	**1,108.6**
TOTAL	**2,447.2**	**355.6**	**1,871.7**	**219.9**	**1,596.6**
Financial commitments received (Syndicated Loan)	**1,220.0**	**-**	**1,220.0**	**-**	**1,320.0**
TOTAL RECEIVED	**1,220.0**	**-**	**1,220.0**	**-**	**1,320.0**

The received financial commitment refers exclusively to the non-utilized part of the € 1.8 billion revolving facility.

Commercial commitments

(in € million)	December 31, 2015	December 31, 2014
Bank guarantees	**198.9**	**251.9**
• Operational – Performance	145.9	163.7
• Operational – Bid	21.5	26.1
• Operational – Advance Payment	19.7	47.4
• Financial or Other	11.8	14.7
Parental guarantees	**5,501.3**	**4,154.8**
• Operational – Performance	5,447.0	4,077.3
• Operational – Other Business Orientated	54.3	77.5
Pledges	**1.5**	**5.2**
TOTAL	**5,701.7**	**4,411.9**

For various large long term contracts, the Group provides performance guarantees to its clients. These guarantees amount to € 5,447 million as of December 31st, 2015, compared with € 4,077.3 million at the end of December 2014. This increase of € 1,369.7 million is mainly due to the performance guarantees issued by Xerox ITO for a total amount of € 1,184.4 million and a parental guarantee for BASF SE (Germany) of € 100 million.

In the framework of the contract for the provision of IT services signed by Atos IT Services UK Limited with the International Olympic Committee (IOC), Atos SAE (Spain) has granted a full performance guarantee to the IOC by which it commits to perform the contract in case the signing entity (or any other affiliate to whom the signing entity could have assigned all or part of the rights and obligations under the contract) would be unable to provide services required under the contract.

In relation to the multi-currency revolving facility signed in November 2014, Atos SE issued a parental guarantee to the benefit of the consortium of banks represented by BNP Paribas, in order to cover up to € 660.0 million the obligations of its subsidiaries, Atos Telco Services B.V. and Atos International B.V.

Atos SE has given a € 204.0 million guarantee to Ester Finance in relation to a securitization program involving certain of its subsidiaries.

Atos SE or Atos International B.V. has given for various subsidiaries guarantees of general financial support at the request of auditors or to comply with local regulations.

Finally, as part of the general agreement with Siemens in respect of transfer of SIS UK pension liabilities, the Board of Atos SE, during its March 29th, 2011 meeting, has agreed to provide a 20 year guarantee to the Atos 2011 Pension Trust set up to accommodate the transfer. The maximum amount of the guarantee is GBP 200.0 million.

In the framework of the UK Atos Pension Funds ("UK APF") indexation negotiations, the Board of Atos SE, during its December 17th, 2015 meeting, has agreed to provide a parental guarantee to the Atos Pension Schemes Limited as trustee of the Atos Pension Fund. Under the said guarantee, Atos SE will guarantee the obligations of the sponsoring employers of the UK APF (currently Atos IT UK Limited and Atos IT Services UK Limited) to make certain payments to the UK APF. The maximum amount of the guarantee is GBP 150 million (€ 204.6 million).

Note 28 Related party transactions

Related parties are defined as follows:

- entities which are controlled directly by the Group, either solely or jointly, or indirectly through one or more intermediary controls. Entities which offer post-employment benefits in favor of employees of the Group, or entities which are controlled or jointly owned by a member of the key management personnel of the Group as defined hereafter; and
- key management personnel of the Group defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, namely members of the Board of Directors as well as Senior Executive Vice-Presidents.

Transactions between Atos and its subsidiaries, which are related parties of the Group, have been eliminated in consolidation and are not disclosed in this note.

No transactions between the Group and such entities or key management personnel have occurred in 2015.

Compensation of members of the Board of Directors as well as Senior Executive Vice-Presidents

The remuneration of the main members of the management during the year was as follows:

(in € million)	12 months ended December 31, 2015	12 months ended December 31, 2014
Short-term benefits	6.6	5.2
Employer contributions & other taxes	3.4	4.8
Post-employment benefits	3.6	2.9
Equity-based compensation: stock options & free share plans	4.3	3.1
TOTAL	**17.9**	**16.0**

In 2015, the general management comprises an additional Senior Executive Vice-President. The French exceptional taxation of high salaries introduced by the finance bill for 2014 does not apply anymore in 2015.

Short-term benefits include salaries, bonuses and fringe benefits. Bonuses correspond to the total charge reflected in the income statement including the bonuses effectively paid during the year, the accruals relating to current year and the release of accruals relating to previous year.

During the year, the Group has neither granted nor received guarantees from any of its Board members.

Note 29 Subsequent events

Unify

On January 20th, 2016, Atos completed the acquisition of Unify, the number three world leader of integrated communication solutions, which was announced in November 2015. With this acquisition Atos intends to create a unique integrated proposition for unified communications and real time capabilities enhancing social collaboration, digital transformation, and business performance of its clients.

Unify provides end-to-end communications software and services enhancing social collaboration, digital transformation and business performance, through vertical specialized solutions. With 5600 employees and active in over 60 countries, Unify generates € 1.2 billion revenue.

The initial cash consideration transferred to acquire 100% of Unify amounts to € 366 million and is subject to price adjustments.

The Services activities of Unify will be integrated in the Atos Service Line “Managed Services” from February 1st, 2016 and the software and platform activities will be accounted for as discontinued operations.

Note 30 Main operating entities part of scope of consolidation as of December 31st, 2015

	% of Interest	Consolidation method	% of Control	Address
HOLDING				
Atos SE	Consolidation Parent Company			80, quai Voltaire – 95870 Bezons
Atos International B.V.	100	FC	100	Papendorpseweg 93 – 3528 BJ Utrecht – The Netherlands
Saint Louis Ré	100	FC	100	74, rue de Merl – L2146 Luxembourg
Atos International SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Bull SA	100	FC	100	Rue Jean Jaurès – 78340 Les Clayes-sous-Bois
FRANCE				
Worldline SA	70.34	FC	100	80, quai Voltaire – 95870 Bezons
Atos Integration SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Diamis SA	60	FC	100	80, quai Voltaire – 95870 Bezons
Mantis SAS	100	FC	100	24, rue des Jeûneurs – 75002 Paris
Atos Infogérance SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Atos Consulting SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Atos A2B SAS	100	FC	100	80, quai Voltaire – 95870 Bezons
Atos Worldgrid	100	FC	100	80, quai Voltaire – 95870 Bezons
blueKiwi Software SA	100	FC	100	80, quai Voltaire – 95870 Bezons
Yunano	70	FC	100	80, quai Voltaire – 95870 Bezons
Bull SAS	100	FC	100	Rue Jean Jaurès – 78340 Les Clayes-sous-Bois
Amesys SAS	100	FC	100	655, avenue Galilée – 13794 Aix en Provence
Evidian SA	100	FC	100	Rue Jean Jaurès – 78340 Les Clayes-sous-Bois
GERMANY				
Atos Worldline GmbH	70.34	FC	100	Hahnstraße 25 – 60528 Frankfurt – Germany
Atos GmbH	100	FC	100	Luxemburger Straße 3 – 45133 Essen – Germany
Atos IT Dienstleistung und Beratung Gmbh	100	FC	100	Bruchstrasse 5 – 45883 Gelsenkirchen – Germany
Atos IT Solutions and Services Gmbh	100	FC	100	Otto-Hahn-Ring 6 – 81739 Munich – Germany
Atos IT Solutions and Services Verwaltungs Gmbh	100	FC	100	Otto-Hahn-Ring 6 – 81739 Munich – Germany
Bull GmbH	100	FC	100	Von-der-wettern-straße, 27 – 51149 cologne – Germany
Energy4u GmbH	100	FC	100	Emmy-Noether-Straße 17 – 65627 Karlsruhe – Germany
Atos IT Services GmbH	100	FC	100	Stinnes-Platz 1 45 472 Mülheim an der Ruhr – Germany
THE NETHERLANDS				
Atos Nederland B.V.	100	FC	100	Papendorpseweg 93 – 3528 BJ Utrecht – The Netherlands
Atos Telco Services B.V.	100	FC	100	Papendorpseweg 93 – 3528 BJ Utrecht – The Netherlands
Atos Worldline B.V.	70.34	FC	100	Wolweverstraat 18 – 2980 CD Ridderkerk – The Nederlands
OTHER EUROPE – MIDDLE EAST – AFRICA				
Algeria				
Bull Algeria	100	FC	100	16 Rue Yehia El-Mazouni, El Biar – Algiers – Algeria
Austria				
Atos Information Technology GmbH	100	FC	100	Siemensstraße 92 – 1210 Vienna – Austria
Atos IT Solutions and Services GmbH	100	FC	100	Siemensstraße 92 – 1210 Vienna – Austria
TSG EDV-Terminal-Service GmbH	99	FC	100	Modecenterstraße 1 – 1030 Vienna – Austria
Belgium				
Atos Belgium SA	100	FC	100	Da Vincilaan 5 – 1930 Zaventem – Belgium
Worldline NV/SA	70.34	FC	100	Chaussée de Haecht 1442 – B-1130 Brussel – Belgium
Bulgaria				
Atos IT Solutions and Services EOOD	100	FC	100	48 Sitnyakovo Blvd – Serdika Offices – 7th floor – Sofia Municipality – Oborishte District – 1505 Sofia – Bulgaria
Ivory Coast				
Bull Ivory Coast	100	FC	100	31 avenue Noguès – 01 BP 1580 Abidjan 01 – Ivoy Coast
Denmark				
Atos IT Solutions and Services A/S	100	FC	100	Dybendalsvaenget 3 – 2630 Taastrup – Denmark
Croatia				
Atos IT Solutions and Services d.o.o	100	FC	100	Heinzelova 69 – 10000 Zagreb – Republic of Croatia
Czech Republic				

	% of Interest	Consolidation method	% of Control	Address
Atos IT Solutions and Services s.r.o.	100	FC	100	14000 Praha 4 – Doudlebská 1699/5 – Czech Republic
Gabon				
Bull Gabon	100	FC	100	Immeuble ex-Sonagar – Boulevard Bord-de-Mer – BP 2260 Libreville – Gabon
Greece				
Bull Integrated IT Solutions SA	100	FC	100	16, El. Venizelou ave. – 176 76 Kallithea – Greece
Finland				
Atos IT Solutions and Services oy	100	FC	100	Majurinkatu Kalkkipellontie 6 – 026050 Espoo – Finland
Hungary				
Bull Magyarorszag	100	FC	100	Szépvölgyi ut 43 – H- 1037 Budapest – Hungary
Ireland				
Atos IT Solutions and Services Limited	100	FC	100	Fitzwilliam Court – Leeson Close – 2 Dublin – Ireland
Italy				
Atos Italia S.p.A.	100	FC	100	Via Caldera no. 21 – 20158 – Milan – Italy
Lebanon				
Bull SAL	100	FC	100	69 Rue Jal el Dib – Secteur 1 – BP 60208 – 12412020 Metn – Lebanon
Lithuania				
UAB “Bull Baltija”	100	FC	100	40 Gostauto Street – 01112 Vilnius – Lithuania
Luxembourg				
Atos Luxembourg PSF S.A.	100	FC	100	2, rue Nicolas Bové – L1253 Luxembourg
Mauritius				
Bull Indian Ocean Limited	100	FC	100	C&R Court, 49, rue La Bourdonnais, Port-Louis – Mauritius
Madagascar				
Bull Madagascar SA	100	FC	100	12, rue Indira Gandhi – Tsaralalana BP 252 – Antananarivo – Madagascar
Morocco				
Atos IT Services	100	FC	100	Avenue Annakhil – Espace High-Tech – hall B 5th floor – Hayryad Rabat – Morocco
Atos ITS Nearshore Center Maroc SARL	100	FC	100	Casablanca – shore 7, 1100 boulevard Al Qods – quartier Sidi Maârouf, – Casablanca – Morocco
Bull Morocco	100	FC	100	Casanearshore 1100, bd El Qods (Sidi Maârouf) 20270 Casablanca – Morocco
Namibia				
Bull Information Technology Namibia Pty. Ltd.	100	FC	100	C/o Deloitte & Touche – Namdeb Center, 10 Bulow street – PO Box 47 – Windhoek – Namibia
Poland				
AMG.net	100	FC	100	29 rue de Lakowa – 90554 Lodz – Poland
Atos IT Services SP ZOO	100	FC	100	Ul. Woloska 5Postepu 18 X p. (Taurus Neptun Building) 02-675 676 Warsaw – Poland
Atos IT Solutions and Services SP. z.o.o.	100	FC	100	Ul. Woloska 5Postepu 18 X p. (Taurus Neptun Building) 02-675 676 Warsaw – Poland
Portugal				
Atos Soluções e Serviços para Tecnologias de Informação, Unipessoal, Ltda	100	FC	100	Rua Irmaos Siemens – 1 e 1-A – 2700 172 Amadora – Portugal
Romania				
Atos IT Solutions and Services s.r.l.	100	FC	100	Calea Floreasca 169A – Sector 1 – 014459 Bucharest -Romania
Bull Romania s.r.l	100	FC	100	12 A Burghelea Street, 2nd district – 024032 Bucharest – Romania
Russia				
Atos IT Solutions and Services LLC	100	FC	100	1st Kozhevnicheski per. 6, bld. 1 115114 Moscow – Russian Federation
Senegal				
Bull Senegal	100	FC	100	Avenue Malick Sy – Immeuble Batimat – BP 3183 Dakar – Senegal
Serbia				
Atos IT Solutions and Services d.o.o.	100	FC	100	Pariske komune No. 22 – 11070 Belgrade – Serbia
South Africa				
Atos (PTY) Ltd	74	FC	100	204 Rivonia Road – Sandton private bag X 136 – Bryanston 2021 – South Africa

	% of Interest	Consolidation method	% of Control	Address
Spain				
Mundivia SA	100	FC	100	Calle Real Consulado – s/n Polígono Industrial Candina – Santander 39011 – Spain
Worldline Iberia SA	70.34	FC	100	Avda. Diagonal, 210-218 – Barcelona 08018 – Spain
Atos Consulting Canarias, SA	100	FC	100	Paseo Tomás Morales, 85 1º – Las Palmas de Gran Canaria 35004 – Spain
Bull (España) SA	100	FC	100	Paseo de las Doce Estrellas, n°2 – Campo de las Naciones – 28042 Madrid – Spain
Centro de Tecnologias Informáticas, SA	80	FC	100	Paseo de la Condesa de Sagasta, 6 Oficina 1 – León 24001 – Spain
Infoservicios SA	100	FC	100	Albarracin 25 – Madrid 28037 – Spain
Atos, Sociedad Anonima Espanola	100	FC	100	Albarracin 25 – Madrid 28037 – Spain
Atos IT Solutions and Services Iberia SL	100	FC	100	Ronda de Europa, 5 – 28760 Madrid – Spain
Atos Worldgrid SL	100	FC	100	Real Consulado s/n – Poligono Industrial Candina – Santander 39011- Spain
Desarrollo de Applicaciones Especiales SA	100	FC	100	Juan de Olías 1 – Madrid 28020 – Spain
MSL Technology SL	50	FC	100	C/ Marqués de Ahumada – 7 – 28028 Madrid – Spain
Slovakia				
Atos IT Solutions and Services s.r.o.	100	FC	100	Einsteinova 11 – 851 01 – Bratislava – Slovakia
Sweden				
Atos IT Solutions and Services AB	100	FC	100	Johanneslundsvägen 12-14 – 194 87 Upplands Väsby – Sweden
Switzerland				
Atos AG	100	FC	100	Freilagerstrasse 28 – 8047 Zurich – Switzerland
Cambridge Technology Partners Ltd	100	FC	100	Chemin de Précossy 27 – 1260 Nyon – Switzerland
Turkey				
Atos Bilisim Danismanlik ve Musteri Hizmetleri Sanayi ve Ticaret A/S	100	FC	100	Yakacık Caddesi No: 111 – 18, 34870, Kartal, Istanbul – Turkey
United Arab Emirates – Dubai				
Atos FZ LLC	100	FC	100	Office G20 – Building DIC-9 Dubai Internet City – PO Box.500437 Dubai – United Arab Emirates
ATOS FZ LLC Abu Dhabi Branch	100	FC	100	The Galleries – Building No. 2 Level 2 – Downtown Jebel Ali Dubai – United Arab Emirates
Saudi Arabia				
Atos Saudia	49	JO	49	P. O. Box # 8772 – Riyadh-11492 - Kingdom of Saoudi Arabia
Qatar				
ATOS Qatar Llc	100	FC	100	Sheikh Suhaim bin Hamad Street – No.89858 – Doha – Qatar
Egypt				
Atos IT SAE	100	FC	100	50 Rue Abbass El Akkad – Nasr city- Cairo – Egypt
THE UNITED KINGDOM				
Atos Consulting Limited	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Atos IT Services Limited	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Atos IT Solutions and Services Limited	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Atos UK Holdings Limited	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Atos Esprit Limited	95	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Shere Limited	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Atos Scotland GP Limited*	100	FC	100	Collins House, Rutland Square – Edinburgh, EH1 2AA – United Kingdom
Atos Scotland LP*	100	FC	100	Collins House, Rutland Square – Edinburgh, EH1 2AA – United Kingdom
Atos APF Scotland GP Limited*	100	FC	100	3 Ponton Street – Edinburgh, EH3 9QQ – United Kingdom
Atos APF Scotland LP*	100	FC	100	3 Ponton Street – Edinburgh, EH3 9QQ – United Kingdom
Atos ASPS Scotland GP Limited*	100	FC	100	3 Ponton Street – Edinburgh, EH3 9QQ – United Kingdom
Atos ASPS Scotland LP*	100	FC	100	3 Ponton Street – Edinburgh, EH3 9QQ – United Kingdom

	% of Interest	Consolidation method	% of Control	Address
Atos IT Outsourcing Services Limited	100	FC	100	Hortonwood 37, Telford, Shrops TF1 7GT – Telford, Shropshire – United Kingdom
Atos UK Holdings Ltd	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
Atos International IT Holdings Ltd	100	FC	100	4 Triton Square – Regent's Place – London, NW1 3HG – United Kingdom
ASIA PACIFIC				
Australia				
Atos (Australia) Pty. Ltd	100	FC	100	885 Mountain Highway 3153 Bayswater – Victoria – Australia
China				
Atos Covics Business Solutions Ltd	100	FC	100	No. 1 Building – No. 99, Qinjiang Rd-Shanghai – China
Atos Information Technology (China) Co. Ltd	100	FC	100	Room 05.161 – Floor 5 – Building E – No.7 – Zhonghuan Nanlu – Wangjing – Chaoyang District – Beijing – China
Atos Worldgrid Information Technology (Beijing) Co Ltd	100	FC	100	Room 05.162 – Floor 5 – Building E – No.7 – Zhonghuan Nanlu – Wangjing – Chaoyang District – Beijing – China
Bull Information Systems (Beijing) Co. Ltd	100	FC	100	11/F, Jing Guang Centre Office – Building Hu Jia Lou Chao Yang District – 100 020 Beijing P.R – China
RTS Information Consulting (Chengdu) Co. Ltd	100	FC	100	99# Tianhua Yilu of High-Tech 610041 Chengdu – China
Hong Kong				
Atos Information Technology HK Ltd	100	FC	100	8/F Octa Tower – 8 Lam Chak Street – Kowloon Bay – Kowloon- Hong Kong
Bull Information Systems (Hong Kong) Limited	100	FC	100	RM 1401 – Hutchison House – 10, Harcourt Road – Hong Kong
India				
Atos India Private Limited	100	FC	100	Godrej & Boyce Complex – Plant 5 – Pirojshanagar – LBS Marg – Vikhroli(W) – Mumbai – 400079 – India
Worldline India Private Ltd	70.34	FC	100	701, Interface 11 – Malad (West) – Mumbai 400064 – India
Atos IT Services Private Limited	99.99	FC	100	Inv Buil Inter Techn Prk Witfd – 560066 Bangalore – India
Indonesia				
PT Worldline International Indonesia	70.34	FC	100	Wisma Keiai #1707 – Jalan Jenderal Sudirman Kav 3 – Jakarta 10220 Indonesia
Japan				
Atos KK	100	FC	100	20 F, Shinjuku ParkTower – Nishi Shinjuku 3 – 7 -1 – Shinjuku – ku – Tokyo – Japan
Evidian-Bull Japan KK	100	FC	100	Cerulean Tower 15F – 26-1 Sakuragaoka-cho – Shibuya-ku – Tokyo – Japan
Malaysia				
Atos Services (Malaysia) SDN BHD	100	FC	100	16-A (1st Floor) Jalan Tun Sambanthan – 3 Brickfields – 50470 Kuala Lumpur – Malaysia
Philippines				
Atos Information Technology Inc.	99.94	FC	100	23/F Cyber One Building – Eastwood City – Cyberpark – 1110 Libis, Quezon City – Philippines
Atos Global Delivery Center Philippines, Inc.	100	FC	100	8th Floor, Two E-Com Center, Palm Coast Ave., Mall of Asia Complex, 1110 Pasay City – Philippines
Singapore				
Atos Information Technology (Singapore) Ptd Ltd	100	FC	100	620A Lorong 1 Toa Payoh – TP4 Level 5 – 319762 Singapore
Amesys Singapour PTE Ltd	100	FC	100	988 Toa Payoh North #08-01 – Crystal Time Building – 319002 Singapore
Taiwan				
Atos (Taiwan) Ltd	100	FC	100	5F, No.100, Sec.3, Min Sheng E. Road – Taipei 105 -Taiwan – R.O.C.
Bull Information Systems (Taiwan) Limited	100	FC	100	5F, No 100 Sec 3, Min Sheng E. Road – Taipei -Taiwan
Thailand				
Atos IT Solutions and Services Ltd	100	FC	100	2922/339 Charn Issara Tower II – 36th Floor – New Petchburi Road – Bangkapi – Huay Kwang – 10310 Bangkok – Thailand
AMERICAS				
Argentina				
Atos Argentina SA	100	FC	100	Cnel. Manuel Arias 3751, piso 18, PB, C.A.B.A.- C1430DAL – Argentina

	% of Interest	Consolidation method	% of Control	Address
Atos IT Solutions and Services SA	70.34	FC	100	Cnel. Manuel Arias 3751, piso 18, PB, C.A.B.A.- C1430DAL – Argentina
Bull Argentina SA	100	FC	100	Manuela Saenz 323 5to. Piso Of. 506 – C 1107 bpa – Buenos aires – Argentina
Brazil				
Atos Brasil Ltda	100	FC	100	Rua Wemer Von Siemens – 111 – Prédio 6, 5º andar – Parte A – Bairro Lapa – CEP: 05069-900 – Município de São Paulo – Estado de São Paulo – Brazil
Atos Serviços de Tecnologia da Informação do Brasil Ltda	100	FC	100	Rua WernerVon Siemens – 111 – Prédio 6 – 5° andar – Parte C – Lapa – CEP:05069-900 – Município de São Paulo – Estado de São Paulo – Brazil
Atos Soluçoes e Serviços de tecnologia da informaçao LTDA	100	FC	100	Rua Werner Von Siemens, 111 – Prédio 6 – Lapa – São Paulo -SP – CEP 05069-900 – Brazil
Bull Ltda.	100	FC	100	Avenida Angelica – 903 Higienópolis – 01227-901 Sao Paulo 6 – Brazil
Canada				
Atos Inc.	100	FC	100	6375 Shawson Drive – L5T 1S7 Mississauga – Ontario – Canada
Amesys Canada Inc.	100	FC	100	1 place Ville-Marie – H3B 2C4 Montreal, Quebec – Canada
Chile				
Worldline Chile S.A	70.34	FC	100	Avenida Providencia 1760 Piso 17, Comuna de Providencia – 8320000 Santiago de Chile – Chile
Colombia				
Atos IT Solutions and Services S.A.S	100	FC	100	Autopista Norte – Carrera 45 No 108-27 Torre 2 – oficina 1505 – Bogotá – Colombia
Mexico				
Atos IT Business services S de RL de CV	100	FC	100	Avenida Santa Fe No. 505 Piso 9 – Colonia Cruz Manca Santa Fe Delegación Cuajimalpa de Morelos – Código Postal 05349 – México Distrito Federal – Mexico
Atos Global Delivery Center México, S. de R.L. de C.V.	99.90	FC	100	Avenida Insurgentes Sur, Int. 01020 Localidad Alvaro Obregón – Mexico
The United States of America				
Atos IT Solutions and Services Inc.	100	FC	100	2500 Westchester Avenue – Suite 300 – Purchase, NY 10577 – United States of America
Atos IT Outsourcing Services, LLC	100	FC	100	North Haskell Avenue 75204 Dallas – United States of America
Atos Governmental IT Outsourcing Services, LLC	100	FC	100	North Haskell Avenue 75204 Dallas – United States of America
Atos Healthcare Services, LLC	100	FC	100	North Haskell Avenue 75204 Dallas – United States of America
Evidian Systems Inc.	100	FC	100	285 Billerica Road, Suite 200 – Chelmsford, MA 01824-4174 – United States of America
Uruguay				
Bull Uruguay SA	100	FC	100	Av. Dr Luis A. de Herrera, 2802 – 1160 Montevideo – Uruguay

* *The Group has an interest in six Scottish limited partnerships, which are fully consolidated into these Group financial statements. The Group has taken advantage of the exemption conferred by Regulation 7 of the Partnerships (Accounts) Regulations 2008 under United Kingdom law, and therefore separate accounts for the partnerships are not required to be, and have not been, filed at Companies House in the United Kingdom.*

E

Note 31 Auditors' fees

	Total			Deloitte			Grant Thornton		
	2015		2014	2015		2014	2015		2014
(in € thousand and %)	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount
Audit									
Statutory & consolidated accounts	9,077.0	71%	8,348.0	5,721.0	61%	5,180.0	3,356.0	98%	3,168.0
Parent company	*2,098.0*	*16%*	*2,185.0*	*1,264.0*	*13%*	*1,317.0*	*834.0*	*24%*	*868.0*
Subsidiaries	*6,979.0*	*54%*	*6,163.0*	*4,457.0*	*47%*	*3,863.0*	*2,522.0*	*74%*	*2,300.0*
Other services directly related to audit	3,666.0	29%	1,622.0	3,592.0	38%	1,528.0	74.0	2%	94.0
Parent company	*1,670.0*	*13%*	*1,214.0*	*1,635.0*	*17%*	*1,210.0*	*35.0*	*1%*	*4.0*
Subsidiaries	*1,996.0*	*16%*	*408.0*	*1,957.0*	*21%*	*318.0*	*39.0*	*1%*	*90.0*
Subtotal Audit	**12,743.0**	**99%**	**9,970.0**	**9,313.0**	**99%**	**6,708.0**	**3,430.0**	**100%**	**3,262.0**
Non audit services									
Legal, tax and social	103.0	1%	158.0	103.0	1%	158.0	-	-	-
Subtotal Non Audit	**103.0**	**1%**	**158.0**	**103.0**	**1%**	**158.0**	**-**	**-**	**-**
TOTAL	**12,846.0**	**100%**	**10,128.0**	**9,416.0**	**100%**	**6,866.0**	**3,430.0**	**100%**	**3,262.0**

In 2015, "other services directly related to audit" notably include € 1.6 million of fees related to the transaction between Worldline and Equens, € 1.0 million of fees related to Xerox ITO acquisition and € 0.5 million of fees related to Unify acquisition.

E.5 Parent company summary financial statements

E.5.1 Statutory auditors' report on the financial statements for the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report on the financial statements issued in the French language and it 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 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 consolidated financial statements.

This report also includes information relating to the specific verifications of information given in the management report and in the document addressed to the Shareholders.

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, 2015, on:

- the audit of the accompanying financial statements of Atos S.E.;
- 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 misstatement. 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 basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities, of the financial position of the Company as at December 31, 2015 and of 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 5,144.3 million in the balance sheet as at December 31, 2015, are valued at acquisition cost and depreciated based on its value-in-use according to the principles described in the note "Financial assets" of the "Rules and accounting methods" section to the financial statements.

Our work consisted on appreciating the data and assumptions underlying these estimates, especially the cash-flow projections prepared by the company's operational departments, reviewing the calculations performed by the entity and scrutinising the approval procedure of these estimates by management.

These assessments were made as part of our audit of the financial statements taken as a whole and therefore contributed to the expression of our opinion we formed in the first part of this report.

III. - Specific verifications and information

We have also performed the specific verifications required by law in accordance with professional 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 favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this 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 and Paris, March 24, 2016
The statutory auditors

Deloitte & Associés	Grant Thornton *French member of Grant Thornton International*
Jean-Pierre Agazzi	Victor Amselem

E.5.2 Statutory auditor's special report on regulated agreements and commitments with thir parties

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. These procedures consisted in agreeing the information provided to us with the relevant source documents.

Agreements and commitments submitted for approval to the Shareholders' Meeting

Agreements and commitments authorized during the year

Pursuant to Article L.225-40 of the French Commercial Code (Code de commerce), we have been advised of the following agreements previously authorized by your Board of Directors.

1. With Worldline SA

Director concerned: M. Thierry Breton, Chairman and Chief Executive Officer of Atos SE and Chairman of the Board of Directors of Worldline SA.

- Extension of the term of an intra-group revolving credit facility entered into between Atos SE and Worldline SA for a principal amount of €300 million

  An agreement was entered into between Atos SE and its subsidiary Worldline SA on June 26, 2014 in order to provide the latter with a revolving credit facility for a maximum principal amount of €300 million aimed to cover its liquidity requirements from the listing of Worldline's shares on the regulated market of Euronext Paris. Facilities are granted at standard market terms and conditions on an arm's length basis, depending on the term of the facilities. This agreement was authorized by the Board of Directors at its meeting of June 26, 2014 and approved by the Shareholders' Meeting held on May 28, 2015.

  On November 3, 2015, Atos SE and its subsidiary Worldline SA entered into an amendment to the agreement which sets out (i) the extension of the credit facility for an additional period of 3 years with a final maturity date extended to June 26, 2019 and (ii) the possibility afterwards that this agreement can be renewed by successive 12-month terms. The other conditions of this credit facility are unchanged.

  The Board of Directors previously authorized this amendment to the agreement at its meeting of November 3, 2015, considering that it is in the Atos SE's interest to ensure a solid financial position of its listed subsidiary Worldline SA towards its stakeholders by extending the financial support granted to it.

  There has been no utilization of this credit facility until now. Financial income relating to the non-utilization fee amounted to €383.8 thousand for the year ended December 31, 2015.

2. With Siemens AG, shareholder holding more than 10% of the voting rights

Director concerned: M. Roland Busch, Director of Atos SE and member of the Management Board of Siemens AG.

a. Amendment to the Customer Relationship Agreement entered into with Siemens AG

On May 20, 2011, Atos SE and Siemens AG entered into a commercial agreement (hereafter the "Customer Relationship Agreement") regarding their future provider-customer relationship. The initial term of the contract was 7 years and Siemens committed to a certain volume of services (€5.5 billion).

On October 28, 2015, subject to the condition precedent of the authorization by your Board of Directors, Atos SE and Siemens AG entered into an agreement called "Third Amendment Agreement to the Customer Relationship Agreement", for the purpose of amending the Customer Relationship Agreement mainly as follows:

(i) extend the term of the Customer Relationship Agreement for an additional period of 3.5 years, and in this context, increase the minimum volume of services to which Siemens remains committed towards Atos by an additional amount of €3.23 billion (i.e. a contract length extended until December 31, 2021, and a total amount of services of €8.73 billion to which Siemens remains committed) ;

(ii) in addition to managed services, application management and systems integration projects included in the initial contract, include in the scope of the Customer Relationship

Agreement Cloud, industrial data analytics, and cyber-security services.

The Board of Directors authorized this agreement at its meeting of November 3, 2015 and therefore satisfied the condition precedent, considering that it is in the Atos SE's interest to extend the commercial agreement with Siemens as well as its scope of application.

b. Amendment to the Lock-Up Agreement entered into with Siemens AG

On May 20, 2011, Atos SE, Siemens AG and Siemens Beteiligungen Inland GmbH ("Siemens Inland") entered into a lock-up agreement (hereafter the "Lock-Up Agreement") which provides for a lock-up undertaking of Siemens AG and Siemens Inland on the participating interests held by Siemens Inland in the share capital of Atos SE (12,483,153 shares) until June 30, 2016 (hereafter the "Lock-Up Period"). Siemens Inland transferred this shareholding in the share capital of Atos SE to Siemens AG in December 2013.

In the context of the strengthening of the partnership between Atos and Siemens, as announced by the parties in July 2015, Atos SE, Siemens AG and Siemens Inland entered, on October 30, 2015, into an agreement called "Amendment to the Lock-Up Agreement", subject to the condition precedent of the authorization by the Board of Directors of the Company, for the purpose of amending the Lock-Up Agreement as follows:

(i) extend the maturity date of the Lock-Up Period until September 30, 2020 (i.e. an additional lock-up period of 4 years and 3 months) ;

(ii) provide for the possibility for Siemens AG or Siemens Inland, as from July 1, 2016, to transfer the shares to two Siemens employees' pension funds named Siemens Pension Trust e.V. and BSAV-Trust e.V. (or to any investment fund or investment vehicle in which - directly or indirectly - either or both of these pension trusts invest their assets provided that these pension trusts are the only investors), subject to such transferee agreeing to abide by the Lock-Up Agreement.

The Board of Directors authorized this agreement at its meeting of November 3, 2015 and therefore satisfied the condition precedent, considering that it is in the Atos SE's interest to strengthen and extend the partnership with Siemens.

3. With Ms. Aminata Niane, Director of Atos SE

At its meeting of March 26, 2015, the Board of Directors decided to entrust Ms. Aminata Niane, in her capacity as director, with a specific mission concerning the Atos group's operations in West Africa and Morocco, considering that following the acquisition of Bull and given the Bull's positions in West Africa, which constitute launching sites for Atos' activities as Atos was not settled in this region, it was in the Atos SE's interest to benefit from the long-standing experience in the region of Ms. Aminata Niane.

Ms. Aminata Niane's mission will consist in proceeding to visits aimed at encouraging the coordination of initiatives of Atos and Bull's teams located in West Africa and Morocco, the integration of Bull's activities in this region into the Atos Group, in accordance with its governance and compliance rules, and the implementation of synergies and costs reductions. She will also support the commercial teams on clients' strategy and monitor the setting up, in Dakar (Senegal), of the IT Services Platform (Global Delivery Center) for West Africa.

For this mission, Ms. Aminata Niane shall receive an annual flat-rate compensation of €50,000. If required, a prorata temporis adjustment will be applied considering the starting and ending dates of the assignment. The costs, in particular travel expenses, required by the mission, will be borne by Atos SE.

The duration of the mission shall be one year, extendable if required by decision of the Board of Directors, depending on the achievement of the mission within the proposed framework.

On February 26, 2016, the Board of Directors decided that the specific mission, entrusted to Ms. Aminata Diane and previously authorized at its meeting of March 26, 2015, will start as from March 1, 2016.

Agreements and commitments already approved by the Shareholders' Meeting

A. Agreements and commitments approved in prior years

Pursuant to Article R. 225-30 of the French Commercial Code (Code de Commerce), we have been informed that the following agreements and commitments, already approved by the Shareholders' Meeting in previous years, continued during the year.

With the company Worldline SA

Director concerned: M. Thierry Breton, Chairman and Chief Executive Officer of Atos SE and Chairman of the Board of Directors of Worldline SA

Agreement between Atos SE and Worldline SA on the sale of the Data Center located in Vendôme

In connection with the initial public offering of Worldline SA and the transfer for its benefit of the assets required to manage its activity, Worldline SA agreed to purchase the data center owned by Atos SE in Vendôme, which was then subject to leasing for the purpose of its payment and transactional services activities.

This agreement was previously authorized by the Board of Directors at its meeting of July 28, 2014.

The sale was completed by notarial act on January 7, 2015, with the usual warranties, with a selling price of €900 thousands, in compliance with a valuation performed by an independent real estate expert.

B. Agreements and commitments approved during the year

Furthermore, we have been informed that the following commitment, already approved by the Shareholders' Meeting on May 28, 2015, based on the Statutory Auditors' special report dated on March 27, 2015, was not implemented during the year.

Commitment concluded with Mr. Thierry Breton, Chairman and Chief Executive Officer related to the supplementary defined benefit pension plan

All Executive Committee members of Atos Group, including the Chairman and Chief Executive Officer, provided that they finish their career at Atos SE or Atos International SAS, benefit from a supplementary defined benefit pension plan. The implementation of this pension plan for the benefit of the current Chairman and Chief Executive Officer, Mr. Thierry Breton, was authorized by the Board of Directors on March 26, 2009, approved by the Shareholders' Meeting on May 26, 2009 and then confirmed by the Board of Directors on December 17, 2009. The Board of Directors also observed its compliance with the AFEP-MEDEF principles at its meeting on December 19, 2013.

Amendments have been brought to the defined benefit pension plan, and are described in an agreement whose implementation to the benefit of the Chairman and Chief Executive Officer was previously authorized by the Board of Directors at its meeting of March 26, 2015 and approved by the Shareholders' Meeting on May 28, 2015.

The Board of Directors noticed that this amended pension scheme with defined benefits is of real interest for the company Atos SE as it allows linking the conditions in which the Chairman and Chief Executive Officer benefits from the scheme to the Atos Group's financial results. Moreover, these developments are likely to reduce the Atos Group's commitments considering that the validation of the rights is subject to performance conditions, which are uncertain by nature. Finally, the change from a differential calculus mode (pension calculated by deduction of the legal scheme and AGIRC/ARRCO pensions) to an additive mode will allow the company Atos SE not to face the consequences of the degradations of the AGIRC/ARRCO schemes' returns.

The main characteristics of this amended pension scheme with defined benefits are presented hereafter:

- Conditioning the acquisition of rights under the supplementary pension scheme to performance conditions determined by the Board of Directors:

  The Board of Directors has decided to condition the acquisition of rights under the supplementary pension scheme to performance conditions under the following conditions:

  - These performance conditions will be set annually by Atos SE's Board of Directors which may in particular refer to the performance conditions contained in stock option plans or free shares plans or to any other condition which it will consider relevant.
  - At the end of each year, the Board of Directors will meet in order to verify the completion of the performance conditions during the preceding year.
  - Entire calendar quarters for periods after January 1, 2015 are only be taken into account to assess the amount of the additional pension if they relate to a year during which the performance conditions set by the Board of Directors will have been achieved. Failing that, the corresponding quarters will not be taken into account to determine the additional pension.
  - The periods prior to January 1, 2015 are also subject to performance conditions and will only be taken into account to determine the amount of the additional pension if for each year, the performance conditions then set by the Board of Directors, either for the vesting of stock-options plans or for the vesting of free performance shares plans, were met. Thus failing any performance conditions assessed for 2008, no entire calendar quarters related to this year will be taken into account in the assessment of the amount of the additional pension. Entire calendar quarters from January 1, 2009 to January 1, 2015 will only be taken into account in the assessment of the amount of the additional pension if they indeed relate to a year during which the annual performance conditions were met.

Moreover, for the award of the additional annuity it is expected that at least two-thirds of the years are validated under the performance conditions here above mentioned, during Mr. Thierry Breton's membership in the Executive Committee while performing his various terms of office. The Board of Directors will meet at the end of the term of office of the concerned person to verify whether this two-thirds requirement is satisfied. If that is the case, Mr. Thierry Breton will hence automatically enjoy an additional pension. Failing that, he will not be provided with any additional annuity.

- Other characteristics of the scheme:

  - The membership requirement at the Executive Committee level is five years.
  - The minimum age to benefit from the scheme is aligned on the statutory retirement age set by article L.161-17-2 of the French Social Security Code (Code de la sécurité sociale) (i.e. between 60 to 62 years depending on the year of birth according to the current legislation).
  - The age for liquidation of the supplementary pension is the age at which the person may liquidate his full pension under the general scheme. This age cannot in any case be less than the one foreseen in article L 161-17-2 of the French Social Security Code.

- Terms and conditions for determining the amount of Mr. Thierry Breton's additional pension:

The annual additional pension amounts to 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 of the Executive Director;
- The annual on-target bonus actually paid to the Executive Director excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation.

- Cap of Mr. Thierry Breton's additional pension:

The amount of the annual supplementary pension paid under the present scheme to Mr. Thierry Breton cannot exceed the difference between:

- 33% of the reference compensation above mentioned,
- and the annual amount of the basic additional and supplementary pensions.

