Universal Registration Document 2021

Including the 2021 annual financial report

Atos

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

Universal Registration Document 2021

including **annual financial report**

The French version of this Universal Registration Document was filed on April 6th, 2022 with the Autorité des Marchés Financiers (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document is a free translation into English of the official version of the Universal Registration Document which has been prepared in French and in ESEF format (European Single Electronic Format) and which includes the Annual Financial Report for the fiscal year ended December 31, 2021 and is available on the AMF's website (www.amf-france.org) and on the Company's website (www.atos.net).

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Group overview

[GRI 102-14]

Chairman introduction

"In view of the challenges facing Atos, we have appointed Rodolphe Belmer for his strategic acumen and his proven leadership and operational efficiency, as well as his ability to successfully lead complex transformations."

"The Board of Directors joins me in thanking all our people for their tremendous hard work and resilience over the course of 2021, which has been a very challenging year. I am proud to be the Chairman of a great company with great prospects."

Bertrand Meunier
Chairman of Atos SE Board of Directors

A challenging year rooted in sound foundations

Your Board of directors is responsible for determining and approving the company's strategic direction and overseeing its implementation. In what has been a challenging year, Atos has weathered a demanding business environment and continued to deliver its ambitious strategy for change. While the Group made significant progress in some areas, in others it faced headwinds that prevented it from achieving its financial objectives. Despite this, 2021 was a year of significant achievements, which include recognition by Gartner of Atos's leadership in Managed Security Services and its continued leadership in the Dow Jones Sustainability Index.

Atos continued to build on its growth agenda announced in 2019, with increasing focus on the four pillars: digital security, cloud, digital transformation and decarbonization, which represented 51% of revenues in 2021. We have strengthened these areas through strategic acquisitions that have additionally brought critical skills to Atos.

Sincere thanks

Two exceptional years of personal challenges due to COVID-19 have shown just how resilient an organization Atos is. I am grateful, now more than ever, for the efforts of all Atos employees.

Throughout this time, we have focused on their safety and their ability to work effectively across 71 countries in which we operate. These efforts have been recognized in our outstanding and improved Great Place to Work scores.

The board of directors joins me in thanking all our people for implementing our ambitious plans with energy and unwavering commitment to all our stakeholders.

Main perspectives for 2022

On behalf of the board of directors I would like to welcome Rodolphe Belmer as Atos's new Chief Executive Officer.

2022 will be another challenging year for the company. The Board of directors believe however that Atos has the talents, the competencies and skills to effect a successful turnaround. New leadership and a simplified structure will enable the company to enhance its trusted partner credentials and enable our clients to succeed with their digital transformation programs.

I have pleasure in presenting to you our URD for the 2021 financial year.

CEO introduction

2021 represented a complex year for the Atos group. In my first few weeks I have observed the strong foundations and sound assets of the business, giving us ground to build upon in 2022. But there is no escaping that Atos was not fully on track in 2021 and we have work to do to get back to growth in 2022.

The effects of COVID-19 continued to impact our clients' priorities while at the same time disrupting supply chains and recruitment of talents. Atos faced these complex and difficult health conditions with skill and our workforce adapted effectively to remote working, ensuring business continuity for our clients around the world. I want to personally thank our highly committed global workforce of 109,000 people whose tireless efforts have provided the bedrock and foundation of the business.

Atos completed more than 20 acquisitions in line with its strategy of building skills across the pillars of growth we see as core to the future development and transformation of the business: digital security, cloud, digital transformation and decarbonization. The group has built a distinctive competence in integrating acquisitions and reaping their full benefits quickly. These pillars now represent a significant portion of our revenues, and we are increasingly reaching market leading status across all four areas. In 2021 Atos maintained its leadership in the Dow Jones Sustainability Index (DJSI) for IT providers where it is number one in Europe. In digital security, Atos achieved the top ranking from Gartner in Europe and second highest in the world for Managed Security Services based upon revenues.

"I am convinced that despite many headwinds Atos has all assets at hand to weather these pressures, get back on track and back to growth."

Rodolphe Belmer
Chief Executive Officer

Looking forward to 2022

I am convinced that despite many headwinds Atos has all the necessary capabilities to weather these pressures, get back on track and back to growth.

The most important of these capabilities are Atos' highly dedicated and talented people around the world which we will continue to enhance in 2022, against the backdrop of an ever-intensifying battle for talent.

The digital and IT services industry continues to be an area of massive opportunity and growth with digital spend increasing and wallet share becoming more concentrated on large digital transformation deals. Atos' coverage and leadership across sectors makes us uniquely qualified to support the largest and most complex digital transformation deals.

Partnerships and alliances, notably with hyperscalers, are becoming more strategic. Atos with its extensive strategic partnerships is well placed to capitalize on this trend. In order to exploit the rapid changes in the market we are simplyfing the group governance as followed:

- The new governance will be structured around **3 Business Lines and 4 Regions**.
- The **Business Lines** will regroup the current activities according to their respective business model and competitive landscape: Digital, BDS and Tech Foundations.
- The four **Regions** will have ownership of accounts and full P&L, in order to ensure optimal customer centricity and accelerated operational cadence.
- The previous **industries** teams will be merged into the regions or corporate as appropriate.

Still, in 2021, the organization is still structured across industries, hence the structure of the 2021 URD along those lines.

The Atos raison d'être

The Atos raison d'être, as included in its articles of association on April 30, 2019 at the General Meeting of shareholders of Atos, describes how the Company's entire operations contribute to the common good. The raison d'être inspires Atos engagements with stakeholders, or its "ecosystem": employees, customers, shareholders, academia and research centers, industrial partners and public authorities.

"Atos's mission is to help design the future of the information technology space. Its services and expertise, multiculturally delivered, support the development of knowledge, education and science and contribute to the development of scientific and technological excellence. Across the world, the Company enables its customers, employees and as many people as possible to live, work and develop sustainably and confidently in the information technology space."

By adopting this raison d'être, Atos pledges its responsibility to design the digital space by building it in a trusted manner, tackling climate change and contributing to scientific and technological excellence.

Atos has set up since 2020 a cross-functional organization coordinated by the General Secretary and under the supervision of the Chief Executive Officer, who reports to the Board of Directors. In 2021, a dedicated program manager was appointed to lead the community of contributors within the Atos group and to ensure smooth communication and reporting on the existing and new initiatives which embody the raison d'être.

In 2021, Atos has:

Strengthened its organization around the raison d'être
by positioning it at the very top of the Atos identity, thereby aligning the ambition, the strategy, the objectives (financial and non-financial) and the values defined in the cultural transformation of the group and branding of Atos.

Improved internal sharing and communication
to ensure that all employees feel ownership of the common purpose described by the raison d'être: dedicated communication tools were created, systematic awareness trainings for new joiners, talents, potential candidates, and employees are being developed. In 2021 the Great Place to Work annual survey showed 65% of surveyed employees their awareness of the Atos raison d'être (up 4 pts since 2020).

Continued to build an empowerment program
to allow employees to take time to participate in socially relevant community-service projects by engaging all relevant local stakeholders in identifying existing social projects, investigating how to create a global framework on Atos social initiatives and ensuring relevant promotion and recognition of social initiatives.

Architecture of Atos's contribution

Atos organized its raison d'être into three pillars with a dedicated ambition for each one:

Trust
Building a trusted digital space
to provide everyone with the skills to use digital technologies confidently, and to mitigate the risk exposure of individuals, companies and states in the digital space.

Environment
Tackling climate change
to improve the environmental performance of digital solutions and turn new technologies into allies in the fight against global warming.

Excellence
Contributing to scientific and technological excellence
to promote excellence in scientific and technological advancement, knowledge-sharing, and research.

This separation in three pillars, though each is interdependent, illustrates Atos's commitments to its raison d'être and allows employees to better link their daily contribution to it. The ambition of the Group to be a leader in a secure and decarbonized digital is completely aligned on the first two pillars (Trust and Environment), while leveraging the expertise and knowledge of Atos's human capital promoted by the third pillar (Excellence) to achieve it.

Security, inclusion and trust in the digital space (for more details, see paragraph 2.3.6 Digital Security, 5.4.4 Security and Data Protection and 5.3.6 Accessibility and Digital Inclusion)

Atos is uniquely positioned, with its capabilities in cybersecurity and mission critical systems to contribute to designing and deploying technologies that maintain security and trust for those who navigate in the digital space. In 2021, Gartner upgraded Atos to **second global provider and top European provider of Managed Security Services** (up from third 2020). Atos also contributes every day in its leading role in the cybersecurity ecosystem and involvement in regional, national, or international organizations in raising cybersecurity levels worldwide, strengthening cooperation and information sharing in cybersecurity, and making sure diversity is part of creating a more secure and trustworthy digital space.

In 2021 Atos has continued to consolidate its position as started in 2020 on the cybersecurity European market by acquiring companies with cutting edge technology and expertise such as Digital Security, Paladion, SEC Consult, Motiv ICT, In Fidem and Cryptovision.

Contributions to security

A year later than originally planned due to the global pandemic, Atos successfully delivered the Olympic and Paralympic Games Tokyo 2020. Thanks to numerous initiatives led within Atos that same year and via the partnership with the International Olympic Committee and national authorities, there was zero security impact to the Games. Among the many security initiatives deployed ahead of the Olympics, Atos leveraged security experts from newly acquired companies such as Digital Security, SEC Consult and In Fidem and set up a "Bug Bounty" program for the Atos internet facing perimeter, involving external ethical hackers and performed thorough supply chain risk assessments. Moreover, all Atos staff mobilized to be extra vigilant in the run-up to and during the Olympic Games, forming an active front-line protection in Atos's security defenses.

Atos is determined to influence the creation of standards in the field of cybersecurity as founding member of the **Charter of Trust (CoT)** by having a team of employees involved in most CoT task forces. Moreover, Atos has implemented in 2021 the Principle #2 of CoT by "securing the digital supply chain": Atos has identified 17 "baseline requirements" allowing for the update of its "security requirements for suppliers". This document has been cascaded to Atos's suppliers with newly issued purchase orders and a request for acknowledgement by its TOP 250 vendors, allowing Atos to strengthen its security approach towards its supply chain.

The **Atos self-developed security dashboard** has been updated with new and enhanced categories. The 2021 key indicators have been improved since 2020 as follows:

- seven randomized anti-phishing campaigns performed by Atos Group Security (only less than 7 % of Atos employees were successfully phished in new "tricky to detect" anti-phishing campaigns);
- 22 global security internal communications to all employees;
- 95% employee attendance in mandatory security and safety training;
- seven red-team assessments of operations (i.e., Atos cyber experts hunting for threats in Atos environment);
- 55 security alerts managed by the security operations center every 24 hours;
- 254 audit days related to security as part of Continuous Assurance Audits of operations; and
- 94% of proprietary multi-factor authentication to connect to Atos corporate applications.

However, the digital space is not limited to security.

Atos values inclusion and ethics in the digital civilization

Ethical thinking is infused into its own business practices and those of its clients, particularly through contributions by the Atos Scientific Community. Additionally, ethics reviews are integrated into strategic decision-making processes starting from the top.

Striving to comply with highest transparency standards, Atos has issued a non-financial report in accordance with the Global Reporting Initiative (GRI) standards since 2012 and publishes since 2018 its Integrated Report in compliance with the highest standards. Furthermore, **Atos's CSR strategy** is fully aligned with the UN development goals. Today Atos is recognized by the most relevant ESG ratings as leader in its Industry.

Atos is involved in numerous internal and external initiatives to promote inclusion and diversity, so that the digital space is as inclusive as possible, to make it safer for all. In 2021 Atos is proud to have signed a partnership with **Women in Africa "WIA Code"** to prepare young high school girls for careers in science, technology and innovation in Senegal by training, mentoring and supporting them for their first internship search.

Ensuring that digital technologies and services are accessible and inclusive, is crucial to support that everyone is offered appropriate support and the opportunity to reach their full potential, especially since remote and home working have become more frequent.

Atos has continued its commitment to working with **Business Disability Forum, International Labor Organization, W3C** and **The Valuable 500**, the last with an active contribution through Atos Employees, sitting e.g. in the advisory board and events participations of Valuable 500 founder during major Atos events like **Global Disability Awareness Day (GAAD)** and **Innovation in Disability Inclusion**.

Tackling climate change (for more details, see paragraph 5.2 Environment)

Tackling climate change

Technology plays a critical role in the fight against climate change. Although it is energy- and resource-intensive, it is also one of the key levers in helping a large number of businesses move toward net-zero carbon.

In 2021 Atos has continued to put Decarbonization as part of its core strategy with Security, Digital and Cloud. To do so, and following the acquisition of EcoAct in 2020, Atos strengthened its decarbonization portfolio by creating a new **"A to Zero"** offering to provide its clients with end-to-end decarbonization capabilities on the market to enable and accelerate their journeys to net-zero. Atos and EcoAct have created a global Decarbonized Excellence Center to better serve its clients' own net-zero ambitions.