No right has been definitively acquired for the benefit of the Chairman and Chief Executive Officer during the year ended December 31, 2015.

Neuilly-sur-Seine and Paris, March 24, 2016

The statutory auditors

Deloitte & Associés	Grant Thornton *French member of Grant Thornton International*
Jean-Pierre Agazzi	Victor Amselem

E.5.3 Atos SE Financial statement

As of December 31, 2015, the Group issued common stock amounted to €103.5 million comprising 103,519,242 fully paid-up shares of € 1 per value each. Atos shares are traded on the Paris Euronext market under ISIN FR0000051732. The shares are not listed on any other stock exchange. Worldline SA shares are also traded on the Paris Euronext market and Atos SE and Worldline SA are the only listed companies of the Group.

E.5.3.1 Balance sheet

(in € thousand)	Notes	December 31, 2015	December 31, 2014
ASSETS			
Intangible fixed assets	Note 1	1,468	1,468
Tangible fixed assets	Note 2	0	46
Participating interests	Note 3	5,144,265	4,348,843
Other financial investments	Note 3	908,618	791,534
Total fixed assets		**6,054,351**	**5,141,891**
Trade accounts and notes receivable	Note 4	57,530	4,987
Other receivables	Note 4	362,317	179,439
Cash and cash equivalent	Note 5	1,063,575	1,002,037
Total current assets		**1,483,422**	**1,186,463**
Prepayments, deferred expenses	Note 6	59,019	27,434
TOTAL ASSETS		**7,596,792**	**6,355,788**

(in € thousand)	Notes	December 31, 2015	December 31, 2014
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock		103,519	101,332
Additional paid-in capital		2,757,813	2,653,358
Legal reserves		10,133	10,096
Other reserves and retained earnings		1,027,378	771,376
Net income for the period		40,876	336,393
Shareholders' equity	**Note 7**	**3,939,719**	**3,872,555**
Provisions for contingencies and losses	Note 8	47,347	19,354
Borrowings	Note 9	2,646,837	1,759,375
Trade accounts payable	Note 10	28,531	37,833
Other liabilities	Note 10	887,730	645,867
Total liabilities		**3,563,098**	**2,443,075**
Unrecognised exchange gains	Note 11	46,628	20,804
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**7,596,792**	**6,355,788**

E.5.3.2 Income statement

(in € thousand)	Notes	December 31, 2015	December 31, 2014
Revenue	**Note 12**	**106,950**	**116,648**
Other income		10	
Total operating income		**106,960**	**116,648**
Cost of sales		-17,734	-14,096
Taxes		-1,239	-873
Remuneration and social charges		-5,284	
Depreciation amortisation and provisions			
Other expenses	Note 13	-18,275	-32,952
Total operating expenses		**-42,532**	**-47,921**
Operating margin		**64,428**	**68,727**
Net financial result	Note 14	-62,478	-66,701
Net income on ordinary activities		**1,950**	**2,026**
Non-recurring items	Note 15	30,718	337,829
En employee profit sharing			-736
Corporate income tax	Note 16	8,208	-2,726
NET INCOME FOR THE PERIOD		**40,876**	**336,393**

E.5.4 Notes to the Atos SE statutory financial statements

DETAILED SUMMARY OF NOTES

Atos SE Activity

Atos SE main activities are:

- The management of the Atos trademark;
- The management of Group participating interests;
- The management of Group financing activities.

Revenue included trademark fees received from Group subsidiaries.

The company Atos SE is the parent company of the Atos Group and consequently establishes consolidated financial statements.

Highlights

Atos announced the successful placement of its first bond issue on June 26. The bond issue has been significantly oversubscribed by a large and diversified European investor base, which allowed Atos to increase the size of the issue from € 500 million to € 600 million. This bond issue totals € 600 million, with a 5-year maturity. The coupon rate is 2.375%.

Rules and accounting methods

In application with ANC 2014-03, the financial statements of Atos SE 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 in the accountancy based on the historical cost method.

The annual accounts are established and presented in thousands of euros.

Intangible assets

Intangible assets consist of software and merger deficit.

The software are booked at the acquisition cost and amortized on a straight-line basis over their expected useful life.

The merger deficit acquired before 2004 is amortized on a straight-line basis over 20 years.

The Company applied the regulation CRC 2004-01 relating to the accounting treatment of mergers and similar operations which occurred from January 1, 2004. Those merger deficits are subject to an annual impairment test. An impairment loss is recognized when the sum of the merger deficit and the related gross value of the participating interest exceed the enterprise value.

The enterprise value is computed on the basis of expected three year future cash flow through assumptions approved by the management of the Company.

Tangible assets

The tangible fixed assets (buildings/fittings) are booked 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.

Financial assets

Financial assets consist of participating interests and other financial investments (treasury stock, loans).

Participating interests are booked at their acquisition cost; an impairment loss is recognized when the acquisition cost exceeds the value-in-use determined as follows:

- on the basis of the enterprise value for the operational subsidiaries;
- on the basis of their part of interest in shareholding equities for the holding subsidiaries.

Loans are mainly intra-group transactions.

Trade accounts and notes receivable

Trade accounts and notes receivable are recorded at their nominal value. They are calculated individually and, if necessary, are subject to an impairment loss.

Trade accounts and notes receivable denominated in foreign currency are booked at their fair value at the closing date. The difference between their historical value and their fair value at year-end is booked as unrecognized exchange gain or loss.

Cash and cash equivalents

Treasury stocks are recorded at their acquisition cost in the context of a liquidity contract or in the intention to grant them as free shares plan or stock-options plan.

For the shares acquired in the context of the liquidity contract a depreciation charge is recognized when the carrying value exceeds the weighted average market price of Atos stock for the month of December.

Prepayments, deferred expenses

Deferred expenses relate exclusively to costs for issuing borrowings. Those costs are recognized over the duration of the borrowings on a straight-line basis.

Provisions

The amount of the provisions is based on the best estimate of the outflow of resources necessary to extinguish the underlying obligation.

When the participating interest is fully impaired, an additional provision for risk may be required when the carrying value exceeds the value in-use.mdlfxkjfsoi

Non-recurring items

Non-recurring items are made of incomes and expenses generated by operations which are either unusual, abnormal or infrequent in in their magnitude or occurrence.

Note 1 Intangible assets

Net value of intangible fixed assets

(in € thousand)	December 31, 2014	Acquisitions/charges	Disposals/reversals	December 31, 2015
Intangible assets	113,918	-	-	113,918
Amortisation	-9,960	-	-	-9,960
Depreciation	-102,490	-	-	-102,490
Total of amortisation & depreciation	-112,450	-	-	-112,450
Net value of intangible assets	**1,468**	**-**	**-**	**1,468**

The intangible assets were mainly composed of a merger deficit resulting from the transfer of assets and liabilities from Atos Investissement 6 to Atos SE in 2004.

This merger deficit is allocated to the various assets brought to allow a proper follow-up and is broken down as follows:

- France: € 40.8 million;
- Spain: € 63.1 million.

The other merger deficit acquired before 2004 amounts to € 9.7 million in gross value, are depreciated on a straight line basis.

The depreciation charge of the merger deficit was related to:

- France: € 39.4 million;
- Spain: € 63.1 million.

Note 2 Tangible fixed assets

Net value of tangible fixed assets

(in € thousand)	December 31, 2014	Acquisitions/Charges	Disposals/Release	December 31, 2015
Tangible fixed assets	113	-	-46	67
Depreciation of tangible fixed assets	-67	-	-	-67
Net value of tangible fixed assets	46	-	-	0

Note 3 Financial fixed assets

Change in financial fixed assets – Gross value

(in € thousand)	December 31, 2014	Acquisition	Decrease	December 31, 2015
Investments in consolidated companies	4,762,061	844,247	-	5,606,308
Investments in non consolidated companies	124	-	-	124
Other investments	85	-	-	85
Total Investments	**4,762,270**	**844,247**	**-**	**5,606,517**
Intercompany loans and accrued interests	487,363	26,077	-	513,440
Others	304,171	91,007	-	395,178
Total Other financial assets	**791,534**	**117,084**	**-**	**908,618**
TOTAL	**5,553,804**	**961,331**	**-**	**6,515,135**

Acquisition of participating interest and other movements

Atos SE increased the capital of the following entities:

- Atos International BV for € 779.8 million;
- Atos Spain SA for € 34.2 million;

Atos SE acquired 11% of the Canopy the Open Cloud Company Ltd for an amount of € 30.2 million from external shareholders in exchange of Atos SE shares.

(in € thousand)	Gross amount December 31, 2015	Up to 1 year	1 to 5 years
Loans and accrued interests	513,440	133,494	379,946
Others	395,178	395,178	-
TOTAL	**908,618**	**528,672**	**379,946**

Other financial assets at closing date corresponded to deposit under securitization program for receivables for € 395.2 million and loans granted to group entities.

Accrued interests amounted to € 4.7 million (2014:€ 4.4 million).

Change in financial fixed assets – Impairment

(in € thousand)	December 31, 2014	Depreciation	Release	December 31, 2015
Investments in consolidated companies	-413,218	-53,772	4,947	-462,043
Investments in non consolidated companies	-124	-	-	-124
Other investments	-85	-	-	-85
TOTAL	**-413,427**	**-53,772**	**4,947**	**-462,252**
Of which financial				

The depreciation of the period corresponded mainly to the impairment of the consolidated entities in France including the holdings for an amount of € 21.6 million, in UK for an amount of € 27.0 million and Morocco for an amount of € 5.1 million. The release of the period corresponded mainly to French entity for € 3.3 million, to two Spanish entities for € 1.5 million and to Italian entity for € 0.1 million.

Net value of the financial fixed assets

(in € thousand)	Gross amount	Depreciation	Net value
Investments in consolidated companies	5,606,308	-462,043	5,144,265
Investments in non consolidated companies	124	-124	-
Other investments	85	-85	-
Total Investments	**5,606,517**	**-462,252**	**5,144,265**
Loans and accrued interests	513,440	-	513,440
Others	395,178	-	395,178
Total Other financial assets	**908,618**	**-**	**908,618**
TOTAL	**6,515,135**	**-462,252**	**6,052,883**

Main subsidiaries and investments

(in € thousand)	Gross value at December 31, 2015	Net value at December 31, 2015	% interest	Net Income at December 31, 2015	Shareholders' equity
France					
Worldline SA	87,849	87,849	70%	5,076	346,131
Bull SA	602,680	602,680	100%	-11,995	45,922
Atos Infogérance	223,058	-	100%	-38,249	-27,651
Atos Intégration	160,313	160,313	95%	-35,532	-22,360
Atos Consulting	16,539	16,539	68%	461	2,834
Atos Participation 2	30,616	16,041	100%	-4	16,051
Atos International	62,278	-	100%	-19,090	-25,276
Atos Investissement 10	46,140	3,324	100%	569	16,182
Atos Management France	25,922	-	100%	-8,649	-7,308
Atos Investissement 12	40	17	100%	-4	18
Atos Meda	8,840	-	100%	-1,016	-472
Atos Investissement 19	37	37	100%	-4	15
Atos Investissement 20	37	1	100%	-17	1
Atos Investissement 21	37	16	100%	-4	12
Atos Worldgrid	32,328	32,328	100%	4,346	18,824
Royaume-Uni					
Canopy	30,245	3,228	11%	-18,258	52,820
Italia					
Atos Multimédia	68	68	100%	8	169
Atos Origin Srl	57,183	173	100%	120	173
Benelux					
St Louis RE	2,174	2,174	100%	11,042	43,690
Spain					
Atos Spain SA	114,590	114,590	100%	-3,658	86,008
GTI	751	304	33%	14	379
Germany					
Atos Information Technology GMBH	587,072	587,072	100%	-10,221	604,505
The Netherlands					
Atos International BV	3,506,300	3,506,300	100%		3,166,002
Turkey					
Atos Bilisim	11,212	11,212	81%	-445	4,121
TOTAL	**5,606,308**	**5,144,265**			

Note 4 Trade accounts, notes receivable and other receivables

Trade accounts, notes receivable and other receivables

(in € thousand)	Gross amount at December 31, 2015	Depreciation	Net value December 31, 2015	Net value December 31, 2014
Trade accounts and notes receivable and doubtful debtors	45,823	-245	45,578	4,765
Invoices to be issued	11,952	-	11,952	222
Trade accounts and notes receivables	**57,775**	**-245**	**57,530**	**4,987**
State and income tax	12,887	-	12,887	6,573
VAT receivable	4,928	-	4,928	6,505
Intercompany current account	336,707	-	336,707	161,906
Other debtors	7,795	-	7,795	4,455
Other debtors	**362,317**	**-**	**362,317**	**179,439**
TOTAL	**420,092**	**-245**	**419,847**	**184,426**
Of which - operating		*-245*		

The increase of the trade accounts and doubtful debtors is due to the intra-group re-invoicing at the end of the year 2015.

Maturity of trade accounts receivable and other debtors

(in € thousand)	Gross amount at December 31, 2015	Up to 1 year	1 to 5 years
Trade accounts and notes receivable and doubtful debtors	45,823	45,534	289
Invoices to be issued	11,952	11,952	-
State and income tax	12,887	12,887	-
VAT receivable	4,928	4,928	-
Intercompany current account	336,707	336,707	-
Other debtors	7,795	7,795	-
TOTAL	**420,092**	**419,803**	**289**

Accrued income

(in € thousand)	December 31, 2015	December 31, 2014
Accrued income included in Receivable accounts		
Other debtors	941	1,132
TOTAL	**941**	**1,132**

Note 5 Cash and cash equivalents

Cash and cash equivalents and mutual funds

(in € thousand)	Gross amount at December 31, 2015	Depreciation	Net value December 31, 2015	Net value December 31, 2014
Mutual funds	199,085	-	199,085	158,445
Treasury stocks - owned shares	45,175	-	45,175	103,676
Short Term Bank deposits	654,345	-	654,345	601,375
Cash at bank	164,970	-	164,970	138,541
TOTAL	**1,063,575**	**-**	**1,063,575**	**1,002,037**

Movement in Treasury stocks-owned shares:

The movement on the owned shares in 2015 is related to the transfers detailed below and a release of a provision for owned shares for € 1.9 million.

The transfers of owned shares are related to:

- Deliver of 533,265 performance shares to employee for an amount of € 32.3 million.
- Exchange of shares in Open Cloud Company Ltd against 458,134 shares Atos for € 28.1 million.

The existing 694,584 shares as of December 31, 2015 will be attributed in the framework of the performance plan.

Short term bank deposits

Depending on market conditions and short-term cash flow expectations, Atos SE from time to time invests in money market funds or bank deposits with a maturity period not exceeding three months.

Note 6 Prepayments and deferred expenses

(in € thousand)	December 31, 2015	December 31, 2014
Translation losses	47,105	20,927
Prepaid expenses	152	127
Deferred expenses	11,762	6,380
TOTAL	**59,019**	**27,434**

The deferred expenses are only related to expenses on borrowings.

Note 7 Shareholders' equity

Common stock

	December 31, 2015	December 31, 2014
Number of shares	103,519,242	101,332,527
Nominal value *(in €)*	1	1
Common stock (in € thousand)	**103,519**	**101,333**

Capital ownership structure over three years

	December 31, 2015		December 31, 2014		December 31, 2013	
	Shares	%	Shares	%	Shares	%
Siemens	12,483,153	12.1%	12,483,153	12.3%	12,483,153	12.7%
Financière Daunou 17	-	-	9,502,125	9.4%	9,399,376	9.6%
Blackrock Inc.[1]	5,251,419	5.1%	-	-	-	-
Board of Directors	652,134	0.6%	416,450	0.4%	49,024	0.0%
Employees	2,257,667	2.2%	2,790,656	2.8%	1,688,640	1.7%
Treasury stock	694,584	0.7%	1,689,417	1.7%	36,155	0.0%
Others	82,180,285	79.4%	74,450,726	73.5%	74,509,098	75.9%
TOTAL	**103,519,242**	**100.0%**	**101,332,527**	**100.0%**	**98,165,446**	**100.0%**

1 *On the basis of the threshold crossing statement made on October 13, 2015.*

Siemens AG owns a 12.3% stake which it committed to keep until September 30, 2020. No other reference shareholder has announced its will to maintain a strategic shareholding in the Group's share capital.

During 2015, the Group was informed of:

- the upward threshold crossing by BlackRock, Inc., acting on behalf of clients and funds which it manages, on October 13, 2015, of the statutory threshold of 5% of the share capital and voting rights of the Company, resulting from an acquisition of shares on the market. At that date, Blackrock Inc. declared holding 5.1% of the share capital and voting rights of the Company;
- the downward threshold crossing by PAI Partners (Financière Daunou 17), on March 3, 2015, of the statutory threshold of 5% of the share capital and voting rights of the Company resulting from the sale of 9,200,000 shares off market.

The 12th resolution of the Annual General Meeting of May 28, 2015 renewed the authorization to trade in the Group's shares. The number of shares purchased may not exceed 10% of the company's common stock. As of December 31, 2015, the company held 694,584 shares of treasury stocks representing 0.7% of the common stock.

The shares owned by employees are held through mutual funds and corporate savings plans. The shares of the Company owned by employees and the memebers of the Board of Directors are excluded from the free float.

As at December 31, 2015	Shares	% of share capital	% of voting rights
Siemens	12,483,153	12.1%	12.1%
Board of Directors	652,134	0.6%	0.6%
Employees	2,257,667	2.2%	2.2%
Treasury stock	694,584	0.7%	-
Free float	87,431,704	84.5%	85.0%
TOTAL	**103,519,242**	**100.0%**	**100.0%**

Changes in shareholders' equity

(in € thousand)	December 31, 2014	Exercice of share options	Dividends	Appropriation of result	Capital increase	Net Income 2015	December 31, 2015
Common stock	101,332				2,187		103,519
Additional paid-in capital	2,653,358				104,455		2,757,813
Legal reserve	10,096			37			10,133
Other reserves	25,511						25,511
Retained earnings	745,864	-640	-79,713	336,356			952,164
Net income for the period	336,393			-336,393		40,876	40,876
TOTAL OF THE SHAREHOLDERS' EQUITY	**3,872,554**	**-640**	**-79,713**	**-**	**106,642**	**40,876**	**3,939,719**

During the year, Atos SE increased its common stock by issuing 2,186,715 shares for € 106.6 million:

- the 787,232 new shares resulting from the payments of the 2013 dividend in shares,
- the exercise during the year 2015 of 1,399,483 share options.

Potential common stock

Based on 103,519,242 outstanding shares as of December 31, 2015, the common stock of the Group could be increased by 3,374,859 new shares, representing 3.3% of the common stock before dilution.

(in shares)	December 31, 2015	December 31, 2014	Change	% dilution
Number of shares outstanding	**103,519,242**	**101,332,527**	**2,186,715**	
From stock subscription options	1,294,524	2,806,747	-1,512,223	1.3%
From performance shares	2,080,335	0*	2,080,335	2.0%
Potential dilution	**3,374,859**	**2,806,747**	**568,112**	**3.3%**
TOTAL POTENTIAL COMMON STOCK	**107,085,093**	**104,139,274**	**2,945,819**	

* *1,822,370 in case of issuance of performance shares*

On the total of 1,294,524 of stock options, no option had a price of exercise higher than € 77.45 (year-end stock price as of December 31, 2015).

Note 8 Provisions

Provisions

(in € thousand)	December 31, 2014	Charges	Release used	Release unused	December 31, 2015
Subsidiary risk	9,453	31,028	-3,276	-	37,205
Contingencies	9,901	477	-	-236	10,142
Litigations					
TOTAL	**19,354**	**31,505**	**-3,276**	**-236**	**47,347**
Of which					
• *operating*					
• *financial*		*31,505*	*-3,276*	*-236*	*27,993*
• *exceptional*					

The evaluation of the participating interest let to a charge and a release mainly for the following subsidiaries:

- charge
  - Atos International for € 19.1 million;
  - Atos Management France for€ 7.3 million;
  - Meda for € 4.6 million.
- release
  - Atos Investissement 10 for € 3.3 million.

Note 9 Financial borrowings

Closing net debt

(in € thousand)		Up to 1 year	1 to 5 years	Gross value December 31, 2015	Gross value December 31, 2014
Bank overdraft		1,138,162	-	1,138,162	880,098
Other borrowings		1,508,675	-	1,508,675	879,277
Total Borrowings		**2,646,837**	**-**	**2,646,837**	**1,759,375**
Cash at bank	Note 5	164,970		164,970	138,541
CLOSING NET DEBT		**2,481,867**	**-**	**2,481,867**	**1,620,834**

Financial borrowings included mainly:

- Bond newly issued with accrual interest for € 607.6 million (see highlights 2015)
- Syndicated loan for € 470.0 million;
- Intercompany loans for € 419.9 million;
- Profit-sharing for € 8.6 million;
- Borrowing EUROFACTOR for € 2.5 million.

Syndicated loan (2014-2020)

On November 6, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021.

The first option of extension for one year has been exercised in 2015 and the new maturity of the € 1.8 billion credit facility is therefore November 2020. Atos keeps the right to exercise the second option of extension for one year in 2016 to request the extension of the Facility maturity date until November 2021.

The revolving credit facility includes one financial covenant which under the terms is the consolidated leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times.

This facility is used for the general needs of the group.

As of 31 December 2015, Atos SE used € 470 million on this facility.

Note 10 Trade accounts, notes payable and other liabilities

Maturity of trade accounts, notes payable and other liabilities

(in € thousand)	Gross amount December 31, 2015	Up to 1 year	1 to 5 years	Gross amount December 31, 2014
Trade accounts and notes payable	28,531	28,531	-	37,833
Trade accounts and notes payable	**28,531**	**28,531**	**-**	**37,833**
Social security and other employee welfare liabilities	1,990	1,990	-	1,647
VAT payable	5,832	5,832	-	73
Intercompany current account liabilities	867,338	867,338	-	574,048
Other liabilities	12,570	12,570	-	70,099
Other liabilities	**887,730**	**887,730**	**-**	**645,867**
TOTAL	**916,261**	**916,261**	**-**	**683,700**

Terms of payments

The general terms of purchases were sixty days as from the date of issuance of the invoice except lawful or agreed contrary provisions between the parties.

The breakdown of accounts payable at the end of the financial year was as follows:

(in € thousand)	Gross amount December 31,	Associated companies	Other	Overdue for more than one year	Overdue for less than one year	Invoices non due at December 31
2015						
Accounts payable and liabilities	28,531	21,602	6,929	46	1,569	26,916
	100.0%			0.2%	5.5%	94.3%
Accounts payable	3,596	253	3,343	46	1,569	1,981
Invoices to be received	24,935	21,349	3,586	-	-	24,935
2014						
Accounts payable and liabilities	37,833	29,505	8,328	85	14,329	23,419
	100.0%			0.2%	37.9%	61.9%
Accounts payable	15,282	14,070	1,212	85	14,329	868
Invoices to be received	22,551	15,435	7,116	-	-	22,551

Deferred Expenses

(in € thousand)	December 31, 2015	December 31, 2014
Deferred Expenses included in the trade payable accounts		
Invoices to be received	24,935	22,551
Other liabilities	1,175	490
State and employee related liabilities	424	188
TOTAL	**26,534**	**23,229**

Note 11 Unrecognized exchange gains

It was related to unrecognized exchange gains for € 46.6 million.

Note 12 Revenue

Revenue split

	December 31, 2015		December 31, 2014	
	(in € thousand)	(in %)	(in € thousand)	(in %)
Trademark fees	98,930	92.5%	110,324	94.6%
Re-invoicing	3,998	3.7%	2,229	1.9%
Parental guarantees	4,022	3.8%	4,095	3.5%
Total revenue by nature	**106,950**	**100.0%**	**116,648**	**100.0%**
France	24,175	22.6%	17,651	15.1%
Foreign countries	82,775	77.4%	98,997	84.9%
Total revenue by geographical area	**106,950**	**100.0%**	**116,648**	**100.0%**

Note 13 Other expenses

Expenses

(in € thousand)	December 31, 2015	December 31, 2014
Expenses of the functions' Group	-16,714	-32,428
Directors' fees	-502	-490
Other expenses	-1,059	-34
TOTAL	**-18,275**	**-32,952**

Expenses detailed above mainly included marketing, communication, investor relations and human resources expenses invoiced by Atos International SAS and other holdings subsidiaries to the Company including fees paid to the International Olympic Committee.

Note 14 Financial result

(in € thousand)	December 31, 2015	December 31, 2014
Dividends received		45,096
Intercompany current account interests	3,495	3,318
Other financial assets income	23,591	22,161
Investment banking revenues	1,810	1,771
Reversal of provisions on investments in consolidated companies	4,947	
Reversal of provisions on treasury stock	1,968	
Reversal of other financial provisions	3,512	37,955
Disposal of short-term investment	2,576	1,037
Foreign exchange gains	55,121	131
Total of the financial incomes	**97,020**	**111,469**
Interests on borrowings	-12,110	-4,757
Securitisation interests	-1,516	-1,669
Intercompany loans interests	-21,779	-18,202
Intercompany current accounts interests	-36	-20
Provision for depreciation on investments in consolidated companies	-53,772	-124,664
Provision for deferred expenses	-2,106	-4,629
Other financial provisions	-31,506	-2,204
Short term borrowing interests	-3,389	-3,448
Foreign exchange losses	-939	-203
Other financial expenses	-32,345	-18,374
Total of the financial expenses	**-159,498**	**-178,170**
NET FINANCIAL RESULT	**-62,478**	**-66,701**

Financial incomes

The foreign exchange gains are related to the impact of the hedge done by Atos SE in the context of Xerox ITO acquisition for € 46.8 million.

Atos SE didn't receive any dividends in 2015, on the other hand in 2014 Worldline SA paid a dividend of € 45.1 million.

Financial expenses

The other financial expenses are related to the loss incurred on the delivery of the 533,265 performance shares to the employees for an amount of € 32.2 million (15.8 € million in 2014).

The depreciation on investments has been disclosed in the Note 3 Financial Assets – Impairment.

The other financial provisions were mainly due to the evaluation of participating interest and had been disclosed in Note 8 Provisions.

Note 15 Non-recurring items

(in € thousand)	December 31, 2015	December 31, 2014
Selling price from disposal of financial investments		384,014
Other income	39,181	245
Total of non recurring income	**39,181**	**384,259**
Amortization of merger loss		-221
Net book value of financial investments sold		-33,847
Net book value of fixed assets sold	-46	-
Provisions for liabilities and charges		
Other expenses	-8,417	-12,362
Total of non recurring expenses	**-8,463**	**-46,430**
NON RECURRING ITEMS	**30,718**	**337,829**

In 2015, the non-recurring incomes are related to the re-invoicing to group entities for the cost of the performance plan granted to employees and to the operations of merge and acquisitions.The non-recurring expenses are related to the acquisition of participation.

Note 16 Tax

Tax consolidation agreement

As per article 223-A of the French Fiscal Code, Atos SE signed a Group tax consolidation agreement with a certain number of its French subsidiaries with effect as of January 1, 2001.

Atos SE as parent company of the Group is designated as the only entity liable for the corporate tax of the Group tax consolidation.

The main features of the agreement are:

- The result of the consolidated companies is determined as if they had been taxed individually;
- Atos SE is the only company liable for any additional tax to be paid in the event of an exit by a subsidiary from the Group. In the event of tax audit, the subsidiary which exited from the the Group remains liable toward Atos SE of any additional income tax related to the time it was part of the tax consolidation.

Decrease and increase of the future tax charge of Atos SE taxed separately

At year end, decreases and increases of the future tax charge were broken down as follows:

(in € thousand)	Basis Decrease	Basis Increase
Non deductible provisions for timing differences		477
TOTAL		**477**

No deferred tax assets or liabilities had been recognized.

Breakdown between net income on ordinary activities and non-recurring items

(in € thousand)	Before tax	Computed tax	Net amount
Net income on ordinary activities	1,950	-	1,950
Non recurring items and employee participation	30,718	-	30,718
Tax Charge	-	8,208	8,208
TOTAL	**32,668**	**8,208**	**40,876**

The result of the fiscal consolidation is a profit of € 37.7 million before use of losses carried forward. After use of the losses carried forward the taxable profit 2015 was an amount of € 1.8 million with a tax charge of € 0.7 million. The tax that would have been paid in the absence of French tax consolidation was an expense of € 18.9 million. The total amount of the losses carried forward was € 237.7 million as of 31 December 2015.

Note 17 Off-balance sheet commitments

(in € thousand)	December 31, 2015	December 31, 2014
Performance Guarantees	5,147,884	3,810,685
Bank guarantees	324	324
TOTAL	**5,148,208**	**3,811,009**

For various large long term contracts, the Group provides performance guarantees to its clients. These limited guarantees amounted to € 5,147.9 million as of December 31, 2015, compared with € 3,810.7 million at the end of December 2014. This increase of EUR 1,337.2 million is mainly due to new parental guarantees issued in 2015 following the acquisition of the ITO activities of Xerox for an amount of € 1184.4 million and for the issuing of a parental guaranty to BASF SE in Germany for € 100.0 million.

In relation to the multi - currency revolving facility signed in November 2014, Atos SE issued a parental guarantee to the benefit of the consortium of banks represented by BNP Paribas, in order to cover up to € 660.0 million the obligations of its subsidiary, Atos Telco Services B.V. and Atos International B.V.

Atos SE has given a € 204.0 million guarantee to Ester Finance in relation to a securitization program involving certain of its subsidiaries.

Atos SE or Atos International B.V. has given for various subsidiaries guarantees of general financial support at the request of auditors or to comply with local regulations.

Finally, as part of the general agreement with Siemens in respect of transfer of SIS UK pension liabilities, the Board of Atos SE, during its March 29, 2011 meeting, has agreed to provide a 20 year guarantee to the Atos 2011 Pension Trust set up to accommodate the transfer. The maximum amount of the guarantee is GB£ 200.0 million.

In the framework of the UK Atos Pension Funds (“UK APF”) indexation negotiations, the board of Atos SE, during its December 17th, 2015 meeting, has agreed to provide a parental guarantee to the Atos Pension Schemes Limited as trustee of the Atos Pension Fund. Under the said guarantee, Atos SE will guarantee the obligations of the sponsoring employers of the UK APF (currently Atos IT UK Limited and Atos IT Services UK Limited) to make certain payments to the UK APF. The maximum amount of the guarantee is GBP 150 million (€ 204.6 million).

Note 18 Risk analysis

Market risks: fair value of financial instruments

Cash at bank and short term deposits, trade accounts receivable, bank overdraft and trade accounts payable

Due to the short term nature of these instruments, the Group considers that the book value constitutes a reasonable estimate of their market value as of December 31, 2015.

Long and medium term liabilities

As of December 31, 2015, Atos SE presents a long and medium term liabilities of 470 million related to the syndicated loan.

Liquidity risk

Syndicated loan

On November 6th, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021.

The first option of extension for one year has been exercised in 2015 and the new maturity of the € 1.8 billion credit facility is therefore November 2020. Atos keeps the right to exercise the second option of extension for one year in 2016 to request the extension of the Facility maturity date until November 2021.

The revolving credit facility includes one financial covenant which is the consolidated leverage ratio (net debt divided by operating margin before depreciation and amortization) which may not be greater than 2.5 times.

The revolving credit facility is used for the financing of the needs of the group and replaces the existing credit facility of € 1.2 billion signed on April 2011.

Securitization program

Atos securitization program of trade receivables has been renewed for 5 years on June 18, 2013 with Ester Finance, a subsidiary of Crédit Agricole CIB rated A- by Standard & Poor's and A2 by Moody's. The maximum amount of the program is € 200.0 million.

The trade accounts receivable of certain entities of Atos based in The Netherlands, in France, in the United Kingdom and in Germany are transferred on a recurring basis to this financing institution. This transaction is financed through the issue of commercial notes rated A1P1. This rate is granted due to an underlying deposit made by Atos. The deposit amount is calculated every month and is based on various criteria such as the dilution ratio, the days sales outstanding (DSO), losses, etc.

As of December 31, 2015, Atos SE has sold:

- In the compartment "ON" € 405.2 million in receivables of which € 10.0 million were received in cash;
- In the compartment "OFF" € 41.1 million in receivables of which all risks and rewards associated with the receivables was transferred to a third party financial institution.

The Group aligned its contractual obligations under this program on the most favorable conditions of the renewable multicurrency credit facility described above.

Liquidity risk at December 31, 2015

Instruments	Fix/Variable	Line *(in € million)*	Maturity
Syndicated loan	Variable	1,800	November 2020
Securitization program	Variable	200	June 2018

Credit risk

The Group has a fully-integrated process concerning credit risk. In its trade relations, the Group manages its credit risk with a portfolio of diversified customers and follow-up tools.

Financially, the Group monitors the credit risk on its investments and its market operations by rigorously selecting leading financial institutions and by using several banking partners. The Group thus considers its credit risk exposure as being limited.

Market risk

The group monetary assets comprise receivables and loans, securities investments and cash at bank. Monetary liabilities comprise financial, operating and other liabilities.

Interest rate risk

The exposure to interest rate risk encompasses two types of risks:

- A price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the Company is exposed to potential opportunity losses should interest rates fall. A change in interest rates would impact the market value of fixed-rate financial assets and liabilities. However, this loss of opportunity would not impact financial income and expenses as reported in the Company's Income Statement and, as such, future net income of the Company up to maturity of these assets and liabilities;
- A cash-flow risk on floating-rate financial assets and liabilities. The Company considers that a variation in rates would have little effect on floating-rate financial assets and liabilities.

Atos objective is to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the existing floating-rate financial debt. Authorized derivative instruments used to hedge the debt are swap contracts, entered into with leading financial institutions and centrally are managed by the Group's Treasury department.

Note 19 Related parties

There is no transaction made by the Company (trade mark fees, financing operations and tax consolidation) that were not performed under market conditions.

Note 20 Subsequent events

There is no subsequent events.

F
Risks analysis

[G4-14]

F

The Company conducted a review of risks that could have a material adverse impact on its business, or results (or its ability to achieve its objectives) and considers that there are no significant risks other than those presented hereafter.

F.1 External risk factors

[G4-13]

F.1.1 The market

The activity of the Group is dependent on the demand fluctuation in the different markets of our clients. Atos is performing periodically a review of the different markets to plan and adapt its activities

Faced with major budgetary pressure, Government and Public Services are delivering breakthrough performance improvement though the digitalization of their processes and citizens relationships.

Challenged by the political market conditions, low interest rates, low volatility, and new capital adequacy regulations, Financial Services companies are refocusing their portfolio of businesses and keeping a strong focus on Operational excellence and cost optimization.

Manufacturing customers have seen an improvement of their profitability, due to productivity improvement programs completed in the recent past, which allows for increase in IT investments especially to support growth.

Faced with the continuing changes in regulations, ongoing market consolidation and even more aggressive competition, Telecom, Media & Utilities companies are transforming to data-driven business models supported by cloud and Big Data.

F.1.2 Country risks

Atos operates in 72 countries. Some countries are more exposed than others to political or economic risks that may affect the Group's business and profitability. However, most of the revenue of the Group is generated from "stable" countries.

The Group makes a periodic Strategic Operational Review of its activities in order to fully revisit all options in respect of portions of the business which would not have the critical size on their market, as well as activities considered as being non-core business.

F.1.3 Clients

The Group delivers services to a large number of clients which are large international groups or public organizations throughout different markets and countries, which limits its risk of dependency on one particular client. The Group's top 10 customers generated 17% of total Group revenues in 2015 and the top 50 customers generate 43% of total Group revenues.

F.1.4 Suppliers

Atos has a strategic target to reduce the number of vendors it works with. Many of these key vendors work with us to design, implement and operate IT systems for our own and our customers' needs. While there are alternative solutions for most sources of supply, there is always the chance of possible failure of those suppliers businesses and/or products and/or services, or the inability to renew agreements on acceptable terms, which may have an adverse impact on Atos operations.

Risks associated with vendors are jointly managed by Global Procurement and the Service Lines. The Global Procurement function is responsible for managing the cost base of Atos and with managing vendors including their identification and selection, input into customer bids, contract negotiation and signature, cost savings actions, innovation ideas and their overall relationship with Atos.

Regarding the ranking of the main vendors of Atos, the largest one accounted for 5.3% of total Group purchases in 2015, the five biggest represented 13.7% of the total and the ten biggest amounted to 22.0%.

At December 31, 2015, there was no binding commitment with vendors for capital expenditures higher than € 5 million.

F.1.5 Partnerships and subcontractors

[G4-10] and [G4-EC8]

Atos sometimes relies on partners and/or subcontractors to deliver services in particular contexts. Having recourse to third parties is a common practice in the industry but represents a business risk that must be closely monitored on the basis of quality, cost, delivery, innovation, management and sustainability requirements.

Partnerships may be formed or subcontractors may be used in areas where the Group does not have the specific expertise necessary to fulfill the terms of a particular contract, or in order to comply with local legislation. All requests to enter into partnerships or use subcontractors are initiated locally by the operational team evaluating the proposal or in specific case at Group level.

Subcontracting is managed by Global HR Workforce Managers working in the GBU's; but the commercial relationship is through contracts negotiated by the Global Procurement function.

At the end of 2015, the Group had 5,590 subcontractors (headcount) working across around 50 countries.

F.1.6 Counterparty risk

Payments services (delivered by Worldline) expose Atos to a counterparty risk in the case a counterparty (mainly card issuer client) would be in default while the clearing and settlement are processed (which may take a few days depending on the type of processing, the day of the week and the card scheme).

To mitigate these risks, Worldline has developed a methodology for:

- defining the type of risk, calculating and managing risk exposures;
- evaluating and monitoring its counterparties' financial standing.

The main objective is to mitigate the impact of significant counterparty credit events on the Company. This framework has been fully implemented for banks and merchants.

F.2 Business risks

[G4-13]

F.2.1 Technology and IT risks

IT system breakdowns could be critical both for the Group's internal operations and its customers' needs in respect of the services provided. The Group has implemented specific programs and procedures to ensure the proper management of IT risks, covering security and back-up systems and effective insurance cover.

IT production sites, offshore development centers, maintenance centers and Data Centers are specifically subject to extensive administrative and technical procedures for safeguarding and monitoring, covering physical and IT system access, energy supply breakdown or disruption, fire, regulation of extreme temperature changes, data storage and back-up, contingency and disaster recovery plans.

Atos has also deployed an information security management system relying on ISO 27001 standard (which for most of it is certified) for strengthening its defense capabilities and for preventing unauthorized access to information and systems. However, the visibility of Atos and its clients may attract hackers to conduct attacks on Atos systems that could compromise the security of data. An information breach in the system and loss of confidential information (especially in payments activities) could have a longer and more significant impact on the business operations than a hardware failure. The loss of confidential information could result in losing the customers' confidence and thus the loss of their business, as well as imposition of fines and damages. In order to minimize the impact of security incidents, reduce delay of reaction and enforce its cybersecurity defenses, Atos has implemented a CSIRT (Computer Security Incident Response Teams) that centralizes all security events and security incidents worldwide, coordinates remediation actions on a 24x7 basis follow the sun while providing forensic and threat management forces and expertise.

F.2.2 Risks related to contracts and project performance

The IT services provided to customers are sometimes a critical element for the performance of their commercial activities. Oftentimes IT solutions also play a key role in the development of their businesses. Any inadequate implementation of sensitive IT systems or any deficiency in the performance of services, either related to delays or to unsatisfactory levels of services, may result in significant prejudicial consequences for clients and may result in penalty claims or litigations.

Below are some of the key risks Atos needs to manage:

- **degraded performance resulting from third party products and/or product customization**: Systems Integration frequently involves products (whether software or hardware, standard or adapted or specifically developed for customized requirements) designed and developed by third parties and which, by definition, the IT service provider cannot control. In addition, the particular requirements of certain clients who wish for specific functionalities may disrupt the operation of the product or generate significant delays or difficulties in providing the services;
- **exposure due to assessment or delivery failures**: Also, it is a practice of the IT sector to enter into certain contracts on a fixed-rate basis whereas other contracts are invoiced according to the service provided. For fixed-rate contracts, an under assessed scope of the provided services or dedicated resources to a specific project may lead to a budget or agreed timeframe overrun, and lead to an operating loss, by exceeding budget or payments of penalties for late performance.