In October 2021, the Science-Based Target initiative published its new SBTi Net-Zero Standard. Following this publication, Atos aligned its objectives to consider the new criteria applicable to both its science-based targets (near-term and long-term) and its net-zero target. At the end of 2021, Atos's targets systematically exceed the SBTi most demanding recommendations (more ambitious in terms of level of decrease in emissions, in terms of emission perimeters / boundaries and in terms of completion dates).

To achieve the emission reductions needed to fight climate change, a large number of policies, processes, guidelines and action plans have been in place for several years and have been particularly active or further strengthened in 2021. Between 2019 and 2021, the Group's carbon emissions (Scopes 1, 2 and 3) decreased by 27%. Atos participated in COP26, underlining the pivotal role of digital innovation in the fight against climate change where it presented its innovative data platforms, Terra² and MyC02Compass, to help drive the net-zero transformation of its clients.

Atos also placed its first sustainability-linked bond which supports its Sustainability Performance Target (SPT) to reduce Atos's annual Greenhouse Gas CO_2 emissions (Scopes 1, 2 & 3) by 50% by 2025 compared to 2019.

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

In 2021, Atos was selected once again as a member of both the **Dow Jones Sustainability Index World and Europe**. Atos scored 83/100 in the 2021 S&P Global Corporate Sustainability Assessment (industry average score 34 /100), achieving its industry best score of 98/100 in the environmental dimension.

CDP Disclosure Insight Action A LIST 2021 CLIMATE

In 2021, and for the 9th consecutive year, Atos was positioned by the **CDP** in its Climate Performance Leadership Index comprising the companies with the highest scores in terms of the fight against climate change. In 2021 Atos was once again awarded an "A" grade.

SUSTAINALYTICS a Morningstar company

Atos 2021 inaugural €800 million sustainability-linked bond

Second-Party Opinion on the Sustainability Performance Targets

Strength of the KPI	Ambitiousness of SPT
Very Strong	Highly Ambitious

Scientific and technological excellence (for more details, see paragraph 2.4 Innovation and Ecosystem)

The scientific and technological excellence of Atos's ecosystem fully supports its ambition to be a leader in secure and decarbonized digital. Atos has chosen an Open Innovation approach leading to close-knitted collaboration from all members of its ecosystem from which every stakeholder can leverage and benefit from the others' expertise.

In support of this open innovation, Atos continues to invest heavily in R&D and innovation, by investing approximately €1 billion over 4 years in R&D and cultivating a wide range of partnerships with its ecosystem to foster innovation.

Employees

Atos's innovation strategy is managed by the Group's Chief Technical Director and relies on two key organizations the **Atos Scientific Community** (175 employees from over 20 countries) and the **Atos Expert Community** (2,600 experts from all over the world).

These two communities reflect the wealth of Atos's **human capital**. They contribute to the creation of patents, to the development of the personalized innovation path that Atos offers to its customers and partners, from the facilitation of workshops to the development of proofs of concepts.

Atos capitalizes on its technological experts' skills, encourages knowledge-sharing with the wider Atos population. The second edition of the **Innovation Week** took place for three days during which more than 450 experts from more than 50 countries highlighted the innovation initiatives, shared good practices with their peers and gathered experience sharing of more than 40 external stakeholders from the Atos ecosystem.

* https://atos.net/content/investors-documents/2021/atos-second-party-opinion-sustainalytics.pdf

Scientific and technological excellence (continued)

Customers

Atos's customers are a primary source of inspiration for tailored innovation to specific needs and use cases. Even more so, the involvement of customers in Atos's innovation process is key to understand the full potential of digital technology depending on how it is applied and how that application is perceived by the customer as a user.

To this end, Atos organized 494 **Client Innovation Workshops** in 2021 (vs a target of 450), including Strat Hacks and multi-client workshops leveraging the Scientific Community members and the network of 9 Business Technology & Innovation Centers located around the world.

During the 6th annual edition of the **Atos Technology Days**, Atos revealed its technology roadmap and presented real use cases with its clients on digital platform and data economy. Atos presented the Atos Digital Hub, a unique solution to accelerate the creation of Digital platform ecosystems leveraging Atos's involvement with **GAIA-X** and **International Data Spaces Association** (IDSA) to ensure security and equity in the digital platforms.

Academia and Research Centers

In 2021, Atos has continued to develop partnerships and initiatives with the academic world and research centers to dynamize R&D and leverage its ecosystem's knowledge through various activities including joint R&D, the recruitment of PhD students and encouraging Atos experts to teach in universities.

The **Joseph Fourier Prize** and the **Atos IT challenge** attracted talented teams and projects. The Joseph Fourier Prize rewarded the best research in France in the field of Advanced Computing and Artificial Intelligence and attaching particular importance to decarbonization. For the 2021 edition of the Atos IT Challenge, the chosen theme was "How digital can decarbonize the non-digital?". Out of 144 teams from 123 universities in 29 countries, the winning idea by students from Polytechnic University of Bucharest was "Tire2Tire": a project to monitor the condition of tires using computer vision technologies.

Atos continued to strengthen its partnership with universities and to focus hiring and attracting young graduates. In 2021, the network of partner of universities was 188 universities strong and Atos hired 7,313 recent university **graduates** and 2,391 interns and apprentices.

Partners

Atos has a rich heritage in successful technology partnerships with leading technology players and focused partnerships. Atos relies on a strong network of industrial partners to accelerate value creation for its clients, generating growth, foster scientific and technological excellence.

In 2021 Atos signed key partnerships on research and innovation, such as:

- With **Inria**, the national research institute in digital sciences and technologies as part of a common desire to bring the industrial fabric closer to the world of research. Atos and Inria will collaborate on Decarbonization, High performance computing, Climatology, Quantum computing, Cybersecurity, Artificial intelligence;
- With the **CEA** thanks to joint research and development, Atos launched EXA1 supercomputer, the most powerful and energy efficient HPC system in Europe based on General Purpose CPUs;
- With **Huma**, the digital health specialist, Atos will collaborate on the modular platform developed by Huma, which enables the creation of "virtual home hospitals" on a local or national scale and aims to help the pharmaceutical and research industries conduct complex global clinical trials in a decentralized manner; and
- **Atos OneCloud Sovereign Shield** offers a highly secure service that improves customers' level of control over the data they produce and exchange. It was developed with a mix of local and specific partnerships with players providing local expertise and adapted advice and global partnerships with Google GCP, Amazon AWS, Microsoft Azure, OVHcloud, VMWare and Red Hat.

Scaler, the Atos Accelerator aims at accelerating the open innovation between Atos experts and startups from all industries. In 2021, Scaler on-boarded eight new startups complementing Atos's portfolio and boost its go-to-market, with a specific focus on decarbonization and digital security. As an example of success stories from Scaler in 2021, Atos announced after COP26 that it would offer its clients the world's first certified carbon neutral laptops through its partnership with Circular Computing, a member of Scaler.

The impact of the Atos raison d'être

The raison d'être acts as a "North Star" to guide Atos and its ecosystem in decision making: the strategy, ambition, and objectives, but also the values and cultural transformation of Atos stem from this raison d'être, which focuses on the long-term good of the company. The raison d'être allows for the alignment and the consistency of all aspects of Atos' identity.

To measure the impact of its raison d'être, Atos has chosen three indicators:

1

The value of its ecosystem is measured through internal and external emotional intelligence, and the diversity and strength of its partnerships and involvement of the key stakeholders composing an ecosystem such as employees, customers, shareholders, academia and research centers, industrial partners and public authorities. Going one step further is to promote "open intelligence" by involving these stakeholders in the governance of the company as a lever for trust and transparency (for more details see page 29 The value we create for stakeholders and paragraph 2.4.4 Open Innovation and 5.1.4 Atos stakeholders' approach and engagement).

2

The global value of the company represents the true value which is put in the decision making and investment processes. This value is based on the financial elements (financial objectives) and extra-financial indicators such as CSR targets, the Great Place to Work trust Index or the placement of Atos' first sustainability-linked bond which supports its Sustainability Performance Target (SPT). The idea behind this measure is whether Atos considers its strategic business opportunities and how they affect the raison d'être and the financial and non-financial objectives of the group. (for more details see page 19 Integrated Performance Dashboard, paragraph 3 Business Performance & Financial review and 5 Corporate Social responsibility).

3

The human capital of Atos which is to say its human wealth: how its employees are valued for their capacities and skills on top of expertise and knowledge, how Atos can offer to its employees and ecosystem an educated, safe and balanced working environment so they can thrive personally and professionally. (for more details see paragraph 5.3.7.5 the Great Place to Work survey, 5.3.5 Diversity, 5.3.6 Accessibility, 5.3.7 Employee Engagement, and 5.3.3 Skills Management and Development).

In 2022, Atos will focus on:

Leveraging its ecosystem in the furtherance of its raison d'être by involving more deeply existing stakeholders and opening the ecosystem to **cultural and creative** world.

Strengthening **the internal and external communication opportunities** around Atos's raison d'être to engage Atos employees and its ecosystem.

Exploring Atos's positioning and added value in defining and building the **metaverse**.

Implementing a framework to structure, encourage and promote existing and new **social initiatives** in Atos.

Atos profile

Atos is a global leader in digital transformation, high-performance computing and information technology infrastructure with 109,000 employees in 71 countries and annual revenue of €10.8 billion.

We offer our clients a full stack range of market-leading digital solutions and products alongside consultancy services, flawless digital security and decarbonization offerings: all underpinned by end-to-end partnership approach.

In 2021 we continued to evolve our organization and develop our teams skills and competencies to set the foundations for future growth and to fully align with our clients needs. The industries had their first full year of operation and to ensure continuous improvement we set out further ambitious simplification plans and best practices sharing through the clustering of the practice organizations. This ensures our clients benefit from digital solutions that meet their business challenges. It gives our customers a unified and simplified way of working with us. Further evolutions and simplifications of this organization are planned for 2022.

We are a purpose driven company who are here to help design the future of the information space. Through our colleagues, scientists, experts, Scaler accelerator members and R&D, we contribute to the development of scientific and technological excellence around the world. Specifically in the domains of decarbonization, digital security, cloud and digital technologies.

We are the Worldwide Information Technology Partner for the Summer and Winter Olympic & Paralympic Games and successfully delivered Tokyo 2020 which was rescheduled to 2021—providing full cloud orchestration, digital security, digital testing as well as additional health and safety procedures and technology—whilst also preparing for the Beijing Winter Olympics 2022 and the Paris Summer Olympics in 2024.

We operate under the master brand Atos, with acquisitions becoming transitional brands with the tagline "an Atos company" that will be integrated in the Atos master brand in the future.

Atos is an SE (Societas Europaea), listed on Euronext Paris and included in the CAC 40 ESG and Next 20 indexes.

Maintaining our leadership in sustainability

Member of Dow Jones Sustainability Indices
Powered by the S&P Global CSA

83/100

Top 4%

1st on the environmental dimension in the IT sector

MSCI ESG RATINGS

CCC | B | BB | BBB | A | AA | AAA

AA

Top 21%

Among 151 Software & Services companies (2021)

CDP A LIST 2021 CLIMATE

A

Top 2%

Among the Top 200 world leaders on climate change (on 13,000)

ISS-oekom

C+

Top 20%

2021

FTSE4Good

4.1/5

Top 9%

Among 91 IT companies (2021)

EURONEXT vigeoeiris

67/100

Top 1%

Among 83 Software & IT services (2021)

PLATINUM Top 1% 2021 ecovadis Sustainability Rating

80/100

Top 1%

On the environment, labour & human rights, responsible procurement and ethics

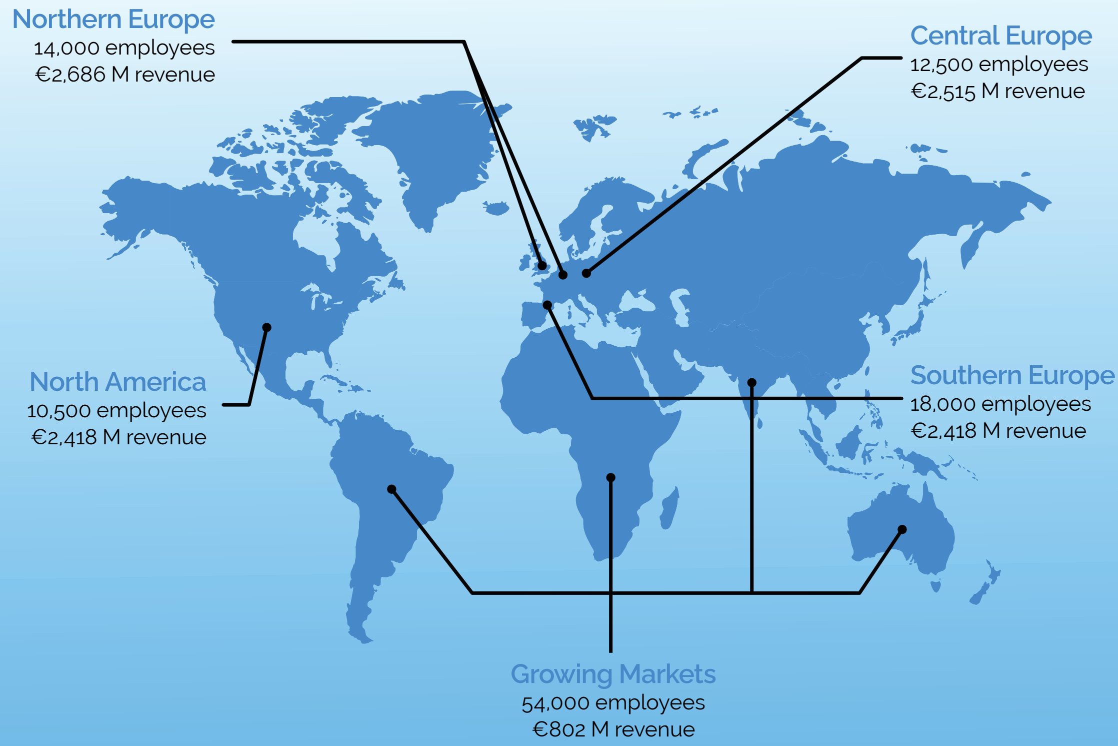
SUSTAINALYTICS
a Morningstar company

Atos 2021 inaugural €800 million sustainability-linked bond

Second-Party Opinion on the Sustainability Performance Targets

Strength of the KPI	Ambitiousness of SPT
Very Strong	Highly Ambitious

109,000 employees working in 71 countries representing 149 nationalities



109,000
Business Technologists worldwide

Global Leader in Digital Workplace

€10.8 bn
2021 Revenue

66%
Great Place to Work
First quartile of the industry

Active in **71** countries

Global balanced profile across Industries and Geographies

#2
in Cybersecurity Services worldwide

€383 million
2021 operating margin

100,026
new digital certifications in 2021

Dow Jones Sustainability Indices
83/100 Top 4%
1st on the environmental dimension in the IT sector

2.4 million tons
Global CO_2 emissions
(full scope 1, 2, 3)
-27% vs. 2019

Digital, Cloud, Security & Decarbonization
51% of Group revenue
(46% in 2020)

[GRI 102-26], [GRI 103-2 Anti-corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Occupational Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socioeconomic compliance], [103-2 Atos specific indicators]

Board of Directors

Bertrand Meunier
Chairman of Atos SE's Board of Directors
Chair of the Nomination and Governance Committee

Rodolphe Belmer
Chief Executive Officer of Atos SE

Vesela Asparuhova[1]
Service Delivery Manager
Employee Director

Vivek Badrinath*
CEO of Vantage Towers
Chair of the Audit Committee

Valérie Bernis*
Company Director
Chair of the CSR Committee and member of the Remuneration Committee

Jean Fleming[1]
Leadership Coach
Director representing the employee shareholders
Member of the Remuneration Committee

Farès Louis[1]
Business Developer in Cybersecurity Products
Employee Director

Cedrik Neike
Member of the Managing Board of Siemens AG and CEO of Digital Industries

Colette Neuville*
Chairman & Founder of ADAM
Member of the CSR Committee

Aminata Niane*
International Consultant
Chair of the Remuneration Committee

Lynn Paine*
Baker Foundation Professor, John G. McLean Professor of Business Administration, Emerita,
Member of the Audit Committee, the CSR Committee & the Nomination and Governance Committee

Edouard Philippe*
Mayor of Le Havre
Former Prime Minister of France
Member of the Nomination and Governance Committee

Vernon Sankey
Officer in Companies
Member of the Audit Committee & the CSR Committee

* Independent Director
[1] In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Employee Directors and the Directors representing the Employee shareholders are not taken into account when determining the ratio of gender diversity on the Board of Directors.

Activities of the Board of Directors and of the Board's committees in 2021

13 Board members

19 meetings in 2021

96.76% attendance

60% Independent Directors

46.2% of women*

59.5 average age

3 employee representatives

6 different nationalities 2 members with dual nationality

40% (4 out of 10) pursuant to the legal ratio. The Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors (art. L. 225-23 and L. 225-27-1 of the French Commercial Code).

The Board of Directors defines the strategy of the Atos Group and oversees its implementation. The Board endeavors to promote long-term value creation by the company by considering the social and environmental aspects of its activity.

In 2021, the main activities of the Board of Directors were:

- to approve the financial statements and approve the 2022 budget, and to review financial and corporate reports and forecasts;
- to follow up, the full accounting review of the two U.S. legal entities on which there was a qualified opinion in the report of the auditors for the 2020 consolidated financial statements, and the implementation of the remediation and prevention plan deriving from it;
- to review the M&A projects;
- to review the strategy and the Group's activity portfolio and follow up the implementation of the Group's repositioning program on core activities;
- to review the Atos Group's CSR initiatives and targets and the implementation of the Company's *raison d'être*;
- to appoint the new CEO as well the interim CEO and the interim Deputy CEO;
- to authorize the Company's first sustainability-link bond issue.

Main activities of the Committees in 2021

The committees submit to the Board of Directors their recommendations in the respective areas assigned to them.

The Audit Committee

Independent Director Chair

3 members

67% independent directors

10 meetings in 2021

97% attendance

Main activities

to prepare and facilitate the work of the Board of Directors in its analysis of the accuracy of the company's corporate and consolidated accounts;

to examine the quarterly financial reports on the Group's performance;

to monitor the financial reporting process;

to review of Group Internal Audit reports.

The Nomination & Governance Committee

3 members

67% independent directors

7 meetings in 2021

100% attendance

Main activities

to search for potential candidates for the position of member of the Board, taking into account the diversity policy defined by the Board;

to conduct an annual review of the diversity policy to be applied including the independence on the Board's members and to advise the Board accordingly;

to review the executive managers and their succession plan.

The Remuneration Committee

Independent Director Chair

3 members

67% independent directors

6 meetings in 2021

100% attendance

Main activities

to formulate proposals related to the compensation of the directors, the Chairman of the Board and the CEO and to make recommendations for long term incentive and employee shareholding plans.

The CSR Committee

Independent Director Chair

4 members

75% independent directors

3 meetings in 2021

100% attendance

Main activities

to review Atos corporate social responsibility initiatives;

to review the work carried-out by the Group regarding the implementation of its *raison d'être;*

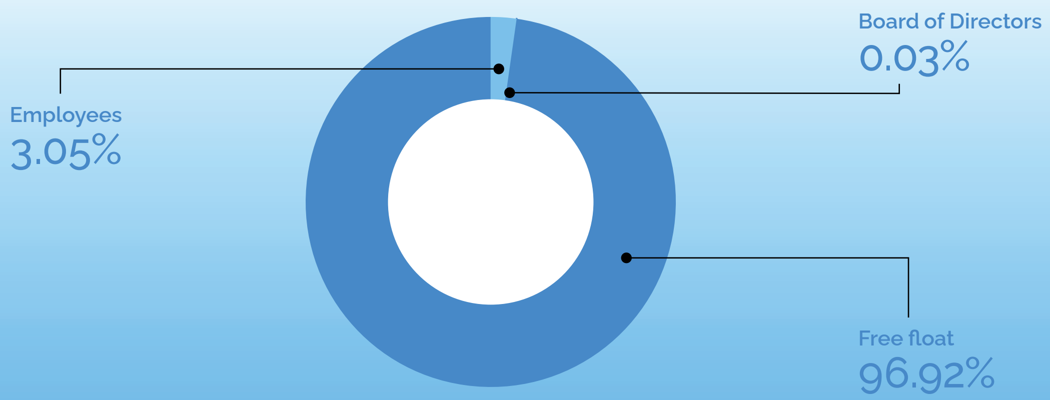
to examine and to follow-up the Group decarbonization strategy;

to follow up and develop the diversity & inclusion initiatives.

Directors skills and expertise in different sectors and activities

	Bertrand Meunier	Rodolphe Belmer	Vesela Asparuhova	Vivek Badrinath	Valerie Bernis	Jean Flening	Farès Louis	Cedrik Neike	Colette Neuville	Aminata Niane	Lynn Paine	Edouard Philippe	Vernon Sankey	Total
Technologies		●	●	●			●	●						5
Cybersecurity				●			●	●						3
Finance	●	●		●									●	4
Leadership	●	●		●				●		●	●	●	●	8
Risk Management	●			●						●			●	4
Governance		●		●					●		●	●	●	6
CSR					●				●		●		●	4
Employees, HR, Communication		●	●		●	●	●				●			6

Shareholders voting rights as of December 31, 2021



Group Executive Board

In February 2022, Atos established an Executive Board, replacing the former Group Management Committee.

The Atos Executive Board consists of the Chief Executive Officer, Rodolphe Belmer, and the Heads of Regions, Heads of Business Lines, the Chief Commercial Officer and the Heads of Corporate Functions.

The managerial governance of the Company was streamlined to enhance collegiality and to accelerate decision-making and accountability.

The role of the Atos Executive Board is to develop and execute the Group strategy and to ensure value is delivered to clients, shareholders, partners and employees. This committee will meet once a week.

Group Executive Board Bios

Rodolphe Belmer is Chief Executive Officer. Rodolphe Belmer joined Atos on January 1st 2022 as Chief Executive Officer (CEO). He was formerly Chief Executive Officer of satellite operator Eutelsat Communications, a position he held for six years, following a 14-year career at Paris-based television giant Canal+ where he was appointed CEO in 2003 and served as Group Managing Director from 2012 to 2015. In addition to his duties at Atos he is also a member of the Board for the world's leading streaming service Netflix and President of the Lille based Series Mania Festival.

Adrian Gregory is Head of Northern Europe and APAC. Adrian was interim Deputy Chief Executive Officer of Atos from October 2021 to December 2021 and Chief Executive of United Kingdom & Ireland (UK&I), after serving the region for four years as Senior Vice President of Operations. In UK&I, Adrian drove significant new business, step changes in CSAT and Net Promoter scores, and stronger financial services positioning.

Clay Van Doren is Head of Central Europe. Clay was formally Head of Northern Europe and UK&I Prior to joining Atos, Clay was the Global Lead for CSC's £1.5B technology, communications and media business. Clay has also held various roles at BT and was the founder and CEO of US-based VoIP company, Veritel Corporation.

Yannick Tricaud is Head of Southern Europe. Yannick joined Atos in 2017 as Director of the Infrastructure & Data Management Division for France. With 20 years of experience at top tech companies, previous positions include: Executive Director at SopraSteria, Vice President of Capgemini Infrastructure Management, and various management positions during 13 years at Hewlett Packard.

Dave Seybold is Head of America. Prior to Atos, Dave was the North America President of Avanade where, by emphasizing experience-led consulting services, he reversed negative revenue growth in 2017 to 36% growth from 2018-2020. While at IBM, Dave led the rapid development of Global Business Services delivery capabilities.

Nourdine Bihmane is Head of Tech Foundations. Nourdine has served the company for 20 years in a variety of roles most recently as Head of Global Delivery, Chief Marketing Officer and Growing Markets. Prior to this he served as Head of Iberia Managed Services and Head of North America Operations. He also led the delivery transformation of Atos's largest U.S. account and the integration of Xerox ITO.

Rakesh Khanna is Head of Digital. Rakesh Khanna was the Chief Executive Officer of Atos Syntel. He was Syntel's Chief Executive Officer and President until October 2018 prior to its acquisition by Atos. Prior to this he was interim CEO from November 2016. He also served as Syntel's Chief Operating Officer from 2012 to 2016.

Jean-Philippe Poirault is Head of Big Data and Cybersecurity. Jean-Phillippe was Head of Telecoms, Media and Technology from March 2020 to March 2022 prior to that serving as CEO of the Atos Southern Europe region. Before Atos, Jean-Philippe led Amazon Web Services U.S. Telecom market and held senior management positions at Alcatel-Lucent and Ericsson throughout Europe and Asia.

Philippe Oliva is Chief Commercial Officer. Philippe is capitalizing on a strong international experience in the digital sector, having spent almost 20 years at IBM where he has notably served as Vice President for Integrated Technologies, then Cloud Services and Hybrid Services in North America. Philippe joins Atos from Eutelsat where he has been Chief Commercial Officer for the past four years.

Uwe Stelter is Chief Financial Officer, appointed in November 2019 after serving as Chief Operating Officer of two Divisions: Infrastructure & Data Management (IDM) and Business & Platform Solutions. Uwe also managed the integration of Syntel and was Chief Financial Officer of both IDM and Atos in North America. Uwe joined Atos in 2011 with an extensive financial management background from Siemens and ProSTEP. Uwe will leave Atos in May 2022 and be replaced by **Stéphane Lhopiteau**.