The Group seeks to minimize the risks described above through a rigorous review processes right from the offer stage. A dedicated specific process is in place, called Atos Rainbow, under which service proposals are reviewed, with an inventory of risks being kept for tracking purposes. This process also covers the execution phase of the contract, including updates of the risk registers. This allows the Group to take any mitigating action where appropriate and follow up on outstanding actions.

In order to further strengthen Atos' operational excellence, a Group Contract Management program is deployed on major accounts to globalize and homogenize contract management activities, combining risk management, contractual obligations and performance management.

F.2.3 Acquisition/External growth risk

Acquisitions/external growth operations may have adverse impacts on the achievement of the Group's objectives, especially in the case of:

- under-performing contracts which were not properly identified during the acquisition process;
- ineffective integration efforts preventing expected level of synergies from being reached or ineffective integration of employees.

In the context of the acquisition of Xerox IT Services, Atos has rolled out an integration program closely monitored by general management through a weekly "Integration Committee". This program aimed to improve efficiency in Xerox IT Services activities through the use of Atos best practices, and included notably an in-depth review of contracts at risk in all countries in order to assess properly the fair value of contracts and implement corrective actions.

F.2.4 Human Resources

F.2.4.1 Dependence on qualified personnel

In today's IT services market, companies remain dependent on the skills, the experience and the performance of their staff and the key members of their management teams. The success of organizations in this field depends on their ability to retain key qualified staff and to use their competences for the benefit of customers. Therefore, Atos is focused on providing challenging career opportunities and job content. Over the reporting period, Atos has been able to continue its focus on employability furthermore developing the workforce management and offering better career perspective supported by competency development through the Atos University programs. In 2015 Atos started to focus on the "digital" skills and competencies, in technology, commercial and support functions, that are needed to support our clients in their digitalization strategy and development.

F.2.4.2 Employee attrition

To enhance the Group ability to attract and retain staff, the Human Resources department has developed competitive rewarding structures. In addition it has continued to strengthen the internal offerings for training and development programs through the Atos University, using e-learning techniques. During 2015, specific attention was paid to key digital skills and competencies. More and more efforts were initiated in social collaboration to create communities of professionals and experts, in which sharing of knowledge and expertise is encouraged. Meanwhile, wider distance learning opportunities have been made available for thousands of employees on English language, as well as IT and more general business topics. Via workforce management and a new MyMobility initiative, employees were encouraged to investigate and onboard new, often international career development opportunities.

These programs allowed faster adaptation of people to client needs and led to greater mobility, which also helped to balance attrition.

F.2.4.3 Offshoring

Atos increasingly fulfils its client contracts using offshore facilities in order to optimize its cost structure. Offshoring is used in Systems Integration and Managed Services. To keep up with increasing demand, the Group developed its offshore capacity with circa 25,000 staff at the end of December 2015, mainly based in India. The combination of insourcing and offshoring for the delivery of projects led the Group to adapt and optimize the insourced resources to other contracts. Given Atos' ongoing need to attract and to deploy Human Resources, the Group made sure it was able to optimize resource utilization rate. The Group processes in this area are mature and the offshore facilities of the Company have been certified. Atos is therefore well positioned and ready in any case of business risks associated with offshoring.

F.3 Compliance and reputation risk

F.3.1 Regulatory risks

The activities of the Group are in general not subject to specific legal, administrative or regulatory authorizations.

However, activities related to payments in Belgium have been subject since 2011 to the European Payments Institution regulation. A dedicated follow-up is performed to ensure that the requirements of this regulation are met by the entities concerned.

F.3.2 Personal data protection

As an employer and as a service provider, Atos is regularly exposed to Personal Data Protection regulations, which protect the identity, privacy and liberties of individuals in the digital world. Compliance with these regulations, when managing and storing personal data, requires a good understanding of each specific situation and local regulations. Claims related to the non-respect of personal data could affect the Group's reputation and have a negative impact on the Group's business.

Atos has therefore deployed a strong and coordinated data protection organization at all levels of its organization to provide training, support and expertise to the operations. Furthermore, Atos has committed to providing a high level of protection to personal data. This commitment was materialized by the adoption, at the end of 2014, of its Binding Corporate Rules (BCR) both as a data controller (i.e. for its own data) and as a data processor (i.e. for the data of its clients). The Atos BCR have been approved by the European Data Protection Authorities, thereby acknowledging that Atos entities provide a level of protection meeting the requirements of European legislation.

In 2015, focus has been made on rolling-out the Atos BCR in its main jurisdictions, notably where it operates delivery centers, in order to ensure that all Atos entities are effectively implementing the requirements and commitments set out in the Atos BCR. In 2016, Atos will continue this roll-out to aim at ensuring that all companies of the Group are effectively bound and committed to the terms of the BCR.

F.3.3 Export control and sanctions regulations

In the last few years, Atos' international presence has been reinforced, resulting in a potentially greater exposure to compliance risks (for example, the acquisition of the Bull Group in 2014 and Xerox ITO in 2015). Atos has addressed these areas by way of an enhancement and refinement of Atos' compliance program in order to take into account the compliance risks specific to new activities and jurisdictional exposure, such as export control regulations.

Additionally, since 2014, a system of checks and approvals with respect to key compliance risks, such as export controls, sanctions, and corruption, has been included in the mandatory "RAINBOW" business review for all commercial transactions

F.3.4 Intellectual property protection

The Group's intellectual property may be challenged or infringed and the Group may be subject to infringement claims, cross license agreement requests or license requirements under open source.

The Group relies on a combination of contractual rights and copyright, trademark, patent, domain name and trade secret laws to establish and protect its proprietary technology and co-owned intangible assets. Third parties may challenge, invalidate, circumvent, infringe or misappropriate its intellectual property. While the Group strives to ensure that its intellectual property is sufficient to permit to conduct its business independently, others, including its competitors, may develop similar technology, duplicate its services or design around its intellectual property. In such cases the Group could not assert its intellectual property rights against such parties or may have to obtain licenses from these third parties (including in the context of cross license agreements, pursuant to which the Group would also grant a license under its intellectual property). The Group may have to litigate to enforce or determine the scope and enforceability of its intellectual property rights, trade secrets and know-how, which is expensive, could cause a diversion of resources and may not prove successful. The loss of intellectual property protection or the inability to obtain third party intellectual property could harm the Group's business and ability to freely operate.

Due to their complexity, the technology domains addressed by the Group are subject to an increase in the number of risks related to intellectual property but also in the financial impact they may have. In order to tackle these risks and to manage them efficiently, the Group develops its own strategy by means of specific governance and is providing dedicated resources which are entrusted with the implementation of appropriate policies and processes, and a strong worldwide patent applications filings campaign. This governance is headed by an intellectual property Steering Committee which convenes on a quarterly basis and gathers top management representatives and internal stakeholders and ramifies deeply into operations by means of an Intellectual Property Managers network active within Research & Development at Service Lines or local level.

F.3.5 Reputation risks

Media coverage of possible difficulties, especially related to the implementation of significant or sensitive projects, could affect the credibility and image of the Group vis-a-vis its customers, and consequently, its ability to maintain or develop some activities.

A crisis management policy, at Group and Service Line levels, ensures that an appropriate response and escalation to the appropriate level of management are performed in case of major incidents.

F.4 Financial markets risks

Atos has not been affected by the liquidity crisis that has impacted the financial markets over the past years.

The Group proceeds to a specific review of its liquidity risk and considers itself as being able to face future requirements. Atos' policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and future developments.

On July 2nd, 2015, Atos has issued an inaugural bond of € 600.0 million with a 5-year maturity. The coupon rate is 2.375%. Atos and the bonds are unrated.

On November 7, 2014, Atos signed with a number of major financial institutions a five-year € 1.8 billion credit facility maturing in November 2019 with an option for Atos to request the extension of the Facility maturity date until November 2021. The first option of extension for one year has been exercised in 2015 and the new maturity of the € 1.8 billion credit facility is therefore November 2020. Atos keeps the right to exercise the second option of extension for one year in 2016 to request the extension of the Facility maturity date until November 2021.

The facility is available for general corporate purposes and replaced the existing € 1.2 billion facility signed in April 2011.

Atos renewed its securitization program of trade receivables on June 18, 2013 for 5 years, with a maximum amount of transferable receivables of € 500.0 million and a maximum financing amount of € 200.0 million.

The new program is structured into two compartments, called ON and OFF:

- compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold; This compartment was used at its lower level;
- compartment "OFF" is designed so that the credit risk (insolvency and overdue) of the debtors eligible for this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

Securitization program financial covenants are in line with those of the € 1.8 billion multi-currency credit facility.

More details on liquidity risk, cash flow interest rate risk, foreign exchange risk, market value of financial instruments, price risk and credit risk are described in section *E.4.7.3 Financial risk management* of this document and in Note 23 to the consolidated financial statements (E.4.7.4).

The risk on shares is limited to treasury shares.

F.5 Risk management activities

In addition to managing the risk embedded in each process, dedicated activities are also deployed for a transversal management of risks.

F.5.1 Business risk assessment and management

Atos has a robust business risk management approach reinforced during the last years, based on specific processes and organization.

F.5.1.1 Business risk management system

Atos Rainbow™ is a set of procedures and tools that provides a formal and standard approach to bid execution and contract monitoring. The Group operates a risk management system that facilitates the analysis (by identification and assessment) and treatment (by control and financing) of business risks throughout the life cycle of a project. This process is integrated with the control and approval process when entering into new contracts. The objective is to ensure that the Group only bids for projects that can be delivered effectively and to provide an early warning system for any project that encounters problems or diverges from its original targets. Specifically, the risk management process:

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

All operational contracts are monitored on a monthly basis using the Rainbow Delivery Dashboard, providing status on both financial, delivery and technology, customer, legal and supplier KPI's.

F.5.1.2 Bid Control and Business Risk Management organization

The control and approval process governing the bidding and contracting activities report to the Group Senior Vice-President for Bid Control and Business Risk Management, ensuring the capturing and ongoing tracking of risks identified at the bidding stage throughout the delivery cycle.

Bid Control and Business Risk Management report directly to the Group Chief Financial Officer, with the risk managers in the GBUs and the Global Service Lines reporting directly to the Group Senior Vice-President for Bid Control and Business Risk Management, shortening the lines of command.

F.5.1.3 Group Risk Management Committee

A Group Risk Management Committee convenes on a monthly basis to review the most significant contracts and the sensitive ones. The Committee is chaired by the Group CFO and lead by the Senior Vice-President for Bid Control and Business Risk Management. Permanent members of the Committee include the Senior Executive Vice-President Operations, Executive Vice-Presidents in charge of the Global Service Lines and several other representatives from the Global Functions, including Finance, and Legal. Twice a year, the Audit Committee conducts a thorough review of all the major contracts considered to be high risk; these are updated quarterly. Either the Global Service Lines or the Risk Management Committee perform the monitoring.

F.5.2 Insurance

Global insurance policies have been taken out with reliable international insurance companies, providing the Group with appropriate insurance coverage for its worldwide operations. The total cost of these policies in 2015 represented circa 0.20% of total Group revenue.

The most important global insurance programs are bought and managed centrally at renewal on January 1 for Liability insurance and on April 1 for Property Damage and Business Interruption insurance. In 2014, the Property Damage and Business Interruption policy and Professional Indemnity policies were both renewed for limits respectively of € 200 million and € 150 million. Several additional policies cover insurable business risks such as general liabilities or car fleet, and are maintained at cover limits commensurate with the Group's size and risk exposures. Deductible retentions are used both to promote good risk management practices and to control the quantity of claims and level of premiums.

Each country also contracts insurance policies in accordance with local regulations, customs and practice. These include employers' liability, workers compensation and employee travel.

Atos' wholly-owned reinsurance company provides insurance for some layers of the property policy and professional indemnity policies, which are the most critical policies for the Group's operations.

Insurable losses are not a frequent occurrence. This is partly due to quality risk management processes deployed at all key locations to protect assets from fire and other unexpected events as well as ensuring business continuity in the event of damage or loss. In offers and contracts a uniform and mandatory process of risk management is used as described in previous chapter.

Risks are also monitored by the Underwriting Committee of the Atos reinsurance company who maintains adequate net equity and technical reserves commensurate with the level of insured risks, and ensures a satisfying diversification of external reinsurer. The Underwriting Committee also carries out regular surveys and analysis to monitor the relevance of Atos' insurance cover.

F.6 Claims and litigation

The Atos Group is a global business operating in some 72 countries. In many of the countries where the Group operates there are no claims, and in others there are only a very small number of claims or actions made involving the Group. Having regards to the Group' size and revenue, the level of claims and litigation remains low.

The low level of claims and litigation is attributable in part to self-insurance incentives and the vigorous promotion of the quality of the services performed by the Group and the intervention of a fully dedicated Risk Management department, which effectively monitors contract management from offering through delivery and provides early warnings on potential issues. All potential and active claims and disputes are carefully monitored, reported and managed in an appropriate manner and are subject to legal reviews by the Group Legal department.

During the second half-year of 2015 some significant claims made against the Group were successfully resolved in terms favorable to the Group.

Group Management considers that sufficient provisions have been made.

In the 2015 consolidated financial statements, the total amount of the provisions for litigation risks to cover for the identified claims and litigations, totalled € 57.2 million (including tax and social contribution claims but excluding labour claims).

F.6.1 Tax and Social Contribution claims

The Group is involved in a number of routine tax & social contribution claims, audits and litigations. Such claims are usually solved through administrative non-contentious proceedings.

A number of the tax & social contribution claims are in Brazil, where Atos is a defendant in some cases and a plaintiff in others. Such claims are typical for companies operating in this region. Proceedings in this country usually take a long time to be processed. In other jurisdictions, such matters are normally resolved by simple non-contentious administrative procedures.

Following the decision in a reported test case in the UK, there is substantial ongoing court claim against the UK tax authorities for a tax (Stamp Duty) re-imbursement of an amount over € 9 million.

The total provision for tax & social contribution claims, as inscribed in the consolidated accounts closed as at December 31, 2015, was € 22.4 million.

F.6.2 Commercial claims

There are a small number of commercial claims across the Group. Litigations are handled by the Group Legal department.

The Group is facing a very small number of IP cases of a highly speculative nature in which the claims are heavily inflated and without merit.

There were a number of significant on-going commercial cases in various jurisdictions that the Group acquired through the acquisition of Siemens IT Solutions and Services, of Bull Group and Xerox ITO. Some of these cases involve claims on behalf of the Group and in 2015 a number were successfully resolved.

The total provision for commercial claim risks, as inscribed in the consolidated accounts closed as at December 31, 2015, was € 34.8 million.

F.6.3 Labor claims

There are approximately 100,000 employees in the Group and relatively few labour claims. In most jurisdictions there are no or very few claims. Latin America is the only area where there is a significant number of claims but such claims are often of low value and typical for companies operating in this region.

The Group is a respondent in a few labour claims of higher value in Brazil and the UK, but in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

There are 29 claims against the Group which exceed € 300,000. The provision for these claims, as inscribed in the consolidated accounts closed as at December 31, 2015 was € 3.4 million.

F.6.4 Representation & Warranty claims

The Group is a party to a very small number of representation & warranty claims arising out of acquisitions/dispositions.

F.6.5 Miscellaneous

To the knowledge of the Company, there are no other administrative, governmental, judicial, or arbitral proceedings, pending or potential, likely to have or having had significant consequences over the past semester on the Company's and the Group's financial situation or profitability.

G

Corporate governance and capital

G.1 Management of the Company

Thierry Breton has been the Chairman and Chief Executive Officer of the Company since February 10, 2009 when the statutory governance was changed from a Supervisory Board and Management Board system to a system with a Board of Directors. On the occasion of the vote concerning the Company's transformation from a "Société Anonyme" (public limited-liability company) into a "Societas Europaea" (European public limited-liability company or "European Company") decided by the Annual General Meeting of May 30, 2012, this unitary Board structure was upheld by the shareholders in the Articles of Association of the Company that were submitted for their approval. The Board of Directors confirmed this choice of governance by deciding to unify the functions of Chairman and Chief Executive Officer and confirming Thierry Breton as Chairman and Chief Executive Officer upon the renewal of his term of office in 2012 and 2015.

The reason for this management structure and the means to ensure a balance of powers in the governance structure are detailed hereunder in the section entitled "Management Mode".

G.2 Legal Information

G.2.1 Transformation into a Societas Europaea (European Company)

[G4-7]

The Company, which was initially incorporated as a "Société Anonyme" (public limited-liability company) was transformed into a European public limited-liability company ("Societas Europaea" (European Company) or "SE") pursuant to a decision of the Extraordinary General Meeting of May 30, 2012. It is governed by applicable European Community and national provisions on "Sociétés Anonymes" as well as by the Articles of Association.

Following the acquisition of SIS, a subsidiary of Siemens on July 1, 2011, the Company became a leading information technology services provider in Europe. The new scope of the Company has expanded and has been strengthened by new European offices and especially in Germany, in Northern Europe, Eastern Europe and Central Europe. In order to reflect this enhanced European dimension, the Board of Directors of the Company suggested in 2012 changing the Company's form from a French "Société Anonyme" to a "Societas Europaea" (European Company). As a result, the Company now benefits from a homogeneous framework within the European Union, as this legal status is recognized in most countries where it operates, consistent with its economic reality, both relating to its employees and to its customers.

The Board of Directors held on December 20, 2012 acknowledged that the conditions for the transformation had been met and, since January 8, 2013, Atos SE has been registered as a "Societas Europaea" (European Company) with Board of Directors with the Pontoise Trade and Companies Register.

The effects of the transformation from a "Société Anonyme" into a "Societas Europaea" (European Company) are limited:

- the transformation of the Company into a "Societas Europaea" (European Company) does not lead to the dissolution of the Company nor does it entail the creation of a new legal entity;
- the term, the corporate purpose and the registered offices of the Company are not modified;
- the share capital still remains at the same amount and the same number of shares with a nominal value of € 1 each; these shares are still traded on the Euronext Paris stock exchange;
- the duration of the financial year is not modified as a result of the adoption of the "Societas Europaea" (European Company) corporate form and the financial statements are drawn up, presented and controlled under the terms and conditions set forth in the Company's Articles of Association under its new corporate form and the provisions of the French Commercial Code regarding the "Societas Europaea" (European Company).

G.2.2 Corporate purpose and other information

- **Corporate purpose:** under article 2 of the Articles of Association, the Company's purpose in France and elsewhere is as follows:
  - the processing of information, systems engineering, studies, advice and assistance notably in the finance and banking sectors;
  - the research into, study, realization and sale of products or services which help in promoting or developing the automation and broadcasting of information and notably: the design, application and implementation of software, computer, on-line and office automation systems;
  - it can also operate, either by itself or using any other method, without any exception, or create any company, make all contributions to existing companies, merge or create alliances therewith, subscribe to, purchase or resell all shares and ownership rights, take all interests in a partnership and grant all loans, credits and advances;
  - and more generally any commercial, industrial, real-estate, movable property or financial transactions, either directly or indirectly related to one of the above mentioned purposes.
- **Company name:** the corporate name of the Company has been changed to "Atos SE" (previously "Atos") upon the transformation into a "Societas Europaea" (European Company) (article 3 of the Articles of Association).
- **Nationality:** French.
- **Registered office and principal place of business:** under article 4 of the Articles of Association, the registered offices of Atos SE are located at 80, quai Voltaire – 95870 Bezons, France – +33 (0)1 73 26 00 00.
- **Registered** in the Pontoise under Siren number 323 623 603.
- **Business identification code** (APE code): 7010Z.
- **Date of incorporation and term:** The Company was incorporated in 1982 for a period of 99 years, i.e. up to March 2, 2081.

G.2.3 Provisions of the Articles of Association

Members of the Board of Directors (articles 13, 14 and 15 of the Articles of Association)

The Company is managed by a Board of Directors composed of a minimum of three members and a maximum of twelve members that are appointed by the Ordinary General Meeting of Shareholders. The Board of Directors will be renewed annually by rotation in such a way as to allow a rotation of one third of the members of the Board of Directors. The term of office of the Directors is three years. The number of members of the Board of Directors over the age of 70 must not be greater than one third of the total serving members. Each Director is required to own at least 500 Company shares during the term of his or her office (this rule however does not apply to the Director representing employee shareholders).

Chairman (article 21 of the Articles of Association)

The Board of Directors elects a Chairman from among its members. The Chairman represents the Board of Directors. He organizes and directs the Board's activities, on which he reports at General Meetings of Shareholders. He oversees the proper functioning of the Company's bodies and makes sure, in particular, that the Directors are able to carry out their assignments.

Chief Executive Officer (article 23 of the Articles of Association)

Pursuant to the choice made by the Board of Directors, the general management is handled either by the Chairman, or by an individual appointed by the Board of Directors who has the title of Chief Executive Officer. The Chief Executive Officer has the broadest powers to act in all circumstances in the name of the Company. He exercises these powers within the limits of the Company's purpose and what the law, the Articles of Association and the internal rules of the Board of Directors expressly assign to the General Meetings of shareholders or the Board of Directors. The Chief Executive Officer represents the Company in its relationship with third parties.

Notices to attend Board meetings and decisions of the Board of Directors (article 18 of the Articles of Association)

The Board of Directors convenes as often as the Company's interest demands and at least every three months. Notice of Board meetings is sent to Directors by the Chairman. If no Board meeting has been called for over two months, at least one third of the Directors are empowered to ask the Chairman to call a meeting in order to handle the specific matters included on the agenda. The Chief Executive Officer is also empowered to ask the Chairman to call a Board meeting in order to discuss specific matters included on the agenda. Decisions are taken by majority of the members present or represented. In the event of a tie in the voting, the Chairman has a casting vote.

Powers of the Board of Directors (article 17 of the Articles of Association)

The Board of Directors determines the orientations of the Company's business and monitors their implementation. With the exception of powers expressly assigned to General Meetings of Shareholders and within the limits of the Company's purpose, it handles all matters involving the proper functioning of the Company and settles matters through its deliberations. The Board of Directors sets the limitation of the Chief Executive Officer's powers, where required, in its internal rules, by indicating the decisions which require a prior authorization of the Board of Directors.

Related-party agreements (article 25 of the Articles of Association)

Any agreement entered into (directly, indirectly or through an intermediary) between the Company and its Chief Executive Officer, one of its Deputy Chief Executive Officers, any of its Directors or one of its shareholders holding a fraction of the voting rights greater than 10% or, if it is a Company shareholder, the Company that controls it in the meaning of article L. 233-3 of the French Commercial Code, must receive the prior authorization of the Board of Directors. Agreements between the Company and another company, if the Chief Executive Officer, one of the Deputy Chief Executive Officers or one of the Directors of the Company is an owner, indefinitely responsible partner, manager, Director, member of the Supervisory Board or, in general, a senior manager of this company, are also subject to prior authorization. Such prior approval does not apply to agreements covering standard operations that are concluded under normal conditions nor to those entered into by two companies where one of them holds, directly or indirectly, the entire share capital of the other, after deducting, if applicable, the minimum number of shares required to meet the requirements of article 1832 of the Civil Code or articles L. 225-1 and L. 226-1 of the Commercial Code.

Directors' compensation (article 20 of the Articles of Association)

The members of the Board of Directors may receive as Directors' fees, a compensation, the aggregate amount of which, as determined by the General Meeting, is freely allocated by the Board of Directors. The Board of Directors may in particular allocate a greater share to the Directors who are members of the Committees.

Rights, privileges and restrictions attached to shares

Voting rights (article 33 of the Articles of Association)

Each share carries one voting right. There is no share with double voting right. On the occasion of the Combined General Meeting held on May 28, 2015, the shareholders approved the modification of article 33 of the Articles of Association aimed at excluding the application of the so called "Florange law" (Act dated March 29, 2014) related to the double voting rights and consequently, maintain single voting rights at General Meetings of the Company.

Participation in General Meetings of Shareholders (article 28 of the Articles of Association)

All shareholders may participate in General Meetings either in person or by proxy. All shareholders may be represented by their spouses, by another shareholder, or by partners with whom a civil solidarity pact ("PACS") has been concluded. They may also be represented by any other natural person or legal entity of their choice. The proxy must show evidence of this delegation.

The right of shareholders to participate in General Meetings is subject to the registration of the shares in the name of the shareholder or the financial intermediary registered on its behalf according to the regulations in force. Such financial intermediaries shall deliver to holders of bearer shares a shareholding certificate enabling them to participate in the General Meeting.

The shareholders, upon decision of the Company's Board of Directors, may take part in General Meetings through video conference or by telecommunication means, including the Internet. Article 28 of the Articles of Association provides for the terms and conditions of shareholders' participation in General Meetings in particular by means of an electronic voting form made available on the Company's website. E-voting was made available to the Company shareholders for the first time on the occasion of the Combined General Meeting held on May 28, 2015, through the grant of access to a dedicated online voting website ahead of the General Meeting.

Identifiable bearer shares (article 9 par.3 of the Articles of Association)

The Company may proceed to the identification of holders of bearer shares at any time.

Changes to shareholders' rights

Any amendment to the Articles of Association, which set out the rights attached to the shares, must be approved by a two-thirds majority at an Extraordinary General Meeting. A unanimous shareholder vote is required to increase the liabilities of shareholders.

Terms and conditions for calling and general conduct of Ordinary General Meeting and Extraordinary General Meeting (articles 34 and 35 of the Articles of Association)

General Meetings of Shareholders are considered to be "Extraordinary" when the decisions relate to a change in the Articles of Association or Company's nationality or where required by law; and, "Ordinary" in all other cases. The Extraordinary General Meeting rules by a majority of two-third of the expressed votes, and the Ordinary General Meeting rules by the majority of expressed votes; expressed votes do not include blank and null votes of the present or represented shareholders, or of shareholders having voted by mail.

General Meetings are called and conducted in accordance with the terms and conditions of French law.

Disclosure of threshold crossing (article 10 of the Articles of Association)

In addition to the thresholds defined by applicable laws and regulations, all private individuals and legal entities, acting alone or in concert, who acquire, directly or indirectly, a fraction of the share capital equal to or greater than 2% or, following a shareholding of 2%, any multiple of 1% are required to inform the Company, by registered letter with return receipt requested, within 5 trading days from the date on which one of these thresholds is crossed, of the total number of shares, voting rights or securities giving access to the share capital or voting rights of the Company held by them.

Failure to comply with the above requirements results in rescission of the voting rights attached to those shares relating to the unreported fraction at all General Meetings of Shareholders held during a two-year period following the date or regularization filing of the aforementioned notice. Application of this penalty is subject to a request by one or more shareholders holding at least 5% of the Company's share capital or voting rights mentioned in the minutes of the General Meeting.

The same information obligation applies, within the same terms and conditions, each time the fraction of the share capital or voting rights of a shareholder decreases to less than one of the above-mentioned thresholds.

Financial statements (articles 37, 38 and 39 of the Articles of Association)

Legal Reserve

5% of the statutory net profit for each year, reduced by prior losses if any, has to be allocated to the legal reserve fund before dividends may be paid with respect to that year. Funds must be allocated until the amount in the legal reserve is equal to 10% of the share capital, and shall be allocated again if, for any reason whatsoever, the legal reserve falls below that threshold.

Approval of dividends

Dividend payments are approved by General Meeting of Shareholders, in accordance with articles L. 232-12 to L.232-18 of the French Commercial Code. The General Meeting of Shareholder may offer the shareholders, for all or part of the dividend available for distribution, an option for cash payments or payments in the form of new shares of the Company under the terms and conditions set by law.

Control of the issuer

No provisions in the Articles of Association, or in any charter or regulation, may delay, postpone or prevent a change of control in the Company's management.

G.2.4 Board of Directors

[G4-39]

Composition of the Board of Directors

The composition of the Board of Directors was modified in 2015 as a result of the following events:

Date	Concerned Director	Event
March 26, 2015	**Michel Paris**	Resignation from his office as Director and member of the Audit Committee with effect as of the end of the Board of Directors meeting of March 26, 2015
April 15, 2015	**Valérie Bernis**	Provisional appointment of Ms. Valérie Bernis as Director by the Board of Directors.
May 28, 2015	**Thierry Breton** **Bertrand Meunier** **Pasquale Pistorio**	Renewal of the term of office as Director for 3 years
	Valérie Bernis	Ratification of Ms Valérie Bernis' appointment as Director by the Annual General Meeting for a term of office of 2 years.

As a result, as of December 31, 2015, the Board of Directors was composed of 11 members as listed below:

Thierry BRETON

Number of shares:
642,914

Date of birth:
01/15/1955

Nationality:
French

Date of renewal:
May 28, 2015

Term expires on:
AGM ruling on the accounts of the 2017 financial year

Biography - Professional Experience

Chairman and Chief Executive Officer of Atos SE

Thierry Breton graduated from the Paris *Ecole Supérieure d'Electricité* (Supélec) and the *Institut des Hautes Etudes de Défense Nationale* (IHEDN, 46th class). In 1986, he became Project Manager of the Poitiers Futuroscope theme park, and then headed its teleport operations. He later served as an advisor to Education Minister René Monory in the area of new information technologies. He also served in the Poitou-Charentes Regional Council from 1986 to 1992 (as Vice-Chairman from 1988 on).

He then joined Bull as Director of Strategy and Development before becoming Deputy Managing Director. Member of the Board of Directors in February 1996, he was successively named Vice-Chairman of the Board then group delegated Director.

After being appointed Chairman and Chief Executive Officer of Thomson (1997-2002) then Chairman and Chief Executive Officer of France Telecom (2002-2005), he was France's Minister for the Economy, Finance and Industry between February 25, 2005 and May 16, 2007, before becoming a professor at Harvard University (USA) for "Leadership, Corporate Accountability".

In November 2008, he became Chairman of the Management Board of Atos Origin. He is today Chairman and Chief Executive Officer of Atos SE.

Directorships and positions

Other directorships and positions as at December 31st, 2015

Within the Atos Group

France:

Chairman of the Board of Directors: Worldline**, Bull

Outside the Atos Group

France:

Director: Carrefour SA**

Abroad:

Director: Sonatel** (Senegal), Sats** (Singapore)

Other positions held during the last five years

Within the Atos Group

Chief Executive Officer of Atos International

Outside the Atos Group

None

*** Listed company (Worldline is controlled by Atos SE).*

Nicolas BAZIRE*

Chairman of the Nomination and Remuneration Committee **Number of shares:** 1,024 **Date of birth:** 07/13/1957 **Nationality:** French **Date of renewal:** May 27, 2014 **Term expires on:** AGM ruling on the accounts of the 2016 financial year	**Biography - Professional Experience** **General Manager of Groupe Arnault SAS** Nicolas Bazire is a graduate of the Ecole Navale (1978), the Paris *Institut d'Etudes Politiques* (1984), former student of the *Ecole Nationale d'Administration*, Magistrate on the French *Cour des Comptes* (Court of Audit). Nicolas Bazire was an auditor then *Conseiller Référendaire* with the *Cour des Comptes*. In 1993 he became Cabinet Director for French Prime Minister Edouard Balladur. He served as a Managing Partner at Rothschild & Cie Banque from 1995 to 1999, when he was named Chairman of the *Conseil des Commanditaires*. He was appointed General Manager at Groupe Arnault in 1999, and became a member of the LVMH Board of Directors; he is also a member of the Executive Committee. Nicolas Bazire is a Reserve Officer in the French Naval Reserve. He is an Officer in the French *Ordre National du Mérite* (National Order of Merit) and a *Chevalier* in the French *Légion d'honneur*.	
	Directorships and positions	
	Other directorships and positions as at December 31st, 2015 **Within the Atos Group** None **Outside the Atos Group** France: • Member of the Supervisory Board: Montaigne Finance SAS, Semyrhamis SAS • Vice-President of the Supervisory Board: Les Echos SAS • Deputy CEO: Groupe Arnault SAS • Director: LVMH Moët Hennessy Louis Vuitton SA**, Agache Développement SA, Europatweb SA, Financière Agache Private Equity SA, Groupe les Echos SA, LV Group SA, Suez Environnement Company SA**, Carrefour SA**, Fondation Louis Vuitton pour la Création (foundation) • Permanent Representative: – Groupe Arnault SAS, Director of Financière Agache SA – Ufipar SAS, Director of Louis Vuitton Malletier SA – Montaigne Finance SAS, Director of GA Placements SA. – Lifipar, Director of SBM (Monaco)	**Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** • President: Société Financière Saint-Nivard SAS • Member of the Supervisory Board: Lyparis SAS • Director: Ipsos SA**, Marignan Investissements SA, Tajan SA and Go Invest SA (Belgium)

* *Independent Director.*
** *Listed company.*

Valérie BERNIS*

Number of shares:
500

Date of birth:
12/09/1958

Nationality:
French

Date of appointment:
April 15, 2015, ratified by AGM held on May 28, 2015

Term expires on:
AGM ruling on the accounts of the 2016 financial year

Biography - Professional Experience

Executive Vice-President of Engie in charge of Communications, Marketing, Environmental & Societal Responsibility

Valérie Bernis is a graduate of the *Institut Supérieur de Gestion* and *Université des Sciences Economiques* in Limoges. In 1996 she joined Compagnie de Suez as Executive Vice-President – Communications, and then in 1999, she became Executive Vice-President Financial and Corporate Communications and Sustainable Development. During the same period, she served for 5 years as Chairman and CEO of Paris Première, a French TV channel. Valérie Bernis is currently Executive Vice-President of Engie, in charge of Communications, Marketing, Environmental & Societal Responsibility. She is a Member of the Board of Directors of Euro Disney, Suez Environnement Company, and l'Occitane (since 2013).

Directorships and positions

Other directorships and positions as at December 31st, 2015

Within the Atos Group

None

Outside the Atos Group

- Member of the Board of Directors: Suez Environnement Company**, AROP, Palais de Tokyo
- Independent member of the Board of Directors: l'Occitane**
- Member of the Supervisory Board: Euro Disney SCA**

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Member of the Board of Directors: Bull (until July 2013), CEGID (until July 2013), Société Monégasque d'Electricité et de Gaz (SMEG) (until June 2012), Serna North America (until September 2011), Suez Tractebel (until April 2010)

* *Independent Director.*
** *Listed company.*

Roland BUSCH

Member of the Audit Committee

Number of shares:
1,000

Date of birth:
11/22/1964

Nationality:
German

Date of renewal:
May 27, 2014

Term expires on:
AGM ruling on the accounts of the 2016 financial year

Biography - Professional Experience

Member of the Management Board of Siemens AG (Germany)

Roland Busch is a graduate of the University of Friedrich Alexander (Germany) where he received a PHD in Physics and of the University of Grenoble.

He is a member of the Management Board of Siemens AG.

During the past five years, Roland Busch was appointed Chairman of Infrastructure & Cities and Chief of Strategy with Siemens AG in Germany.

Directorships and positions

Other directorships and positions as at December 31st, 2015

Within the Atos Group

None

Outside the Atos Group

Abroad:

- Executive Vice-President, Member of the Management Board of Siemens** (Germany)
- Chairman Asia Pacific, Siemens** (Germany)
- Head of Corporate Sustainability Office, Siemens** (Germany)
- Vice-Chairman of the Board of Directors and Member of the Audit Committee of OSRAM Licht AG** (Germany)

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Chairman of Infrastructures & Cities, Siemens AG**
- Chief of Strategy, Siemens AG** (Germany)

** *Listed company.*

Jean FLEMING

Director representing the employee shareholders **Number of shares:** 672 **Date of birth:** 03/04/1969 **Nationality:** British **Date of renewal:** May 29, 2013 **Term expires on:** AGM ruling on the accounts of the 2016 financial year	**Biography - Professional Experience** **Operations Director, Business Process Services at Atos IT Services UK Ltd (United Kingdom)** Jean Fleming is a graduate of the London South Bank University where she obtained an MSc in Human Resources and from Brunnel University where she obtained a BA in Business Administration. She is Operations Director, Business Process Services, at Atos in the United-Kingdom. Jean Fleming was appointed Director representing the employee shareholders.	
	Directorships and positions	
	Other directorships and positions as at December 31st, 2015 None	**Other positions held during the last five years** None

Bertrand MEUNIER*

Member of the Nomination and Remuneration Committee Member of the Audit Committee **Number of shares:** 1,000 **Date of birth:** 03/10/1956 **Nationality:** French **Date of renewal:** May 28, 2015 **Term expires on:** AGM ruling on the accounts of the 2017 financial year	**Biography - Professional Experience** **Managing Partner of CVC Capital Partners Ltd (United Kingdom)** Bertrand Meunier is a graduate of the *Ecole Polytechnique* and of Paris VI University. He joined PAI Partners in 1982 up until 2009. Bertrand Meunier joined CVC Capital Partners as a Managing Partner in 2012.	
	Directorships and positions	
	Other directorships and positions as at December 31st, 2015 **Within the Atos Group** None **Outside the Atos Group** France: • Parex • Vedici • Linxens Abroad: • CVC Group Ltd (Luxembourg) • Continental Food (Belgium)	**Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** • Chairman: M&M Capital SAS, Financière Le Play SAS • Director: CVC Capital Partners (Luxembourg)

* *Independent Director.*

Colette NEUVILLE*

Number of shares: 1,012
Date of birth: 01/21/1937
Nationality: French
Date of renewal: May 27, 2014
Term expires on: AGM ruling on the accounts of the 2016 financial year

Biography - Professional Experience

Chairman (founder) of the ADAM

Colette Neuville is a law graduate and a graduate of the Paris *Institut d'Etudes Politiques* and holds a post-graduate degree in economics and political science.

She served as an Economist for NATO, the Moroccan administration (National Office for Irrigation), and the Loire-Bretagne agency. Ms. Neuville is the founding Chairman of ADAM (*Association de Défense des Actionnaires Minoritaires*) and member of the commission "*Epargnants et Actionnaires Minoritaires*" (Retail Investors and Minority shareholders) of the *Autorité des Marchés Financiers* (French Financial Markets Authority).

She is the Lead Director of the Board of Directors, member of the Audit Committee and Chairman of the Appointments and Remuneration Committee of Groupe Eurotunnel SA. She is member of the Governance Committee of the Paris "*Ecole de Droit et de Management*". She is member of the Board of Directors of the FAIDER and the ARCAF. She is a member of the Club of Presidents of Remuneration Committees of IFA (Institute of Formation for Directors) and also a member of the Ethic Committee of Canal+.

Directorships and positions

Other directorships and positions as at December 31st, 2015

Within the Atos Group

None

Outside the Atos Group

France:

- Director: Groupe Eurotunnel SA** (also member of the Audit Committee and Chairman of the Remuneration Committee and Lead Director since February 2014), ARCAF (*association des fonctionnaires épargnants pour la retraite*), FAIDER (*fédération des associations indépendantes de défense des épargnants pour la retraite*)
- Member: of the Consultative Commission "*Epargnants et actionnaires minoritaires*" ("Retail Investors and Minority shareholders") of the *Autorité des Marchés Financiers* (French Financial Markets Authority), of the *Conseil de Gouvernance de l'Ecole de Droit & Management de Paris*, of the Club of the Chairmen of Remuneration Committees of the *Institut Français des Administrateurs*, of the Ethic Committee of Canal +

Other positions held during the last five years

Within the Atos Group

France

Member of the Supervisory Board then censor: Atos SA**

Outside the Atos Group

Member of the European Forum for Corporate Governance, with the European Commission

Director (and also member of the Audit Committee) of Numericable-SFR**) from November 27, 2014 to January 12, 2016

* *Independent Director.*
** *Listed company.*

Aminata NIANE*

Member of the Audit Committee

Number of shares:
1,012

Date of birth:
12/09/1956

Nationality:
Senegalese

Date of renewal:
May 29, 2013

Term expires on:
AGM ruling on the accounts of the 2015 financial year

Biography - Professional Experience

Interim Manager for the Return of the African Development Bank to its registered offices in Abidjan

After getting a Bachelor in high school John F. C Kennedy in Dakar, Aminata Niane left to continue her studies in Toulouse, Rennes and Montpellier in France. These studies have been finalized by a Master in Chemistry and an Engineering Degree in Science and Technology of Food Industries.

Then she started her career in 1983 as an engineer in big Senegalese companies in food-processing sector (SIPL and SONACOS).

This experience continued in 1987 in the Senegalese administration (Ministry of Commerce, Senegalese Institute for Standardization), then in 1991 in the first structures supporting the private sector, financed by the French Cooperation and the World Bank (Support Unit to the Business Environment and Private Sector Foundation).

Finally, after several years of entrepreneurial experience in strategy consulting, she was appointed in 2000 Managing Director of APIX, National Agency for Investment Promotion and Major Projects. She handled the creation and the management until May 2012. Then, she was Special Advisor of the President of the Republic of Senegal until May 2013. Today she is Interim Manager for the Return of the African Development Bank to its registered offices in Abidjan, after being Lead Advisor-Office of the Vice-President Infrastructure, Private Sector and Regional Integration at that Bank.

Directorships and positions

Other directorships and positions as at December 31st, 2015

None

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Chief Executive Officer of the *Agence Nationale Chargée de la promotion de l'Investissement et des Grands Travaux* (APIX) which became APIX SA (Senegal)
- Chairman of the Board of Directors: *Société Aéroport International Blaise Diagne* (ABID SA, Senegal)

* *Independent Director.*

Lynn PAINE*

Number of shares:
1,000
Date of birth:
07/17/1949
Nationality:
American
Date of appointment:
May 29, 2013
Term expires on:
AGM ruling on the accounts of the 2015 financial year

Biography - Professional Experience

Senior Associate Dean of Harvard Business School/John G. McLean Professor of Business Administration

Lynn Paine is Senior Associate Dean of Harvard Business School where she is former chair of the general management unit and a specialist in corporate governance. An American specialist with worldwide recognition, she currently teaches corporate governance in both the MBA and executive programs.

She co-founded and chaired the "Leadership and Corporate Accountability" required courses, which she has taught in the MBA program as well as the Advanced Management Program. Ms. Paine has also taught in numerous other executive programs including the Senior Executive Program for China and, currently, Leading Global Business.

In addition to providing executive education and consulting services to numerous firms, she has served on a variety of Advisory Boards and panels. In particular, she was a member of the Conference Board Commission on Public Trust and Private enterprise and the Conference Board's Task Force on Executive Compensation.

Directorships and positions

Other directorships and positions as at December 31st, 2015

Within the Atos Group

None

Outside the Atos Group

Abroad:

- Governing Board (Public Member), Center for Audit Quality, Washington, D.C.
- Academic Advisory Council, Hills Program on Governance – Center for Strategic and International Studies, Washington, D.C.
- Selection Panel, Luce Scholars Program, Henry Luce Foundation, NYC

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Advisory Board, Conference Board Governance Center, NYC (2009-2011)
- Director, RiskMetrics Group (merged with MSCI June 2010) (2008-2010) and member of the Compensation and Human Resources Committee

* *Independent Director.*

Pasquale PISTORIO*

Lead Director

Member of the Nomination and Remuneration Committee

Number of shares:
1,000
Date of birth:
01/06/1936
Nationality:
Italian
Date of renewal:
May 28, 2015
Term expires on:
AGM ruling on the accounts of the 2017 financial year

Biography - Professional Experience

Chairman of the Pistorio Foundation (Switzerland) (charity)

Pasquale Pistorio graduated in Electrical Engineering from the Polytechnic school of Turin. He began his career as a salesman for Motorola products and in 1967 he joined Motorola in Italy, rising through the ranks to become Director of International Marketing and Vice-Chairman of Motorola Corporation in 1977.

In 1978 he was promoted to General Manager of Motorola's International Semiconductor Division. In 1980 he was appointed Chairman and Chief Executive Officer of the SGS Group and oversaw, with success, in 1987, the integration of SGS with Thomson Semiconducteurs. The new company will be renamed STMicroelectronics in 1998.

In 2005, Pasquale Pistorio is appointed Honorary Chairman of the Board of Directors and ambassador of ST Microelectronics.

Directorships and positions

Other directorships and positions as at December 31st, 2015

Within the Atos Group

None

Outside the Atos Group

Abroad:

- Honorary Chairman: STMicroelectronics Corporation (Switzerland), ST Foundation (Switzerland) and of the Kyoto Club (Italy) (charities)
- Independent Director: Brembo S.p.A.** (Italy), XiD (Singapore)

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Director: Accent (Luxembourg)
- Chairman, then independent Director: Sagem Wireless** (now Mobiwire-up**)
- Independent Director: Fiat S.p.A.**
- Vice-President: Confindustria in charge of innovation and research (Italy)

* *Independent Director.*
** *Listed company.*

Vernon SANKEY*

<table>
<tr><td rowspan="4">Chairman of the Audit Committee
Number of shares:
1,000
Date of birth:
05/09/1949
Nationality:
British
Date of renewal:
May 29, 2013
Term expires on:
AGM ruling on the accounts of the 2015 financial year</td><td colspan="2">Biography - Professional Experience</td></tr>
<tr><td colspan="2">Officer in companies
Vernon Sankey graduated from Oriel College, Oxford University (United Kingdom).
He joined Reckitt and Colman plc in 1971, and became Chief Executive Officer in Denmark, France, the USA and in Great Britain. He was Group Chief Executive Officer in the period 1992-1999.
Since then, he has held several non-executive positions as Chairman or Board member (Pearson plc, Zurich AG, Taylor Woodrow plc, Thomson Travel plc, Gala plc, Photo-Me plc, Firmenich SA, etc.) and was a member of the Management Board of the FSA (Food Standards Agency) UK.</td></tr>
<tr><td colspan="2">Directorships and positions</td></tr>
<tr><td>Other directorships and positions as at December 31st, 2015
Within the Atos Group
None
Outside the Atos Group
Abroad:
• Chairman, former Director: Harrow School Enterprises Ltd (United Kingdom)
• Advisory Board member: GLP LLP (United Kingdom)
• Member: Pi Capital (private equity investment group) (United Kingdom)</td><td>Other positions held during the last five years
Within the Atos Group
None
Outside the Atos Group
• Chairman: Firmenich (Switzerland)
• Director: Zurich Insurance AG (Switzerland)</td></tr>
</table>

* *Independent Director.*

Declarations related to the members of the Board of Directors

To the best of the Company's knowledge, there have been no official public incrimination and/or sanctions taken by statutory or regulatory authorities (including designated professional organisms) against any of the members of the Board of Directors. No court has, over the course of the past five years at least, prevented the members of the Board of Directors from acting as member of an administrative, managing or supervisory body of an issuer or from participating in the management or oversight of an issuer's business. No Board member has been convicted of fraud over the past five years at least. No Board member has taken part as senior manager in a bankruptcy, receivership or liquidation over the past five years.

Potential conflict of interest and agreements

To the Company's knowledge, there are no existing service agreements between the members of the Board of Directors and Atos SE or one of its subsidiaries which would provide for benefits, except the following: Atos SE's Board of Directors decided on March 26, 2015 to detail Ms. Aminata Niane with a mission, in her capacity as Director, for a specific mission for the Company concerning Atos Group operations in West Africa and Morocco, pursuant to the provisions of article L. 225-46 of the French Commercial Code. However, this mission had not started as of end of 2015 and accordingly no compensation for this mission has been paid. The Board of Directors approved on February 23, 2016 that her mission starts from March 1, 2016.

To the best of the Company's knowledge, save for the case of Dr. Roland Busch whose appointment was proposed pursuant to the agreements signed with Siemens in connection with the acquisition of Siemens Information Technology Services, which provided for the possibility for Siemens to submit an applicant as a Director of the Company, there are no arrangements, or any type of agreement with the shareholders, clients, service providers or others by which one of the members of the Board of Directors was selected as member of an administrative, managing or supervisory body or as a member of the general management of the Company.

To the best the Company's knowledge, there are no parental relationships between any executive officers and Directors of the Company.

Finally, to the best of the Company's knowledge, there are no restrictions accepted by the members of the Board of Directors concerning the sale of their potential shareholding in the Company's share capital other than the provision of the Articles of Association under which each Director must own at least 500 shares of the Company and the retention obligations that the Board of Directors defined for the Chairman and Chief Executive Officer of the Company.

G.3 Report of 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 Atos SE (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 Atos Group.

The Board of Directors approved this Report during its meeting of March 23, 2016.

The rules and principles that the Company used to determine the compensation and benefits attributed to its senior managers and executive officers are described in the "Executive compensation and stock ownership" section of the Registration Document.

The rules regarding the shareholders' participation in General Meetings are described in the "Legal Information" section of the Registration Document.

The factors which may have an influence on public takeover bids are described in the "Shareholders Agreements" section of the Registration Document.

G.3.1 Corporate governance

[G4-13], [G4-34], [G4-38], [G4-40] and [G4-41]

G.3.1.1 Compliance with the AFEP-MEDEF Code – Frame of reference on corporate governance

French legislation and rules published by the financial market regulatory authorities apply to the Company's corporate governance.

The Company refers to the recommendations set out in the Corporate Governance Code of Listed Companies issued by the AFEP-MEDEF (revised version of November 2015) and has decided to use the Code, as soon as published, as a reference in terms of corporate governance, and to follow it up, through an annual Board meeting entirely dedicated to these issues.

In that respect, and as happens every year, Atos' Board of Directors met on December 17, 2015 to perform an annual review of the implementation by the Company of these governance principles. Following this meeting, also attended by members of the Participative Committee (body stemming from the European Company Council) who actively participated in the debates, the Board considered that the Company's governance practices are compliant with the recommendations of the AFEP-MEDEF Code.

The detail of the Board's assessment items on the implementation of the recommendations of the AFEP-MEDEF Code is available in its entirety on Atos' website: www.atos.net.

As at the date of publication of this Registration Document, and in compliance with the rule "Comply or Explain" set forth under article L. 225-37 of the Commercial Code and article 25.1 of the AFEP-MEDEF Code, the Company has deviated from the following recommendations for the reasons hereafter indicated:

Recommendation of the AFEP-MEDEF Code	Justification
Number of directorships for executive and non-executive Directors (article 19 of the AFEP-MEDEF Code)	As of December 31, 2014, the Chairman and Chief Executive Officer held two mandates as Director in listed Companies outside the Atos Group (Carrefour, Sonatel).
An Executive Director should not hold more than two other directorships in listed corporations, including foreign corporations, not affiliated with his or her group.	On October 1st, 2015, the Chairman accepted a third mandate outside the group, as independent Director of Sats, a listed company in Singapore. The Board of Directors, duly informed, unanimously approved this additional appointment due to the strategic interest of Atos to develop its knowledge of the Asian business in particular in the sectors of the applications in IT, Telecom, Big Data and Security, as was the case for the directorship already accepted by Mr. Breton in Sonatel (for Africa).

Recommendation of the AFEP-MEDEF Code	Justification
Directors' compensation (article 21.1 of the AFEP-MEDEF Code) It shall be recalled that the method of allocation of Directors' compensation, the total amount of which is determined by the Meeting of Shareholders, is set by the Board of Directors. It should take account, in such ways as it shall determine, of the Directors' actual attendance at meetings of the Board and Committees, and therefore include a significant variable portion.	The Board of Directors, noting the Directors' excellent attendance rate at Board meetings (87.91% in 2013, 83.5% in 2014), considered that modifying the Directors' fees distribution rules was not justified for the Company, and upon proposal from the Nomination and Remuneration Committee, chose to renew in 2015 the Director's fees distribution rules adopted for the previous years. These are detailed in section G.4.1 of this Registration Document. However, for 2016, in order to enhance its compliance with the AFEP-MEDEF Code, the Board of Directors, during its meeting held on December 17, 2015, on the proposal from the Nomination and Remuneration Committee, decided to amend the allocation rules of the Directors' fees in order to include a significant variable portion, by increasing by 50% the amount of the variable compensation for each attended Board meeting and by reducing the amount of the fixed compensation by 20%. These new rules are detailed in section G.4.1 of this Registration Document.

Moreover, upon the Chairman of the Board of Directors' initiative corporate governance issues are regularly addressed during Board meetings. The Board has indeed consistently expressed its will to take into account, and sometimes anticipate, recommendations on the improvement of corporate governance for listed companies whenever such recommendations are in line with the interests of the Company and of its shareholders. This includes, in particular, the appointment of a Lead Director, the reinforcement of conditions for stock option or performance share plans for which the senior managers of the Company are beneficiaries, the reinforcement of the presence of women on the Board of Directors, the consultation of the Shareholders' General Meeting on the strategic orientation plan for the next three years, or the addition, in 2015, of performance conditions on the acquisition of rights under the supplementary pension scheme that benefit the Chairman and Chief Executive Officer.

G.3.1.2 Management Mode

The statutory governance of the Company was changed from a Supervisory Board and Management Board system to a system with a Board of Directors further to the decisions of the Combined General Meeting held on January 10, 2009. This evolution has simplified and unified the governance by adapting it to the Company's situation. On the occasion of the vote concerning the Company's transformation from a "Société Anonyme" (public limited-liability company) into a "Societas Europaea" (European public limited-liability company or "European Company") decided by the Annual General Meeting of May 30, 2012, the unitary Board structure, with Board of Directors, was upheld by the shareholders in the Articles of Association of the Company that were submitted to their approval.

The Board of Directors confirmed the choice of governance by deciding to unify the functions of Chairman and Chief Executive Officer and appointed Thierry Breton as Chairman and Chief Executive Officer on January 10, 2009 and upon the renewal of his term of office in 2012 and 2015.The Board of Directors believes that this unified management structure allows for the necessary proactivity which enabled the Chief Executive Officer to implement the Company reconstruction since 2009, the successful integrations of Siemens IT Solutions and Services since 2011 and Bull since 2014, and the successful three-year strategic plans 2011-2013 and subsequently, 2014-2017.

Yet, the Company has implemented several mechanisms to ensure a good balance of powers at corporate governance level. The Board of Directors is composed by 80% of independent Directors and has constituted two internal Committees, to help in the decision process, composed majoritarily or entirely of independent members. Since 2010, in accordance with the recommendations of the French Financial Market Authority, the Board has appointed, alongside the Chairman of the Board, a Lead Director, in order to ensure the implementation of best corporate governance standards by the Board of Directors.

Limitations on the powers of the Chief Executive Officer

The Board has also defined, in its internal rules, reserved matters which require the Board's prior authorization:

- purchase or sale of shareholdings exceeding € 100 million;
- purchase or sale of assets exceeding € 100 million;
- purchase of assets or shareholdings beyond the Group's usual activities;
- purchase or sale of real property exceeding € 100 million;
- strategic alliance or partnership which may have a structural impact for the Group;
- parental company guarantees exceeding the scope of the delegation granted to the Chairman and Chief Executive Officer.

G.3.1.3 The Board of Directors: composition and functioning

Mission of the Board of Directors

The mission of the Board of Directors is to determine the strategy and trends of the Company's activity and to oversee their implementation. Moreover, the Board of Directors appoints senior executive officers and rules on the independence of Directors on a yearly basis, possibly imposes limitations on the powers of the Chief Executive Officer, approves the Chief Executive Officer report, convenes the General Meetings and decides on the agenda, undertakes the controls and verifications which it deems opportune, the control and audit of the sincerity of the financial statements, the review and approval of the financial statements, the communication to the shareholders and reviews communications to the market of high quality information.

Composition of the Board of Directors

As at December 31, 2015, the Board of Directors was composed of eleven members: Thierry Breton (Chairman of the Board and Chief Executive Officer), Nicolas Bazire, Ms. Valérie Bernis, Dr. Roland Busch, Jean Fleming (Director representing employee shareholders), Bertrand Meunier, Aminata Niane, Colette Neuville, Lynn Paine, Pasquale Pistorio and Vernon Sankey.

Article 14 of the Articles of Association of the Company provides for an annual renewal mechanism by rotation of the Company's Directors, allowing one third of the Directors to be renewed each year, pursuant to the recommendations of the AFEP-MEDEF Code of Corporate Governance.

Name	Nationality	Age	Date of appointment/renewal	Committee member	End of office term	Number of shares held
Thierry Breton	French	61	2015		AGM* 2018	642,914
Nicolas Bazire[1]	French	58	2014	N&R*	AGM 2017	1,024
Valérie Bernis	French	57	2015		AGM 2017	500
Roland Busch	German	51	2014	A*	AGM 2017	1,000
Jean Fleming[2]	British	47	2013		AGM 2017	672
Bertrand Meunier	French	60	2015	N&R/A	AGM 2018	1,000
Colette Neuville	French	79	2014		AGM 2017	1,012
Aminata Niane	Senegalese	59	2013	A	AGM 2016	1,012
Lynn Paine	American	66	2013		AGM 2016	1,000
Pasquale Pistorio	Italian	80	2015	N&R	AGM 2018	1,000
Vernon Sankey[3]	British	66	2013	A	AGM 2016	1,000

** AGM: Annual General Meeting; N&R: Nomination and Remuneration Committee; A: Audit Committee.*
1 Chairman of the Nomination and Remuneration Committee.
2 Director representing the employee shareholders appointed for 4 years pursuant to the Articles of Association (art. 16).
3 Chairman of the Audit Committee.

Pursuant to the Articles of Association, each Director must own at least 500 shares.

The Board comprises a Director representing employee shareholders, appointed by the General Meeting, who is expressly designated as member of the Board in the Internal Rules. In that respect, he participates to the meetings and deliberations of the Board. He has the same obligations as any other Directors, in particular confidentiality, save for the obligation to hold at least 500 shares of the Company.

As of December 31, 2015, the Company had not designated an employee Director within the meaning of article L. 225-27-1 of the French Commercial Code as these provisions were not applicable to the Company.

The Board is composed for more than half of it (55%) of Directors of foreign nationality, thus reflecting the Group's international dimension.

Internal Rules

Internal Rules govern the work of the Board of Directors. They specify the rules on composition, functioning and the role of the Board, compensation of Directors, assessment of the works of the Board, information of Directors, the role, competence, and operating rules of the Committees of the Board, missions and prerogatives of the Lead Director, the specific missions which can be granted to a Director and the confidentiality obligations imposed on Directors. The Internal Rules also specify the terms and conditions of attendance by the Participative Committee representatives (set up pursuant to the agreement dated December 14, 2012 between the Company and the European Company Council – see infra) to the meetings with the Board representatives and the Board plenary meeting on the review of the Company's compliance practices with rules of corporate governance.

As soon as appointed, a copy of the Internal Rules as well as the Charter of the Board of Directors and the Guide to the prevention of insider trading are provided to the Directors who subscribe to these documents. The content of these documents is described more specifically in the "Codes and Charts" section of the Registration Document. When a new Director is taking office, various sessions are proposed with the main Group Executives on business and the organization thereof.

Lead Director

In accordance with the Autorité des Marchés Financiers' (French Financial Markets Authority) recommendation of December 7, 2010 in the Autorité des Marchés Financiers' supplemental report on corporate governance, executive compensation and internal control, upon proposal of the Nomination and Remuneration Committee, the Board of Directors appointed Pasquale Pistorio as the new Lead Director during its meeting of December 22,

2010. The Board of Directors meetings held following the General Meeting of May 30, 2012 and May 28, 2015, decided to renew the term of office of Pasquale Pistorio as Lead Director.

As per the internal rules of the Board of Directors, the Lead Director is in charge of ensuring continuous commitment and the implementation of best corporate governance standards by the Board of Directors. In that respect, he is in charge, in particular, of the assessment of the Board's work, carried out every year under his supervision. A detailed presentation of the works carried out in that respect is available in section G.3.1.8. He is also in charge of arbitrating potential conflicts of interest. He is questioned on the functioning of the Board. The Board of Directors may assign specific governance-related tasks to the Lead Director. In connection with the carrying out of his duties, the Lead Director is assisted by the Company's General Secretarial team for administrative tasks.

Evolution of parity at Board level

As at December 31, 2015, the Board of Directors was composed for more than 45% of women, more than a year ahead of the time frame of implementation of the AFEP-MEDEF Code's recommendations and the provisions of Copé-Zimmerman law.

Employee's participation at Board level

The Company has implemented an innovative scheme of participation of employees through the creation of the European Company Council of Atos SE and the designation, among such council members, or within Atos' employees, of a Participative Committee made up of four persons, which meets with members of the Board of Directors and discusses on topics on the agenda of Atos SE's Board meetings. Once a year, the Participative Committee is invited to a plenary meeting of the Board of Directors corresponding to the session on the review of compliance practices of the Company with rules of corporate governance. In March 2015, the Participative Committee was also invited to attend the Board of Directors meeting, the agenda of which included a strategic review.

In addition, the Company has voluntarily submitted to the shareholders' General Meeting held in 2013 the re-appointment of a Director representing employee shareholders.

With the implementation of both these schemes, the Company has showed its great interest for employee representation within the Group.

G.3.1.4 Directors' Independence

Definition of an independent Director

As per the AFEP-MEDEF Code

The AFEP-MEDEF Code of Corporate Governance 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.

As regards Directors representing significant shareholders of the Company, these may be considered as being independent, provided that they do not take part in the control of the Company. In excess of a 10% holding of stock or votes, the Board, upon a report from the Nomination and Remuneration Committee, should systematically review the qualification of a Director as an independent Director, having regard to the make-up of the Company's share capital and the existence of a potential conflict of interest.

Independence criteria based on the significant nature of the relationship with the Company

As recommended by the AFEP-MEDEF Code, as part of the assessment of how significant the relationship with the Company or its group is, the Board of Directors, during its meeting held on December 17th, 2015, on the recommendation of the Nomination and Remuneration Committee retained:

(i) a quantitative criterion, being the consolidated turnover of 1% performed by the Company with a group within which an Atos Director holds a function and/or a mandate. This criterion was set on the basis of the specificities of the Atos Group activity, in particular the rigorous procedures related to answers to bidding processes;

(ii) a qualitative criteria, i.e.: (i) the duration and continuity of the business relationship (seniority of the relationship or impact of potential contract renewals…), (ii) the importance or intensity of the relationship (potential economic dependency), and (iii) the structure of the relationship (Director free of any interest…).

Review of the Directors' independence

The Board of Directors, during its meeting of December 17, 2015, relying on the preliminary work of the Nomination and Remuneration Committee, reviewed the independent status of each of its members, on the basis of the above-mentioned criteria. On this basis, eight out of the ten members of the Board (i.e. 80%) to be taken into account[1], are considered as independent, i.e. more than half of the Board members, in conformity with the AFEP-MEDEF recommendations. In particular, the Audit Committee and the Nomination and Remuneration Committee are both chaired by an independent Director.

Three out of eleven members of the Board are not considered as independent, namely, Thierry Breton due to his office as Chief Executive Officer, Roland Busch due to his relations with Siemens which he represents (as main shareholder of the Company having significant relationship with it), and Jean Fleming, Director representing the employee shareholders, by virtue of her quality as employee of a subsidiary of the Company (it being specified that Directors representing the employee shareholders are not taken into account in order to determine the percentages of independent Directors).

1 *As per article 9.2 of the AFEP-MEDEF Code, Directors representing the employee shareholders are not taken into account in order to determine the percentages of independent Directors.*

The detailed assessment of the Directors' independence based on the above mentioned criteria is reproduced in the below table.

Director	Not to 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 beenin such a position for the previous five years	Not to 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	Not to be a customer, supplier, investment banker or commercial banker: - that is material to the corporation or its group, - or for a significant part of whose business the corporation or its group accounts.			
			Quantitative criteria (1% consolidated turnover)	Qualitative criteria		
				Length	Importance	Organisation
Nicolas Bazire	YES	YES	YES	YES	YES	YES
Valérie Bernis	YES	YES	YES	YES	YES	YES
Thierry Breton	NO	NO	YES	YES	YES	YES
Roland Busch	NO	YES	NO	NO	NO	NO
Jean Fleming	NO	YES	YES	YES	YES	YES
Bertrand Meunier	YES	YES	YES	YES	YES	YES
Colette Neuville	YES	YES	YES	YES	YES	YES
Aminata Niane	YES	YES	YES	YES	YES	YES
Lynn Paine	YES	YES	YES	YES	YES	YES
Pasquale Pistorio	YES	YES	YES	YES	YES	YES
Vernon Sankey	YES	YES	YES	YES	YES	YES

Not to be related by close family ties to an executive director	Not to have been an auditor of the corporation within the previous five years	Not to have been a director of the corporation for more than twelve years	Not being a representative of a shareholder holding more than 10% of the share capital or voting rights	Qualification
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Not independent
YES	YES	YES	NO	Not independent
YES	YES	YES	YES	Not independent
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Independent
YES	YES	YES	YES	Independent

G.3.1.5 Board of Directors meetings

Operating rules

As per the internal rules of the Board of Directors, the Board of Directors, convened by its Chairman, shall meet at least 5 times a year and as often as necessary in the interest of the Company. The Directors may attend Board of Directors' meetings by video-conference or conference call. The meetings of the Board of Directors shall follow the agenda determined by the Chairman and communicated to the Directors. Whenever possible, the necessary documents and elements are sent to the Directors with the agenda.

The Board of Directors shall elect a Chairman from among its members, who shall be a real person, and, if the Board deems it appropriate, one or more Vice-Chairmen. It shall determine their functions, which shall not exceed those of their mandate as Director, and which may be terminated by the Board at any time. The Board of Directors shall appoint, determining his or her term of office, a secretary who may be chosen from among the Directors or from outside.

The Directors shall have the option of being represented at meetings of the Board of Directors by another Director. Each Director may only represent one of his or her colleagues during the same Board of Directors.

The Board of Directors may only deliberate validly if at least half of its members are present. Decisions shall be passed by a majority of members present or represented. If the votes are equal, the Chairman of the session shall cast the deciding vote.

The Board of Directors meeting minutes shall be kept by the secretary of the Board of Directors. Excerpts of meeting minutes of the Board of Directors may be created and certified by the persons entitled to do so.

Works in 2015

Pursuant to the Articles of Association and the Internal Rules, the Board of Directors has met as often as necessary. During the 2015 financial year, the Board of Directors met 12 times. Attendance of Directors at these meetings was an average of 83.2%.

The Board of Directors met to discuss the following topics:

As far as financial statements, budget and financial commitments are concerned:

- review and approval of the 2016 budget;
- review of the financial information and quarterly reports and forecasts;
- review of and closure of consolidated half-year and yearly financial statements;
- review of financial presentations and press releases;
- approval of parental company guarantees and review of off-balance commitments;
- review of the presentations to be made on the Investor Day;
- authorizing the Chairman and Chief Executive Officer to proceed to the issuance of bonds;
- authorizing the amendment to the revolving financing agreement with Worldline.

As far as strategic projects and operations are concerned:

- review of the strategic trends of the Group, especially the external growth operations;
- regular reviews of the process of acquisition of Xerox ITO;
- authorizing an exchange of shares with EMC and VMware in the context of a renewed partnership with these companies;
- review and approval of the contemplated acquisition of Unify;
- review and approval of the conditions of the strengthening of the partnership with Siemens;
- a seminar dedicated to Atos strategic evolution.

As far as compensation is concerned:

- confirming the elements of the Chairman and Chief Executive Officer's compensation, setting the objectives of the variable part for H2 2015 and H1 2016, and confirming the results for his variable compensation related to H2 2014 and H1 2015;
- approving the updates to the supplementary pension scheme applicable to the Chairman and Chief Executive Officer;
- setting up of a performance shares allocation plan,
- confirming achievement of performance conditions, including the achievement of the CSR performance conditions, and setting new annual objectives for the same in connection with on-going performance share plans, deciding on the delivery method of performance shares;
- approval of an employee stock ownership plan;
- review of the exercise of stock options granted by the Company.

As far as governance is concerned:

- convening the Annual General Meeting, and including on the agenda the option for the payments of the dividend in the form of new shares, reviewing and approving the Board of Directors report to the Annual General Meeting, setting the price of the shares to issue in connection with the payment of the dividend in new shares;
- approval of Atos revised Code of Ethics;
- review of the operation of the corporate bodies and corporate governance (dissociation of the offices of Chairman of the Board and Chief Executive Officer, renewal of the mandates of the Chairman of the Board and the Lead Director after the renewal of their terms of office by the General Meeting, confirmation of the composition of the Committees after the renewal of terms of office decided by the General Meeting, renewal of the delegation of powers of the Chairman and Chief Executive Officer, propositions of renewal of Directors, temporary appointment of a new Director in replacement of a Director having resigned, assessment of the Board's work, review of the independence of Directors, conformity review of the Company's practices with the AFEP-MEDEF recommendations, review and approval of the Chairman's report on governance and internal control, annual review of related parties agreement authorized during previous financial years).

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 Remuneration Committee.

The powers of these Committees are governed by the Internal Rules of the Board of Directors. The Committees are solely advisory in preparing the works of the Board which is the only decision-making and liable body. They report to the Board of Directors. Their recommendations are discussed at length during the meetings, where applicable, on the basis of the documentation generated by the Committees.

G.3.1.6 The Audit Committee

Mission

Within its relevant fields of competence pursuant to the provisions of the Internal Rules of the Board of Directors, the Audit Committee shall have the task of preparing and facilitating the work of the Board of Directors. For this purpose it shall assist the Board of Directors in its analysis of the accuracy and sincerity of the Company's corporate and consolidated accounts.

The Committee formulates all opinions or recommendations to the Board of Directors within the area described here below. The Committee particularly receives from the Board of Directors the following assignments:

With respect to the accounts:

- to proceed with the prior examination of and give its opinion on the draft annual, half-yearly and, where applicable, quarterly company and consolidated accounts prepared by the financial management;

- to examine the relevance and the permanence of the accounting principles;
- to be presented with the evolution of the perimeter of consolidated companies;
- to meet, whenever it deems necessary, the auditors, the general management, the financial, treasury and accounting management, internal audit or any other member of the management; these hearings may take place, when appropriate, without members of the general management being present;
- to examine the financial documents distributed by the Company at the annual accounts closing as well as the important financial documents and press releases.

With respect to the external control of the Company:

- to examine questions concerning either the appointment or renewal of the statutory auditors and amount of fees to be determined for the performance of their assignments concerning legal supervision;
- to pre-approve any assignment entrusted to the statutory auditors other than the legal audit, and more generally, to ensure compliance with principles that guarantee the independence of the auditors, to ensure the rotation of signatories, to be informed of the amounts of fees paid in the network to which the statutory auditors belong.

With respect to the internal control and risk-monitoring of the Company:

- to assess, along with the persons responsible at Group level, the efficiency and the quality of the systems and procedures for internal control of the Group, to examine the significant off-balance sheet risks and commitments, to meet with the person responsible for internal audit, to give its opinion on the organization of the department and to be informed of its work program. The Committee shall be provided with the internal auditor's reports or a periodic summary of these reports;
- to assess the reliability of the systems and procedures that are used for establishing the accounts, as well as the methods and procedures for reporting and handling accounting and financial information;
- to regularly make itself aware of the financial situation, the situation of the treasury and any significant commitments or risks, notably through a litigation review, and to examine the procedures adopted to assess and manage such risks.

Composition

During the 2015 financial year, the Audit Committee was composed as follows[1]:

- Vernon Sankey* (Acting as Chairman of the Committee since November 6, 2014 and whose appointment was confirmed on February 18, 2015)
- Dr. Roland Busch
- Aminata Niane*
- Michel Paris[2]*
- Bertrand Meunier[3]*

I.e. 4 members, up until March 26, 2015, and then 3 members up until September 29, 2015, among whom the representative of the reference shareholder Siemens. Since September 29, 2015, date of the appointment of Bertrand Meunier on the Audit Committee, the Audit Committee has been composed of 4 members, 3 of which are independent.

Vernon Sankey, Chairman of the Audit Committee has financial and accounting skills acquired over the years by virtue of his mandates as Chief Executive Officer, Chairman and Board member of several companies located in Switzerland and the United Kingdom. Bertrand Meunier has extensive knowledge of accounting and corporate finance due to his long-standing experience as manager of private equity investment funds (formerly PAI Partners – now CVC Capital).

Operating rules

Under the Internal Rules of the Board of Directors, the Audit Committee members should be provided, at the time of appointment, with information relating to the Company's specific accounting, financial and operational features. The Audit Committee should interview the statutory auditors, and also the persons responsible for finance, accounting and treasury matters. As far as internal audit and risk control are concerned, the Committee must interview those responsible for the internal audit. It should be informed of the program for the internal audit and receive internal audit reports or a regular summary of those reports. The Committee may use external experts as needed.

In 2015, the Audit Committee, in its operation, could benefit from Company internal skills, in particular the Group Chief Financial Officer, the Executive Vice-President Head of Global Delivery, the Group Senior Vice-President Bid Control and Business Risk Management, the Senior Vice-President Group Controlling & Accounting, the Group General Counsel as well as the statutory auditors who attended, as applicable and upon request from the Committee Chairman, meetings of the Audit Committee. All documentation presented to the Committee was communicated to the Committee by the Group Chief Financial Officer several days prior to the meetings.

Works in 2015

During the 2015 financial year, the Audit Committee met 7 times. Attendance of members to the meetings was an average of 64%.

During the 2015 financial year, the Audit Committee reviewed the accounting and financial documents, including the statements related to off-balance sheet, before their presentation to the Board; the Committee also reviewed the main accounting items. The Audit Committee examined the quarterly financial reports on the Group's performance, and the draft financial press releases before their submission to the Board of Directors. The Audit Committee reviewed the forecast information.

*1 Independent directors are identified by this symbol: *.*
2 Michel Paris resigned from his office as Director and Member of the Audit Committee of the Company with effect as of the end of the Board of Directors meeting dated March 26, 2015. During the summer 2014, the Company specified that Michel Paris representing PAI Partners was nevertheless considered as an independent Director by the Company, taking into account the partial sale of PAI's interest in the Company in November 2013 resulting in its participation dropping under the 10% threshold of the share capital and voting rights.
3 Appointed member of the Audit Committee by the Board of Directors on September 29, 2015.

The Audit Committee was regularly informed of the conclusions of the main missions and reviewed the summary reports concerning the activities of the internal audit. The Committee was informed on a regular basis of the monitoring and management of risk of the significant contracts. The Committee also reviewed the state of the declared claims and litigations and the provisions. The Committee was involved in the drafting of the "Chairman's report". The Committee was regularly informed on the state of the Group's treasury and financing needs. 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; the Committee examined the fees and the independence of the statutory auditors.

The Audit Committee was informed of the conditions for distribution of dividend, in particular the option for the payments of the dividend in shares.

G.3.1.7 The Nomination and Remuneration Committee [G4-52] and [G4-53]

Mission

Within its relevant fields of competence, the Nomination and Remuneration Committee shall have the task of preparing and facilitating the decisions of the Board of Directors.

With respect to nominations, the general field of competence of the Nomination and Remuneration Committee is to seek and examine any application for an appointment to the position of member of the Board of Directors or to a position of executive officer of the Company and to formulate an opinion on these applications and/or a recommendation to the Board of Directors.

The Nomination and Remuneration Committee examines major operations involving a risk of a conflict of interest between the Company and the members of the Board of Directors. The qualification of an independent Director shall be discussed by the Nomination and Remuneration Committee and reviewed and discussed each year by the Board of Directors before the publication of the Registration Document.

With respect to compensation, the Nomination and Remuneration Committee's task is to formulate proposals regarding the compensation of the Chairman and Chief Executive Officer (the amount of the fixed compensation and definition of the rules governing the variable compensation, ensuring the consistency of these rules with the annual assessment of the performances and with the medium-term strategy of the Company, as well as checking the annual application of such rules).

The Nomination and Remuneration Committee also contributes to the preparation of the profit sharing policy of the staff of the Company and its subsidiaries. In particular, the Committee's task is to formulate proposals regarding the decisions to grant options for the subscription and/or purchase of Company shares, or Company performance shares to the benefit of executive officers and Directors and any or all employee of the Company and its subsidiaries.

The rules relating to the compensation of senior executives are described in the "Executive Compensation and Stock Ownership" section of the Registration Document.

Concerning the members of the Board of Directors, the Committee is responsible for proposing each year the total amount of the Directors' fees (*jetons de presence*) which shall be submitted to the approval of the General Meeting of Shareholders and the way in which such Directors' fees shall be distributed among the Directors, particularly taking into account the presence of the members at the Board of Directors meetings and the Committees of which they are members, the level of liability incurred by the Directors and the time dedicated to their functions.

The Committee also makes observations and/or recommendations related to the pension and insurance plans, payments in kind, various financial rights granted to executive officers and Directors of the Company and their subsidiaries.

Composition

During the 2015 financial year, the Nomination and Remuneration Committee was composed as follows[1]:

- Nicolas Bazire (Chairman)* ;
- Bertrand Meunier* ;
- Pasquale Pistorio*.

All of its members are independent, being in perfect conformity with the recommendations of the AFEP-MEDEF Code. As of December 31, 2015, the Nomination and Remuneration Committee did not include an employee Director within the meaning of article L. 225-27-1 of the French Commercial Code as these provisions were not applicable to the Company.

Operating rules

The Nomination and Remuneration Committee meets without the Chairman and Chief Executive Officer's presence for the assessment of this latter's performance on the occasion of the allocation of his variable compensation. The Nomination and Remuneration Committee delivers an opinion to the Board of Directors on the performance of the Chairman and Chief Executive Officer.

The Chairman and Chief Executive Officer is associated to the works of the Committee relating to appointments.

Works in 2015

During the 2015 financial year, the Nomination and Remuneration Committee met 5 times. Attendance of members to the meetings was 93.3%.

The Nomination and Remuneration Committee met in 2015 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 variable compensation of the Chairman and Chief Executive Officer that is due for the second semester of 2014 and the first semester of 2015;

*1 Independent Directors are identified by this symbol: *.*

- the setting of the performance objectives applicable to the variable compensation of the Chairman and Chief Executive Officer for the second semester of 2015, and for the first semester of 2016;
- the review of the conformity with the recommendations of the revised AFEP-MEDEF Code regarding the Chairman and Chief Executive Officer's compensation;
- the validation of performance terms and conditions of certain on-going performance share plans;
- the setting of terms and conditions of certain on-going performance share plans (including performance conditions, shares delivery method);
- the update of the supplementary pension scheme applicable to the Chairman and Chief Executive Officer, and proposal of 2016 performance conditions under the revised scheme;
- the review of a project of an employee stock ownership plan;
- the review of a performance shares allocation plan in favor of the Chairman and Chief Executive Officer and a number of employees of the Group;
- the review of the presentation of the elements of compensation of the Chairman and Chief Executive Officer to be submitted to the advisory vote of the shareholders during the 2015 Annual General Meeting in accordance with the provisions of the AFEP-MEDEF Code ("Say on Pay");
- the review of candidates for the appointment of a new Director, in replacement of a resigning Director;
- the composition of the Board of Directors and the renewal of Directors mandates during the 2015 Annual General Meeting;
- the total amount of Directors' fees (*jetons de presence*) envelope that was proposed during the 2015 General Meeting and the terms and conditions of allocation of these Directors' fees;
- the review of the Board members' independence.

G.3.1.8 Assessment of the works of the Board of Directors [G4-44]

As mentioned in the Internal Rules of the Board of Directors, the Board of Directors must assess its capacity to meet the expectations of the shareholders by periodically analyzing its composition, organization and its operation, as well as the composition, organization and operation of its Committees.

The Internal Rules of the Board of Directors provide that for this purpose, once a year, the Board of Directors shall devote one item on its agenda to the discussion of its operation and inform the shareholders each year, in the Registration Document, of the conduct of these assessments and the subsequent follow-up.

In accordance with the AFEP-MEDEF recommendations, the Board of Directors has undertaken since 2009 the annual assessment under the supervision of its Lead Director, Pasquale Pistorio. For the 2015 financial year, the Board decided during its meeting held on December 17, 2015, to proceed to a formalized assessment under the same conditions as for the previous years.

The formalized assessment carried out on the works of the Board and its Committees during the 2015 fiscal year, allowed to deepen the appreciation of the works achieved at the Board level as well as in the Committees, as to the conditions in which these meetings are prepared and in particular at the Committees' level (the latter also being subject to an assessment).

The assessment was carried out pursuant to the following procedure:

- under the supervision of the Lead Director, each Director answers a questionnaire which he is individually provided, with the possibility of individual interviews with the Lead Director. The questionnaire addresses such topics as:
  - the suitability of the Board and Committees composition;
  - the suitability of the agenda and the information provided in that respect, of the time devoted to specific subjects;
  - the suitability of the means provided to the Committees to carry out their mission;
  - the quality of the recommendation from both Committees;
  - the quality of the minutes of meetings;
  - the documents/information the Directors wish to be addressed/provided;
  - the improvements to be made.
- at the end of these works, an item was put on the agenda of the Board of Directors' meeting of February 23, 2016 in order to report on the outcome of this assessment and consider the improvements to retain.