Diane Galbe is Chief Strategy & Sustainability Officer and General Secretary and will be also in charge of Mergers & Acquisitions. Diane joined Atos from Suez where she spent 15 years in leading corporate and business positions, serving most recently as Member of the Executive Committee and Senior Executive VP Group in charge of Strategy, Transformation and of the global Business Unit Smart & Environmental Solutions.

Paul Peterson is Head of Human Resources. Leading a team of +1,500 worldwide HR professionals. In more than 20 years at Atos, Paul has been Head of HR and Talent in North America, Head of HR for Global Infrastructure & Data Management, and Deputy Head of Group HR. He's held leadership roles in HR, IT, and Operations going back to 1998 when he joined Atos as the HR Director for Major Events.

General Management Committee

The new General Management Committee is responsible for the day-to-day operations of the group and includes the members of the Executive Board and:

Peter t'Jong Head of the Netherlands
Daniele Principato Head of APAC
Udo Littke Head of Germany
Giuseppe Di Franco Head of Italy
Nelson Campelo Head of South America
Laurent Barbet Head of Tech Foundation Delivery
Phil Wray Head of Pre-Sales
Michael Liebow Head of Atos OneCloud & Hyperscalers
Murli Reddy Head of Digital Delivery
Cyril Dujardin Head of Digital Security
Arnaud Bertrand Head of BDS Innovation and Strategy
Catherine Dutton Head of Marketing
Carol Houle Head of Financial Services and Insurance
Beth Howen, Director of Digital Transformation
Sophie Proust is CTO and represents Public Affairs
Anette Rey is EVP of Corporate Communications
Jean-Marie Pivard Head of Internal Audit
Nathalie Sénéchault is Deputy CFO
Frédéric Aubrière Head of IT
Enguerrand de Pontèves Head of Performance & Transformation
Damien Catoir is Group General Counsel and Board Secretary
Alexandra Knupe Head of Corporate Social Responsibility
Caroline Brunellière Head of Employee Relations
Thomas Guillois Head of Investor Relations

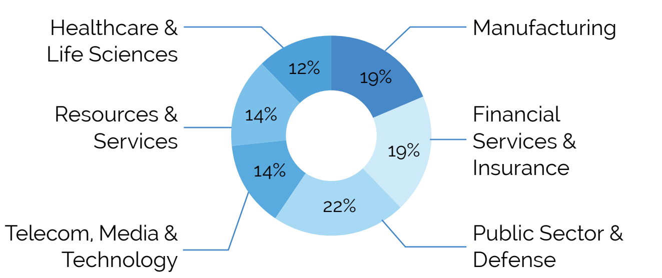
In the rest of this document, Atos activities are presented based on the previous organization.

[GRI 201-1] [GRI 102-4] [GRI 102-6] [GRI 102-7]

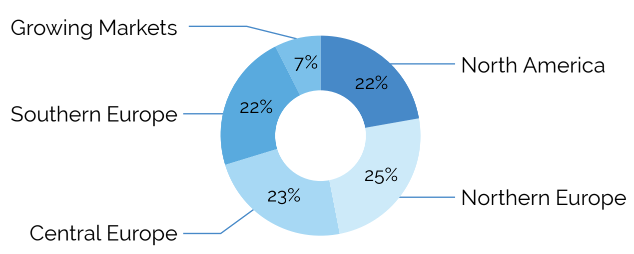
Financial performance

In 2021, Atos financial performance suffered from a significant decline of the classic IT business which could not be offset by the growth in Digital, Cloud, Security and Decarbonization activities and the contribution from bolt-on acquisitions.

Breakdown by Industry

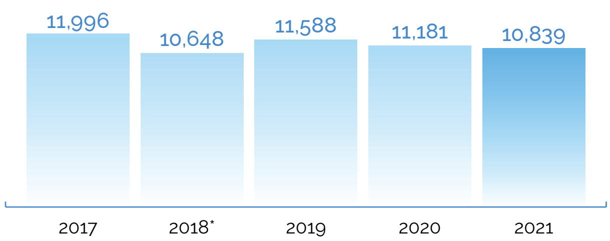


Breakdown by Regional Business Unit

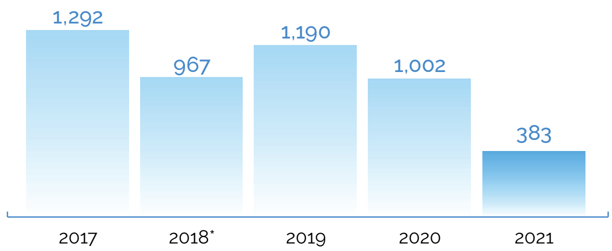


5-year financial performance

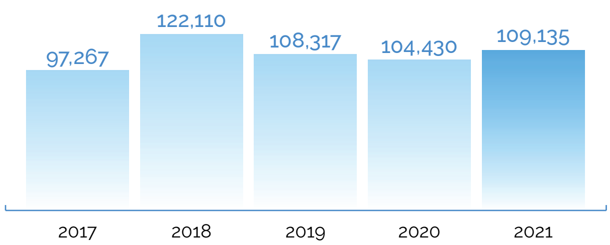
Revenue performance (in € million)



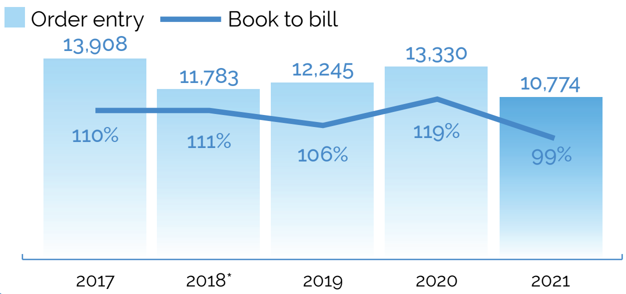
Operating margin (in € million)



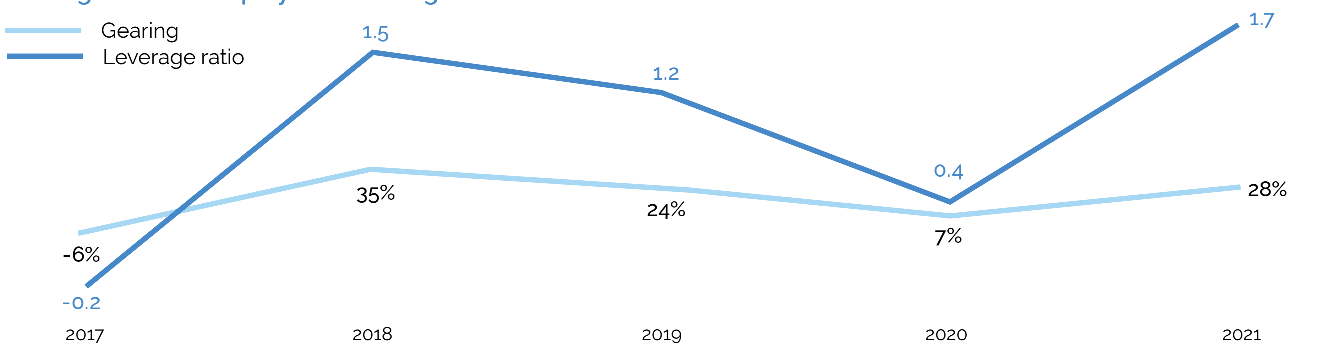
Employee evolution



Order entry and book to bill ratio (in € million)



Gearing (net debt/equity) and leverage ratio (net debt/OMDA)**



* excluding Worldline deconsolidated from the Group consolidated financial statements as of January 1, 2019
** excluding the impact of IFRS 16 in line with covenant definition

Integrated Performance Dashboard

Atos is a leading global player in Corporate Social Responsibility (CSR). By integrating environmental, social, ethical and security dimensions into its business strategy and the design of digital solutions, Atos is ideally positioned to shape a more sustainable future in a safe and secure information space, in line with its raison d'être.

An integrated performance dashboard is published each year as part of Atos Integrated Report and communicated at the Group's strategic meetings.

The eight indicators are as follows:

Integrated Dashboard		2021 results
Financial	Revenue growth at constant currency	-2.5%
	Operating margin rate	3.5%
	Free Cash Flow	€-419 m
Environmental Carbon footprint of Atos operations	GHG emissions - All Scopes 1, 2, 3 Absolute annual reduction	-14%
	GHG emissions - Atos carbon operational perimeter Intensity (in tCO_2e/M€)	9.6
	GHG emissions - All Scopes 1, 2, 3 Intensity (in tCO_2e/M€)	222
Social	**Employee Engagement** Atos Trust Index® informed by Great Place to Work (GPTW)	66%
Governance	**Client satisfaction and delivery capability** Net Promoter Score for our clients	65% (59% perimeter of revenue)
	Adoption of EU Taxonomy Percentage of total Atos group Taxonomy-aligned revenue	4.4%
	Supply chain Total percentage of spend assessed by Ecovadis and alternative assessments	68%

2021 key achievements

January

South Australian Government chooses Atos as a strategic partner

Atos to contribute to France's national strategy on quantum technologies

Atos and OVHcloud announce a strategic partnership to accelerate enterprises and public organizations growth in the cloud

Atos teams with SAP to develop the new RISE with SAP offering to deliver SAP S/4HANA® and cloud experience to its customers

February

Atos grows its Salesforce capabilities and completes the acquisition of Profit4SF

Atos boosts supercomputing power by 10 for Spanish State Meteorological Agency

Atos, Axione and Siemens to manage multi-service network and monitoring of three new metro lines in Paris

Atos boosts its decarbonization ambition committing to -50% by 2025 (Scopes 1, 2, 3. 2019 baseline)

Atos and HDF develop the first Green Hydrogene Datacenter

Nest appoints Atos to design and build digital future-focused scheme

March

Atos named a Leader in Cyber Resiliency Services by NelsonHall

Atos supports the Leibniz Supercomputing Centre in pioneering quantum-accelerated computing with the Atos QLM

Atos commits to all-electric company car fleet by 2024

April

Atos reinforces its leading position in the Edge and Computer Vision market through the acquisition of Ipsotek

Atos strengthens its cybersecurity offering thanks to the acquisition of German cryptography specialist cryptovision

Atos strengthens its digital manufacturing capabilities thanks to the acquisition of Processia

Atos, Dassault Systèmes, Groupe Renault, STMicroelectronics and Thales join forces to create the 'Software République': a new open ecosystem for intelligent and sustainable mobility

Atos becomes the Official Cybersecurity Services and Operations Supporter of the Olympic and Paralympic Games Paris 2024

Atos's BullSequana powers the first EuroHPC supercomputer operational at IZUM in Slovenia

Atos unveils global R&D Lab to drive innovation in Cybersecurity, High Performance Computing and Quantum

May

Atos ranked number two worldwide in Managed Security Services by revenue by Gartner

Atos and the Port of Esbjerg start joint decarbonization project for a Carbon Neutral Harbour

Atos and SENAI CIMATEC, one of Brazil's leading education, research and innovation institutes, launch Center of Excellence in Quantum Computing in Brazil

Flemish Government chooses Atos as digital partner to transform Flanders into one of the most innovative regions in Europe

Thales and Atos create the European champion in big data and artificial intelligence for defence and security

June

Atos successfully delivers command system for the SCORPION program to the French Defense Procurement Agency and signs major contract to further develop solution

Atos creates faster path to net-zero with market-first end-to-end portfolio and Center of Excellence

Atos teams with Huma to deliver Hospital at Home and Digital Clinical trials

Atos launches 'ThinkAI' – a complete solution to power high-performance Artificial Intelligence applications

The CEA and its partners at the Research and Technology Computing Center (CCRT) invest in a new supercomputer, named 'Topaze', based on the BullSequana XH2000 solution from Atos, to meet the challenges of high-performance computing and data processing

July

Atos launches 'Atos Computer Vision Platform', the first highly scalable end-to-end Artificial Intelligence video and image analytics platform

Atos takes data sharing to the next level with "Atos Digital Hub"

Atos Scaler onboards eight new start-ups to accelerate Atos customers' digital transformation

Atos delivers Next-Generation Employee Experience for EY

Pierre Fabre chooses Atos OneCloud to support its ambitions in digital transformation, cybersecurity

Atos and IBM announce their plans to collaborate to build a new, highly-advanced digital infrastructure for the Dutch Ministry of Defense

August

Siemens Smart Infrastructure chooses Atos to move its mission-critical applications to the cloud

Atos successfully delivers critical IT for the Olympic Games Tokyo 2020, the most digitally connected Olympic Games in history

September

Atos and IBM announce plans to support financial services clients through the creation of a new Atos Cloud Center of Excellence

Atos is recognized as the overall global Leader in Artificial Intelligence on the Edge in ISG's Provider Lens™ 'Internet of Things – Solutions & Services' Quadrant Report 2021

Atos delivers first Quantum Learning Machine in Spain to CESGA

Atos and Intigriti launch new integrated Bug Bounty service

Atos and Johnson Controls announce a global partnership to help private and public sector customers accelerate their journey to Net-Zero

Atos successfully orchestrated the Cloud for the Olympic and Paralympic Games Tokyo 2020