The results of the assessment are very positive, as for the previous years. The following points emerged from the Lead Director's analysis and, were shared with all the Directors:

- the Directors were fully satisfied with the diversity of the composition of the Board of Directors, with an increased proportion of women (5/11, i.e. 45% of members) and of Directors of foreign nationality (6/11, i.e. 55% of members). They also mentioned that the diversity of skills was appropriate at the Board level;
- they were pleased that the Board of Directors held in March 2015 addressed in details such issues as strategy, growth and Atos positioning towards competitors, as was requested last year; they considered that it would be beneficial for this exercise to be renewed next year;
- the functioning of the Board and its Committees was most appreciated, the Directors generally underlined the high quality of the supporting documentation.

The assessment of the performance of the Chief Executive Officer took place twice in 2015, during the Board of Directors' meetings that ruled in February and July, respectively for the second semester 2014 and the first semester 2015, on the achievement of the performance criteria of the Chairman and Chief Executive Officer's variable compensation.

G.3.2 Internal control

The internal control system whose definition is stated in section G.3.2.1 below and designed within Atos 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 Atos — section *G.3.2.3 Components of the internal control system.* Specific attention has been given to the internal control system relating to accounting and financial information — section *G.3.2.4 Systems related to accounting and financial information,* in compliance with the application guide of the AMF.

Internal control players are described in section *G.3.2.2 Internal control system players*.

G.3.2.1 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.

G.3.2.2 Internal control system players

The main bodies involved in the implementation of internal control procedures at Atos are as follows:

Board of Directors supported by Audit Committee

The Board of Directors prepares governance rules detailing the Board's role supported by its Committees. Those Committees enlighten the Board as to the quality of the internal control system. The Audit Committee, in particular, is informed of the content and the implementation of internal control procedures used to ensure the reliability and accuracy of financial information and stays informed about the proper implementation of the Internal Control System.

General management and Executive Committee

General management is responsible for the management of the Group's business and focuses on strategic aspects to develop the Group. As part of its role, general management defines the framework of the internal control system.

The Executive Committee leads the operational performance of the Group. Management at different levels is responsible for implementing and monitoring the internal control system within their respective areas of responsibility.

Risk Management Committee

Risk management monitors, reviews and inspects the bidding, engaging in and the execution of contracts to achieve an optimum balance between risk and reward and identifies improvements in operational processes, including controls where applicable.

Audit, Risk and Compliance (ARC) Committees

At Global Service Line level, ARC has been setup under the supervision of Group Internal Audit, in order to strengthen the local supervision of Internal Control topics. Their purpose is to share the main audit conclusions with local management, and to review action plans related to identified weaknesses or potential risks.

Internal control & ERM (Enterprise Risk Management)

Internal control & ERM function is to ensure the coordination of the internal control system, like the implementation of the Book of Internal Control and its continuous improvement within the Group. Internal control also runs the Enterprise Risk assessment.

Internal control relays in each Global Function/Service Line/GBU assist in the deployment of the various initiatives.

Internal Audit

The Internal Audit organization is centralized which enables a global working practice following one Group audit plan and a consistent audit methodology. Internal Audit operating principles are defined in the Group Internal Audit Charter, which was validated by general management. The Audit Committee also received regular reports on the Internal Audit work plan, objectives of assignments, and associated results and findings. The Internal Audit department liaises with the statutory auditors to ensure an appropriate co-ordination between internal and external control.

In 2015, Group Internal Audit department 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.

G.3.2.3 Components of the internal control system

A - 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 (Global Business Units (Geographies)/Service 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.

Compliance coordination: Compliance is managed by a committee chaired by the Group General Counsel, in order to ensure that the organizations, processes and activities effectively support the compliance policy of Atos.

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 January 2014, approved by the Board of Directors and rolled-out under the supervision of the Group Legal & Compliance department;
- **segregation of Duties:** The segregation of duties (SOD) policy is defining accountability for implementing and monitoring organizational and technical measures proportionate to the risks of errors or fraud. A tool 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 commitment to Corporate Social Responsibility (Atos has signed the UN Global Compact), this Code, part of each employee's work contract outlines the importance paid by Atos for:
  - 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 (as detailed in section G.6 Code and charts), and enforced throughout the Group by communications and training sessions;
- **Atos Rainbow™:** Rainbow is a set of procedures and tools 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 Atos' 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 implemented in all departments. 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". They are gathered in the Book of Internal Policies.

Process management: Along with the centralization of the Group Policies, the "Business Process and Organization Management" (BPOM) department focuses on creating an Atos 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 Atos staff worldwide. 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.

B – Communication of relevant and reliable information

Several processes are in place to ensure that relevant and reliable information is provided within the Group.

Monthly reviews of operational performance by Service Line and Operational Entity are organized under the responsibility of the Group Chief Financial Officer and in the presence of the relevant Executive Vice-Presidents.

A shared ERP system is deployed and used in most countries of the Group, enabling easier exchange of operational information. It allows producing cross border reporting and analysis (cross border project analysis, customer profitability…) as well as business reports through different analytical axis (Service 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 as well as 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.

C – System for risk management

Risk management refers to means deployed in Atos to identify, analyze and manage risks. Although risk management is part of a manager's day to day decision making process, specific formal initiatives have been led concerning risk management:

A risk mapping has been updated in 2015 under the sponsorship of general management. The selected methodology involves the managers of the Group TOP 200 through workshops and questionnaires, to collect their perception of the main risks, their relative importance (inherent risk) and mitigation effectiveness (residual risk).

This assessment has covered potential risks related to environment (stakeholders, natural disasters), the transformation & business development (technology change, organization, market positioning), operations (clients, people, IT, processes) and the information used for decision making (financial and operational).

This recurring process, allows identifying evolutions from one year to another. Improvement plans for the main residual risks are designed at GBU and Group level, with assigned owners and milestones/timelines for follow-up and completion in 2016.

Results have been shared with general management and Group Executive Committee, to ensure that appropriate measures are deployed to manage the main risks, and presented to the Audit Committee of the Board of Directors.

The Risk Analysis (as detailed in the section *F. Risks analysis* of the 2014 Registration Document) presents the Group's vision of the main business risks, as well as the way those risks are managed. This includes the contracting of several insurance policies to cover primary insurable risks including the protection of Group assets (production sites and datacenters) and people. Operational risks on projects have been managed by the risk management function (including a Group Risk Management Committee who met monthly to review the most significant and challenging contracts). Risks related to logical or physical security are managed through a Security Organization coordinated at Group level. Control activities have also been implemented (through the Book of Internal Control), on the basis of main risks identified, as described next section related to "control activities".

D – Control activities

Atos key control activities are described in the 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 an appropriate level of internal control.

It doesn't cover only the financial processes, but also the various operational processes (Opportunity to Order, Order to Cash, Offering 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 August 2015, in order to take into account additional controls and some improvements in various processes, like R&D and manufacturing processes. This framework will continue to evolve, according to evolving 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 Atos clients.

E – Monitoring

Monitoring of internal control system is the responsibility of the Group and Local Management, and is also supported by Internal Audit missions.

Control self-assessments are performed by the main Functions through questionnaires filled by GBUs/Countries, and reviewed at Group level. Action plans are initiated when deviations were reported.

Internal Audit is ensuring, through its reviews, that the internal control procedures are properly applied and supports the development of internal control procedures. Internal Audit also defined, in partnership with Group and Local management, action plans for continuously improving internal control processes.

In 2015, Internal Audit carried out a total of 50 audit assignments (including investigations at the request of general management) assessing the functioning of internal control system: 28 in the domain of support functions (Finance, Human Resources, Purchasing, Sales) and 22 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.

1 *ISAE3402 (International Standards for Assurance Engagements (ISAE) No. 3402). A global assurance standard for reporting on controls at a service organization used for auditor's report on internal control of a service to a third party. Activities of Atos typically have an impact on the control environment of its clients (through information systems), which may require the issuance of "ISAE3402 reports" for the controls ensured by Atos.*

Twice a year, a full review of high and medium open recommendations is performed by Internal Audit with concerned owners, and reported up to the Group Executive Committee. End 2015, circa 75% 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 Atos, notably in the areas of payroll processing, accounts payable management or general ledger accounting processing.

G.3.2.4 Systems related to accounting and financial information

The financial governance of the Group supports a set of global financial processes, which are part of the Group Internal Control system and are carefully monitored due to their sensitive nature:

- finance processes: general accounting, budgeting and forecasting, consolidation and reporting, treasury, credit risk management...
- "expert" functions processes: taxes, insurance, pensions, real estate transactions;
- operational processes: bidding, contract execution, financial business model.

A – Local and Group financial organization

The management of the Finance function is performed through two main Committees that meet on a bi-monthly basis and are chaired by the Group CFO:

- **the Group Finance Committee** (GFC) is composed of the Directors of the main functions within the Finance organization and Finance Directors of the Service Lines. This Committee deals with cross functional topics critical to the Group;
- **the Operational Finance Committee** (OFC) comprises CFOs from the GBUs, Treasury and Controlling Directors (and other Directors according to the agenda). It deals with operational topics and GBU specific issues.

A direct reporting line to the Group Finance Function, as it is the case for the other support functions, reinforces the integration of the financial function, contributes to the full alignment of key finance processes and provides an appropriate support to operational entities of the Group.

The Group Finance department is in charge of piloting the financial processes, especially through financial consolidation, monitoring of compliance matters, supply of expertise and control of the reported financial information. Group Finance reviews significant accounting options and positions, as well as potential Internal Control weaknesses, and it initiates any required corrective actions.

B – Group Finance policies & procedures

Group Finance has drawn up a number of Group policies and procedures to control how financial information is recorded and processed in the subsidiaries. These policies and procedures are discussed with the statutory external auditors before issuance. They cover a number of elements:

Financial accounting policies cover Group reporting and accounting principles, guidelines on how financial information must be prepared, with common presentation and valuation standards. They also specify the accounting principles to be followed by Atos entities 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 disseminate these policies and procedures within the Group. A dedicated Intranet site is accessible to all accounting staff to facilitate the sharing of knowledge and issues raised by members of the Atos financial community.

Instructions and timetable: Financial reporting including budgets, forecasts and financial statements by subsidiary is performed in a standard format and within a timetable defined by specific instructions and procedures. Group Finance liaises with statutory auditors to coordinate the annual and half-year closing process.

C – Information systems

Information systems play a key role in the establishment and maintenance of a control system related to accounting and financial information. They have strongly structured the processes and have enabled automated preventive controls. They also provide ongoing monitoring and analysis capabilities.

An integrated ERP system supports the production of accounting and financial information in almost all the subsidiaries within the Group except for those recently acquired.

G

A single group reporting and consolidation tool is used for financial reporting (operational management reporting and statutory data). Each subsidiary reports its financial statements on a standalone basis in order to be consolidated at Group level. There is no intermediary consolidation level and all accounting entries linked to the Group consolidation remain under the direct control of Group Finance. Off balance sheet commitments are reported as part of the mainstream financial information and are reviewed by Group Finance.

D – Monitoring and control

In addition to the financial processes defined, monitoring and control processes aims to ensure that accounting and financial information complies with all applicable policies, rules and instructions.

The Closing File (which is closely linked with the Book of Internal Control) has been deployed at local level across all GBUs. 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 financial support functions on significant matters relating to financial reporting, such as tax issues, pensions, litigations, off balance sheet items or business performance and forecasts.

Operational and financial reviews: Group Controlling supports Operations and general management in the decision making process through monthly reviews and by establishing a strong link with country management in performing financial analysis and monitoring, enhancing control over operations and improving the accuracy and reliability of information reported to the Group;

Representation letters: During the annual and half-year accounts preparation, the management and financial head of each subsidiary are required to certify in writing that:

- they have complied with the Group's accounting rules and policies;
- they are not aware of cases of proven or potential fraud that may have an impact on the financial statements;
- the estimated amounts resulting from assumptions made by management enable the Company to execute the corresponding actions and;
- to the best of their knowledge, there was no major dysfunction 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 key component of the reviews conducted by the Internal Audit department on an ongoing basis. The Internal Audit department works together with Group Finance to identify the main risks and to focus its audit plan accordingly.

G.3.2.5 Outlook and related new procedures to be implemented

In 2016, financial, commercial and social development programs, as well as other transformation initiatives, will pursue their effects to improve and streamline processes, with benefits for the Internal Control System. In particular, recently acquired Xerox ITO entities will be fully integrated in Atos internal control system.

Initiatives identified through the updated risk mapping will be monitored to ensure that proper attention is given to those topics.

The Internal Audit department will pursue the internal review program updated following the risk assessment performed in 2015, and the follow-up of its recommendations.

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

Chief Executive Officer
and Chairman, Atos SE

G.3.3 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 Atos SE

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 Atos S.E. 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 31 December 2015.

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 and Paris, March 24, 2016

The statutory auditors

Deloitte & Associés

Jean-Pierre Agazzi

Grant Thornton
French member of Grant Thornton International

Victor Amselem
French member of Grant Thornton International

G.4 Executive compensation and stock ownership

G.4.1 Directors' fees

[G4-51]

In accordance with a resolution adopted at the Combined General Meeting of May 28, 2015, the 2015 annual budget for directors' fees was set at € 500,000.

The rules of payment of the directors' fees are set by the Board of Directors, based on the proposal of the Nomination and Remuneration Committee. For 2015, the fees were allocated on the basis of the following principles:

- For the Board of Directors: a fixed compensation of € 25,000 per director plus a variable fee of € 1,000 per attended meeting (this fee depends on attendance at the meetings of the Board of Directors). The lead director receives an additional compensation of € 1,000 for each attended Board meeting;
- For the Committees: compensation is only based on attendance to the meetings: € 1,500 per attended meeting for the Chairman of the said Committee and € 750 per attended meeting for each member of the Committee.

Thierry Breton has renounced to the director's fees he was entitled to.

With the exception of Thierry Breton, Chairman and Chief Executive Officer and Jean Fleming, director representing employee shareholders, the members of the Board of Directors did not receive in 2015 any other compensation from Atos SE or any of its subsidiaries.

Director's fees paid and due to directors according to their attendance at the Board of Directors and Committees meetings in 2015

	2015		2014	
(in euros)	Paid[a]	Owed[b]	Paid[c]	Owed[d]
René Abate	N/A	N/A	15,205[1]	N/A
Nicolas Bazire	48,500	44,500	45,000	48,500
Jean-Paul Béchat	42,966[2]	N/A	49,500	42,966[2]
Valérie Bernis	N/A	24,877[3]	N/A	N/A
Thierry Breton	-	-	-	-
Roland Busch	36,500 *	26,000 *	34,250 *	36,500 *
Jean Fleming[4]	39,000 *	35,000 *	38,000 *	39,000 *
Bertrand Meunier	44,750 *	39,500 *	39,000 *	44,750 *
Colette Neuville	41,000	37,000	39,000	41,000
Aminata Niane	36,250 *	39,500 *	38,750 *	36,250 *
Lynn Paine	41,000 *	37,000 *	21,795[5] *	41,000 *
Michel Paris	44,500	9,322	41,500	44,500
Pasquale Pistorio	51,250 *	46,000 *	54,000 *	51,250 *
Vernon Sankey	48,393[6] *	47,500 *	44,250 *	48,393[6] *
Lionel Zinsou-Derlin	18,068[7]	N/A	37,000	18,068[7]
TOTAL	**492,177**	**386,199**	**497,250**	**492,177**

N/A: Non applicable
** These fees granted to directors residing outside of France correspond to the amounts paid or due by Atos SE before withholding tax.*
a Directors' fees paid in 2015 for the year 2014.
b Directors' fees due for the year 2015.
c Directors' fees paid in 2014 for the year 2013.
d Directors' fees due for the year 2014.

1 The term of office of Mr. René Abate ended at the end of the Combined General Meeting of May 29, 2013. The fixed portion of his directors' fees for 2013 was calculated on a pro rata basis up to this date.
2 Mr. Jean-Paul Béchat died on November 24, 2014. The fixed portion of his Directors' fees for 2014 was calculated on a pro rata basis up to this date.
3 Ms. Valérie Bernis was appointed Director on a temporary basis by the Board of Directors during its meeting held on April 15, 2015, to replace Michel Paris, having resigned, for the remaining period of her predecessor's term, i.e. until the end of the General Meeting convened to approve the financial statements for the financial year ending in 2016. Her temporary appointment was ratified by the Combined General Meeting held on May 28, 2015. The fixed portion of her directors' fees for 2015 was calculated on a prorata basis as from her temporary appointment.
4 Ms. Jean Fleming, director representing employee shareholders is employed by Atos IT Services UK Limited.
5 Ms. Lynn Paine was appointed director during the Combined General Meeting of May 29, 2013. The fixed portion of the directors' fees for 2013 was calculated on a pro rata basis as from this date.
6 An additional € 2,143 was paid to Mr. Vernon Sankey to compensate his activity as Acting Chairman of the Audit Committee during the last months of 2014.
7 The term of office of Mr. Lionel Zinsou-Derlin ended at the Combined General Meeting of May 27, 2014. The fixed portion of his directors' fees for 2014 was calculated on a pro rata basis up to this date.

Evolution of the directors' fees allocation rules in 2016

In order to enhance its compliance with the AFEP-MEDEF Code, the Board of Directors, during its meeting held on December 17, 2015, on the proposal from the Nomination and Remuneration Committee, decided to amend the allocation rules of the directors' fees in order to enhance the variable portion, by increasing by 50% the amount of the variable compensation for each attended meeting and by reducing the amount of the fixed compensation by 20%.

Consequently, the following distribution rules will apply to directors' fees in respect of Board and Committee meetings held in 2016:

- For the Board of Directors: a fixed compensation of € 20,000 per Director plus a variable fee of € 1,500 per attended meeting. The lead director will receive an additional compensation of € 1,500 for each attended Board meeting;
- For the Committees: compensation remains unchanged and only based on attendance to the meetings: € 1,500 per attended meeting for the Chairman of the said Committee and € 750 per attended meeting for each member of the Committee.

As a result of this amendment, the Company will be fully compliant with the recommendations of the AFEP-MEDEF Code on the distribution of directors' fees and such item will be removed from the "Comply or Explain" table gathering deviation from the AFEP-MEDEF Code in the 2016 Registration Document.

G.4.2 Executive compensation

[G4-51]

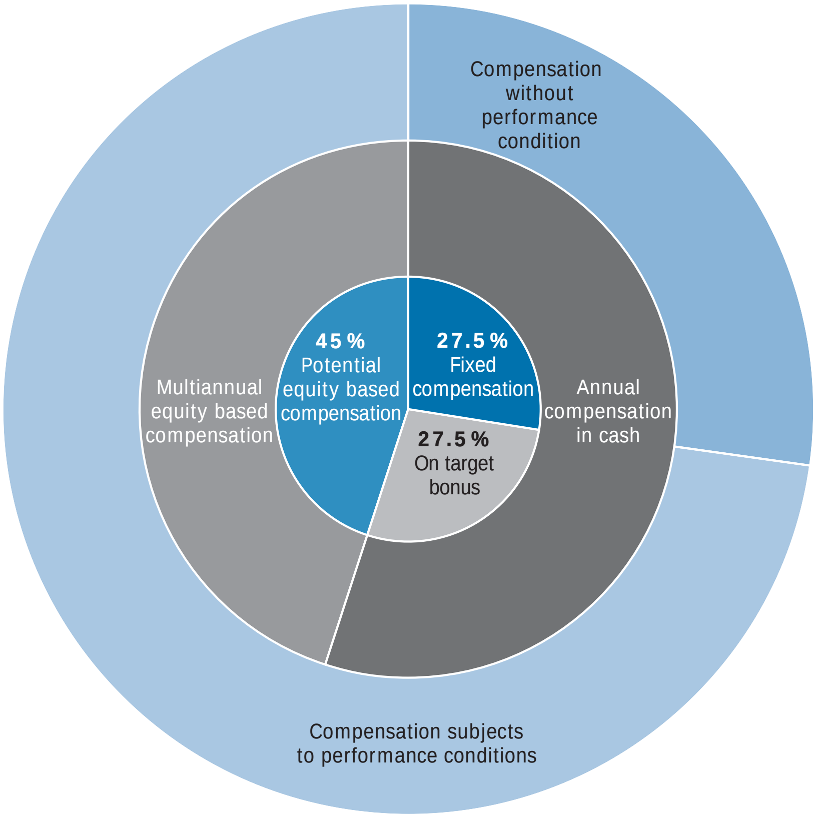
Thierry Breton was appointed Chairman of the Management Board on November 16, 2008 and has been Chairman of the Board and Chief Executive Officer since February 10, 2009. On May 28, 2015, following the General Meeting of the Atos Shareholders, the Board of Directors renewed Thierry Breton's mandate as Chairman of the Board and Chief Executive Officer, which will end in 2018 on the date of the Shareholders' General Meeting validating the 2017 consolidated financial statements.

G.4.2.1 Principles of the compensation of Thierry Breton – Chairman and Chief Executive Officer

The principles of the compensation of the Chairman and CEO of Atos SE are proposed by the Nomination and Remuneration Committee and approved by the Board of Directors. The Nomination and Remuneration 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 recommendations of the AFEP-MEDEF Code (revised version of November 2015):

- Principle of =**balance**: the Nomination and Remuneration Committee ensures that no element represents a disproportionate share of the Chairman and CEO's compensation;
- Principle of **competitiveness**: The Nomination and Remuneration Committee also ensures the competitiveness of the remuneration of the Chairman and CEO, through regular compensation surveys;
- Related to **performance**: The Chairman and 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 Atos managers and Chairman and CEO with the performance and financial results of the Company in a long-term perspective, a part of their compensation is equity based, including performance shares. Finally, the compensation policy of the Chairman and CEO supports Atos' commitment to corporate responsibility. In this context, performance criteria related to the **social and environmental responsibility** of the Company have been established in the performance share plans granted as from 2013.



G.4.2.2 Elements of the compensation of Thierry Breton – Chairman and Chief Executive Officer

The elements of the compensation of Thierry Breton, Atos SE Chairman and CEO, were decided by the Board of Directors during a meeting held on December 22, 2011, upon recommendation of the Nomination and Remuneration Committee. This decision has been confirmed following the General Meeting of Shareholders held on May 30, 2012, on the renewal of Thierry Breton's mandate, as well as during the Meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016.

Moreover, for the first time, Atos submitted to the vote of the shareholders, during the General Meeting held on December 27, 2013, a resolution on the main strategic guidelines of the Group for the period 2014-2016, which was adopted with 99.63% of the vote. This resolution also included all the various elements composing the compensation of the Chairman and CEO of the Company Atos SE for the period 2014-2016, which are consubstantial with the strategic plan, and as they have been approved by the Board of Directors.

These elements, which remained unchanged further to the renewal of the term of office of Thierry Breton which occurred in May 2015, include:

- A **total compensation in cash**, from January 1, 2012, which has been maintained for the three-year plan "2016 Ambition", and which is composed of:
  - Fixed annual compensation of € 1.35 million;
  - Variable compensation, subject to performance conditions, annual target being equal to € 1.35 million, 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 and establish a proactive way to support its strategic plan, the performance objectives for the Chairman and 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.

  It should also be specified that the variable compensation of the Chairman and 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 Group 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 2015 year, the nature and weighting of each indicator of the variable on-target Bonus of the Chairman and CEO are the following:

- Group operating margin (40%);
- Group free cash flow before equity changes, dividends paid to shareholders, and acquisitions/disposals (30%);
- Group revenue organic growth (30%).

- **Equity based compensation**: the Board of Directors, during the meeting held on May 30, 2012, and upon recommendation of the Nomination and Remuneration Committee, has set the weight of equity based compensation in the total compensation of the Chairman and Chief Executive Officer. Thus, 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 Chairman and CEO's total compensations, by setting a maximum percentage.

  Thus, for the period of the three-year plan "2016 Ambition", total annual equity based compensation to the Chairman and CEO is limited, per annum, to circa 45% of the total remuneration of the Chairman and CEO, such compensation being subject to achieving several demanding performance conditions determined by the Board of Directors, whether internal or external, and based on financial criteria (such as: profitability, free cash flow and revenue growth) and corporate social responsibility objectives.

- The **fringe benefits** granted to the Chairman and CEO since his appointment have remained unchanged.

G.4.2.3 Summary of the Compensation and Stock-Options and Performance Shares granted to the Chairman and CEO – AMF Table 1

Thierry Breton – Chairman and CEO	2015 *(in euros)*	2014 *(in euros)*
Due remuneration for the relevant year	2,799,533	2,480,582
Value of options granted during the year	-	-
Value of Performance Shares granted during the year	2,142,282	1,543,058
TOTAL	**4,941,815**	**4,023,640**

As a reminder, performance shares granted by the Board of Directors to the Chairman and CEO, on July 28, 2014 according to the authorization granted by the Atos shareholders' Combined General Meeting held on May 29, 2013 (15th resolution), and on July 28, 2015, according to the authorization granted by the Atos shareholders' Combined General Meeting held on May 27, 2014 (22nd resolution) have been valued based on fair value as determined pursuant to IFRS 2 standard retained for the consolidated financial statements.

G.4.2.4 Summary of the Chairman and CEO's compensation, paid by the Company and its subsidiaries – AMF Table 2

	2015		2014	
(in euros)	Due	Paid	Due	Paid
Fixed remuneration	1,350,000	1,350,000	1,350,000	1,350,000
Variable remuneration	1,442,813	1,371,263	1,121,783	1,092,150
Exceptional remuneration	-	-	-	-
Atos SE director's fees	-	-	-	-
Fringe benefits	6,720	6,720	8,800	8,800
TOTAL	**2,799,533**	**2,727,983**	**2,480,582**	**2,450,950**

In 2014, the financial objectives achievement has triggered a payout rate in percentage of the target variable compensation at 66.4% for the first semester and 99.8% for the second semester. For 2014, the annual variable compensation due to the Chairman and CEO corresponds to 83.1% of his target annual variable compensation.

In 2015, the financial objectives achievement has triggered a payout rate in percentage of the target variable compensation for the first and the second semester at 103.3% and 110.4% respectively. For 2015, the annual variable compensation due to the Chairman and CEO corresponds to 106.9% of his target annual variable compensation.

		2015		2014	
		First-half	Second-half	First-half	Second-half
Indicators	Weight	Payout*	Payout*	Payout*	Payout*
Group operating margin	40%	>100%	>100%	<100%	>100%
Group free cash flow [1]	30%	>100%	>100%	<100%	>100%
Group revenue organic growth	30%	<100%	100,0%	<100%	<100%
Payout in % of the semester on-target bonus		**103,3%**	**110,4%**	**66,4%**	**99,8%**

* *on the basis of the elasticity curve capped at 130%*

1 *before acquisition/disposal and variation of equity and dividends*

G.4.2.5 Fringe benefits of the Executive Director – AMF Table 11

Thierry Breton, the Chairman and CEO, 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. The terms of the supplementary pension plan are described in paragraph "Compliance of total executive compensation with AFEP-MEDEF recommendations".

	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	
Chairman and Chief Executive Officer	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**
Thierry Breton Chairman of the Management Directory November 16, 2008 - February 10, 2009 Chef Executive Officer February 10, 2009 to date		NO	YES			NO		NO

G.4.3 Performance share plans and stock subscription or purchase option plans

[G4-51]

Atos is strongly committed to associating its employees with the long-term performance and results of the Group, notably through long-term incentive plans. Beneficiaries of such plans are mostly top managers of the Group, including the Chairman and CEO.

Following the integration of Siemens IT Solutions and Services, upon proposal of the Nomination and Remuneration Committee, Atos Board of Directors, during the meeting held on December 22, 2011 decided to implement a performance share plan to associate the managers of the new Atos in the Group's success in the years 2012-2013. On July 24, 2013, the Board of Directors also decided to grant performance shares, with performance conditions related to 2013 and 2014. these plans are detailed below.

In line with the strategic plan for the period 2014-2016, in order to closely associate Atos Chairman and CEO and top managers with the performance and financial results of the Group, the Board of Directors, upon proposal of the Nomination and Remuneration Committee, decided during its meeting held on July, 28, 2014, to implement a performance share plan, with performance conditions related to 2014 and 2015. As detailed below, an additional demanding internal performance criterion has been set up in this 2014 plan. On top of operating margin, free cash flow and environmental and social responsibility criteria, the Board of Directors has decided to include revenue growth, as it is a key element of the Atos Group's strategy, and thus strengthening the requirement of the performance conditions. During its meeting held on July 28, 2015, the Board of Director, upon the proposal of the Nomination and Remuneration Committee, decided to implement a new performance share plan with performance conditions based on internal and external performance criteria identical to those of the previous plan of July 28, 2014 but calculated over the three years 2015, 2016 and 2017.

The rules of the performance share plans and the previous grants of performance shares and stock subscription or purchase options are detailed in the following paragraphs.

G.4.3.1 Remider of the terms and conditions of the performance share plan decided on December 22, 2011 of which the Chairman and CEO is one of the beneficiaries

Pursuant to the authorization granted by the Atos shareholders' Combined General Meeting held on July 1st, 2011 (4th resolution), upon recommendation of the Nomination and Remuneration Committee, the Board of Directors, during its meeting held on December 22, 2011, decided to implement a performance share plan to associate the managers of the new Atos successful integration of Siemens IT Solutions and Services in the years 2012-2013. As such, the Chairman and CEO benefited, as well as the top 1% first managers of the Group, of a grant of performance shares on December 22, 2011.

The grant of these performance shares was based on precise and was subject to the following conditions:

1. **Employment condition:** subject to exceptions provided in the performance shares plan[1], the grant of performance shares is conditional on the continued employment of the beneficiary, with an employee or director status, within Atos Group during the vesting period described below in item "3.Vesting and conservation period".
2. **Performance conditions:** The acquisition of performance shares is also subject to the achievement of the following two cumulative internal performance conditions calculated respectively for the years 2012 and 2013:

- the **Group free cash flow** before dividend and acquisition/sales results for the relevant year is at least equal to one of the two following amounts:
  - **(i)** 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or
  - **(ii)** the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

And

- the **Group operating margin** for the relevant year is at least equal to one of the two following amounts:
  - **(i)** 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  - **(ii)** the amount of the Group operating margin from the previous year with a 10% increase;
- Subject to the aforementioned employment condition:
  - **(i)** achieving both performance conditions for the year 2012 lead to the beneficiaries acquiring 50% of the Performance Shares which they were granted, and
  - **(ii)** Achieving both performance conditions for the year 2013 lead to the beneficiaries acquiring 50% of the remaining Performance Shares which they were granted.

G

1 *Such as death or disability.*

3. **Vesting and conservation periods:** The grant of Performance Shares proposed by the Atos Board of Directors on December 22, 2011, in accordance with the authorization given by the fourth resolution adopted during the General Meeting of the shareholders on July 1, 2011, provides for two plans (France and International):

International Plan: the beneficiaries employed by a company of the Group incorporated outside of France, will definitively acquire the granted performance shares on the fourth anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions, without any obligation of conservation of the shares which could be immediately sold.

France Plan: the beneficiaries employed by a company of the Group incorporated in France, will definitively acquire the granted performance shares on the second anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions. The beneficiaries are also required to remain owner of their acquired shares for an additional period of two years. The Chairman and CEO is eligible to the Performance Share Plan for France.

For the France Plan mentioned above, the shares subject to performance conditions for the year 2012 (Tranche 1) and for the year 2013 (tranche 2) were respectively definitively acquired on December 22, 2013, and on March 17, 2014; the beneficiaries are also required to remain owner of their acquired shares for a period of two years, the above-mentioned shares could be sold starting December 22, 2015 and March 17, 2016 respectively.

G.4.3.2 Terms and conditions of the Performance Share Plan decided on July 24, 2013 of which the Chairman and CEO is one of the beneficiaries

Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on May 30, 2012 (eighteenth resolution), the Board of Directors, during its meeting held on July 24, 2013, upon recommendation of the Nomination and Remuneration Committee, decided to proceed with the grant of 723,335 Atos Performance Shares, for the benefit of the Atos first lines of managers, including the Chairman and CEO.

The performance conditions of this new plan focus on annual internal financial criteria related to profitability and free cash flow, which have been strengthened compared to the previous plan of December 22, 2011. It is indeed necessary to achieve all of the performance conditions for both concerned years (2013 and 2014) to definitively acquire 100% of the granted shares. Moreover, the requirement of the plan has been strengthened by the addition of an external condition, linked to the social and environmental performance of the Company. The Board noted the particularly demanding nature of these performance conditions.

It is stated that if one any of the performance conditions both internal and external were not achieved for the first or second year of the plan, Performance Shares would become null and void.

The performance plan's characteristics are the following:

1. **Employment condition:** subject to exceptions provided in the Performance Shares plan[1], the grant of Performance Shares is conditional on the continued employment of the beneficiary, with an employee or director status, within Atos Group during the vesting period described below in item "3.Vesting and conservation period".
2. **Performance conditions:** The acquisition of Performance Shares is also subject to the achievement of the following internal and external performance conditions calculated for the consecutive years 2013 and 2014.

1 Such as: death or disability.

Internal Performance conditions

For each of the concerned year 2013 and 2014*:

- the **Group free cash flow** before dividend and acquisition/sales results for the relevant year is at least equal to one of the two following amounts:

(i) 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or

(ii) the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

And

- the **Group operating margin** for the relevant year is at least equal to one of the two following amounts:

(i) 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or

(ii) the amount of the Group operating margin from the previous year with a 10% increase;

Being specified that the performance conditions criteria described above will be calculated at constant exchange rates and perimeter.

** Further to Bull acquisition by Atos, Atos financial accounts include Bull from September 1, 2014 onwards. Upon recommendation of Atos Nomination and Compensation Committee, Atos Board of Directors, during its meeting held on October 24, 2014, took the decision to take into account the new scope and did adjust the 2014 performance targets related to Free Cash Flow and Operating Margin in accordance with the plan rules.*

And

External Performance conditions

For the year 2013, and for the year 2014, Atos must fulfill the requirement of GRI A application level, validated by the GRI (or equivalent); or, be part of the Dow Jones Sustainability Index (World or Europe).

3. Vesting and conservation periods: The free grant of Performance Shares proposed by the Atos Board of Directors on July 24, 2013, provides for two plans (France and International):

International Plan: the beneficiaries employed by a company of the Group incorporated outside of France, will definitively acquire the granted Performance Shares on the fourth anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions, without any obligation of conservation of the shares which could be immediately sold.

France Plan: the beneficiaries employed by a company of the Group incorporated in France, will definitively acquire the granted Performance Shares on the second anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions. The beneficiaries are also required to remain owner of their acquired shares for an additional period of two years.

The Chairman and CEO is eligible to the Performance Share Plan for France.

G.4.3.3 Terms and conditions of the Performance Share Plan decided on July 28, 2014 of which the Chairman and CEO is one of the beneficiaries

Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on May 29, 2013 (fifteenth resolution), the Board of Directors, during its meeting held on July 28, 2014, upon recommendation of the Nomination and Remuneration Committee, decided to proceed with the grant of 691,000 Atos Performance Shares, for the benefit of the Atos first lines of managers, including the Chairman and CEO.

The performance conditions of this new plan have been further strengthened compared to the previous plan of July 24, 2013, by the addition of the External Revenue Growth as an annual internal financial criterion, on top of profitability and free cash flow. The Board noted the particularly demanding nature of these performance conditions.

The performance plan's characteristics are the following:

1. **Employment condition:** subject to exceptions provided in the Performance Shares plan[1], the grant of Performance Shares is conditional on the continued employment of the beneficiary, with an employee or director status, within Atos Group during the vesting period described below in item "3.Vesting and conservation period".
2. **Performance conditions:** The acquisition of Performance Shares is also subject to the achievement of the following internal and external performance conditions calculated for the consecutive years 2014 and 2015.

1 Such as: death or disability.

Internal Performance conditions

For each of the concerned year* 2014 and 2015:

- the **Group free cash flow** before dividend and acquisition/sales results for the relevant year is at least equal to one of the two following amounts:
  - **(i)** 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or
  - **(ii)** the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

And

- the **Group operating margin** for the relevant year is at least equal to one of the two following amounts:
  - **(i)** 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  - **(ii)** the amount of the Group operating margin from the previous year with a 10% increase;

And

- the **Group revenue growth** for the relevant year, is at least equal to one of the following two amounts:
  - **(i)** Revenue growth rate as mentioned in the Company's Budget for the year in question minus a percentage decided by the Board of Directors, or
  - **(ii)** Yearly growth rate per reference to the Group growth targets communicated in the framework of the 3 year Plan (2014-2016).

It being specified that the performance conditions criteria described above will be calculated at constant exchange rates and perimeter.

** Further to Bull acquisition by Atos, Atos financial accounts include Bull from September 1, 2014 onwards. Upon recommendation of Atos Nomination and Compensation Committee, Atos Board of Directors, during its meeting held on October 24, 2014, took the decision to take into account the new scope and did adjust the 2014 performance targets related to internal performance in accordance with the plan rules. Upon recommendation of the Nomination and Remuneration Committee and in accordance with the plan rules, the Board of Directors also decided to adjust the 2015 performance targets due to the change in the scope of consolidation of Atos as the result of the acquisition of Xerox ITO.*

And

External Performance conditions

For the year 2014, and for the year 2015, Atos must fulfill the requirement of GRI A application level, validated by the GRI (or equivalent); or, be part of the Dow Jones Sustainability Index (World or Europe).

It is stated in the plan rules that, for each of the concerned year, at least 2 of 3 internal performance conditions must be achieved. If one criterion is not met in the first year, the same will become compulsory for the following year. And for each of the concerned year, the external Performance Condition related to the Environmental and Social Responsibility of the Company must be achieved.

3. **Vesting and conservation periods:** The free grant of Performance Shares proposed by the Atos Board of Directors on July 28, 2014, provides for two plans (France and International):

International Plan: the beneficiaries employed by a company of the Group incorporated outside of France, will definitively acquire the granted Performance Shares on the fourth anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions, without any obligation of conservation of the shares which could be immediately sold.

France Plan: the beneficiaries employed by a company of the Group incorporated in France, will definitively acquire the granted Performance Shares on the second anniversary of the grant date, subject to the achievement of the above mentioned performance and employment conditions. The beneficiaries are also required to remain owner of their acquired shares for an additional period of two years.

The Chairman and CEO is eligible to the Performance Share Plan for France.

G.4.3.4 Terms and conditions of the Performance Share Plan decided on July 28, 2015 of which the Chairman and CEO is one of the beneficiaries

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 27, 2014 (twenty-second resolution), the Board of Directors, during its meeting held on July 28, 2015, and upon the recommendation of the Nomination and Remuneration Committee, decided to proceed with the allocation of 868,000 ordinary performance shares of the Company, to be issued in favor of the first managerial lines of Atos, including the Chairman and Chief Executive Officer.

Performance conditions to be achieved over the three years 2015, 2016 and 2017 of the new plan relate to internal financial criteria linked to profitability, free cash flow and revenue growth, identical to those of the previous plan of July 28, 2014. As for the July 28, 2014 plan, the plan also provides for an external condition linked to the social and environmental performance of the Company.

The features of the performance share allocation plan are as follows:

1. **Employment condition:** subject to exceptions provided in the Performance Shares plan[1], the grant of Performance Shares is conditional on the continued employment of the beneficiary, with an employee or director status, within Atos Group during the vesting period described below in item "3.Vesting and conservation period".
2. **Performance conditions:** The allocation of performance shares is also subject to the achievement of the following internal and external performance conditions, calculated for the three years 2015, 2016, and 2017:

Internal Performance conditions

For each of the years 2015, 2016, and 2017:

- the **Group free cash flow** before dividend and acquisition/sales results is at least equal to one of the following amounts:
  - **(i)** 85% of the amount of the Group free cash flow, before dividends and acquisition/sales results, as mentioned in the Company's budget, or
  - **(ii)** the amount of the Group free cash flow before dividends and acquisition/sales results for the previous period with a 10% increase;

And

- the **Group operating margin** is at least equal to one of the following amounts:
  - **(i)** 85% of the amount of the Group's operating margin as mentioned in the Company's budget, or
  - **(ii)** the amount of the Group operating margin for the previous period with a 10% increase;

And

- **Revenue growth** for 2015, 2016, and for the first semester 2017 is at least equal to one of the two following amounts:
  - **(i)** Revenue growth rate as mentioned in the Company's budget minus a percentage decided by the Board of Directors, or
  - **(ii)** Yearly growth rate per reference to the Group growth targets communicated in the framework of the 3 year plan 2014-2016 (updated in June 2015) and for the first semester 2017.

  The abovementioned indicators will be calculated on a constant scope of consolidation and exchange rates basis.