October

Atos strengthens its position in the Big Data and Computer Vision market with the acquisition of DataSentics

Atos provides customers' data sovereignty with new version of its Detection and Response cyber service

Atos wins R&D project with ESA to improve cybersecurity of satellite testing platforms

Atos MDR services now available from the cloud or on-premises with assurance of data sovereignty

Atos launches Terra² mobile app to provide the most comprehensive satellite images of Earth, empowering policy makers in their race to Net-Zero

Atos receives the "EcoVadis Platinum" award for its commitment to sustainability

Atos joins Catena-X: the automotive industry network to strengthen and secure data exchange & innovation across Europe

November

Atos launches Atos OneCloud Sovereign Shield to support digital sovereignty needs of industries and governments worldwide

Atos is selected as a member of both the 2021 Dow Jones Sustainability Index World and Europe. Atos ranks first among the companies included in the industry of "TSV IT services" in the 2021 DJSI Europe Index

Atos and the CEA launch EXA1 supercomputer – the most powerful & energy-efficient HPC system in Europe based on General Purpose CPUs

Atos and NVIDIA announce the Excellence AI Lab (EXAIL), which brings together scientists and researchers to help advance European computing technologies, education and research

Atos and OVHcloud strengthen their partnership by leveraging Atos OneCloud Sovereign Shield

December

Atos completes the acquisition of AppCentrica to grow its Salesforce and Cloud application capabilities in Canada

Atos to acquire Cloudreach to boost its multi-cloud and security capabilities

Atos and Dassault Systèmes to deliver trusted sovereign cloud platform experience for critical industries

AkzoNobel selects Atos OneCloud to manage public and private cloud

Atos and Siemens to support Morocco in the smart management of its power grid

Atos named on CDP 'A List' for leading effort against climate change

Atos confirms role as global leader in quantum hybridization technologies at its 8th Quantum Advisory Board

Atos story

Atos, in one form or another, has been serving customers for over a hundred years. In fact, the first computer we developed was back in 1919 when a Norwegian engineer named Fredrik Rosing Bull filed a patent for a "combined sorter-recorder-tabulator of punch cards" machine.

We are now a global leader in digital transformation, high-performance computing and information technology infrastructure.

We continue our long tradition of research and innovation.

1997

Atos itself was formed in 1997 from the merger of two French-based digital services companies, Axime and Sligos, creating a European digital and payment services provider.

2002

In 2002, Atos branched out into digital consultancy practice with the acquisition of KPMG Consulting's business in the United Kingdom and The Netherlands. This gave the Group a major presence in this market, which continues today.

2011

In 2011, Atos announced the completion of the acquisition of Siemens IT Solutions and Services - a powerful combination of two highly complementary organizations. This deal ranked Atos as one of the top ten global IT services providers and fifth in Managed Services worldwide.

2014

In 2014, Atos became a Europe-based world leader in cloud, cybersecurity, and Big Data with the acquisition of Bull, further strengthening its research and development credentials.

2015

In 2015, with the acquisition of Xerox ITO Atos broadened its footprint from being Europe-centric to truly global with the US becoming its largest geography.

2018

Atos's global reach was further cemented in 2018 with the acquisition of Syntel, headquartered in Michigan and serving customers from India.

2019

In 2019, Atos announced its project to create two pure play leaders, Atos and Worldline, through the exceptional distribution in kind to Atos shareholders of 23,5% of Worldline's share capital, enabling Atos to focus as a leading digital pure player and Worldline as an undisputed payment leader.

2020

2020 has seen a number of acquisitions to propel Atos towards its ambitions in security, decarbonization and cloud with the acquisitions of EcoAct, digital.security, Paladion and MavenWave amongst others.

Market trends

Digital momentum builds this year

Over the last decades, the digital revolution has transformed our lives as consumers. Now it continues to deeply transform our business world in all sectors.

By 2022, global analyst firm IDC estimates that 65% of the global Gross Domestic Product (GDP) will be digitized, transforming offerings, operations, and business ecosystem relationships throughout the whole economy. IDC also estimates that by 2023, 75% of organizations will have comprehensive digital transformation (DX) implementation roadmaps, up from 27% at the end of 2020.

Significant breakthroughs in technologies such as the Internet of Things (IoT), Artificial Intelligence (AI) and blockchain are accelerating transformations in all industries, offering both tremendous opportunities and challenges.

The economy is rebounding from its slowdown of 2020. According to the International Monetary Fund in its World Economic Outlook of October 2021, the global economy was projected to grow 5.9% in 2021 and 4.9% in 2022, in spite of remaining uncertainties, geopolitical unrest and linering supply chain disruptions.

The pace of acceptance of digital technologies accelerated in 2020 as a response to the pandemic. Over this year we have seen a switch in perspectives: digital has been recognized for its contribution to the management of a global crisis, it is now acknowledged as a driver for a sustainable future.

Growth and challenge

The acceleration of digital transformation means both extraordinary growth prospects and significant challenges. New enterprises will spring up with extraordinary success and some will disappear. This will largely be down to digital trends and ability to adapt to an ever-changing market and consumer.

The digital journey

After having streamlined process management with ERPs, boosted communication and collaboration with the Internet, multiplied customer experience with social, mobile, analytics and cloud, digital is going the last mile: it invades things themselves with the Internet of Things (IoT) and Edge Computing, Artificial intelligence (AI), Automation and related technologies such as Augmented Reality (AR) / Virtual Reality (VR), Blockchain, Quantum Computing and more.

IDC predicts that by 2025 there will be 55.7 billion connected devices worldwide, 75% of which will be connected to an IoT platform. IDC estimates data generated from connected IoT devices to be 73.1 ZB by 2025, growing from 18.3 ZB in 2019. Most of this data arises from security and video surveillance, with contributions from industrial IoT applications, connected vehicles, smart cities, smart homes, smart grids and more. This will require ever-growing capabilities in intelligent automation to connect organizations, people and things, transform data into insights and value, and guarantee trust & compliance.

The rules of business

In this more fluid and networked world, the rules of business are dramatically changing, creating multiple disruptions:

- generations Y and Z are reinventing customer and citizen behaviors;
- new competitors are taking advantage of disintermediation and of innovative business models;
- automation and the gig economy is changing the economics of operations;
- security, safety and privacy risks are growing.

For years, digital transformation has been at the heart of C-level executives' agendas. But now it is the turning point for companies and public organizations: how to survive and thrive in unchartered territories?

For organizations, adapting to the new era will increasingly require a change in business model, strategy and ultimately purpose. They will need to:

- become fully customer, employee or citizen experience-centric, moving from a pure 'produce and sell' to a more responsive customer-led approach;
- provide intelligent data-driven orchestration, being able to adapt to market changes and evolving customer or citizen demands in real time;
- adopt open platform foundations and real-time process automation across physical and digital worlds, to deliver the best products and services at the lowest cost while being ready to adapt in hours or just seconds;
- consider shifting mindsets of both consumers and employees by striving for purpose, considering sustainability and new economic models.

The necessary questions

From manufacturing to transport, retail, utilities, telco, financial or public, defense and healthcare domains, these evolutions are changing the game dramatically. In this context, the key questions for each Executive Board are:

- how to be a disrupter rather than being disrupted?
- how to be in the best position within new value chains or ecosystems brought about by digital?
- how to adapt business models, customer relations and operations to survive and thrive in this new economy?
- how to make the right strategic and tactical choices in a highly dynamic technical landscape?
- how to create a broader purpose for your enterprise that will attract customers and retain employees?

To answer these questions, more than 80% of organizations have put in place board-level digital strategies, and heavily invested in business technologies. However, they need digital partners that help them solve strategic and tactical digital dilemmas and design, build and run the business technology platforms needed to succeed in a time of constant change.

This fuels growth in the technology and services market, notably around industry-specific solutions fully supported by the seven digital breakthroughs identified as part of our business model.

Market sizing and competitive landscape

The overall IT market for 2021 is estimated to be worth US$ 4.24 trillion worldwide (US$ 4.16 at 2020 currency), representing a 6.9% increase over 2020 at constant currency. The market CAGR is expected to reach 5.6% for the years between 2020 and 2025.

Within this global IT market, still expressed in 2020 US$, the largest region remains North America, representing US$ 1.44 trillion, growing 8.2% compared to 2020. Western Europe recorded US$ 818 billion, an increase of 6.8% over 2020. The rest of the world market is valued at US$ 1.89 trillion, growing 5.9% from 2020.

The Atos addressable market is a subset of the overall IT market, focusing essentially on enterprises. It is primarily constituted of the worldwide IT services market, although Atos also targets other high-potential enterprise markets such as High-Performance Computing and Quantum Computing.

The overall IT services market represents US$ 1.19 trillion in 2021, a growth of 10.7% over 2020. The market CAGR is expected to reach 8.4% for the period between 2020 and 2025 in constant currency. The overall IT services market is comprised of many subsegments, with different sizes and varying growth potential.

The Atos Global Delivery model has created 4 strategic units addressing the key market subsegments which have been prioritized by Atos as offering maximum business potential and opportunity for creation of customer value.

Cloud transformation services

Customer appetite for migration to the cloud remains very high. This is confirmed by Gartner, who estimates that by 2026, 94% of large organizations with legacy applications in the cloud will use external service providers for some portion of management and support, up from 80% in 2020. The drive to cloud is fueled by demand created by hyperscale cloud providers and large-scale ISVs offering cloud-based suites, and the market for public cloud services is valued at no less than US$ 397 billion, growing 24.1% from 2020, and showing a CAGR of 21% over the 2020-2025 period. On top of this, the market for cloud consulting and implementation services represents US$ 163 billion in 2021, growing 33.6% over 2020. It is primarily in this market that Atos is offering Atos OneCloud, the one-stop shop offer introduced at the end of 2020 which has benefited from significant improvements in 2021, notably around sovereign cloud.

Digital transformation

This strategic unit offers digital transformation consulting services as well as business solutions in the domains of customer experience, IoT and analytics and AI. These are high-potential submarkets for Atos. Business consulting is valued at US$ 121 billion worldwide, growing 11% from 2020. IT services for IoT already represent US$ 18 billion in 2021, a growth of 36.1% from 2020. With a CAGR of 34.3% from 2020 to 2025, this segment is expected to be valued at US$ 58 billion by the end of the period. Atos has strong expectations to capture share of this market subsegment, with capabilities beyond services engagements and notably including an innovative range of IoT-optimized edge servers. Our vertical focus will also help us achieve our objectives by creating solutions for the top use cases identified by Gartner, such as connected products, manufacturing process automation and oil and gas extraction. Last, the data and analytics services market also displays strong potential for Atos, with a value of US$ 142 billion in 2021, growing 15.7% from last year and showing a 14.6% CAGR between 2020 and 2025.

Managed Technology Services

This strategic unit offers services in the domains of employee experience, data center and hosting, and network and communications. The managed workplace services submarket represents US$ 28 billion in 2021. Atos has strong capabilities in this field, being recognized a leader by many analyst firms including Gartner, IDC and NelsonHall. Atos has a true end-to-end solution to transform the employee experience that has earnt it a leader ranking in the Gartner Magic Quadrants for Managed Workplace Services in North America and Europe for many years successively. IDC, which ranks Atos a global leader, recommends considering Atos when organizations need a partner that can provide high-level consulting services that can speak to C-level executives combined with on-the-ground managed services that will work closely with the enterprise's employee base to drive productivity gains.

Digital Platforms

This strategic unit offers application management and transformation services as well as design, build and run services for key ISV solutions such as SAP and ServiceNow. Atos also announced in 2021 its Atos Digital Hub, an accelerator for digital collaboration bringing together multiple industry players in shared and transparent ecosystem platforms, enabling sharing and monetization of data at scale. The application managed services submarket represents US$ 101 billion in 2021, growing 8.6% over 2020. The commercial application implementation submarket is valued at US$ 114 billion in 2021, a growth of 9.6% compared to 2020. We expect our reinforced partnership with SAP to allow us to grow share in this submarket, notably through the increased demand created by SAP around digital transformation with the Intelligent Enterprise, and around cloud transformation with "RISE with SAP", introduced early 2021 and for which Atos was an early supporter and implementor.

Sources:
Gartner, Market Databook, 4Q21 Update (Dec 2021)
Gartner, Forecast: IT Services, Worldwide, 2019-2025, 4Q21 Update (Dec 2021)
Gartner, Forecast: Public Cloud Services, Worldwide, 2019-2025, 4Q21 Update (Dec 2021)
Gartner, Forecast Analysis: Cloud Consulting and Implementation Services, Worldwide (Jul 2021)
Gartner, Forecast: IT Services for IoT, Worldwide, 2019-2025 (Aug 2021)
Gartner, Forecast Analysis: Data and Analytics Services, Worldwide (Dec 2020)

Atos has also established leadership positions in other high-value markets.

Digital Security

The information security and risk management submarket is sized at US$ 145 billion in 2021, a growth of 10.6% over 2020 and presenting a CAGR for the 2020-2025 period of 10.8%. In this submarket, Atos offers a comprehensive range of solutions including services, software and hardware solutions.

Atos has been ranked the 2nd global player worldwide in Managed Security Services (MSS) by Gartner, moving one position up with a growth of 23.9%, outperforming a market that grew 8.3% to US$ 12.7 billion in 2020.

Atos has been ranked by NelsonHall as the Leader in Cyber Resiliency Services with the greatest ability to meet future client requirements. Furthermore, the analyst states that Atos has been providing cybersecurity services focusing on building trust and compliance and has been designing and testing BCM and resiliency plans to enable clients to more quickly respond and recover to cyber threats. As part of this investment into responding and recovering from threats more rapidly and completely, Atos has been bringing advanced analytics into its cybersecurity offerings, such as adding Security Orchestration, Automation and Response (SOAR) capabilities, to its prescriptive Security Operations Center (SOC) offering and now to its Managed Detection and Response (MDR) service.

With its work with Siemens and on edge computing, in addition other recent digital security acquisitions, NelsonHall believes Atos to be one of the strongest vendors in the OT/IoT security market.

Sources:
Gartner, Forecast: Information Security and Risk Management, Worldwide, 2019-2025, 4Q21 Update (Dec 2021)
Gartner, Market Share: Managed Security Services, Worldwide, 2020 (Apr 2021)
NelsonHall, Cyber Resiliency Services 2021 (Feb 2021)

High-performance computing (HPC)

Hyperion analysts see Atos as one of the top players worldwide in the HPC server market. According to their most recent forecast in November 2021, the broad HPC market (which includes servers, storage, middleware, applications and services) will reach US$ 40 billion in 2025 (a CAGR of 7.9%). Hyperion states that Atos is the leading European-based vendor of HPC systems, largely due to the performance and power of its BullSequana systems, its strong technological expertise and innovation and its ability to effectively manage large-scale projects globally. Atos has doubled its presence in the TOP500 ranking over the last five years, with currently 40 systems in the list and an aggregated performance of 242 PFlop/s, and its server market share worldwide continues to grow.

Hyperion analysts forecast that the HPC server segment of the broad market will grow at an 8.0% CAGR over the 2020-2025 forecast period to reach US$ 19.9 billion by 2025. Hyperion sees Atos as one of the key supercomputing manufacturers that will likely benefit over the next few years as demand for exascale systems builds up.

Sources:
Hyperion Research, Market Forecast: Worldwide on Premises HPC Broader Market Forecast Update, 2020-2025 (Nov 2021)

Quantum computing

Atos is ranked as a leader by TBR in their latest Market Landscape for Quantum Computing.

TBR analysts believe that the research will further support the development and enrichment of Atos existing quantum computing offerings and reinforce Atos ability to provide quantum services.

The analysts reinforce that Atos has built out software, quantum accelerators and quantum safe security around its Quantum Learning Machine (QLM), highlighting how the Atos historical portfolio supports its quantum focus.

Atos quantum consulting works in concert with other units, bringing the deep domain expertise after use cases have been identified.

Atos has 20+ major organizations already using QLM.

Sources:
TBR, Quantum Computing Market Landscape (Jul 2021)

Competitive landscape and new expected position of Atos

Ranked 18 in the world

Looking at the global IT services market, Atos is ranked number 18 in the world and is the fifth largest IT business services company in Europe with a market share of around 3%, behind Accenture, IBM, Capgemini and Deloitte.

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, Accenture, Capgemini, CGI, DXC and local champions with strong regional footprints like Capita (UK), T-Systems (Germany) and Indra (Spain). India based players start to have significant presence in Europe, but this is still predominantly in the UK (TCS, Cognizant, Infosys and Wipro).

Source: Gartner, Market Share: IT Services, Worldwide 2020 (Apr 2021)

Market size and Atos market share

Atos Regional Business Unit market shares within the Worldwide IT Services market are presented below:

	Market		Atos	
In billion US $ (2021)	2021 Market	Weight	2021 Revenue	Share (%)
North America	508	43%	2.9	0.6%
Northern Europe	162	14%	3.2	2.0%
Central Europe	88	7%	3.0	3.4%
Southern Europe	87	7%	2.9	3.3%
Growing Markets + Rest of the World	341	29%	0.9	0.3%
Total	**1,186**	**100%**	**12.8**	**1.1%**

Source;
Gartner, Forecast: IT Services, Worldwide, 2019-2025, 4Q21 Update

In 2021, major industry analyst firms have assessed Atos capabilities and positioned Atos as follows:

[GRI 102-2] [GRI 102-6] [GRI 102-10]

Business model

Sustainable Digital Transformation

It has become mandatory for enterprises and public organizations to "future-proof" their organizations to successfully navigate disruptions beyond their control and previously seen as outside of their sphere of influence or activity.

This is achieved through a robust digital strategy underpinned by a long-term sense of purpose that leverages reliable, innovative and sustainable partners.

Atos has a strong ambition to be recognized as one of the companies that may act as such partner. Our ambition is to be the leader in secure and decarbonized digital and our purpose is to help design the future of the information space. We use our expertise and services to support the development of knowledge, education and research in a multicultural approach and contribute to the development of scientific and technological excellence.

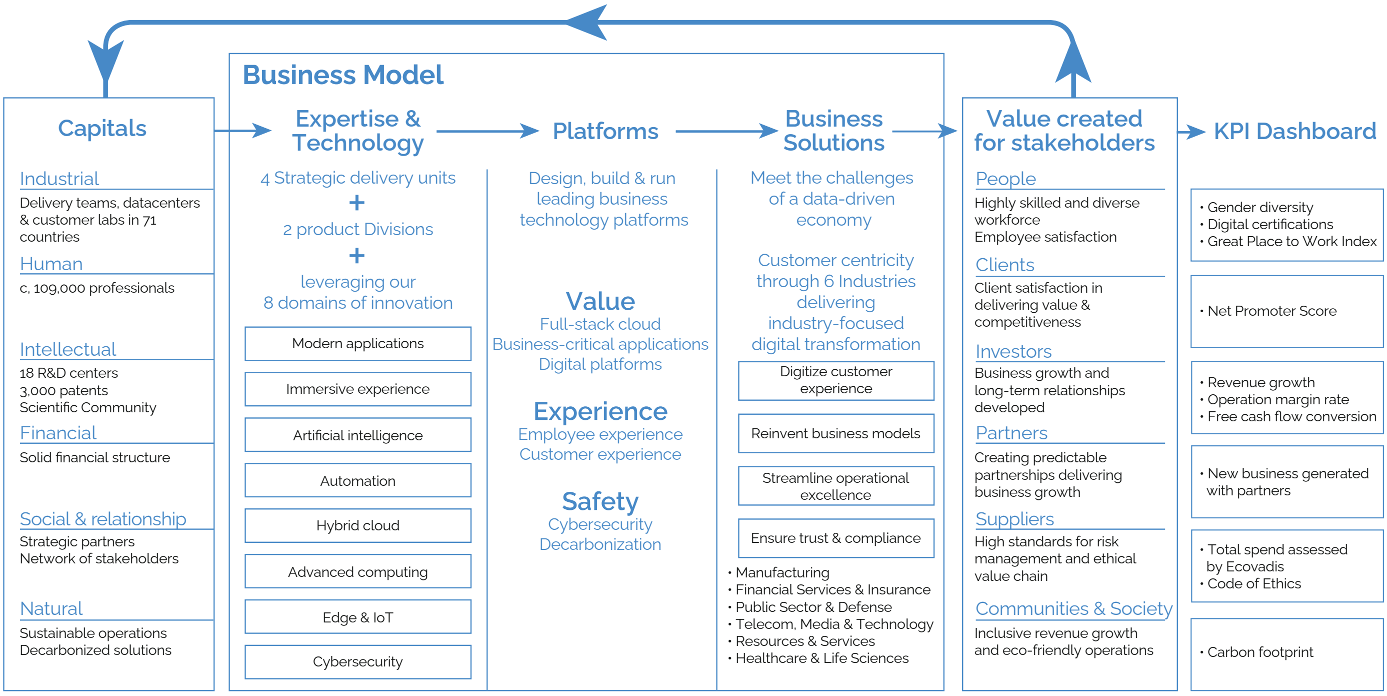
This year has seen all economies rebound and recover to activity levels comparable to pre-2020 figures. Although the outlook will remain uncertain until the pandemic is deemed over, we have seen some of the patterns that emerged in 2020 only accelerating in 2021 and becoming a driving component of our customer's transformation.

As revealed in our "Preparing for the rebound after the Covid-19 crisis" leadership report, patterns such as technology mastery, frictionless working, data equity and sustainability have become center stage this year.

Across the world, the Group enables its customers, employees and members of societies at large to live, work and develop sustainably, in a safe and secure information space.

In its mission, the Group leverages the capital it has built over years, and a solid business model based on distinctive expertise, technologies, platforms and business solutions.

The following value creation model explains how Atos creates inclusive and sustainable value for all its stakeholders. The Atos integrated management dashboard measures both financial and extra-financial performance.



Our Capitals

Over the years, Atos has built strong assets that bring the Group a solid and distinctive position on the digital transformation market, and constitute a firm foundation, which its business model relies on:

Industrial capital with delivery teams, datacenters and customer innovation labs covering 71 countries. Harnessing the latest hybrid cloud technologies and digital design, development and operation tools, processes and best practices, these centers enable Atos to serve and support its customers 24/7 anytime, anywhere, with the ability to provide a combination of local, nearshore and offshore delivery.

Human capital of 109,000 business technologists. Atos experts include consultants, developers, integrators and operation specialists, sourced from tier one universities worldwide. Highly skilled on the whole spectrum of digital technologies, Atos people benefit from a steady investment in the latest technological and leadership trends through intensive and dedicated training programs. Bolt-on acquisitions also allow Atos to integrate and retain proven professionals in key domains such as cloud, digital, cybersecurity, and decarbonization.

Intellectual capital with significant Digital and Cloud R&D spending per year, leveraging the innovation of 18 R&D centers with a focus on strategic technologies. Atos excellence in R&D is illustrated by a world-class portfolio of IP solutions and 3,000 patents. It is nurtured by a Group-wide community of 2,600 experts and fellows, and by a unique Scientific Community composed of around 175 scientists, which crafts the Group's vision for the future of technology in business and anticipates upcoming market trends and technologies.

Solid financial capital backed by strong financial assets and cash flow management processes. Atos's proven financial discipline enables it to deliver seamlessly the short, medium and long-term investments needed for services, product development and operations.

Extended **social and relationship capital,** relying on a strong network of partners with leading technology provider (Amazon Web Services, Cisco, Dell Technologies, Google Cloud, Microsoft, Oracle, Red Hat, SAP, Siemens, VMware, Worldline, and many more), customers, research institutions and industry consortia. As a leading digital transformation company, Atos is committed to supporting society, with strong contributions to diversity and social inclusion programs.

Strong natural capital relying on Atos's deep commitment to sustainability. Atos involvement in sustainability is embodied in pioneering an ambitious environmental program to reduce its carbon emissions through measurement, reporting, optimization, offsetting and the use of decarbonized energy sources. Previously, Atos announced its commitment to shift to the most demanding 1.5°C Science-Based Target (scope 1, 2, 3) and to achieve net-zero carbon emissions as soon as 2039.

The value we create for stakeholders

As a result of its capital assets and of its business model, Atos strives to generate value for all its stakeholders:

People: Putting "people first" is the foundation of the Atos way of working and growth strategy. Atos is committed to attract and nurture today's most talented digital experts from diverse backgrounds and offer them the opportunity to build the new digital world. Atos is a responsible employer, promoting collaborative working, diversity, inclusion and well-being at work. With dedicated programs for talented and high potential individuals, the Group offers tremendous opportunities to fast track career growth. Many programs aimed at fostering diversity are also active, such as "Women in Atos" which aim is to develop the presence of women in technology sector;

Clients: Atos aims to be the trusted partner of its customers in their digital transformation journey and was the first Information and Communication Technology (ICT) Company to obtain the approval of its Binding Corporate Rules (BCR) by European data protection authorities putting data protection as a key component of its business culture, for clients, partners and suppliers. It is committed to providing clients the best range of services and solutions to anticipate and meet their needs, co-innovate, and help them to create the firm of the future;

Investors: Despite a negative performance of its share price in 2021, Atos remains, more than ever, committed to long-term investor and shareholder value creation.