  Internal performance conditions will be assessed on an annual basis for each year 2015 and 2016 and on the first semester basis for the year 2017. The previous period is defined as the previous year for each year 2015 and 2016 and the first semester 2016 for the first semester 2017.

  For each of the years 2015 and 2016, at least 2 of 3 criteria must be met. If one criterion is not met for the year 2015, it becomes compulsory for the following year. For the first semester 2017, at least 2 of 3 criteria must be met.

And

External Performance conditions

For the years 2015, 2016, and 2017, Atos must at least achieve the rating of GRI G4 "Comprehensive" (former GRI A) or become part of the Dow Jones Sustainability Index (Europe or World) (annual rating).

The condition is achieved as soon as this criterion is validated at least two years during the period.

3. **Vesting and conservation periods:** The allocation of performance shares decided by the Board of Directors of Atos SE dated July 28, 2015 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.

International Plan: Beneficiaries of performance shares who are employees of companies of the Atos Group with registered office outside France will definitively acquire the performance shares allocated to them on January 2, 2020, subject to achieving the performance conditions and the aforementioned employment condition. The shares thus acquired will not be subject to any conservation obligation and will be immediately available for sale by their beneficiaries.

France Plan: Beneficiaries of performance shares will definitively acquire the shares in 2018, as early as one of the two following dates: on January 2, 2018 or at the date of validation of the 2017 external performance criterion, if necessary. It is stipulated that the acquisition of the shares will be subject to the aforementioned performance and employment conditions; the beneficiaries will also be required to retain the shares thus acquired for a period of two years following the acquisition date.

The Chairman and CEO is eligible to the Performance Share Plan for France.

1 Such as: death or disability.

G.4.3.5 Achievement of the 2015 performance conditions related to the performance share plans dated July 28, 2014 and July 28, 2015

Internal performance conditions have been achieved for the year 2015.

Group operating margin	2015
Budget achievement (%)	**100.5%***
85% of budget or +10% vs previous year achieved	YES
Group free cash flow	**2015**
Budget achievement (%)	**112.2%***
85% of budget or +10% vs previous year achieved	YES
Group revenue growth	**2015**
Budget achievement (%)	**100.0%***
Group revenue growth objective	YES

* *Targets adjusted to reflect actual 2015 exchange rates.*

As a consequence,

- the internal performance conditions of the Performance Share Plan dated 28, July 2014 related to the year 2015 are achieved;
- the internal performance conditions of the Performance Share Plan dated 28, July 2015 related to the year 2015 are achieved.

The Performance Share Plans dated July 28, 2014 and July 28, 2015 also include a cumulative external performance condition related to the social and environmental responsibility of the Company:

As a reminder, for the year in question, the Group must at least achieve the rating of GRI G4 "Comprehensive" (former GRI A) or, be part of Dow Jones Sustainability Index (Europe or World).

In 2015, for the fourth consecutive year, Atos has been selected as an index component of the Dow Jones Sustainability Indices (DJSI) which selects among the world's largest 2,500 companies, the 10% of them recognized as the most efficient in terms of corporate responsibility, both from a standpoint of governance and of environmental and social performance. Atos performance was recognized both in the Dow Jones Sustainability Index World and in the Dow Jones Sustainability Index Europe.

The external condition of the Performance Share Plans, dated July 28, 2014 and dated July 28, 2015, has thus been achieved for the year 2015.

As a reminder, internal and external performance conditions were achieved for the year 2014:

Group operating margin	2014
Budget achievement (%)	**102.7%** [1]
85% of budget or +10% vs previous year achieved	YES
Group free cash flow	**2014**
Budget achievement (%)	**107.6%** [1]
85% of budget or +10% vs previous year achieved	YES
Group revenue growth [2]	**2014**
Growth objective achievement (%)	**92.5%** [1]
Group revenue growth objective	YES
External performance condition	**2014**
GRI rating A or being part of Dow Jones Sustainability Index (Europe or World)	YES

1 *Targets adjusted to reflect actual 2014 exchange rates.*
2 *Performance condition of the Performance Share Plan dated July 28, 2014.*

The performance conditions of the performance share plan dated July 28, 2014 have been achieved as of the date of this Registration Document. The performance share plan dated July 28, 2015 remains subject to the achievement of the performance conditions set forth in the plan rules.

G.4.3.6 Past grants of Performance Shares – AMF Table 10

Performance Share Plans allocated by Atos are listed below. For each grant, the table shows the dates of the Board's decisions, the number of granted shares, the number of beneficiaries, and the end date of vesting period. Performance Share Plans and especially their related performance conditions are described in the previous paragraphs.

The outstanding 2,080,335 rights to performance shares represented 2.0% of Atos SE's share capital as of December 31, 2015.

				Number of Shares								
Assembly Date	Board of Directors Date	Plan details*	Number of benefic-iaries	Number of Granted Shares	Including Board of Directors Members	Change of plan following International Mobility	Cancelled or forfeited	Number of vested shares at 12/31/2015	Including Board of Directors Members	Situation at 12/31/2015	Acquisition date	Availability Date
07/01/2011	12/22/2011	plan FR Tranche 1	187	233,300	32,500	-11,700	3,350	218,250	32,500	-	12/22/2013	12/22/2015
07/01/2011	12/22/2011	plan FR Tranche 2	187	233,300	32,500	-11,700	3,800	217,800	32,500	-	03/17/2014	03/17/2016
07/01/2011	12/22/2011	plan INT tranche 1	553	262,225	-	11,700	61,350	212,575	-	-	12/22/2015	12/22/2015
07/01/2011	12/22/2011	plan INT tranche 2	553	262,225	-	11,700	63,500	500[1]	-	209,925	03/17/2016	03/17/2016
07/01/2011	03/29/2012	plan FR	9	9,700	-		-	9,700	-	-	03/29/2014	03/29/2016
07/01/2011	03/29/2012	plan INT	20	10,150	-		500	-	-	9,650	03/29/2016	03/29/2016
05/30/2012	07/24/2013	plan FR	194	332,580	45,000	2,380	13,770	321,190	45,000	-	07/24/2015	07/24/2017
05/30/2012	07/24/2013	plan INT	511	390,755	-	-2,380	58,015	-	-	330,360	07/24/2017	07/24/2017
05/29/2013	07/28/2014	plan FR	169	301,195	46,000		6,550	-	-	294,645	07/28/2016	07/28/2018
05/29/2013	07/28/2014	plan INT	515	389,805	-		15,050	-	-	374,755	07/28/2018	07/28/2017
05/27/2014	07/28/2015	plan FR	241	393,400	55,000		300	-	-	393,100	01/02/2018	01/02/2020
05/27/2014	07/28/2015	plan INT	610	474,600			5,800	900[1]	-	467,900	01/02/2020	01/02/2020
TOTAL										**2,080,335**		

1 Early vesting due to death.
** FR: France; INT: International.*

G.4.3.7 Performance shares granted during the year to the Chairman and CEO – AMF Table 6

The below table shows the Performance Shares granted to the Chairman and CEO, and in particular those granted during the year. Pursuant to the authorization granted by the Atos Shareholders' General Meeting held on May 27, 2014 (twenty-second resolution), the Board of Directors, during its meeting held on July 28, 2015, upon recommendation of the Nomination and Remuneration Committee, decided the free grant of Performance Shares. Atos Chairman and CEO is one of the beneficiaries of this grant.

	Plan Date	Number of shares	Acquisition Date	Availability Date	Share valuation *(in €)**
Chairman and CEO	December 22, 2011	32,500	December 22, 2013	December 22, 2015	926,957
	December 22, 2011	32,500	March 17, 2014	March 17, 2016	913,680
	July 24, 2013	45,000	July 24, 2015	July 24, 2017	2,250,773
	July 28, 2014	46,000	July 28, 2016	July 28, 2018	1,543,058
	July 28, 2015	55,000	January 2, 2018[1]	January 2, 2020	2,142,282

** 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 Company 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.*
1 Shares will be definitively acquired in 2018, as early as one of the two following dates: on January 2, 2018 or at the date of validation of the 2017 external performance criterion, if necessary. In any case, beneficiaries are required to comply with a 2-year holding period as from the acquisition date.

G.4.3.8 Performance shares that have become available during the year for the Chairman and CEO – AMF Table 7

During 2015, fifty percent of the Performance Shares granted on December 22, 2011 (Tranche 1) became available for possible sale to the beneficiaries according to the France Plan Rules. The Atos Chairman and CEO is a beneficiary of this plan. Acquisition and availability terms are described above, in the paragraphs related to the terms and conditions of the Performance Share Plan decided on December 22, 2011. At the end of the 2015 financial year, the Atos Chairman and CEO did not sell any of those shares.

Besides, Performance Shares granted on July 24, 2013, became definitively acquired by their beneficiaries, according to the France Plan Rules. The Atos Chairman and CEO is a beneficiary of this plan. Acquisition terms are described above, in the paragraphs related to the terms and conditions of the Performance Share Plan decided on July 24, 2013. Furthermore, beneficiaries are required to remain owner of their acquired shares for an additional period of two years; the shares will become available for possible sale on July 24, 2017.

	Plan Date	Number of shares definitively acquired during the year	Vesting Date	Number of shares available during the financial year	Availability Date
Chairman and CEO	December 22, 2011 Tranche 1	32,500	December 22, 2013	32,500	December 22, 2015
	July 24, 2013	45,000	July 24, 2015	0	July 24, 2017

G.4.3.9 Past awards of subscription or purchase options – AMF Table 8

The plans of subscription or purchase options granted by Atos are listed below. For each grant, the table shows the dates of the Board's decisions, the number of granted options, the number of beneficiaries, the start date of the vesting period, and the number of cancelled or exercised options.

Date of shareholders' meeting	Date of Board meeting	Exercise period start date	Exercise period end date	Strike Price *(in €)*	Options granted	Of which to members of the Board*	Numbers of beneficiaries	Options exercised	Options cancelled or expired	Situation at December 31, 2015	Value of unexercised options *(in € million)*
31/10/00	09/02/04	01/01/06	09/02/14	54.14	1,172,125	0	1,220	1,202,693	384,182	0	0.0
22/01/04	09/02/04	09/02/08	09/02/14	54.14	414,750	0	686				
04/06/04	10/01/05	10/01/08	10/01/15	49.75	805,450	0	803	909,405	243,295	0	0.0
04/06/04	10/01/05	10/01/09	10/01/15	49.75	347,250	0	567				
04/06/04	28/04/05	28/04/08	28/04/15	49.98	750	0	1	4,750	2,750	0	0.0
04/06/04	28/04/05	28/04/09	28/04/15	49.98	6,750	0	5				
04/06/04	26/10/05	26/10/09	26/10/15	58.04	5,200	0	3	200	5,000	0	0.0
04/06/04	12/12/05	12/12/08	12/12/15	57.07	20,000	0	1	28,334	6,666	0	0.0
04/06/04	12/12/05	12/12/09	12/12/15	57.07	15,000	0	1				
04/06/04	29/03/06	29/03/09	29/03/16	59.99	810,130	0	828	631,730	196,323	319,937	19.2
04/06/04	29/03/06	29/03/10	29/03/16	59.99	337,860	0	420				
04/06/04	01/12/06	01/12/10	01/12/16	43.87	50,000	0	1	50,000	0	0	0.0
04/06/04	19/12/06	19/12/09	19/12/16	43.16	15,100	0	24	12,102	3,745	3,303	0.1
04/06/04	19/12/06	19/12/10	19/12/16	43.16	4,050	0	6				
23/05/07	09/10/07	09/10/10	09/10/17	40.35	20,000	0	1	20,000	0	0	0.0
23/05/07	09/10/07	09/10/11	09/10/17	40.35	5,000	0	1	5,000	0	0	0.0
23/05/07	10/03/08	10/03/14	10/03/18	34.73	190,000	0	3	0	140,000	50,000	1.7
23/05/07	22/07/08	22/07/11	22/07/18	34.72	5,000	0	1	5,000	0	0	0.0
23/05/07	22/07/08	22/07/12	22/07/18	34.72	2,500	0	1	2,500	0	0	0.0
23/05/07	23/12/08	01/04/10	31/03/18	18.40	459,348	233,334	24	420,415	3,334	35,599	0.7
23/05/07	23/12/08	01/04/11	31/03/18	22.00	459,326	233,333	24	419,397	6,666	33,263	0.7
23/05/07	23/12/08	01/04/12	31/03/18	26.40	459,326	233,333	24	406,065	9,999	43,262	1.1
23/05/07	26/03/09	01/07/10	30/06/18	20.64	611,714	0	74	511,145	43,336	57,233	1.2
23/05/07	26/03/09	01/07/11	30/06/18	24.57	611,643	0	74	442,981	78,330	90,332	2.2
23/05/07	26/03/09	01/07/12	30/06/18	29.49	611,643	0	74	422,485	101,661	87,497	2.6
26/05/09	03/07/09	01/07/10	30/06/18	25.00	481,414	0	438	340,482	46,696	94,236	2.4
26/05/09	03/07/09	01/07/11	30/06/18	30.00	481,108	0	438	290,799	90,313	99,996	3.0
26/05/09	03/07/09	01/07/12	30/06/18	35.00	480,978	0	438	221,811	109,784	149,383	5.2
26/05/09	04/09/09	01/07/10	30/06/18	34.28	86,347	0	24	78,889	3,502	3,956	0.1
26/05/09	04/09/09	01/07/11	30/06/18	40.81	86,334	0	24	64,915	6,834	14,585	0.6
26/05/09	04/09/09	01/07/12	30/06/18	48.97	86,319	0	24	38,579	7,829	39,911	2.0
26/05/09	31/12/10	01/07/11	30/06/19	40.41	124,842	0	18	97,773	0	27,069	1.1
26/05/09	31/12/10	01/07/12	30/06/19	48.11	124,830	0	18	68,765	3,333	52,732	2.5
26/05/09	31/12/10	01/07/13	30/06/19	57.74	124,828	0	18	25,932	6,666	92,230	5.3
TOTAL					**9,516,915**	**700,000**		**6,722,147**	**1,500,244**	**1,294,524**	**51.8**

* *Current members of the Board of Directors.*

G.4.3.10 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 during 2015 – AMF Table 9

	Total number of granted or exercised options	Average Price	Plans
Options granted during the year by the issuer to the ten employees having the highest number of options granted (Global Information)	No Grant of Atos Stock-option in 2015		
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)	418,255	€ 31.54	Plans granted: December 23, 2008 (3 tranches), March 26, 2009 (3 tranches), September 4, 2009 (tranches 1 and 2) and December 31, 2010 (3 tranches)

G.4.3.11 Stock options granted during the year to the Chairman and CEO – AMF Table 4

During 2015, Thierry Breton, Chairman and CEO, was not granted any options to purchase or buy shares of the Company.

Chairman and CEO	Date of the plan	Nature of the options (purchase or subscription)	Valuation of the options according to the method used for consolidated financial statements	Number of options awarded during the financial year	Exercise Price	Exercise Period
Thierry Breton	-	-	-	-	-	-

G.4.3.12 Subscription or purchase options exercised during the financial year by the Chairman and CEO – AMF Table 5

	Plan Date (Grant Date)	Number of options exercised during the year	Exercise price *(in €)*
Thierry Breton			
Chairman and CEO	Plan 23.12.08 Tranche 3	200,130	26.40

Among the 200,130 shares issued from the exercise of the above options, Atos Chairman and CEO sold two percent of those. The 196,000 remaining shares are currently held by Thierry Breton on a nominative account.

G.4.4 Compliance of total executive compensation with AFEP-MEDEF recommendations

The Company committed in 2008 to implement the AFEP-MEDEF Corporate Governance Code for listed companies, relating, in particular, to the conditions of compensation of executive directors, and to regularly report thereon. The Board of Atos met on December 17, 2015 to perform the annual review of the implementation by the Company of these governance principles.

The Board assessed the implementation of these provisions by comparing the Company's 2014 Registration Document with the statistics set out in the yearly report on the implementation of code of corporate governance for the listed companies issued by the Haut Comité de Gouvernement d'Entreprise (High Committee for Corporate Governance) in October 2015. Following this meeting, also attended by some elected representatives of the Company's employees, the Board of Atos SE considered that the Company's governance practices, including on the CEO's compensation, are compliant with the recommendations of the AFEP-MEDEF Code.

The complete and detailed document which supported this Board assessment, as reviewed and updated by the Board, is made available on Atos' website.

Employment contract: Because he has never been an employee of the Company, the Chairman and CEO is not bound by any employment contract.

- In the context of the Atos 2016 Ambition, the Board of Directors confirmed the elements of the compensation of Thierry Breton, Atos SE Chairman and CEO, as they have been approved by the Board of Directors following the General Meeting of Shareholders held on May 30, 2012, at the time of the renewal of Thierry Breton's mandate, and in particular a **total compensation in cash**, from January 1, 2012, which has been maintained for the period of the Ambition 2016 Plan. The total compensation in cash is composed of:
- **Fixed Annual Compensation** of € 1.35 million;
- **Variable Compensation, subject to performance conditions**, ranging 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. € 1.35 million (€ 675,000 per semester).

  Clear and demanding operating performance criteria were established and documented to condition the obtaining of the variable part on the achievement of objectives. In order to monitor Company's performance more closely and establish a proactive way to support its strategic plan, the performance objectives for the Chairman and CEO are set and reviewed on a half-year basis. For 2015, the following performance criteria have been set with reference to the target budget ("Forecast 1" and "Full Year Forecast 2" for the first and the second semester respectively): Group Operating Margin (40%), Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%), Organic Growth of Group External Revenue (30%).

Severance pay: there is no severance pay of any kind (golden parachutes, non-compete clauses etc.)

Supplementary Pension Plan: The Chairman and CEO benefits from the supplementary pension plan reserved for members of the 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.

The implementation of the Pension Plan of the Executive Committee members for the benefit of the present Chairman and CEO was authorized by the Board of Directors on March 26, 2009, was approved by the General Meeting of Shareholders on May 26, 2009 under the 4th resolution, and confirmed by the Board of Directors on December 17, 2009.

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 the article L. 137-11 of the French Social Security Code.

Atos SE and Atos International SAS examined, end of 2014 and beginning of 2015, the opportunity of strengthening the conditions for the acquisition of pension rights by providing for an acquisition of these rights conditioned upon the achievement of performance criteria.

In this context, on the basis of the report and recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company authorized on March 26, 2015 the revision of the existing collective supplementary pension scheme with defined benefits to the benefit of the members of the Executive Committee ending their career within Atos SE or Atos International SAS, because it also applies to the Chairman and Chief Executive Officer. These modifications were approved by the General Meeting of Shareholders on May 28, 2015 under the 10th resolution.

By doing so, the Company voluntarily implemented performance requirements for the acquisition of pension rights, and anticipated the Macron law enacted on 6 August 2015. This law submits to performance requirements any new supplementary pension commitment governed by Article L.137-11 of the French Social Security Code, or in case of an appointment of an executive director who benefits of such scheme, or upon the renewal of the term of office of such an executive director.

Supplementary pension plan features applicable to Mr. Thierry Breton (performance conditions, rights acquisition…) therefore comply with the Macron law requirements.

Performance conditions for pension rights acquisition in respect of the supplementary pension scheme

According to new plan rules, the acquisition of rights under the supplementary pension scheme is now subject to performance conditions set annually by Atos SE Board of Directors which may in particular refer to the performance conditions contained in stock option plans or free shares plans or to any other condition which it will consider more relevant.

Each year, the Board of Directors will meet in order to verify the completion, of the performance conditions during the preceding year.

Entire calendar quarters for periods after January 1, 2015 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 will have been achieved. Failing that, the corresponding quarters will not be taken into account to determine the pension supplement.

The periods prior to January 1, 2015 are also subject to performance conditions and, likewise, will only be taken into account to determine the amount of the pension supplement if for each year, the performance conditions then set by the Board of Directors, either for the vesting of stock-options plans or for the vesting of free performance shares plans, were met.

Thus failing any performance conditions assessed for 2008, no entire calendar quarters related to this year will be taken into account in the assessment of the amount of the pension supplement.

Moreover, for the award of the additional pension it is expected that at least two-thirds of the years are validated under the performance conditions here above mentioned, during Mr. Thierry Breton's membership in the Executive Committee while performing his various terms of office. The Board of Directors will meet at the end of the term of office of the concerned person to verify whether this two-thirds requirement is satisfied. If that is the case, Mr. Thierry Breton will hence benefit to a pension supplement. Failing that, he will not be provided with any additional pension.

For the year 2015, the Board of Directors decided on March 26, 2015 to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2014, as follows:

Internal Performance conditions

- the **Group free cash flow** before dividend and acquisition/sales results for the year 2015 is at least equal to one of the two following amounts:
  - **(i)** 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or
  - **(ii)** the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

And

- the **Group operating margin** for the year 2015 is at least equal to one of the two following amounts:
  - **(i)** 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  - **(ii)** the amount of the Group operating margin from the previous year with a 10% increase;

And

- the **Group revenue growth** for the year 2015, is at least equal to one of the following two amounts:
  - **(i)** Revenue growth rate as mentioned in the Company's Budget for the year in question minus a percentage decided by the Board of Directors, or
  - **(ii)** Yearly growth rate per reference to the Group growth targets communicated in the framework of the 3 year Plan (2014-2016).

It being specified that the performance conditions criteria described above will be calculated at constant exchange rates and perimeter and that at least 2 of 3 criteria must be met.

And

External Performance condition

- For the year 2015, Atos must at least achieve the rating of GRI G4 "Comprehensive" (former GRI A) or, be part of the Dow Jones Sustainability Index (World or Europe).

It being specified that this external Performance Condition related to the Environmental and Social Responsibility of the Company must be achieved.

For the year 2016, the Board of Directors decided on February 23, 2016 to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2015 (as detailed in G.4.3.4). In addition, the Board of Directors verified the completion of the performance conditions for the year 2015:

Group Operating Margin	2015
Budget Achievement (%)	**>100%[1]**
85% of Budget or +10% vs previous year achieved	YES
Group Free Cash-Flow	**2015**
Budget Achievement (%)	**>100%[1]**
85% of Budget or +10% vs previous year achieved	YES
Group Organic Revenue Growth	**2015**
Budget Achievement (%)	**100%[1]**
Group revenue growth objective	YES
Environmental and Social Responsibility[2]	**2015**
Rating of GRI G4 "Comprehensive" or, be part of the Dow Jones Sustainability Index (World or Europe)	YES

1 Targets adjusted to reflect actual 2015 exchange rates.
2 In 2015, the Atos performance was recognized both in the Dow Jones Sustainability Index World and in the Dow Jones Sustainability Index Europe.

Terms and conditions for determining the amount of the executive director's 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 fixed compensation of the executive director;
- the annual on-target bonus actually paid to the executive director excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation.

Cap on the executive director's pension supplement

The annual amount of the pension supplement paid under the present scheme to the Chairman and Chief Executive Officer 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.

Pension supplement

To date, Mr. Thierry Breton is not entitled to the supplementary pension benefit to the extent that he has not reached the retirement age. It is reminded that the Board of Directors will meet at the end of his term of office in order to verify that at least two-thirds of the years are validated with regard to the performance conditions during his membership in the Executive Committee while performing his various terms of office.

Assuming the Chairman and CEO was entitled to the pension supplement as from the day after the closing of the financial year, the gross amount of the pension supplement would be estimated at € 461 thousand per annum. The pension supplement will be subject to the following social contributions payable exclusively by the beneficiary: CSG/CRDS (7.1%), Health Contribution (1%), CASA (0.3%) and a special contribution of up to 14%. In addition, the pension supplement will be subject to tax income. The employer will pay an annual contribution at the rate of 32% on the pension amount paid. Pensions are paid by an insurer and Atos funds its commitments when beneficiaries retire.

Other rules

The membership requirement at the Executive Committee level is extended to five years minimum. The minimum age to benefit from the scheme is aligned on the statutory retirement age set by article L. 161-17-2 of the Social Security (i.e. between 60 to 62 years depending on the year of birth according to the current legislation) and the age for liquidation of the pension supplement is aligned on the age at which the person may liquidate his full pension under the general scheme. This age cannot in any case be less than the one foreseen in article L. 161-17-2 of the Social Security Code.

The Board of Directors noticed that the modification of the pension scheme with defined benefits was of real interest for Atos SE as it allows linking the conditions in which the officer benefits from the scheme to the Company's results. Moreover, these developments are likely to reduce the Group's commitments considering that the validation of the rights is subject to the performance conditions, which are uncertain by nature. Finally, the change from a differential calculus mode (pension calculated by deduction of the legal schemes and AGIRC/ARRCO pensions) to an additive mode allows Atos not to face the consequences of the degradations of the AGIRC/ARRCO schemes' returns.

Option plans for Stock Subscription or Purchase: In 2015, the Chairman and CEO was not granted any Options to subscribe or purchase Shares of the Company.

Performance Shares

Performance Share Plan granted on July 28, 2015: On July 28, 2015, the Board of Directors granted 55,000 Performance Shares to the Chairman and CEO, valued at € 2,142,282 pursuant to the application of IFRS 2 standard used for the consolidated financial statements of the Company. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code regarding the executive officer, as well as elements of the Chairman and CEO's remuneration to three years as approved by the decision of the Board of Directors on May 30, 2012 on the renewal of Thierry Breton's mandate, as well as during the Meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016. In its analysis, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considered the following elements:

- **Proportion of allocated shares:** The grant of 55,000 Performance Shares to Atos Chairman and CEO represents 6.3% of the total number of shares allocated;
- **Allocated volume:** Performance shares granted to the Chairman and Chief Executive Officer pursuant to the July 28, 2015 plan represented remuneration in shares of 43% of his 2015 total compensation;
- **Conservation obligation:** in the context of this Plan, the Chairman and CEO is subject to a conservation obligation of 15% of the Performance Shares granted for the duration of his mandate;
- **Scheme for employees benefiting from the Company's Performance:** According to the article L. 225-197-6 of the French Code de Commerce, Atos Group has implemented a derogatory profit-sharing scheme.

The Performance Share Plan decided by the Board of Directors on July 28, 2015 includes clear and demanding Performance conditions, internal and external.

Performance Share Plan granted on July 24, 2013: In 2015, the 45,000 Performance Shares granted to Atos Chairman and CEO on July 24, 2013, became definitively acquired according to the France Plan rules. The beneficiaries are required to remain owner of their acquired shares for a period of two years. Thus, the vested shares will be available for possible sale on July 24, 2017:

- **Conservation obligation:** in the context of this Plan, the Board of Directors meeting held on July 24, 2013 decided that the Chairman and CEO is subject to a conservation obligation of 15% of the Performance Shares granted for the duration of his mandate;
- **Hedging instruments:** According to Atos Performance Share Plans Rules use of hedging instruments is formally prohibited. On the occasion of the award, the Chairman and CEO took note of the Company's prohibition towards him not to engage in any risk hedging transactions over the shares which are the subject of the award throughout the duration of his social mandate;

Performance Share Plan granted on December 22, 2011: In 2015, 32,500 Performance Shares granted to Atos Chairman and CEO on December 22, 2011, became available for possible sale;

- **Conservation obligation:** in the context of this Plan, the Board of Directors meeting held on December 22, 2011 decided that the Chairman and CEO is subject to a conservation obligation of 25% of the Performance Shares granted for the duration of his mandate.

In conclusion, at the end of the meeting held on December 17, 2015, also attended by some elected representatives of the employees of the Company, Atos SE Board of Directors considered that the Company's governance practices and especially regarding the Chairman and CEO's compensation, are compliant in all respects with the recommendations of the AFEP-MEDEF Code.

G.5 Resolutions

G.5.1 Resolutions submitted to the Annual General Meeting

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 26, 2016. These notices will be posted on the Atos Group website ("Investors" section) as required by applicable laws and regulations.

G.5.2 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 24.3 of the revised AFEP-MEDEF code of November 2015, code to which Atos SE is referring in accordance with article L. 225-37 of the French Commercial Code (Code de Commerce), the following elements of the compensation due or awarded to the executive director related to 2015 must be submitted to the shareholders' vote at the annual General Meeting:

- the fixed part;
- the annual variable part and where necessary the multi-annual variable part with the objectives that contribute to the determination of this variable part;
- exceptional compensation;
- stock options, Performance Shares, and any other element of long-term compensation;
- benefits linked to taking up or terminating office;
- supplementary pension scheme;
- any other benefits.

In this context, the following elements of the compensation due or awarded to Thierry Breton, Atos SE Chairman and CEO related to 2015 are submitted to the shareholders' vote at the annual General Meeting.

In this respect, it is reminded that the shareholders approved, with 99.63% of the vote, a resolution related to Atos' strategic plan over the 2014-2016 period. This resolution included all the components of the compensation of the Atos SE Chairman and CEO for the 2014-2016 period, as decided by the Board of Directors, on May 30, 2012, following the General Meeting of the Atos Shareholders, when Thierry Breton's mandate has been renewed. The elements of the compensation of the Atos SE Chairman and CEO remain unchanged further to the renewal of his term of office which occurred in May 2015.

ELEMENTS OF THE COMPENSATION DUE OR AWARDED AT THE END OF THE CLOSED FINANCIAL YEAR 2015 TO THIERRY BRETON, ATOS SE CHAIRMAN AND CEO, SUBMITTED TO THE SHAREHOLDERS' VOTE

Compensation Components	Amounts	Comments
Fixed compensation	€ 1,350,000	The total remuneration in cash, as from January 1, 2012, has been set by the Board of Directors on December 22, 2011, upon recommendation of the Nomination and Remuneration Committee. This decision has been confirmed following the General Meeting of Shareholders held on May 30, 2012, on the renewal of Thierry Breton's mandate, as well as during the Meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016. It is composed of a fixed part set at € 1.35 million, and of a variable part described below.
Variable compensation	€ 1,442,813 due with respect to the 2015 year i.e. 106.9% of the annual target variable compensation	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. € 1.35 million. The variable compensation of the Chairman and 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 Group Ambitions, as they are regularly presented to the shareholders. In 2015, the nature and weighting of each indicator of the variable on-target bonus of the Chairman and CEO are the following: • Group Operating Margin (40%); • Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (30%); • Group Organic Revenue Growth (30%). In order to monitor Company performance more closely and establish a proactive way to support its strategic plan, the performance objectives for the Chairman and CEO are set and reviewed on a half-year basis by Atos Board of Directors upon recommendation of the Nomination and Remuneration 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 28, 2015 and February 23, 2016: for the first semester of 2015, the variable bonus of Thierry Breton, Chairman and CEO, stood at € **697,410** (**103.3%** of the semester on-target bonus), and at **€ 745,403** (**110.4%** of the semester on-target bonus) for the second semester of 2015.
Multiannual variable compensation	N/A	Thierry Breton, Chairman and CEO, receives no variable multiannual compensation.
Director's fees	N/A	Thierry Breton, Chairman and CEO, has declined to accept his director's fees.
Fringe benefits	€ 6,720	Thierry Breton, Chairman and CEO, has a company car with driver.
Extraordinary Compensation	N/A	For the year 2015, there is no exceptional compensation due to Thierry Breton, Chairman and CEO.
Severance Pay	N/A	There is no severance pay of any kind (golden parachutes, non-compete clauses etc.)

	First-half of 2015		Second-half of 2015	
Indicators	**Weight**	**Payout***	**Weight**	**Payout***
Group operating margin	40%	>100%	40%	>100%
Group free cash flow[1]	30%	>100%	30%	>100%
Group revenue organic growth	30%	<100%	30%	100%
Payout in % of the semester on-target bonus		**103.3%**		**110,4%**

** on the basis of the elasticity curve capped at 130%*

1 before acquisitions/disposal and variation of equity and dividends

Compensation Components	Amounts	Comments
Grant of Stock-options and/or Performance Shares	No stock-option Grant ~ Grant of 55,000 Performance Shares Shares valuation € 2,142,282 Based on the fair value as determined according to IFRS 2 standard retained for the consolidated financial statements.	The total compensation in equities, as from January 1, 2013, has been set by the Board of Directors on May 30, 2012, upon the recommendation of the Nomination and Remuneration Committee. • During 2015, Thierry Breton, Chairman and CEO, was not granted any options (either to purchase or to buy shares of the Company); • On July 28, 2015, the Board of Directors granted 55,000 Performance Shares to the Chairman and CEO, valued at € 2,142,282 pursuant to the application of IFRS 2 standard used for the consolidated accounts of the Company. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code regarding the executive officer, as well as components of the Chairman and CEO's compensation as approved by the decision of the Board of Directors on May 30, 2012, and confirmed during the Board Meeting held on November 18, 2013, following the adoption of Atos' strategic orientations to 2016. In its analysis, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considered the following elements: • The grant of 55,000 Performance Shares to the Chairman and CEO represents 6.3% of the total number of shares allocated, and 0.05% of the share capital of the Company on July 1, 2015; • Performance shares granted to the Chairman and CEO pursuant to the July 28, 2015 plan represented remuneration in shares of 43% of his 2015 total compensation. The definitive acquisition of the Performance Shares granted under this plan is subject to the achievement of the following internal and external performance conditions, calculated for the three years 2015, 2016, and 2017: **Internal performance conditions** • Group Free Cash Flow before dividend and acquisition/sale results (above or equal to 85% of the amount as mentioned in the Company's budget, or, above or equal to the previous period results increased by 10%); • Group Operating Margin (above or equal to 85% of the amount disclosed in the Company's budget, or, above or equal to the previous period results increased by 10%); • Group Revenue Growth (above or equal to the revenue growth rate as mentioned in the Company's budget minus a percentage decided by the Board of Directors, or, above or equal to the yearly growth rate per reference to the Company's growth targets communicated in the framework of the 3 year plan 2014-2016 (updated in June 2015) and for the first semester 2017). The abovementioned indicators will be calculated on a constant scope of consolidation and exchange rates basis, and in accordance with the "Full Year Forecast 2" for the year 2015. Internal performance conditions will be assessed on an annual basis for each year 2015 and 2016 and on the first semester basis for the year 2017. The previous period is defined as the previous year for each year 2015 and 2016 and the first semester 2016 for the first semester 2017. For each of the years 2015 and 2016, at least 2 of 3 criteria must be met. If one criterion is not met for the year 2015, it becomes compulsory for the following year. For the first semester 2017, at least 2 of 3 criteria must be met. **External performance conditions** • Social and Environmental Responsibility criteria in 2015, 2016 and 2017 (fulfill the GRI G4 "Comprehensive" requirements (or equivalent) (former GRI A), or being part of the Dow Jones Sustainability Index (Europe or World)). The condition is achieved as soon as this criterion is validated at least two years over the 3-years period. The definitive acquisition of the Performance Shares will take place in 2018, as early as one of the two following dates: on January 2, 2018 or at the date of validation of the 2017 external performance criterion, if necessary (subject to compliance with the presence condition). The beneficiaries will also be required to hold their acquired shares for a period of two years after the acquisition date. It has also been decided by the Board of Directors that the Chairman and CEO is subject to a conservation obligation of 15% of the Performance Shares granted for the duration of his mandate.

Compensation Components	Amounts	Comments
Defined Benefit Supplementary Pension scheme	Does not apply	The Chairman and CEO benefits from the supplementary pension plan reserved for members of the 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. The implementation of the Pension Plan of the Executive Committee members for the benefit of the present Chairman and CEO was authorized by the Board of Directors on March 26, 2009, was approved by the General Meeting of Shareholders on May 26, 2009 under the 4th resolution, and confirmed by the Board of Directors on December 17, 2009. 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 the article L. 137-11 of the French Social Security Code. Atos SE and Atos International SAS examined, end of 2014 and beginning of 2015, the opportunity of strengthening the conditions for the acquisition of pension rights by providing for an acquisition of these rights conditioned upon the achievement of performance criteria. In this context, on the basis of the report and recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company authorized on March 26, 2015 the revision of the existing collective supplementary pension scheme with defined benefits to the benefit of the members of the Executive Committee ending their career within Atos SE or Atos International SAS, because it also applies to the Chairman and Chief Executive Officer. These modifications were approved by the General Meeting of Shareholders on May 28, 2015 under the 10th resolution. By doing so, the Company voluntarily implemented performance requirements for the acquisition of pension rights, and anticipated the Macron law enacted on 6 August 2015. This law submits to performance requirements any new supplementary pension commitment governed by Article L.137-11 of the French Social Security Code, or in case of an appointment of an executive director who benefits of such scheme, or upon the renewal of the term of office of such an executive director. Supplementary pension plan features applicable to Mr. Thierry Breton (performance conditions, rights acquisition…) therefore comply with the Macron law requirements. **Performance conditions for pension rights acquisition in respect of the supplementary pension scheme:** According to new plan rules, the acquisition of rights under the supplementary pension scheme is now subject to performance conditions set annually by Atos SE Board of Directors which may in particular refer to the performance conditions contained in stock option plans or free shares plans or to any other condition which it will consider more relevant. Each year, the Board of Directors will meet in order to verify the completion, of the performance conditions during the preceding year. Entire calendar quarters for periods after January 1, 2015 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 will have been achieved. Failing that, the corresponding quarters will not be taken into account to determine the pension supplement. The periods prior to January 1, 2015 are also subject to performance conditions and, likewise, will only be taken into account to determine the amount of the pension supplement if for each year, the performance conditions then set by the Board of Directors, either for the vesting of stock-options plans or for the vesting of free performance shares plans, were met. Thus failing any performance conditions assessed for 2008, no entire calendar quarters related to this year will be taken into account in the assessment of the amount of the pension supplement. Moreover, for the award of the additional pension it is expected that at least two-thirds of the years are validated under the performance conditions here above mentioned, during Mr. Thierry Breton's membership in the Executive Committee while performing his various terms of office. The Board of Directors will meet at the end of the term of office of the concerned person to verify whether this two-thirds requirement is satisfied. If that is the case, Mr. Thierry Breton will hence benefit to a pension supplement. Failing that, he will not be provided with any additional pension. For the year 2015, the Board of Directors decided on March 26, 2015 to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2014, as follows: **Internal performance conditions** • the **Group free cash flow** before dividend and acquisition/sales results for the year 2015 is at least equal to one of the two following amounts: (i) 85% of the amount from the Group free cash flow before dividend and acquisition/sales results, as provided in the Company's budget for the relevant year, or (ii) the amount of the Group free cash flow before dividend and acquisition/sales results for the previous year with a 10% increase;

Compensation Components	Amounts	Comments
		And

- the **Group operating margin** for the year 2015 is at least equal to one of the two following amounts:
  (i) 85% of the amount of the Group operating margin as provided in the Company's budget for the relevant year, or
  (ii) the amount of the Group operating margin from the previous year with a 10% increase;

And

- the **Group revenue growth** for the year 2015, is at least equal to one of the following two amounts:
  (i) Revenue growth rate as mentioned in the Company's Budget for the year in question minus a percentage decided by the Board of Directors, or
  (ii) Yearly growth rate per reference to the Group growth targets communicated in the framework of the 3 year Plan (2014-2016).
  It being specified that the performance conditions criteria described above will be calculated at constant exchange rates and perimeter and that at least 2 of 3 criteria must be met.

And

External performance condition

- For the year 2015, Atos must at least achieve the rating of GRI G4 "Comprehensive" (former GRI A) or, be part of the Dow Jones Sustainability Index (World or Europe).

It being specified that this external Performance Condition related to the Environmental and Social Responsibility of the Company must be achieved.

For the year 2016, the Board of Directors decided on February 23, 2016 to condition the acquisition of rights under the supplementary pension scheme to the same performance conditions than those retained for the performance share plan dated July 28, 2015 (as detailed in G.4.3.4). In addition, the Board of Directors verified the completion of the performance conditions for the year 2015:

Group operating margin	2015
Budget achievement *(%)*	>100%[1]
85% of budget or +10% vs previous year achieved	YES
Group free cash-flow	2015
Budget achievement *(%)*	>100%[1]
85% of budget or +10% vs previous year achieved	YES
Group revenue organic growth	2015
Budget achievement *(%)*	100%[1]
Group revenue growth objective	YES
Environmental and Social Responsibility[2]	2015
Rating of GRI G4 "Comprehensive" or, be part of the Dow Jones Sustainability Index (World or Europe)	YES

[1] Targets adjusted to reflect actual 2015 exchange rates.

[2] In 2015, the Atos performance was recognized both in the Dow Jones Sustainability Index World and in the Dow Jones Sustainability Index Europe.