Partners: Atos offers strong business growth and co-innovation opportunities to its large ecosystem of partners, ranging from large groups of startups, that are deeply supported by Atos Labs and Business Technology Innovation Centers. In 2020 Atos launched "Atos Scaler", a program to accelerate the open innovation between Atos and startups in all industries worldwide;

Suppliers: Atos is committed to delivering high value to its networks of suppliers. The Group has built solid governance, using ethics and compliance to drive organizational processes, and business, thereby securing a sustainable supply chain. Atos was also the first Information and Communication Technology (ICT) Company to obtain the approval of its Binding Corporate Rules (BCR) by European data protection authorities putting data protection as a key component of its business culture, for both customers, partners and suppliers;

Community & society: Atos aspires to excellence in its community and society contribution: Atos has reached in 2021 the number 1 position for sustainability performance within the IT services sector in the DJSI Europe index and the best score of its industry worldwide regarding the environmental dimension. Atos delivers a new milestone towards Atos commitment to decrease by 50% by 2025 all its carbon emissions (2019 baseline) and will align its long-term and net-zero targets with the SBTi new standard criteria and reach these targets at the latest by 2039.

Vision, ambition & strategy

Secure, Decarbonized, Data driven Digital Solutions are set to be the backbone of our futures, not just as organizations but in wider society as well.

Responsible Client Centricity

In addition to value, clients are increasingly calling for responsible and holistic approaches to digital built upon security and decarbonization, that drive both business and societal outcomes. These asks drive our 4 key businesses focuses for skills and capability.

Full Stack Cloud and Sovereign Shield

Full stack cloud has expanded beyond the hybrid, multi-cloud and convergent cloud approaches of recent past to include sovereignty. In doing so reaching into the late majority and laggard users later in the technology adoption curve. Building upon the holistic and end-to-end approaches of the past, sovereignty adds new layers of requirement such as ownership, homologation and the nationality of operators into the mix of services client require. Orchestration remains key both in terms of migration and operation of these cloud services.

With complex applications moving to the cloud, and long term expertise in the build of business critical applications we are starting to see opportunities in the integration of Digital Platforms that enable the exposure of data for federated use across organizations in support of exploitation of that data.

On November 18th 2021, Atos announced the launch of its Atos OneCloud—Sovereign Shield a set of solutions, methodologies and operational Cloud services, which will be built upon our relationships with hyperscale and local cloud providers. Atos OneCloud Sovereign Shield will initially be available in France and Italy with OVH Cloud and will roll out for other hyperscale providers and geographies in 2022.

The Atos OneCloud initiative is delivered by Atos in close collaboration with a world-class partner ecosystem including Amazon Web Services, Dell Technologies (including Dell EMC and VMware), Google Cloud, IBM - Red Hat, Microsoft Azure, SAP, ServiceNow and Salesforce.

Digital solutions, Applications and Platforms

Digital solutions, applications and platforms leverage the cloud transformation of many organizations to build new data flows, and new exposure of data. Digital solution & applications enable organizations to build agility into the core of their organization and join the physical to the digital. Covid-19 has accelerated the adoption of these technologies as many organizations have sought to become hands free towards their customers.

Digital Platforms enable the sharing of the data generated by solutions and applications from enterprises within or across value chains. It is estimated that 70% of new value generation in the economies of the world will come from development of this trend.

Atos is leveraging its long term expertise in digital application creation, combining it with specialist skills in areas such as Internet of things devices and Edge Computing and combining this with its unique capabilities to operate as a neutral operator of cloud platforms to provide the services organizations in secure and decarbonized ways.

Digital Security

Digital security includes the world of cybersecurity as well as mission critical systems, IoT security and economic security. The increasingly complex digital environments of clients reflects not just a willingness but a desire to not depend on a single technology provider for their complete environments.

Just as clients don't want to become dependent on a single provider, the cyber threat landscape is rapidly evolving and pervasive now not just across data environments but increasingly targeting critical infrastructure of companies, governments and society at large. Atos has reached a number one position in Europe and number two worldwide for its Managed Security Services (Core Cyber Security) offerings and in 2021 expressed it's ambition to be the number one provider of Managed Security Services worldwide by 2024.

Decarbonization

The COP-26 climate summit took place in Glasgow in late 2021. While the governments of the world didn't move as far as many had hoped the summit marked the beginning of the end for carbon intensive fuels like coal. Atos has continued to develop its leadership in this area sending a delegation to the Blue Zone of the summit and developing new offerings as a result of the integration of the EcoAct business. In 2021 we announced the launch of our Atos A-to-Zero decarbonization product portfolio and applications for businesses and individuals alike to understand their holistic carbon impacts and make changes based on these understandings. We continue to see large market opportunity in this space with close to c. €25 billion of total addressable market in place today and growth on an upward trajectory.

Based on the above digital breakthroughs, its unique skills and assets, Atos's ambition is to become the leader in secure, decarbonized, digital solutions.

Atos develops four main drivers for success:

1. Mobilize and develop people skills and key talents, attracting the best talents from leading universities and developing their skills.
2. Technology and open innovation, with significant investment in R&D, deep Tech Quantum Program and Scaler—the Atos start-up accelerator.
3. Global Alliances and partnerships
4. Mergers and acquisitions:
   i) bolt-on acquisitions to boost key portfolio offerings, particularly in the fast growing segments and
   ii) disposals/partnerships for some declining activities.

Atos CSR strategy

Atos Corporate Social Responsibility (CSR) strategy

At Atos, the Corporate Social Responsibility (CSR) program is part of our *raison d'être* or sense of purpose: "The purpose of Atos is to help design the future of the information space. Its expertise and services support the development of knowledge, education and research in a multicultural approach and contribute to the development of scientific and technological excellence. Across the world, the Group enables its clients and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space."

The review of the CSR materiality analysis Atos carried out in 2020 contributed to determine the sustainability program in the three areas of Environment, Social and Governance (ESG).

Atos is fully aware of its responsibility towards society at large and has been making its contribution, in particular to the fight against climate change, for many years. In this respect, Atos follows the Sustainable Development Goals (SDG) principles, as reflected in the CSR section of this Universal Registration Document.

Atos also welcomes the new EU Taxonomy for sustainable activities and is one of the first companies to fully implement Taxonomy reporting in support of the European green deal.

Vision: digital technology for a sustainable future

Atos is convinced that digital technologies can significantly contribute to sustainable goals. Following this approach of "Digital for Good", Atos sets priorities in the areas of ESG in which it can contribute, in particular with its core digital strengths.

2021 milestones in Environment, Social and Governance

In 2021, Atos achieved important milestones in its Corporate responsibility strategy.

Regarding the **Environment**, Atos took industry leadership in decarbonization committing to halve its global carbon emissions by 2025 (SBTi near term target, full scopes 1,2 3) as part of its Net-Zero ambition. Drastic initiatives have been put in place to deliver on this commitment, such as the switch of Atos datacenters and offices to renewable energy, the switch of the company car fleet to full electric, the classification of its suppliers according to their environmental performance combined with a management incentive to select the best ones, as well as the introduction of binding decarbonization agreements for the products (such as supercomputers) Atos sells to its customers. In parallel, Atos created in 2021 for its clients its "Net-Zero" practice with a full portfolio of decarbonization offerings and a team that will grow to 500 digital & climate experts by the end of 2022.

From a **Social** perspective, throughout 2021, the safety of Atos employees and the business continuity of its customers remained the number one priority. Still facing the impact of the global Covid-19 pandemic, aiding social distancing and ensuring working from home whenever possible, using digital workplace solutions to deliver the best collaboration and communications tools in the best conditions were still critical. In parallel, Atos pursued its programs to train and certify its employees on the latest digital technologies like Cloud (Microsoft Azure, Amazon Web Services & Google Cloud hyperscalers), Data Science, Machine Learning, Artificial Intelligence (R, Python), Automation (Power Automate, UI Path) to enhance gender diversity across its top managers and scientists and to make the new digital workplace post Covid more inclusive, setting up a new business practice specialized on digital accessibility and inclusion. In addition, a specific focus has been put on attrition and retention of employees with key digital skills and competences.

From a **Governance** perspective Atos strives to be recognized as a trustworthy digital company, from corporate governance, ethics and data safety perspectives. In that context, Atos released in 2021 a new Code of Ethics which reflects Atos's sense of purpose (Raison d'être) and includes a comprehensive Anti-corruption Code of Conduct providing a real insight of Atos's commitment regarding anti-corruption. From a data governance perspective, Atos took in 2021 several initiatives to promote trust and confidence in digital technologies, such as its Board membership to Gaia-X, IDSA[2], Fireware, BDVA[3], its membership to the European Alliance for industrial data, cloud and edge, the Charter of Trust, the ETAMI[4] initiative. These initiatives materialized in the release of Atos One Cloud Shield offerings. Looking at the future, Atos progressed in 2021 on innovation, in particular to support its decarbonization strategy, with new projects in the field of digital on hydrogen, quantum for CO_2 capture or DNA based computing and storage, also expanding its start-ups accelerator program (Scaler).

In the CSR chapter of this document, you will find detailed information on the programmes within the ESG dimensions. In addition, Atos updates its CSR progress on atos.net[5].

1. Science Based Targets initiative
2. International Data Space Association
3. Big Data Value Association
4. Ethical and Trustworthy Artificial and Machine Intelligence
5. https://atos.net/en/about-us/corporate-responsibility-and-sustainability

2021 market recognition

In recognition of its CSR commitments, Atos continued its leading position within its sector in all Environment, Social and Governance (ESG) relevant criteria, as illustrated by the current market perception from the main international CSR ratings:

Member of Dow Jones Sustainability Indices (Powered by the S&P Global CSA)

83/100

Top 4%

1st on the environmental dimension in the IT sector

MSCI ESG RATINGS (AA)

AA

Top 21%

Among 151 Software & Services companies (2021)

CDP A LIST 2021 CLIMATE

A

Top 2%

Among the Top 200 world leaders on climate change (on 13,000)

ISS-oekom

C+

Top 20%

2021

FTSE4Good

4.1/5

Top 9%

Among 91 IT companies (2021)

EURONEXT vigeoeiris

67/100

Top 1%

Among 83 Software & IT services (2021)

ecovadis Platinum Top 1% 2021 Sustainability Rating

80/100

Top 1%

On the environment, labour & human rights, responsible procurement and ethics

SUSTAINALYTICS a Morningstar company

Atos 2021 inaugural €800 million sustainability-linked bond

Second-Party Opinion on the Sustainability Performance Targets

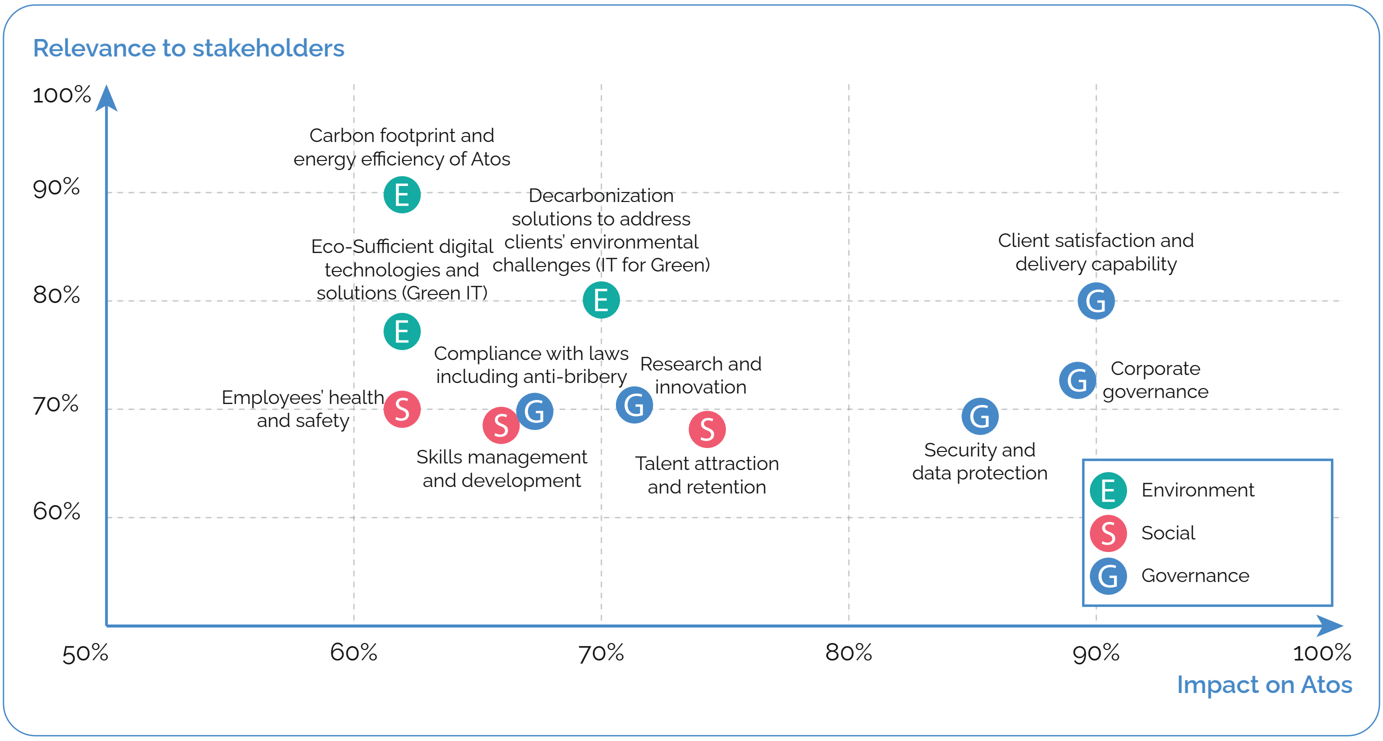
Strength of the KPI	Ambitiousness of SPT
Very Strong	Highly Ambitious

Atos's CSR materiality matrix

Our approach to Corporate Social Responsibility is based on an analysis of the material CSR issues for the Group, considering the expectations of stakeholders and the impact to the business.