Compensation Components	Amounts	Comments
		Terms and conditions for determining the amount of the executive director's 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 fixed compensation of the executive director; • the annual on-target bonus actually paid to the executive director excluding any other form of variable compensation. This annual bonus is taken into account within the cap of 130% of the basic compensation. **Cap on the executive director's pension supplement:** The annual amount of the pension supplement paid under the present scheme to the Chairman and Chief Executive Officer 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. **Other rules:** The membership requirement at the Executive Committee level is extended to five years. The minimum age to benefit from the scheme is aligned on the statutory retirement age set by article L. 161-17-2 of the Social Security (i.e. between 60 to 62 years depending on the year of birth according to the current legislation) and the age for liquidation of the pension supplement is aligned on the age at which the person may liquidate his full pension under the general scheme. This age cannot in any case be less than the one foreseen in article L. 161-17-2 of the Social Security Code. The Board of Directors noticed that the modification of the pension scheme with defined benefits was of real interest for Atos SE as it allows linking the conditions in which the officer benefits from the scheme to the Company's results. Moreover, these developments are likely to reduce the Group's commitments considering that the validation of the rights is subject to the performance conditions, which are uncertain by nature. Finally, the change from a differential calculus mode (pension calculated by deduction of the legal schemes and AGIRC/ARRCO pensions) to an additive mode allows Atos not to face the consequences of the degradations of the AGIRC/ARRCO schemes' returns.

G.5.3 Board of Directors report to the Ordinary General Meeting on the transaction on the shares of the Company

Dear Shareholders,

We hereby inform you that the following transactions have been made on the Company's shares by the Company's executive officers and directors and senior managers during 2015:

Name	Number of shares purchased	Number of shares sold	Date	Purchase price/Sale price *(in €)*
Nicolas Bazire	12		06/16/2015	63.38
Thierry Breton	196,000		01/05/2015	26.4
	4,130		01/05/2015	26.4
		4,130	01/05/2015	63.3
		994	05/19/2015	72.0885
		4,006	05/19/2015	72.07
Charles Dehelly	1,998		03/06/2015	22
		700	03/06/2015	63
	10,080		03/09/2015	22
		5,300	03/09/2015	63
Jean Fleming		128	12/22/2015	75.7207
Gilles Grapinet	3,330		01/06/2015	18.4
		3,330	01/06/2015	61.38
	3,330		01/06/2015	22
		3,330	01/06/2015	61.38
	3,330		01/06/2015	26.4
		3,330	01/06/2015	61.38
	43,000		02/26/2015	18.4
		43,000	02/26/2015	61.5
	43,000		02/26/2015	22
		43,000	02/26/2015	61.5
	43,000		02/26/2015	26.4
		43,000	02/26/2015	61.5
Philippe Mareine		1,970	12/22/2015	75.7207
	10,000		12/31/2015	35
		10,000	12/31/2015	77.0873
Michel-Alain Proch	4,900		01/06/2015	29.49
		4,900	01/06/2015	61.38
	9,866		01/07/2015	24.57
	8,434		01/07/2015	29.49
	6,000*		01/07/2015	24.57

* *Subscribed shares transferred in the Atos Group saving plan.*

G.6 Code and charts

[G4-15] and [G4-56]

G.6.1 United Nations Global Compact

Since June 2010, Atos has been participating to the United Nations Global Compact, asserting its commitment to the ten principles in the areas of human rights, labor, environment and anti-corruption which enjoy universal consensus. Atos is fully and proactively committed, both at company and top management level, to conduct its business in accordance with these principles.

G.6.2 Code of Ethics

Atos' Code of Ethics was reviewed in early 2015 and a new version of the Code was approved by the Atos' Board of Directors on May 28, 2015.

The new Code of Ethics introduces a direct reference to Atos Corporate Values, establishing ethical practices as a backbone of the Atos corporate strategy: Responsibility, Trust, Sustainable competitiveness, Service quality and listening to clients, Innovation, Wellbeing@work, Excellence.

The Code of Ethics also reminds employees the need to act honestly, impartially and with integrity in their day-to-day work, and in compliance with the legal framework applicable to each country where Atos conducts its business. This principle of integrity implies that Atos treats its employees as well as third parties with integrity, based on merits and qualifications prohibiting any form of discrimination.

Since 2012, an Ethics Committee, composed of independent and highly respected external professionals, has been created with the mission to strategize on the role of ethics generally, and particularly within Atos' operations. The Ethics Committee is sponsored by the Group Chief Compliance Officer, the Group Human Resources Director and the Group Legal Compliance team. In revising the Code of Ethics, this Committee was consulted and several recommendations were incorporated into the new Code of Ethics.

Since January 2011, the Code of Ethics forms part of Atos' employee's employment contract.

In July 2013, Atos launched an e-learning module, explaining the principles of the Code of Ethics. This training is mandatory for all employees, regardless of their position at Atos. 77% of Atos employees have completed this e-learning module since its launch.

In addition, top managers and for all persons considered directly concerned by the Code of Ethics' principles in their day-to-day activity, are provided classroom training by lawyers on the Code of Ethics. Classroom training sessions have been launched throughout the world since the beginning of 2011 (for further information see Section D.4.1.1 Compliance).

In addition, suppliers, partners and third parties who assist Atos in its business activities must formally commit to respecting the principles of the Code of Ethics. These principles are included in the Supplier Sustainability Charter that Atos' business partners are expected to sign.

G.6.2.1 No Bribery or Corruption

Atos refuses any form of corruption or dishonest or illegal practice with the aim to obtain a commercial advantage or other, as well as any money laundering. As a participant to the United Nations Global Compact, Atos subscribes to anti-bribery principles in "all its forms, including extortion and bribery". In 2015, the former paper-based review and validation process was replaced by an automated tool, the Business Partner Tool (BPT). Through a series of questions and document requests, the BPT collects the various elements necessary for the assignment of a risk assessment to the business partner. (for further information see Section D.4.1.1 Compliance).

G.6.2.2 Fair competition

Atos treats its customers, suppliers, partners, intermediaries with respect and shall not take unfair advantage nor practice discriminatory conditions. As a consequence, Atos refuses that its employees or third parties when assisting Atos in developing business take part in an agreement, understanding or concerted practice which would contravene the applicable laws and regulations concerning anti-competitive practices.

G.6.2.3 Conflicts of Interest

Atos undertakes to ensure that all decisions taken by anyone of its employees within the framework of professional duty are taken objectively and impartially, in the interest of Atos and not based on personal interest, whether financial or family. As a consequence, employees are asked to inform the Company in the event they would be in a situation of conflict of interest with competitors, clients or suppliers of Atos.

G.6.2.4 Protection of Atos assets – Fraud

The assets owned by Atos which consist in material such as hardware, or intellectual property rights or financial equity are used only for conducting Atos business and pursuant to the law and rules defined by the Group: reporting must be of high quality, reliable and relevant, translating exactly the activities of the Company.

G.6.2.5 Duty to act in Good Faith, Protection of confidentiality and privileged information

Atos protects both its own confidential information and that provided by its customers, suppliers or partners. Moreover, Atos sets up rules in order to prevent insider trading and misconduct.

In addition, Atos ensures that in their decisions and actions, Atos employees act in good faith, such as refraining from acting in an inappropriate manner of any kind, including disparaging the services provided by Atos to its clients and misappropriating the use of Atos services and assets for personal benefit.

G.6.2.6 Alert system – employees' rights and duties on

Atos has established for any employee who believes that a law, regulation or one of the principles set out in the Code of Ethics has been or is about to be breached, a right to report to his/her immediate superior or to his/her GBU General Counsel or to the Group Head of Compliance, his/her concerns. This reporting is be done in accordance with the regulations applicable in the country in which he/she is employed.

The employee who raises the alert is assured complete confidentiality in relation to the alert.

The employee shall not be subject to any penalty or retaliatory measure or discrimination, provided that he/she acted in good faith and without the intention to cause harm, even if the events relating to the alert prove inaccurate or no action is subsequently taken. If necessary, the employee's protection may be assured, on his/her request, by mobility within the Group.

All alerts that reveal fraudulent behavior, significant lapses or material shortcomings in internal controls result in corrective measures and/or disciplinary measures and/or legal action. Anonymous reports are not considered, except if permitted by local laws.

G.6.3 Other applicable provisions

The Code of Ethics' principles are not the only mandatory provisions applicable within Atos. A standard of policies established by the different departments and adopted by the Group governs the activities of each employee, who must comply with these rules regarding delegation of authority, mandatory contractual clauses for client and supplier contracts, the selection of potential employees and their training or the selection process for business partners, among other requirements.

G.6.4 Privileged Information and insider trading

In order to ensure market transparency and integrity in Atos SE securities, the Company aims at providing its investors and shareholders, under conditions that are equal for all, information on its activities and performance. The Company requires all senior managers or employees having access to critical information to follow the insider trading rules and regulations that can be found in the Prevention guide that was updated on December 20, 2011.

Insider trading

The use or disclosure of inside information constitutes a stock market regulation or legal violation which are liable to criminal, regulatory (*Autorité des Marchés Financiers*, the French Financial Market Authority) and civil proceedings. Accordingly, no employee may disclose any inside information to third parties or deal in Atos securities when he or she is in possession of any inside information.

Dealing during closed periods

Employees who are likely to have access on a regular basis to privileged information must not deal in Atos SE securities, whether directly or indirectly, during any “closed period”, which is defined as six weeks prior to the publication of Atos SE annual financial statements and four weeks prior to the publication of Atos SE first semester financial statements or of the financial information concerning the first and third quarters.

Hedging of stock-options and performance shares

All staff members are prohibited to put in place, by means of derivatives or otherwise, hedging operations (right to purchase or sell at a certain price or any other terms and conditions) against Atos SE stock price changes from their exposure to the potential value of:

- Stock-options they are entitled to until the beginning of such options’ exercise period;
- Performance shares they were awarded, during acquisition and blocking periods.

In line with the commitments made on the occasion of previous share award plans, the Chairman and Chief Executive Officer, on the occasion of the award of performance shares on July 28, 2015, took note of the Company’s prohibition towards him not to engage in any risk hedging transactions over the shares which are the subject of the award throughout the duration of his social mandate.

G.6.5 Internal rules and Charter of Board of Directors

The Board of Directors of Atos SE has approved Internal Rules that were updated during its meeting held on December 19, 2013 and to which is attached a Charter of the Board of Directors and a Guide to the prevention of insider trading.

Extracts of the Internal rules of the Board of Directors

The provisions of the Internal Rules of the Board of Directors regarding such topics as (i) reserved matters of the Board of Directors, (ii) operation of the Board of Directors (iii) Lead director, (iv) Participative committee representatives, (v) mission and operation of the Committees, (vi) assessment of the works of the Board of Directors, were summarized in the dedicated sections of this Registration Document. The Internal Rules provide for additional provisions, the main ones being summarized below:

Information supplied to the directors

The Company shall be required to provide its directors with any information necessary for the efficient participation in the work of the Board of Directors in such a way as to enable it to carry out its mandate under appropriate conditions. The same shall apply at any time in the life of the Company where the importance or urgency of the information so requires. This permanent information shall include any relevant information, including critical information, concerning the Company and particularly articles in the press and financial analysis reports. A director may request from the Chairman any complementary information that he or she deems necessary for the full accomplishment of his or her tasks, particularly in view of the agenda of the meetings.

Acceptance of new social mandates

The Chairman and Chief Executive Officer seeks the Board of Directors' opinion before accepting new social mandate in a listed company, whether French or foreign, outside the Group.

Possibility to assign a task to a director

Where the Board of Directors decides to entrust an assignment to one (or more) of its members or to a third party it shall establish the principle characteristics of such task. The Chairman shall initiate the drafting of a commissioning letter, which shall: (i) define the specific purpose of the assignment; (ii) determine the form that the report of the assignment shall take; (iii) determine the duration of the assignment; (iv) determine, where applicable, the remuneration due to the person carrying out the assignment as well as the methods of payment of the amounts due to the interested party; (v) provide for, where applicable, a maximum limit of reimbursement of travel expenses as well as expenses incurred by the interested party and those related to the carrying out of the assignment. The report of the assignment shall be communicated by the Chairman to the directors of the Company.

Extracts of the Charter of the Board of Directors

The Charter of the Board of Directors summarizes the mission and obligations of the members of the Board of Directors. This Charter covers in particular the following points: prohibition to hold a corporate office and an employment contract, company interests, attendance, diligence, loyalty, independence, confidentiality, trading in the Group's shares, conflicts of interest, information of members. The following paragraphs are extracted from the Charter of the Atos SE Board of Directors.

Appointment

Before accepting their mandate, each Director must be aware of his rights and obligations binding upon him. In particular, he or she must acknowledge the applicable laws and regulations applicable to his or her office, the provisions of the Articles of Association of the Company, the Internal Rules of the Board of Directors, the Charter of the Board of Directors and the Guide to the prevention of insider trading. Directors must own in their own name at least five hundred nominative shares and, if they do not own such shares at appointment, they must acquire them within three months of their date of appointment.

Directorship and Employment are mutually exclusive

A senior manager who becomes an executive Officer or Director of the Company shall undertake to terminate his or her employment contract with the Company (if such employment contract exists), either by contractual termination or by resignation. This provision obviously does not apply to the Director representing the employee shareholders.

Defending the interests of the Company

Each Director represents all shareholders and must act at all times in their interest and in the interest of the Company. He or she must warn the Board of Directors of any event brought to his or her attention that he or she deems, could affect the interests of the Company.

Conflicts of interest

The Director strives to strictly avoid any conflict that may arise between his or her own moral and material interests and those of the Company. Directors must inform the Board of Directors of any actual or potential conflict of interest that they are aware of. He or she must strictly refrain from participating in discussions and decisions on such matters where he or she should be in a situation of a conflict of interest. A conflict of interest arises when a Director or a member of his or her family could personally benefit from the way the Company's business is conducted, or could maintain a relationship of any kind with the Company, its affiliates or its management that could compromise the Director's judgment (particularly as a client, supplier, business banker, legal representative).

Attendance – Diligence

By accepting their mandate, each Director agrees to spend the necessary amount of time and care in performing their duties. Unless prevented from doing so, each Director must attend all Board meetings and the meetings of all Board Committees to which they belong. He or she shall keep informed about the work and specifics of the Company, including its stakes and values, by inquiring, if necessary, its management. He or she shall make a point of keeping updated on the knowledge that enables him or her to perform his or her functions.

The Director shall request any documents that he or she considers essential to be able to deliberate on the issues on the agenda. If a Director considers that he or she does not have full knowledge of the facts, it is his or her duty to inform the Board and to demand any essential information.

Loyalty

Each Director is under an obligation of loyalty towards the Company. He or she shall not take any initiative that could harm the interests of the Company or other companies or entities within the Atos Group and shall act in good faith in all circumstances. He or she shall not take on any responsibilities on a personal basis in any company or business practicing any activities in direct competition with those of the Company without prior approval of the Chairman of the Board of Directors and of the Chairman of the Nomination and Remuneration Committee.

Independence

The Director carries out his or her functions in complete independence. He or she undertakes to preserve in all circumstances his or her independence of analysis, judgment, decision and action. He or she does not tolerate being influenced by any factor outside of the corporate interest, which he or she undertakes to protect. He or she commits to inform the Board of any known issue which appears to be of such a nature as to affect the interest of the Company.

Confidentiality

The Directors are required to uphold professional secrecy, which exceeds the mere obligation of discretion provided for in the law, in regards to any information gathered during or outside of the Board of Directors' meetings. They commit to keep strictly confidential any information that has not been publicly disclosed, of which they have been informed or become aware during their mandate, as well as the contents of discussions and votes of the Board of Directors and of its committees.

Inside information and trading in the Company's securities

Directors shall strictly refrain from using any privileged information he or she has access to, to his or her personal advantage or to the advantage of anyone else. He or she may not trade in the Company's securities other than in compliance with legal and regulatory provisions. He or she commits to comply with the "Guide to the prevention of insider trading" approved by the Board of Directors. Board members must inform the *Autorité des Marchés Financiers* (French Financial Market Authority), in accordance with applicable rules, of any dealings in the securities of the Company.

G.7 Common stock evolution and performance

G.7.1 Basic data

Atos SE shares are traded on the Paris Euronext Market under code ISIN FR0000051732. The shares have been listed in Paris since 1995. The shares are not listed on any other stock exchange.

G.7.1.1 Information on stock

Number of shares	103,519,242
Sector classification:	Information Technology
Main index:	CAC All Shares
Other indices:	CAC IT, CAC IT20, CAC Next20, Euronext 100, SBF120
Market:	Euronext Paris Compartment A
Trading place:	Euronext Paris (France)
Tickers:	ATO (Euronext)
Code ISIN:	FR0000051732
Payability PEA/SRD:	Yes/Yes

The main tickers are:

Source	Tickers	Source	Tickers
Euronext	ATO	Reuters	ATOS.PA
AFP	ATO	Thomson	ATO FR
Bloomberg	ATO FP		

The Euronext sector classification is as follows:

Euronext: sector classification Industry Classification Benchmark (ICB)
9000 AEX Technology
9530 AEX Software and Computer services
9533 Computer Services

The shares are also components of the following indices:

Index	Type	Code ISIN	Market Place
Euronext (Compartment A)	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext CAC 70	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext 100	Global Europe	FR0003502079	Paris-Amsterdam-Brussels-Lisbon
SBF 80	Global	FR0003999473	Paris PX8
SBF 120	Global	FR0003999481	Paris PX4
SBF 250	Global	FR0003999499	Paris PX5
CAC IT20	Sector	QS0010989091	Paris CIT20
CAC IT	Sector	FR0003501980	Paris PXT
DJ Euro Stoxx Techno	Sector	EUR0009658541	Germany-Xetra SX8E
CAC Technology	Sector	QS0011017827	Paris
CAC Software & Computer Services	Sector	FR0000051732	Paris

Sustainable development: DJSI World, FTSE4Good, Euronext-Vigeo Europe 120, and Gaïa Index

G.7.1.2 Free Float

The free-float of the Group shares excludes stakes held by the reference shareholder, Siemens AG, holding a stake of 12.1% of the share capital which it committed to keep until September 30, 2020, as described in section *G.7.7.5 Shareholders' agreements*.

The former reference shareholder, PAI Partners (Financière Daunou 17), declared on March 3, 2015 to the AMF (Financial Markets Authority) having crossed downwards the threshold of 5% of the capital and voting rights of the Company following the sale off-market of 9,200,000 shares of the Company as part of an Accelerated Book Building procedure.

Stakes owned by the employees and the management as well as treasury shares, are also excluded from the free float.

As at December 31, 2015	Shares	% of share capital	% of voting rights
Siemens	12,483,153	12.1%	12.1%
Board of Directors	652,134	0.6%	0.6%
Employees	2,257,667	2.2%	2.2%
Treasury stock	694,584	0.7%	-
Free float	87,431,704	84.5%	85.0%
TOTAL	**103,519,242**	**100.0%**	**100.0%**

G.7.2 Stock ownership

Principal changes in the ownership of the Group's shares in the past three years have been as follows:

	December 31, 2015		December 31, 2014		December 31, 2013	
	Shares	%	Shares	%	Shares	%
Siemens	12,483,153	12.1%	12,483,153	12.3%	12,483,153	12.7%
Financière Daunou 17	-	-	9,502,125	9.4%	9,399,376	9.6%
Blackrock Inc.[1]	5,251,419	5.1%	-	-	-	-
Board of Directors	652,134	0.6%	416,450	0.4%	49,024	0.0%
Employees	2,257,667	2.2%	2,790,656	2.8%	1,688,640	1.7%
Treasury stock	694,584	0.7%	1,689,417	1.7%	36,155	0.0%
Others	82,180,285	79.4%	74,450,726	73.5%	74,509,098	75.9%
TOTAL	**103,519,242**	**100.0%**	**101,332,527**	**100.0%**	**98,165,446**	**100.0%**

1 *On the basis of the threshold crossing statement made on October 13, 2015.*

The Group's shares which are owned by employees are mainly managed by Group mutual funds. As at December 31, 2015, the shareholding of current and former Atos Group employees into Atos SE represented an overall 2.2% of the share capital.

The treasury stock evolution is described below in section *G.7.7.6 Treasury stock and liquidity contract*.

The threshold crossings which took place in 2015 are described in section *G.7.7.3 Threshold crossings*.

G.7.3 Dividend policy

[G4-EC1]

During its meeting held on February 23, 2016, the Board of Directors decided to propose at the next Ordinary General Meeting of shareholders the payments in 2016 of a dividend of € 1.10 per share on the 2015 results.

During the past four fiscal periods, Atos SE paid the following dividends:

Fiscal period	Dividend paid per share *(in €)*
2014	€ 0.80
2013	€ 0.70
2012	€ 0.60
2011	€ 0.50

G.7.4 Shareholder Documentation

In addition to the Registration Document, which is published in English and French, the following information is available to shareholders:

- A half year report;
- Quarterly revenue and operational review;
- Regular press releases, regulated information and general Group's information, available through the Atos website at atos.net.

G.7.5 Financial calendar

April 21, 2016	First quarter 2016 revenue
May 26, 2016	Annual General Meeting
July 26, 2016	First half 2016 results
October 22, 2016	Third quarter 2016 revenue

G.7.6 Contacts

Institutional investors, financial analysts and individual shareholders may obtain information from:

Gilles Arditti
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Requests for information can also be sent by email to investors@atos.net.

G.7.7 Common stock

G.7.7.1 At December 31, 2015

As at December 31, 2015, the Group's issued common stock amounted to € 103.5 million, divided into 103,519,242 fully paid-up shares of € 1.00 par value each.

Compared to December 31, 2014 share capital, the share capital was increased by the issuance of 2,186,715 new shares, for a value of € 106.6 million, split as follows:

- 1,399,483 new shares resulting from the exercise of stock options;
- 787,232 new shares resulting from the payments of the 2014 dividend in shares.

G.7.7.2 Over the 5 last five years

Year	Change in common stock	Date	New shares	Total number of shares	Common stock	Additional paid in capital	New common stock
					(in € million)		
2011	Exercise of stock options	03/31/2011	62,524	69,976,601	0.1	1.4	70.0
	SIS Acquisition	07/01/2011	12,483,153	82,459,754	12.5	401.7	82.5
	Exercise of stock options	10/04/2011	128,716	82,588,470	0.1	2.9	82.6
	Capital increase for employees	12/14/2011	950,468	82,538,938	1.0	25.9	82.5
	Exercise of stock options	12/30/2011	27,830	83,566,768	0.0	0.7	83.6
2012	Exercise of stock options	04/02/2012	180,732	83,747,500	0.1	4.4	83.7
	Exercise of warrants	05/30/2012	30,093	83,777,593	0.03	1.1	83.8
	Payment of the dividend with shares	06/29/2012	676,014	84,453,607	0.6	26.4	84.5
	Exercise of stock options	06/29/2012	141,347	84,594,954	0.1	3.8	84.5
	Exercise of stock options	10/01/2012	345,060	84,940,014	0.3	11.3	84.9
	Capital increase for employees	12/12/2012	570,510	85,510,524	0.5	22.8	85.5
	Exercise of stock options	12/31/2012	192,906	85,703,430	0.2	6	85.7
2013	Exercise of stock options	03/31/2013	349,226	86,052,656	0.3	13.2	86.0
	Vesting of performance shares	03/31/2013	1,000	86,053,656	0.0	0.0	86.0
	Payment of the dividend in shares	06/21/2013	702,606	86,756,262	0.7	33.7	86.7
	Exercise of stock options	07/01/2013	354,741	87,111,003	0.4	9.8	87.1
	Exercise of stock options	09/30/2013	536,902	87,647,322[1]	0.5	21.9	87.6
	Early redemption of 2009 Convertible Bonds (OCEANEs)	09/30/2013	103	87,647,425	0.0	0.004	87.6
	Early redemption of 2009 Convertible Bonds (OCEANEs)	10/18/2013	5,571,749	93,219,174	5.6	247.6	93.2
	Early redemption of 2011 Convertible Bonds (OCEANEs)	12/18/2013	3,676,658	96,895,832	3.7	166.1	96.9
	Exercise of stock options	12/31/2013	1,269,614	98,165,446	1.2	50.6	98.1
2014	Exercise of stock options	04/03/2014	1,361,294	99,526,740	1.4	50.5	99.5
	Payment of the dividend in shares	06/19/2014	567,574	100,094,314	0.6	30.3	100.1
	Exercise of stock options	07/02/2014	167,356	100,261,670	0.2	5.2	100.3
	Capital increase reserved to employees[2]	07/31/2014	699,100	100,960,770	0.7	34.6	101
	Exercise of stock options	09/30/2014	40,360	101,001,130	0.0	1.1	101
	Exercise of stock options	12/31/2014	331,397	101,332,527	0.3	15.1	101.3
2015	Exercise of stock options	04/02/2015	762,408	102,094,935	0.8	25.7	102.1
	Payment of the dividend in shares	06/23/2015	787,232	102,882,167	0.8	49.1	102.9
	Exercise of stock options	07/03/2015	236,908	103,119,075	0.2	10.7	103.1
	Exercise of stock options	09/30/2015	107,787	103,226,862	0.1	5	103.2
	Exercise of stock options	12/31/2015	292,380	103,519,242	0.3	14	103.5

1 *The amount of the common stock pursuant to this exercise of stock options takes into account the acknowledgment of the cancellation of an exercise of 583 stock-options made in February 2013.*

2 *Under the 14th resolution of the Combined General Meeting of May 29, 2013.*

A total of 1,399,483 stock options were exercised during the period, representing 49.9% of the total number of stock options at December 31, 2014.

G.7.7.3 Threshold crossings

During 2015, the Group was informed of:

(i) the downward threshold crossing by Financière Daunou 17, on February 24, 2015, of the statutory threshold of 5% of the share capital and voting rights of the Company resulting from the sale of 9,200,000 shares off market in the context of an "Accelerated Book Building" process. At that date, Financière Daunou 17 declared holding 0.3% of the share capital and voting rights of the Company;

(ii) the upward threshold crossing by BlackRock, Inc., acting on behalf of clients and funds which it manages, on October 8, 2015, of the statutory threshold of 5% of the share capital and voting rights of the Company, resulting from an acquisition of shares on the market. At that date, Blackrock Inc. declared holding 5.09% of the share capital and voting rights of the Company.

Name of entity notifying the threshold crossing	Date of reporting	Date of threshold crossing	Shares	%[1]	% of voting rights[2]
Financière Daunou 17	03/03/2015	02/24/2015	302,125	0.3%	0.3%
BlackRock, Inc.	10/13/2015	10/08/2015	5,251,419[3]	5.09%	5.09%

1 *Percentage of the share capital on the date of threshold crossing.*
2 *In percentage of the share capital including treasury shares on that date pursuant to article 223-11 al. 2 of the Réglement Général de l'Autorité des Marchés Financiers (French Financial Market Authority General Regulations).*
3 *including 314,407 Atos SE shares, assimilated pursuant to the provisions of art. L.233-9 I, 4° bis of the French Commercial Code, stemming from contracts for difference, with no term, on the same amount of Atos SE shares, paid exclusively in cash. Besides, BlackRock, Inc. declared holding 493,419 Atos SE shares on behalf of clients (not taken into account in the stated holding) for which clients have retained the exercise of voting rights.*

The Company was not informed of any other statutory threshold crossing, in accordance with Article L233-7 of the Commercial Code, in 2015.

G.7.7.4 Voting rights

Voting rights are in the same proportion as shares held except for treasury shares which carry any voting right. No shares carry double voting rights.

G.7.7.5 Shareholders' agreements

On the occasion of the acquisition by the Company from Siemens of Siemens' former subsidiary SIS, the Siemens group committed to keep its shareholding in the Company, amounting to 12,483,153 shares, until June 30, 2016. This lock-up shareholder commitment was extended to September 30, 2020, pursuant to an amendment to the lock-up agreement entered into on October 30, 2015 between Siemens AG, the Company and Siemens Beteiligungen Inland GmbH, in the context of the strengthening of the alliance between both Companies. Under this agreement, Siemens nevertheless retain the possibility, as from July 1, 2016, to transfer its shareholding in the Company to two Siemens employees pension funds named Siemens Pension Trust e.V. and BSAV-Trust e.V. (or to any investment fund or investment vehicle in which - directly or indirectly - either or both of these pension trusts invest their assets provided that these pension trusts are the only investors), provided that such pension trust agree to abide by the terms and conditions of the lock-up agreement, and that when exercising the right to suggest a representative to be elected to the Atos Board of directors, it shall always suggest an active member of the management board of Siemens.

In addition, on December 27, 2013, and January 8, 2014, the Group notified the *Autorité des Marchés Financiers* of the signature on December 18, 2013 of a "Run-Off and Settlement Agreement" between Atos SE, Atos Nederland BV and Stichting Pensionfonds Atos which aimed at ending a dispute between the parties over the refinancing of the Dutch employee pension fund of Atos Nederland BV by setting up a new defined benefit pension scheme for these employees. Under the agreement, a partial payment of the amount owed by Atos Nederland BV to the pension fund could take place either in cash or in Atos SE shares, and be made either directly by Atos Nederland BV or by Atos SE on its account. In case of payment in Atos SE shares, the pension fund undertook to keep the shares for a three years period starting from the given payment in shares, subject to the possibility to transfer the shares[1] as follows: (i) 30% of Atos SE shares received in payment between the first and the second anniversary of the date of such payment; (ii) 35% of Atos SE shares received in payment between the second and the third anniversary of the date of such payment; and (iii) 35% of Atos SE shares received in payment as from the third anniversary of the date of such payment.

As announced on January 8, 2014, Atos implemented a second tranche of its share buy-back program to pay in Atos SE shares for a maximum amount of € 115 million to the Atos Dutch employee pension fund as authorized by the Ordinary General Meeting of December 27, 2013.

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1 *Within the daily limit of 25% of the average daily volumes over the 20 trading days preceding the transfer (save in case of block transfer off market).*

Following payments in shares have been completed:

Date of transfer	Shares
02/13/2014	435,611
03/13/2014	423,623
04/11/2014	423,463
05/14/2014	453,062

This amount was in addition to the € 43 million amount already paid in cash. Final payment of all the sums due under the agreement took place on July 1, 2014.

The Group has not received notice of any shareholder agreements for filing with the stock exchange authorities and, to the best knowledge of the Group Management, no "*action de concert*" or similar agreements exist.

To the Company's knowledge, there is no other agreement capable of having a material effect, in case of public offer on the share capital of the Company.

G.7.7.6 Treasury stock and liquidity contract

Treasury Stock

As at December 31, 2015, the Company owned 694,584 shares which amounted to 0.7% of the share capital with a portfolio value of € 53,795,530, based on December 31, 2015 market price, and with book value of € 45,175,056. These shares were purchased in the context of a share buyback program and were assigned to the allocation of shares to employees or executive officers and directors of the Company or its group, and correspond to the hedging of its undertakings under the performance shares plans.

The Company proceeded with the following transfers of treasury shares in 2015:

- On January 5, a transfer of 802 shares to beneficiaries of LTI (Long Term Incentive) plans;
- On March 6, a transfer of 208,197 shares in connection with the payment of an external growth operation;
- On March 6, a transfer of 249,937 shares in connection with the payment of an external growth operation;
- On March 27, a transfer of 972 shares to beneficiaries of LTI (Long Term Incentive) plans;
- On April 14, a transfer of 245 shares to beneficiaries of LTI (Long Term Incentive) plans;
- On July 24, a transfer of 321,190 shares in connection with the vesting of performance shares granted pursuant to the plan dated July 24, 2013;
- On September 23, a transfer of 853 shares to beneficiaries of LTI (Long Term Incentive) plans;
- On September 23, a transfer of 562 shares to beneficiaries of LTI (Long Term Incentive) plans;
- On December 21, a transfer of 212,075 shares in connection with the vesting of performance shares granted pursuant to the plan dated December 22, 2011.

Liquidity Contract

By Contract dating February 13, 2006, Atos SE entrusted Rothschild & Cie Bank, for a one-year period, renewable by tacit consent, with the implementation of a liquidity contract compliant with the Deontology Charter of the AMAFI. € 15 million were originally allocated for this purpose to the implementation of this contract. On July 1, 2012, an amendment to the liquidity contract dated February 13, 2006 was signed, under which the Company decided to make an additional cash contribution of € 10 million in order to allow Rothschild & Cie Banque to ensure the continuity of the interventions under the contract.

The transactions carried out in 2015 under the liquidity contract are as follows:

Cumulated gross flows as at December 31, 2015	Cumulated Purchases	Cumulated Sales
Number of Shares	1,148,340	1,148,340
Average Sale/Purchase price	68.6330	68.7303
Total Amount of Purchases/Sales	78,814,019.22	78,925,752.70

Legal Framework

The 12th resolution of the Combined General Meeting of May 28, 2015, renewed in favor of the Board of Directors, the authorization to trade in the Group's shares, in connection with the implementation of a share buyback program. The number of shares purchased may not exceed 10% of the share capital of the Company, at any moment in time, such percentage applying to a capital adjusted in accordance with the operations which shall have an effect on the share capital subsequently to the General Meeting, it being specified that in the case of shares purchased within a liquidity contract, the number of shares taken into account to determine the 10% limit shall correspond to the number of shares purchased from which shall be deducted the number of shares resold during the duration of the authorization.

These purchases may be carried out by virtue of any allocation permitted by law, with the aims of this share buy-back program being:

- to keep them and subsequently use them for payment or exchange in the context of possible external growth operations, in compliance with market practices accepted by the *Autorité des Marchés Financiers* (French Financial Market Authority), it being specified that the maximum amount of shares acquired by the Company in this context shall not exceed 5% of the share capital;
- to ensure liquidity and an active market of the Company's shares through an investment service provider acting independently in the context of a liquidity contract, in accordance with the professional conduct charter accepted by the *Autorité des Marchés Financiers* (French Financial Market Authority);
- to attribute or sell these shares to the executive officers and directors or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set or accepted by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under Articles L. 225-177 et seq. of the Commercial Code, and (iii) the free awards of shares in particular under the framework set by Articles L. 225-197-1 et seq. of the Commercial Code and (iv) French and foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions laid down by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides; or
- to cancel them as a whole or in part through a reduction of the share capital pursuant to the 13th resolution of the Combined General Meeting held on May 28, 2015.

The maximum purchase price per share may not exceed € 100 (fees excluded).

The Board of Directors may adjust the aforementioned purchase price in the event of incorporation of premiums, reserves or profits, giving rise either to an increase in the nominal value of the shares or to the creation and the free allocation of shares, and in case of division of the nominal value of the share or share consolidation to take account of the impact of such transactions on the value of the share.

As a result, the maximum amount of funds assigned to the buy-back program amounts to € 1,013,325,270 as calculated on the basis of the share capital as at December 31, 2014, this maximum amount may be adjusted to take into account the amount of the capital on the day of the General Meeting.

This authorization was granted for a period of 18 months as from May 28, 2015.

Description of the share buy-back program submitted to approval of the General Meeting of May 26, 2016:

In connection with the share buy-back program (and within the limit of 10% of the share capital), it is proposed to renew, during the General Meeting of May 26, 2016, the authorization to repurchase shares which was granted during the General Meeting of May 28, 2015, for 18 months, and which will expire on November 28, 2016.

In accordance with the *Réglement Général* of the *Autorité des Marchés Financiers* (General Rules of the French Financial Market Authority) (articles 241-1 to 241-5) and with article L. 451-3 of the French Monetary and Financial Code, this description of program is aimed at detailing the objectives and the terms and conditions of the new share buy-back program by Atos SE (the "Company") which will be subject to authorization by the General Meeting of shareholders of May 26, 2016.

The aims of this program are:

- to keep the shares and subsequently use them for payment or exchange in the context of possible external growth operations, in compliance with market practices accepted by the Autorité des Marchés Financiers (French Financial Market Authority), it being specified that the maximum amount of shares acquired by the Company in this context shall not exceed 5% of the share capital;
- to ensure liquidity and an active market of the Company's share through an investment service provider acting independently in the context of a liquidity contract, in accordance with the professional conduct charter accepted by the *Autorité des Marchés Financiers* (French Financial Market Authority);
- to attribute or sell these shares to the executive officers and directors or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set or accepted by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under articles L. 225-177 et seq of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 225-197-1 et seq. of the Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations relating to the issuance of such securities, under the conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides; or
- to cancel these shares as a whole or in part through a reduction of the share capital.

Acquisitions, sales, transfers or exchange of shares may be made by any means, in accordance with the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by block purchases or sales (with no limit on the portion of the share buy-back program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies such as purchases or sales of purchase or sale options, or by the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, exercise of a warrant or any other means to Company shares held by this latter party, and when the Board of Directors or the person acting on the Board of Directors' authority, under conditions laid down in the law, decides in compliance with the relevant legal and regulatory provisions. Acquisitions, sales, transfers or exchange of shares in the context of this resolution may however not be carried out in case of public offer over the shares of the Company.

The maximum purchase price is set at € 105 per share and the number of actions which may be acquired is 10% (theoretically 10,351,924 shares as calculated on the basis of the share capital as at December 31, 2015). This maximum amount can be adjusted to take into account the share capital amount on the day of the General Meeting.

As from its authorization by the General Meeting of May 26, 2016, this program will be in force until the next Annual General Meeting ruling on the 2016 financial year accounts without exceeding a maximum duration of 18 months, i.e. until November 26, 2017.

G.7.7.7 Potential common stock

Potential dilution

Based on 103,519,242 outstanding shares as of December 31, 2015, the common stock of the Group could be increased by 3,374,859 new shares, representing 3.3% of the common stock before dilution. This dilution could occur with the exercise of all stock subscription options granted to employees or through the acquisition of performance shares as follows:

(in shares)	December 31, 2015	December 31, 2014	Change	% dilution
Number of shares outstanding	**103,519,242**	**101,332,527**	**2,186,715**	
From stock subscription options	1,294,524	2,806,747	-1,512,223	1.3%
From performance shares	2,080,335	0*	2,080,335	2.0%
Potential dilution	**3,374,859**	**2,806,747**	**568,112**	**3.3%**
TOTAL POTENTIAL COMMON STOCK	**107,085,093**	**104,139,274**	**2,945,819**	

* *1,822,370 in case of issuance of performance shares*

On the total of 1,294,524 stock options, no option had a price of exercise higher than € 77.45 (year-end stock price at December 31, 2015).

Stock options evolution

Number of stock subscription options at December 31, 2014	**2,806,747**
Stock subscription options granted in 2015	-
Stock subscription options exercised in 2015	1,399,483
Stock subscription options cancelled in 2015	112,740
Stock subscription forfeited in 2015	-
Number of stock subscription options at December 31, 2015	**1,294,524**

The weighted average strike price of the above-mentioned options is summarized in the table below:

	Number of stock options as of December 31, 2015	Weighted average strike price *(in €)*	Value *(in € million)*	% total stock options
Strike price from € 10 to € 20	35,599	18.40	0.7	3%
Strike price from € 20 to € 30	405,823	25.16	10.2	31%
Strike price from € 30 to € 40	303,335	33.30	10.1	23%
Strike price from € 40 to € 50	137,600	45.95	6.3	11%
Strike price from € 50 to € 60	412,167	59.49	24.5	32%
TOTAL STOCK OPTIONS	**1,294,524**	**40.02**	**51.8**	**100%**

As of December 31, 2015, the total of stock options granted by the Group were all exercisable.

The weighted average strike price of stock options granted to employees was € 40.02 at the end of 2015, (-4.0% compared to € 41.67 at the end of December 2014), for a total value of € 51.8 million.

Current authorizations to issue shares and other securities

Pursuant to the resolutions adopted by the General Meetings of May 28, 2015 and May 27, 2014, the following authorizations to modify the share capital, and to issue shares and other securities are in force:

Authorization *(in €)*	**Authorization amount** *(par value)*	**Use of the authorizations** *(par value)*	**Unused balance** *(par value)*	**Authorization expiration date**
EGM May 28, 2015 12th resolution Authorization to buyback the Company shares	10% of the share capital adjusted at any moment	0	10%	11/28/2016 (18 months)
EGM May 28, 2015 13th resolution Share capital decrease	10% of the share capital adjusted as at the day of the decrease	0	10% of the share capital adjusted as at the day of the decrease	11/28/2016 (18 months)
EGM May 28, 2015 14th resolution Share capital increase reserved to the employees1	2,045,885	0	2,045,885	07/28/2017 (26 months)
EGM May 27, 2014 15th resolution Share capital increase with preferential subscription right	29,878,460	0	29,878,460	07/27/2016 (26 months)
EGM May 27, 2014 16th resolution Share capital increase without preferential subscription right by public offer[1 2]	9,959,486	0	9,959,486	07/27/2016 (26 months)
EGM May 27, 2014 17th resolution Share capital increase without preferential subscription right by private placement[1 2]	9,959,486	0	9,959,486	07/27/2016 (26 months)
EGM May 27, 2014 18th resolution Share capital increase without preferential subscription right to remunerate contribution in kind [1 2]	9,959,486	0	9,959,486	07/27/2016 (26 months)
EGM May 27, 2014 19th resolution Increase of the number of securities in case of share capital increase with or without preferential subscription right[1 2 3]	Extension by 15% maximum of the initial issuance	0	Extension by 15% maximum of the initial issuance	07/27/2016 (26 months)
EGM May 27, 2014 20th resolution Share capital increase through incorporation of premiums, reserves, benefits or other[1]	29,878,460	0	29,878,460	07/27/2016 (26 months)
EGM May 27, 2014 22nd resolution Grant of performance shares to employees and executive officers	995,948	868,000	127,948	07/27/2017 (38 months)
EGM May 29, 2013 15th resolution Grant of performance shares to employees and executive officers	1,035,192	691,000	344,192	07/29/2016 (38 months)

1 *Any share capital increase pursuant to the 16th, 17th, 18th, 19th, 20th resolutions of the Combined General Meeting of May 27, 2014 and of the 14th resolution of the Combined General Meeting of May 28, 2015 shall be deducted from the cap set by the 15th resolution of the Combined General Meeting of May 27, 2014.*

2 *The share capital increases without preferential subscription right carried out pursuant to the 16th, 17th, 18th and 19th resolutions of the Combined General Meeting of May 27, 2014 are subject to an aggregate sub-cap corresponding to 10% of the share capital of the Company on the day of the Combined General Meeting of May 27, 2014 (i.e. € 9,959,486). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate sub-cap.*

3 *The additional issuance shall be deducted from (i) the cap of the resolution pursuant to which the initial issuance was decided, (ii) the aggregate cap set by the 15th resolution of the Combined General Meeting of May 27, 2014, and (iii) in case of share capital increase without preferential subscription rights, the amount of the sub-cap mentioned at 2 here above.*

The number of new authorized shares that may be issued pursuant to the above-mentioned delegations of authority (the 19th resolution of the General Meeting of May 27, 2014 being set aside) amounts to 31,909,601, representing 31.5% of the share capital updated on December 31, 2015.

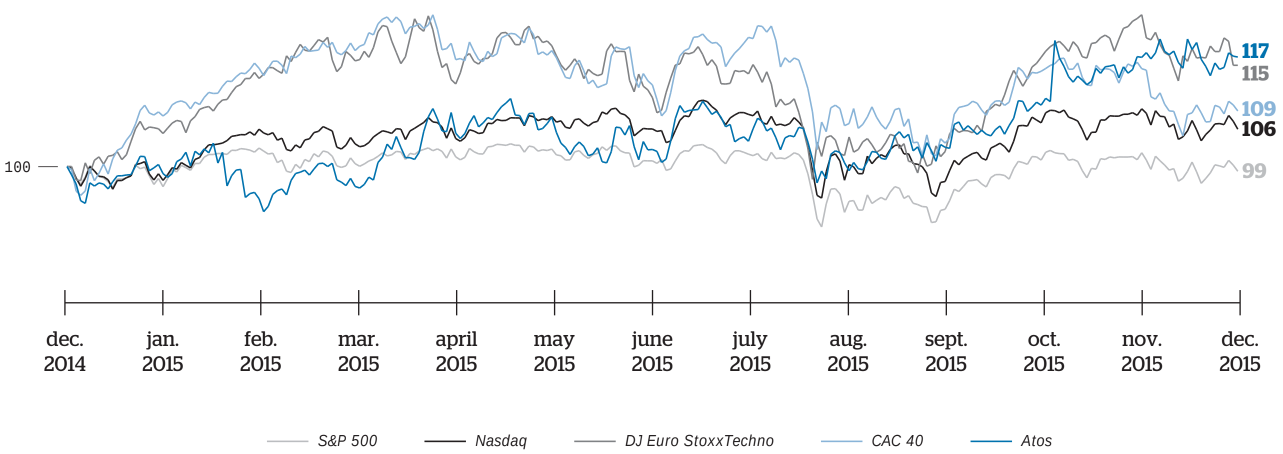
G.7.8 Share trading performance

G.7.8.1 Stock market overview

Atos' share price finished 2015 up +17% at € 77.45, significantly outperforming the French reference Index CAC 40 (+9%) and above its European peers in the technological sector DJ EuroStoxxTechno (+15%). In the US, market performance was much below with for example the S&P 500 down (-1%) and the Nasdaq up (+6%).

Atos market capitalization reached € 8,018 million at the end of 2015.

ATOS' SHARE PERFORMANCE IN COMPARISON WITH INDICES (BASE 100 AT DECEMBER 31, 2014)



G.7.8.2 Key figures

	2015	2014	2013	2012	2011
Highest *(in €)*	80.00	71.50	67.78	55.90	43.50
Lowest *(in €)*	61.41	50.92	49.81	34.54	30.24
Closing as of 12/31 (in €)	77.45	66.30	65.79	52.81	33.91
Average daily volume processed on Euronext platform *(in number of shares)*	442,480	309,968	347,532	280,353	294,530
Free-float	84.5%	73.5%	75.9%	62.1%	61.3%
Market capitalization as of 12/31 *(in € million)*	8,018	6,718	6,458	4,426	2,911
Enterprise Value as of 12/31* *(in € million)*	7,425	5,729	5,553	4,294	3,053
EV/revenue	0.69	0.63	0.64	0.47	0.44
EV/OMDA	6.19	6.23	6.42	5.41	4.71
EV/OM	8.40	8.16	8.61	7.40	7.04
P/E (year-end stock price ÷ normalized basic EPS)	13.0	15.0	13.9	12.5	15.6

* *Assuming that (Enterprise Value) = (Net Debt) + (Market Capitalization).*

G.7.8.3 Market capitalization

Based on a closing share price of € 77.45 on December 31, 2015 and 103,519,242 shares in issue, the market capitalization of the Group at December 31, 2015 was € 8,018 million compared to € 6,718 million at the end of December 2014

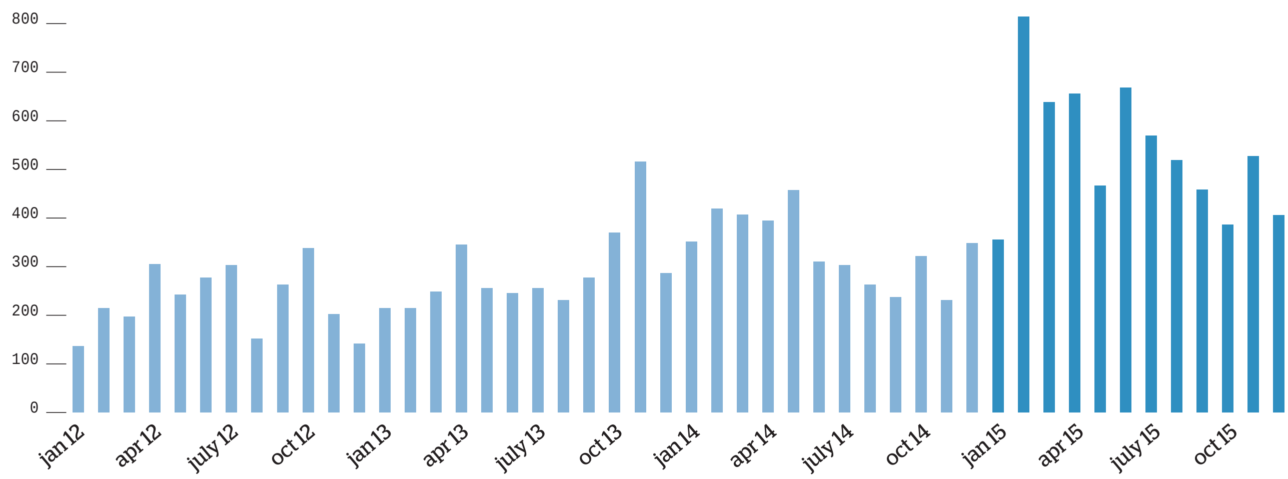
In terms of market capitalization as of December 31, 2015, Atos was ranked 42nd (vs. 42nd as of December 31, 2014) within the SBF 120 index, which includes the largest companies by market capitalization on the Paris exchange.

G.7.8.4 Traded volumes

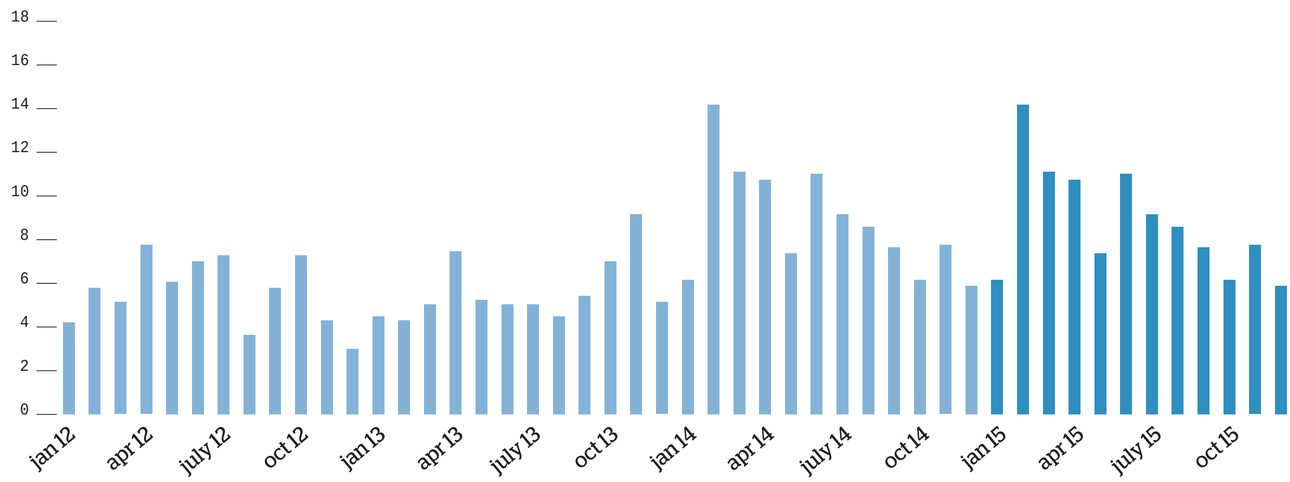
	Trading Volume (all platforms)	
	(in thousands of shares)	*(in € million)*
1st Quarter 2015	166,458	2,179
2nd Quarter 2015	127,998	2,160
3rd Quarter 2015	50,617	1,864
4th Quarter 2015	46,773	1,591
TOTAL	**391,846**	**7,794**

In 2015, the average daily number of shares traded reached 1,531 thousand on all platforms (of which 442 thousand on Euronext), compared to 873 thousand in 2014 (of which 310 thousand on Euronext).

MONTHLY TRADING VOLUME (IN € MILLION)



MONTHLY TRADING VOLUME (IN MILLIONS OF SHARES)



G.7.8.5 2015 and subsequent key trading dates

Atos unveiled its vision and anticipates the technology shifts that will shape business through to 2018 in *Ascent Journey 2018 - The 3rd Digital Revolution: Agility and Fragility*, a unique research conducted by the 100 top business technologists from the Atos Scientific Community.

On **February 18**, Atos announced its 2014 annual results. Revenue was € 9,051 million, +5.1% year-on-year and -1.1% at constant scope and exchange rates. In the fourth quarter, revenue organic evolution was +0.1%. Operating margin was € 701.9 million, representing 7.8% of revenue, compared to 7.5% in 2013. Order entry was € 9.1 billion representing a book to bill ratio of 101%. Full backlog increased by €+0.9 billion to € 16.2 billion, representing 1.7 year of revenue. Net cash position was € 989 million at the end of 2014. Free cash flow was € 367 million in 2014 compared to € 365 million in 2013. Net income was € 283 million, up +8.8% year-on-year and net income Group share was € 265 million, up +1.4% compared to 2013. The Group announced its objective in 2015 to increase revenue and profitability in line with the 3-year plan taking full advantage of 2014 achievements.

On **February 25**, PAI Partners sold to other investors via an Accelerated Bookbuilt Offering most of its remaining shares of Atos SE, i.e. 9,200,000 shares representing 9% of the share capital, at a price per share of € 63.25.

Atos and EMC announced plans on **February 26** to further strengthen their strategic alliance. Atos has decided to re-integrate the Canopy subsidiary and make it part of the Atos corporate structure. EMC and VMware intend to continue their strategic long-term investment, now as shareholders of Atos. These moves will allow the continuous support and strong collaboration of EMC and VMware with Canopy, while strengthening the partnership between the EMC Federation of strategically aligned businesses and Atos Consulting & System integration as well as the newly created Big Data & Cybersecurity Atos divisions.

Atos announced on **April 22** its first quarter 2015 revenue. In the first quarter, revenue was € 2,427 million, up +17.6% year-on-year and up +0.2% at constant scope and exchange rates. Order entry was € 2,198 million, up +31.5% year-on-year, representing a book to bill ratio at 91%. Full backlog was € 16.6 billion, representing 1.7 years of revenue. Full qualified pipeline totaled at € 5.6 billion, representing 6.7 months of revenue.

Atos SE held on **May 28** its Annual General Meeting chaired by Mr. Thierry Breton, Chairman and Chief Executive Officer of the Company. All resolutions submitted by the Board of Directors were approved. In particular, the General Meeting approved the annual and consolidated accounts for the financial year ended December 31st, 2014, the dividend payment of €0.80 per share, as well as the option for payment of the dividend in either shares or cash. The General Meeting also renewed the terms of office of Directors of Thierry Breton, Bertrand Meunier and Pasquale Pistorio, and ratified the appointment as Director of Valérie Bernis.

Atos held on **June 18** an Analyst Day in its Headquarters in Bezons (France) to present its new positioning and profile. During the first half of its 3-year plan that will end in December 2016, Atos has accelerated its transformation with the completion of the Worldline IPO, the integration of the Bull operations and technologies, and the announcement of the project to acquire Xerox ITO in North America.

The Group provided an update on "2016 Ambition" targets, halfway through the 2014-2016 3-year plan and taking into account its recent achievements. Compared to 2014, the Group intends to double its net income Group share to circa €530 million in 2016. This strong increase will be led by the profitability improvement, additional operating margin from scope expansion, reduction in restructuring costs, and a new tax profile.

Atos announced the successful placement of its first bond issue on **June 30**. The bond issue has been significantly oversubscribed by a large and diversified European investor base, which allowed Atos to increase the size of the issue from € 500 million to € 600 million. This bond issue totals € 600 million, with a 5-year maturity. The coupon rate is 2.375%.

On **June 30**, Atos completed the acquisition of Xerox ITO which reinforces its position as a global leader in digital services for a net purchase price which totaled US$ 966 million (€ 811 million). With circa US$ 2 billion revenue, North America becomes the largest geography for Atos where it is now ranked number 9 in ITO services.

On **July 29**, Atos announced its first half 2015 results. Revenue was € 4,941 million, up +18% year-on-year and up +0.3% at constant scope and exchange rates. Organic growth in the second quarter of 2015 was +0.3%, continuing the positive trend recorded in the fourth quarter of 2014 (+0.1% organic growth) and in the first quarter of 2015 (+0.2% organic growth). Operating margin was € 345.6 million, up +26% year-on-year and representing 7.0% of revenue, an improvement by +60 basis points on a like for like basis. Net income was € 138 million, up +79% year-on-year and Net income Group share was € 123 million, up +61% year-on-year. Free cash flow totaled € 141 million during the first half of 2015 and the Group net cash position at the end of June was € 354 million. Commercial activity was strong in Q2 with a book to bill ratio of 115% leading to a book to bill ratio of 103% and an order entry totaling € 5,088 million for the first half of 2015.

On **November 3**, Atos announced its third quarter 2015 revenue. Revenue was € 2,708 million, up +23% year-on-year. With +0.5% organic growth in Q3 2015, the positive revenue trend is confirmed for the fourth quarter in a row. Commercial activity was strong in Q3 with a book to bill ratio of 93% and an order entry totaling € 2,531 million.

Following a strategic review that was launched in July 2015, Atos and Siemens announced that they have decided to further strengthen their global alliance. The two companies have decided to extend their existing IT agreement, to further develop their joint business cooperation and commercial initiatives and to enhance their existing R&D programs. Furthermore Siemens will extend its lock-up shareholder commitment in Atos until September 30, 2020. Siemens is the largest shareholder of Atos, holding 12.5 million shares or 12% of the current capital of Atos.

Atos, The Gores Group, Siemens have reached an agreement for Atos to acquire Unify, the number three world leader of integrated communication solutions. With this acquisition Atos intends to create a unique integrated proposition for unified communications and real time capabilities enhancing social collaboration, digital transformation, and business performance of its clients.

Worldline has reached a transaction agreement with Equens, a prominent European payment services provider, headquartered in the Netherlands. The contemplated transaction represents a transformational step for Worldline, fully in line with the strategy presented at the time of its IPO. The deal will enhance Worldline's leadership in the payment services industry providing it with a comprehensive pan-European footprint, with leading positions and offerings in key geographies.

Atos announced on **February 24, 2016**, its 2015 annual results. Revenue was € 10,686 million, up+18% year-on-year and +0.4% organically. Operating margin was € 883.7 million, representing 8.3% of revenue, compared to 7.1% in 2014 at constant scope and exchange rates. Order entry was € 11.2 billion leading to a book to bill ratio of 105%. Full backlog increased by €+2.9 billion to € 19.1 billion, representing 1.7 year of revenue. Net cash position was € 593 million at the end of 2015. Free cash flow was € 450 million in 2015 compared to € 367 million in 2014. Net income was € 437 million, up +55% year-on-year and net income Group share was € 406 million, up +53% compared to 2014.

G.7.8.6 Share value for "ISF" purposes

The closing share price on December 31, 2015 was € 77.45. The average closing share price over the last 30 stock market trading days of 2015 was € 77.19 compared to € 59.13 for the same period in 2014.

G.7.8.7 Purchase or sale by the Group of its own shares

The Group purchased or sold its own shares in 2015 as described within the section *G.7.7.6 Treasury stock and liquidity contract*. At December 31, 2015, the Group held 694,584 shares as treasury stock, but none related to the liquidity contact.

H

H Appendix

H.1 Definitions

Financial terms and Key Performance Indicators	Business Key Performance Indicators
• Operational Capital Employed	• External revenue
• Current and non-current	• Organic growth
• DSO	• Book-to-bill
• Net debt	• TCV (Total Contract Value)
• Gross margin and indirect costs	• Backlog/Order cover
• Operating margin	• Order entry/bookings
• EBITDA	• Pipeline
• Gearing	• Legal staff
• Interest cover ratio	• Full Time Equivalent (FTE)
• Leverage ratio	• Subcontractors
• Operating income	• Interims
• Normalized net income	• Direct staff
• ROCE (Return On Capital Employed)	• Indirect staff
• EPS	• Permanent staff
• Cash flow from operations	• Temporary staff
• Free Cash Flow	• Ratio S
• Change in net debt	• Turnover
• Attrition rate	• Utilization rate and non-utilization rate

Business terms	Market terms
• BPO	• Consensus
• CMM	• Dilutive instruments
• CRM	• Dividends
• ERP	• Enterprise Value (EV)
• LAN	• Free float
• MMS	• Free float capitalization
• TCO	• Market capitalization
• SCM	• PEG (Price Earnings Growth)
• WAN	• PER (Price Earnings Ratio)
• SEPA	• Volatility

H.1.1 Financial terms

Operational capital employed: Operational capital employed comprises net fixed assets and net working capital, but excludes goodwill and net assets held for sale.

Current and non-current assets or liabilities: A current and non-current distinction is made between assets and liabilities on the balance sheet. Atos has classified as current assets and liabilities those that Atos expects to realize, use or settle during its normal cycle of operations, which can extend beyond 12 months following the period-end. Current assets and liabilities, excluding the current portion of borrowings and financial receivables, represent the Group's working capital requirement.

DSO: (Days' Sales Outstanding). DSO is the amount of trade accounts receivables (including work in progress) expressed in days' revenue (on a last-in, first-out basis). The number of days is calculated in accordance with the Gregorian calendar.

Net debt: Net debt comprises total borrowings (bonds, finance leases, short and long-term bank loans, securitization and other borrowings), short-term financial assets and liabilities bearing interest with a maturity of less than 12 months, less cash and cash equivalents (transferable securities, cash at bank and in hand).

Gross margin and **indirect costs:** Gross margin is composed of revenue less the direct costs of goods sold. Direct costs relate to the generation of products and/or services delivered to customers, while indirect costs include all costs related to indirect staff (defined hereafter), which are not directly linked to the realization of the revenue. The operating margin comprises gross margin less indirect costs.

Operating margin: Operating margin comprises operating income before major capital gains or losses on the disposal of assets, major reorganization and rationalization costs, amortization of equity based compensation plans, impairment losses on long-term assets, net charge to provisions for major litigations and the release of opening balance sheet provisions no longer needed.

EBITDA: (Earnings Before Interest, Tax, Depreciation and Amortization). For Atos, EBITDA is based on Operating margin less non-cash items and is referred to as **OMDA** (Operating Margin before Depreciation and Amortization) and is calculated as follows:

Operating margin

- Less - Depreciation of fixed assets (as disclosed in the “financial report”);
- Less - Operating net charge of provisions (composed of net charge of provisions for current assets and net charge of provisions for contingencies and losses, both disclosed in the “financial report”);
- Less - Net charge of provisions for pensions (as disclosed in the “financial report”);
- Less - Equity-based compensation.

Gearing: The proportion, expressed as a percentage of net debt to total shareholders' equity (Group share and minority interests).

Interest cover ratio: Operating margin divided by the net cost of financial debt, expressed as a multiple.

Leverage ratio: Net debt divided by OMDA.

Operating income: Operating income comprises net income before deferred and income taxes, net financial expenses, share of net income from associates and the results of discontinued operations.

Normalized net income: Net income (Group share) before unusual, abnormal and infrequent items, net of tax.

ROCE (return on capital employed): ROCE is net income (Group share), before the net cost of financial debt (net of tax) and the depreciation of goodwill, divided by capital employed.

EPS (earnings per share): Basic EPS is the net income divided by the weighted-average number of common shares outstanding during the period. Diluted EPS is the net income divided by the diluted weighted-average number of common shares for the period (number of shares outstanding + dilutive instruments with dilutive effect). **Normalized EPS** is based on normalized net income.

Cash flow from operations: Cash flow coming from the operations and calculated as a difference between the OMDA (Operating Margin DA), the net capital expenditures and the change in working capital.

Free cash flow: Indicator of cash generation on which the Group communicates on priority and represents the change in net cash or net debt, excluding equity changes, dividends paid to shareholders, net material acquisitions / disposals, and proceeds from equity based compensation.

Change in net debt (cash): Change in net debt or net cash.

H.1.2 Business KPI's (Key Performance Indicators)

Revenue

External Revenue: External Revenue related to Atos' sales to third parties (excluding VAT and pass-through sales with low margin).

Organic growth: Organic growth represents the percent growth of a unit based on a constant scope and exchange rates basis of which is excluded revenue from acquisitions and cessions of the year.

Book-to-bill: A ratio expressed in percentage terms based on order entry in the period divided by revenue of the same period.

TCV (Total Contract Value): The total value of a contract at signature (prevision or estimation) over its duration. It represents the firm order and contractual part of the contract excluding any clause on the decision of the client, as anticipated withdrawal clause, additional option or renewal.

Order entry/bookings: The TCV, orders or amendments signed during a defined period. When an offer is won (contract signed), the total contract value is added to the backlog and the order entry is recognized.

Backlog/Order cover: The value of signed contracts, orders and amendments that remain to be recognized over their contract lives.

Pipeline: The value of revenues that may be earned from outstanding commercial proposals issued to clients. Qualified pipeline applies an estimated percentage likelihood of proposal success.

Human Resources

Legal staff: The total number of employees under Atos employment contracts at the end of the period. Legal staff includes those on long sickness or long absence, apprentices, trainees, and employees on maternity leave, but excludes subcontractors and interims.

FTE (Full-time equivalent staff): The total number of staff calculated using information from time sheets on the basis of working time divided by standard contractual workable time per employee. In general, a person working on a full time contract is considered as one FTE, whereas a person working on a part time contract would be less considered than one FTE.

Calculations are based on contractual working time (excluding overtime and unpaid holidays) with potential workable time (in hours or days) = nominal time + overtime balance – unpaid vacation. For subcontractors and interim staff, potential workable hours are based on the number of hours billed by the supplier to Atos.

Subcontractors: External subcontractors are third-party suppliers. Outsourced activities (e.g. printing or call center activities) and fixed price subcontracting are excluded from the recorded number of subcontractors or interims.

Interims: Staff from an agency for temporary personnel. Interims are usually used to cover seasonal peaks or for situations requiring staff for a short period of time.

Direct Staff: Direct staff includes permanent staff and subcontractors, whose work is billable to a third party.

Indirect staff: Indirect staff includes permanent staff or subcontractors, who are not billable to clients. Indirect staff is not directly involved in the generation of products and/or services delivered to clients.

Permanent staff: Permanent staff members have a contract for an unspecified period of time.

Temporary staff: Temporary staff has a contract for a fixed or limited period of time.

Ratio S: Measures the number of indirect staff as a percentage of total FTE staff, including both the Company's own staff and subcontractors.

Staff turnover and **attrition rate** (for legal staff): Turnover and attrition rates indicate the proportion of legal staff that has left the Group (voluntary and/or involuntary) in a defined period:

- Turnover measures the percentage of legal staff that has left the business in a defined period;
- Attrition measures the percentage of legal permanent staff that has voluntarily left the business in a defined period. Attrition rate is a ratio based on total voluntary leavers in the period on an annual basis divided by the average number of permanent staff in the period.

Utilization rate and non-utilization rate: Utilization rate + non-utilization rate = 100% of workable time for direct FTE, which excludes legal vacations, long-term sickness, long-term sabbaticals and parental leave. Workable time is composed of billed time, inactivity that is billable but not billed (exceptional holidays, sickness, on the bench which is between two assignments, other inactivity as delegation), and non-billable time (pre-sales, training, management meetings, research and development and travel). Utilization rate measures the proportion of workable time (hours or days) of direct FTE (own staff excluding subcontractors) that is billed to customer. The ratio is expressed in percentage terms based on billed hours divided by workable hours excluding vacations. Non-utilization rate measures the workable time (hours or days) of direct FTE (own staff excluding subcontractors) that is not billed or is non-billable to clients

H.1.3 Business terms

BPO (Business Process Outsourcing): Outsourcing of a business function or process. e.g. administrative functions such as accounting, HR management, call centers, etc.

CMM (Capability Maturity Model): CMM is a method for evaluating and measuring the competence of the software development process in an organization on a scale of 1 to 5. CMMI, is the CMM Integration.

CRM (Customer Relationship Management): Managing customer relationships (after-sales service, purchasing advice, utilization advice, customer loyalty) has become a strategic component of a company's successful operation. Not only does CRM facilitate efficiency, it also leads to higher sales by building customer loyalty.

ERP (Enterprise Resource Planning): An ERP system is an integrated management software system built in modules, which is capable of integrating sales, manufacturing, purchasing, accounting and human resources systems into an enterprise-wide management information system.

LAN (Local Area Network): A local network that connects a number of computers within a single building or unit.

MMS (Multimedia Message Service): A message capable of carrying text, sounds, fixed or animated color images, generally sent to a mobile phone.

TCO (Total Cost of Ownership): Total cost of ownership is quantification of the financial impact of deploying an information technology product over its life cycle.

SCM (Supply Chain Management): A system designed to optimize the logistics chain, aimed at improving cost management and flexibility.

WAN (Wide Area Network): A long-distance network that generally comprises several local networks and covers a large geographical area.

SEPA (Single Euro Payments Area): Regulating initiative from European countries involving the creation of a specific zone where all transactions will be considered as domestic in terms of billing (no longer cross-border electronic payments surcharge).

H.1.4 Market terms

Consensus: Opinion that emerges from the financial community, in which financial analysts play a prominent role. Consensus can relate to earnings outlook (individual stock consensus) or to a group of companies in the same sector (market consensus).

Dilutive instruments: Financial instruments such as bonds, warrants, stock subscription options, free shares, which could be converted into shares and have therefore a potential dilutive impact on common stock.

Dividends: Cash or stock payments from a company's profits that are distributed to stockholders.

Enterprise Value (EV): Market capitalization + debt.

Free float: Free float is the proportion of a Company's share capital that is regularly traded on the stock exchange. It excludes shares in the six categories listed below (source Euronext):

- Shares held by Group companies: Shares of the listed company held by companies that it controls within the meaning of article 233/3 of the French Commercial Code;
- Shares held by founders: shares held directly or indirectly by the founders (individuals or family group) when these founders have managerial or supervisory influence (management positions, control by voting rights, influence that is a matter of public knowledge, etc.);
- Shares held by the State: Interests held directly by the State, or by public sector or other companies which are themselves controlled by the State;
- Shares within the scope of a shareholders' agreement: Shares subject to a shareholders' agreement within the meaning of article 233/10 and 11 of the French Commercial Code, and other than those held by founders or the State;
- Controlling interest: Shares held by juridical persons (other than founders or the State) exercising control within the meaning of article 233/3 of the French Commercial Code;
- Interests considered stable: Interests exceeding 5%, which have not declined by one percentage point or more, excluding the impact of dilution, in the three preceding years. This category also includes shareholders that, in addition to or in association with the link represented by share ownership, have recently entered into significant industrial or strategic agreements with the Group.

Free-float capitalization: The share price of a company multiplied by the number of free-float shares as defined above.

Market capitalization: The share price of a company multiplied by the number of its shares in issue.

PER (Price Earnings Ratio): Market capitalization divided by net income for a trailing (or forward) 12-month period.

PEG (Price Earnings Growth): Price-earnings ratio divided by year-on-year earnings growth.

Volatility: The variability of movements in a share price, measured by the standard deviation of the ratio of two successive prices.

H.2 AMF cross-reference table

H.2.1 Cross reference table for the Reference Document

This document is a full free translation of the original French text. The original document has been filed with the Autorité des Marchés Financiers (AMF) on April 7, 2016, in accordance with article 212-13 of the AMF's General Regulations. After filing, this document as a Reference Document could be used to support a financial operation if accompanied by a prospectus duly approved by the AMF.

The cross-reference table identifies the main information required by Regulation No. 809/2004 of the European Commission dated April 29, 2004 (the "Regulation"). The table indicates the pages of this Reference Document where is presented the information related to each item.

N°	Items of the Annex I of the regulation	Sections
1.	Persons Responsible	
1.1	Indication of persons responsible	A.4.1
1.2	Declaration by persons responsible	A.4.2
2.	Statutory auditors	
2.1	Names and addresses of the auditors	A.4.3
2.2	Indication of the removal or resignation of auditors Information regarding changes of statutory auditors during the period	A.4.3
3.	Selected financial information	
3.1	Historical financial information	A.5.1; E.3
3.2	Financial information for interim periods	N/A
4.	Risk Factors	F.
5.	Information about the issuer	
5.1.	History and Development of the issuer	
5.1.1	The legal and commercial name of the issuer	G.2.2
5.1.2	The place and the number of registration	G.2.2
5.1.3	The date of incorporation and the length of life of the issuer	G.2.2
5.1.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office	G.2.2
5.1.5	The important events in the development of the issuer's business	A.5.2; A.6.1
5.2.	Investments	
5.2.1	Principal investments realized	N/A
5.2.2	Principal investments in progress	N/A
5.2.3	Principal future investments on which the management bodies have already made firm commitments	N/A
6.	Business overview	
6.1.	Principal Activities	
6.1.1	Nature of the issuer's operations and its principal activities	A.1; A.2; C.2; C.3 C.4; C.5; C.6; C.7
6.1.2	New products or services developed	B.3; C.2; C.3; C.4; C.5; C.6; C.7
6.2.	Principal Markets	A.1; A.2; B.2; C.2; E.1
6.3.	Exceptional factors	N/A
6.4.	Dependence on patents or licenses, industrial, commercial o financial contracts or new manufacturing processes	B.3.2.3; F.1; F.3.3
6.5.	Basis for statements made by the issuer regarding its competitive position	B.2
7.	Organizational Structure	
7.1.	Brief description of the Group	E.5.4; G.2.2
7.2	List of significant subsidiaries	E.4.7.4; Note 30
8.	Property, Plants and Equipment	
8.1.	Material tangible fixed assets	E.4.7.4 - Note 13
8.2	Environmental issues that pay affect the utilization of the tangible fixed assets	D.5
9.	Operating and Financial Review	
9.1.	Financial Condition	E.1; E.3
9.2.	Operating Results	

N°	Items of the Annex I of the regulation	Sections
9.2.1	Significant factors materially affecting the issuer's income from operations	E.1; E.3
9.2.2	Disclosure of material changes in net sales or revenues	E.1; E.3
9.2.3	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	E.1; E.3
10.	Capital Resources	
10.1.	Issuer's capital resources	E.3; G.7
10.2.	Sources and amounts of the issuer's cash flows	E.3.2
10.3.	Information on the borrowing requirements and funding structure	E.3.3
10.4.	Restrictions on the use of capital resources	N/A
10.5.	Anticipated sources of funds to fulfill commitments	E.3.3
11.	Research and Development, Patents and Licenses	B.3.2
12.	Trend Information	
12.1	The most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year	B.1; B.2; B.3; C.3; C.4; C.5; C.6; C.2; E.1
12.2	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects	B.1; B.2; B.3; C.1; E.1
13.	Profit Forecasts or Estimates	
13.1	Statement setting out the principal assumptions upon which the issuer has based its forecast or estimate	N/A
13.2	Report prepared by independent accountants or auditors	N/A
13.3	Preparation of the forecast or estimate	N/A
13.4	Statement on the correctness of a forecast included in the prospectus	
14.	Administrative, Management, and Supervisory Bodies and Senior Management	
14.1.	Composition – statements	A.6.2; G.2.4; G.3.1.3
14.2.	Conflicts of interests	G.2.4; G.3.1.4; G.6.5
15.	Remuneration and Benefits	
15.1.	Remuneration and benefits in kind	G.4
15.2.	Pension, retirement or similar benefits	G.4
16.	Board Practices	
16.1.	Current term office	G.2.4
16.2.	Contracts providing benefits upon termination of employment	G.2.4
16.3.	Information about audit and remuneration committee	G.3.1
16.4.	Statement related to corporate governance	G.3.1; G.4.3
17.	Employees	
17.1.	Number of employees	D.4; E.1.7
17.2.	Shareholdings and stock options	G.4; G.7.1; G.7.2
17.3.	Arrangements involving the employees in the capital of the issuer	D.2.2.3
18.	Major shareholders	
18.1.	Identification of the main shareholders	G.7.1; G.7.2;G.7.7
18.2.	Voting rights	G.7.1.2
18.3.	Ownership and control	G.7.1; G.7.2;G.7.7
18.4.	Arrangements which may result in a change in control of the issuer	G.7
19.	Related party transactions	E.4.7.4 - Note 28
20.	Financial Information concerning the issuer's assets and liabilities, financial position and profits and losses	
20.1.	Historical Financial Information	A.5; E.2; E.3; E.4; H.2.2
20.2.	Pro forma financial information	N/A
20.3.	Financial statements	E.4
20.4.	Auditing of historical annual financial information	
20.4.1	Statement indicating that the historical financial information has been audited	E.4.1
20.4.2	Indication of other information which has been audited	N/A
20.4.3	Source of the data when financial data in the Registration Document is not extracted from the issuer's audited financial statements	N/A
20.5.	Age of latest financial information	December 31, 2015

N°	Items of the Annex I of the regulation	Sections
20.6.	Interim and other financial information	
20.6.1	Quarterly or half yearly financial information	N/A
20.6.2	Interim financial information	N/A
20.7	Dividend policy	G.2.3; G.7.3
20.7.1	Amount of dividends	G.7.3
20.8.	Legal and arbitration proceedings	F.6
20.9.	Significant change in the issuer's financial or trading position	E.3
21.	Additional Information	
21.1.	Share Capital	
21.1.1	Amount of issued capital	G.7
21.1.2	Shares not representing capital	N/A
21.1.3	Shares held by or on behalf of the issuer itself	G.7
21.1.4	Convertible securities, exchangeable securities or securities with warrants	G.7.7.7
21.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital	N/A
21.1.6	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	G.7
21.1.7	History of share capital	G.7
21.2.	Memorandum and Articles of Association	
21.2.1	Description of issuer's objects and purposes	G.2.2
21.2.2	Provisions of the issuer's Articles of Association, statutes, charter or bylaws with respect to the members of the administrative, management and supervisory bodies	G.2
21.2.3	Description of the rights, preferences and restrictions attaching to each class of the existing shares	G.2.3; G.7.3
21.2.4	Description of actions to change the rights of holders of the shares	G.2
21.2.5	Description of the conditions governing the manner in which annual General Meetings and Extraordinary General Meetings of shareholders are called	G.2
21.2.6	Description of any provision that would have an effect of delaying, deferring or preventing a change in control of the issuer	G.2
21.2.7	Description of the conditions governing the ownership threshold above which shareholder ownership must be disclosed	G.2
21.2.8	Description of the conditions governing changes in the capital	N/A
22.	Material Contracts	E.1.5; F.1; F.2
23.	Third party information and statement by experts and declarations of any interest	
23.1	Statement or report attributed to a person acting as an expert	N/A
23.2	Information sourced from third parties	N/A
24.	Documents on Display	G.2.1; G.2.2; G.7
25.	**Information on holdings**	**E.4.7.4 – Note 30**

H.2.2 Cross reference table for the financial report

In order to facilitate the reading of this document, the cross-reference table, hereafter, allows identifying in this Reference Document, the information which constitutes the Annual Financial Report having to be published by the listed companies in accordance with article L. 451-1-2 of the French Monetary and Financial Code and article 222-3 of the French Market Authorities' General Regulations.

Information	Sections
Company financial statements	E.5
Consolidated financial statements	E.4
Annual report	A.4.3; B.3; D; E; F; G;
Certificate of the annual financial report responsible	A.4.2
Statutory auditors' report on the Company financial statements	E.5.1
Statutory auditors' report on the consolidated financial statements	E.4.1
Statutory auditors fees	E.4.7.4 - Note 31
Report of the Chairman of the Board of Directors on corporate governance and Internal Control	G.2.3; G.3; G.4; G.7.7.5
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)	G.3.3

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, 2014 under IFRS, the related statutory auditors' reports and the Group management report presented within the Registration Document ("document de reference") n° D.15-0277 filed with the Autorité des Marchés Financiers (AMF) on April 1, 2015
- the consolidated accounts for the year ended December 31, 2013 under IFRS, the related statutory auditors' reports and the Group management report presented within the Registration Document ("document de reference") n° D.14-0272 filed with the Autorité des Marchés Financiers (AMF) on April 3, 2014

H.3 Contacts

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H.4 Locations

[G4-5] [G4-31]

Atos is present in main cities to support customers. The addresses and phone numbers of the Group main offices can be found on the Locations page on website atos.net. Details of current job opportunities can be found in Careers pages. An email address for general questions and comments about the Atos' Internet site can be found at the bottom of the page.

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Tel.: +33 1 73 26 00 00

Americas

Argentina
Brazil
Canada
Chile
Colombia
Guatemala
Jamaica
Mexico
Peru
Uruguay
USA

Asia Pacific

Australia
China
Hong Kong
Indonesia
Japan
Korea
Malaysia
New-Zealand
Philippines
Singapore
Taiwan
Thailand

Europe

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Belgium
Bulgaria
Croatia
Cyprus
Czech Republic
Denmark
Estonia
Finland
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Greece
Hungary
Italy
Ireland
Lithuania
Luxembourg
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Portugal
Romania
Russia
Serbia
Slovakia
Slovenia
Spain
Sweden
Switzerland
The Netherlands
United Kingdom

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Benin
Burkina Faso
Egypt
Gabon
India
Israel
Ivory-coast
Lebanon
Madagascar
Mali
Mauritius
Morocco
Qatar
Saudi Arabia
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South Africa
Turkey
United Arab Emirates

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2015 Registration document

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