While the CSR program addresses a wide range of topics, the materiality analysis allows the company to address ESG issues that have higher relevance for stakeholders and have a higher impact on Atos for achieving the organization´s goals, strengthen its business model and enhance its positive impact on society.

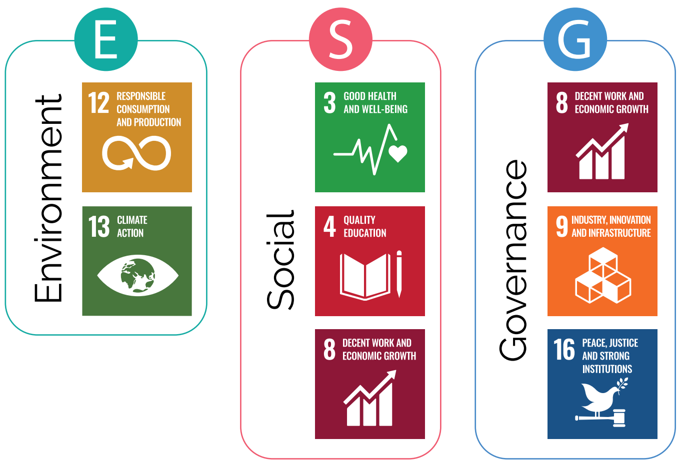
Since 2010, the Group has been performing regular materiality assessments. Every two or three years Atos uses an external expert to perform this assessment using the input from several stakeholders and getting the support and involvement of the CSR Committee of the Board of Directors. Each year this materiality follows an ESG approach covering Environment, Social and Governance dimensions. The materiality analysis also highlights the direct contribution to eight SDGs among the 17 United Nations Sustainable Development Goals (SDG) for the 11 material issues presented below.



Atos contribution to SDG's for the top 11 material issues

The materiality matrix highlights the top 11 material issues, but the CSR program goes deeper and covers many other issues, such as digital inclusion, diversity, employee engagement and supply chain management. Atos activities in several growing markets also support the countries in redefining new ways of doing business through digitalization and innovation, with direct impact on local employment, social and technical development and leveraging competencies in their societies.

As a result, the Atos CSR program, encompassed in its sense of purpose, drives the contribution of the 17 SDGs[6], ensuring that sustainability is an outcome of the Group business strategy.



6. https://sdgs.un.org/

[GRI 102-28], [GRI 102-43], [GRI 102-44], [GRI 205-2], [GRI 302-3], [GRI 305-4], [GRI 305-5], [GRI 401-1], [GRI 404-2], [GRI 404-3], [GRI 405-1], [GRI 418-1], [A2], [A3], [A10], [A14], [A16], [A17], [A20]

CSR challenges & indicators of progress

As a result of the materiality assessment, the following challenges have been identified to lead Atos's CSR journey for 2022 and beyond.

Environmental dimension

Atos is fully aware of its responsibility to the planet and strives to be an environmental pioneer in the digital sector.

Following this, Atos complies with the most demanding 1.5°C Science-Based Targets and the new SBTi Standard. Aligned with its commitments, Atos achieved a reduction of 27% of its overall carbon emissions between 2019 and 2021 (full scopes 1, 2, and 3). The Group is on course towards its near-term target (2025) and its new net-zero target.

Material and relevant topics	2021 results	2022 ambition
Decarbonization solutions to address clients' environmental challenges (IT for green)	• In the new Group organization and based on the Atos excellence in CSR performance supported by the acquisition of EcoAct, a dedicated Decarbonization practice has been created.	• Further engage clients on Atos's decarbonization portfolio.
Atos carbon footprint and energy efficiency of Atos operations	• Atos commitments meeting the most demanding SBTi requirements. • Atos CO_2 emissions (Scopes 1, 2, 3) have decreased by 27% between 2019 and 2021. • Atos joining the European Code of Conduct for Datacenters. • Decarbonized energy covering 71% of Atos datacenters versus 49% in 2020 (figures include RECs)	• Deliver a new milestone towards Atos commitment to decrease by 50% by 2025 all its carbon emissions (2019 baseline). • Align its long-term and net-zero targets with the SBTi new standard criteria and reach these targets at the latest by 2039."
Eco-efficient digital technologies and solutions (Green IT)	• At the end of 2021, 18 of the Top 100 most energy efficient supercomputers worldwide were Atos supercomputers.	• Continue to invest in R&D on supercomputers powered by hydrogen and on quantum technologies.

Social dimension

The current global business environment and skills shortage has highlighted the pertinence of Atos's focus on global talent attraction, retention and skills development. During 2021, the company's global programs in these areas have been expanded and adapted to a revised company structure and strategy. All programs are aligned with the challenges of the global digital economy and underpinned by the new culture change program Leap, together with ambitious targets for Diversity and inclusion.

The Group's strategy of providing a flexible, seamless digital and accessible working experience is being deployed whilst never compromising on a safe physical space for collaboration. Atos aims to enable its employees to work from anywhere to support its clients in the most agile, productive, secure, and innovative way.

Material and relevant topics	2021 results	2022 ambition
Talent attraction & retention	• 25,281 employees recruited (more than doubling previous year recruiting) of which 7,313 are graduates, and representing 36% gender diversity-2,391 interns and apprentices • Key people retention: 94% • Internal fulfilment: 66%	• Recruitment of 35,000 employees including 10,000 graduates • Recruitment diversity: 40% • Retain at least 95% of Key People • Internal fulfilment: 60%
Skills management & development	• 77% of employees with an Individual Development Plan (IDP) and 87% having a performance review • 100,026 digital certifications	• At least 85% of employees with an IDP • Over 100k digital certifications in 2022

Social dimension (continued)

Material and relevant topics	2021 results	2022 ambition
Employees' health & safety	• 34 sites covered by ISO 45001 Occupational Health & Safety • Global Crisis Management for Covid transformed into Global Resiliency Management and supporting local response • Average of 89% of employees working from home (fluctuating from 84% to 92% according to the situation) • 87% of employees declared that Atos adapted well to the Covid-19 lockdown situation in GPTW • SERT[7] Re-launch of improved Emergency Response tool	• Atos new way of work strategy will support employees to work safely in a seamless digital environment from the office and from home
Culture & employee experience	• Leap: Atos created a culture refresh program and re-defined new values • We are Atos: Supported creation of collaborative Environment • Bamboo created a tailored workplace experience through trust, wellbeing, and safety and security	• Focus on employee involvement in the Leap culture refresh program with at least 30,000 employees participating in Leap sessions • At least 80% participation of Executives in Leap deep Immersion sessions[8]
Employee engagement	• Share 2021 participation: around 12,500 employees subscribed, increasing the % of Atos Share Capital held by employees to 3% • Innovative "loyalty" scheme and aligned with decarbonization strategy • GPTW results 2021: Trust improvement from 65 to 66%. Atos has either maintained or improved results in all areas	• Further employee shareholding plans in line with Atos's decarbonization strategy, increasing the % of Atos Share Capital held by employees • Best-in-class employee engagement and motivation with scores of 70% for both the Trust Index, and the "Taking everything into account, I would say this is a great place to work" question by 2024
Diversity	• 31.5% gender diversity in Atos • 31.6% gender diversity in Atos Executives • 24% gender diversity in Key People • 32% gender diversity in Scientific Community (versus 21% in 2020) • Gender diversity in talent programs: Fuel 53%, Gold for Business leaders 45%, Gold for Technology leaders 33% • 28 nationalities in Executive Management	• 40% Gender balanced recruitment • 33% gender diversity in Atos Executives • 35% gender diversity in Key People and Scientific Community by end of 2022, and 40% by end of 2023 • 50% gender diversity in all talent programs by end of 2024
Digital Inclusion	• Growth of the Global Accessibility Practice • Announced as Zero Project Awardee 2022 for Accessibility Policy and Program • Active participation in ILO Global Business Disability Network, Business Disability Forum, International Association of Accessibility Professionals, Valuable 500 • Organization of Global Inclusion Events celebrating disability inclusion: Purple Light Up, International Day of People with Disabilities #WeThe15 & Global Accessibility Awareness Day	• + 10 % of global employees to complete a course from Accessibility & Digital Inclusion Curriculum • Promote an inclusive digital workplace and inclusive digital culture change for its employees, its clients and their employees • Inclusive Innovation Development Partnership with Public Sector • Being active & visible in the Accessibility & Disability Inclusion Ecosystem

7. Safety and Emergency Response Tool
8. Further information reg. Leap Sessions and Leap Immersion Sessions in Chapter 5.3.7

Governance dimension

Atos is fully committed to enhance trust in its corporate governance, digital business models and data management. It maintains the highest standards in the governance of its stakeholder engagement, in ethics, data safety and research and innovation.

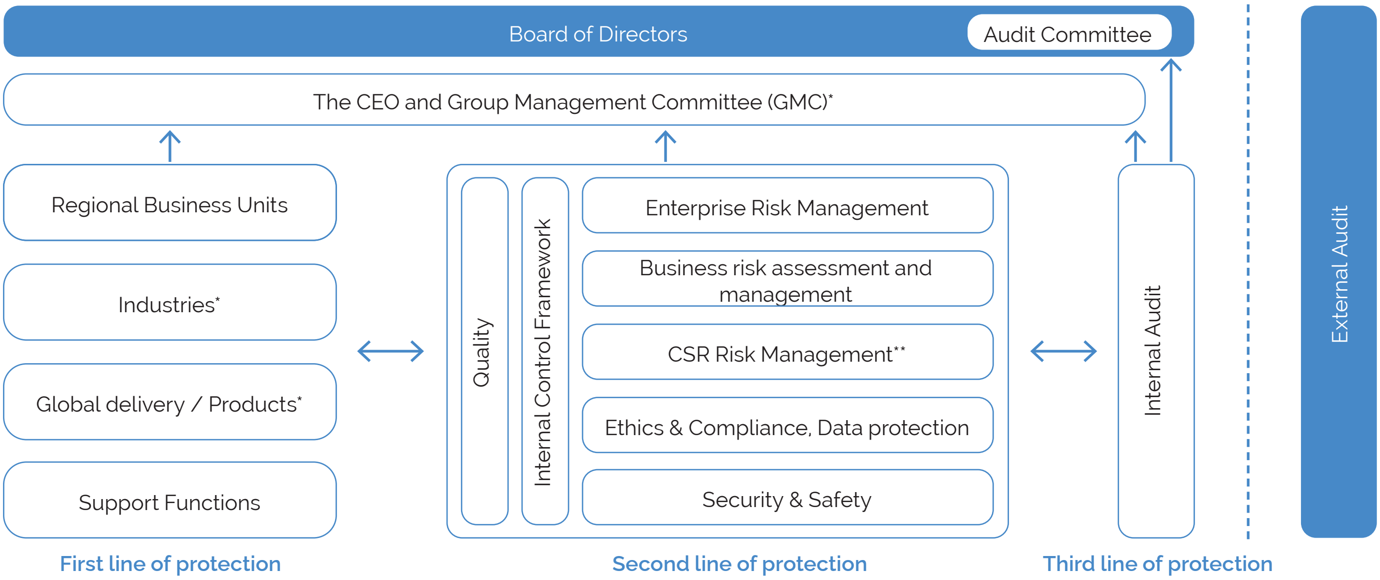
In 2021, Atos released a new version of its Code of Ethics, including a comprehensive Anti-corruption Code of Conduct and Atos Sense of Purpose. The Group also issued a new version of its Business Partner Commitment to Integrity Charter which strengthens Atos's partners commitment towards human rights abuse prevention.

Despite the exceptional circumstances this year, Atos has held a record number of Client Innovation Workshops, most of them virtual to preserve the health and safety of participants.

Material and relevant topics	2021 results	2022 ambition
Client satisfaction & delivery capability	• Atos reached a 65% in the Net Promoter Score for all clients, including significant increased perception on innovation.	• Atos continues to increase the Net Promoter Score for all clients in all industries.
Corporate governance	• Improved governance practice resulting from the split of the former Nomination and Remuneration Committee into two new separate committees as from December 2020: Nomination and Governance Committee, and Remuneration Committee.	• Further enhancement of risk monitoring practices.
Security & Data Protection	• 98% of applicable units (those with 500 or more employees or with legal or contractual requirements to do so) have maintained ISO 27001 certification (MSC - Multisite Certification or local) or are currently in the onboarding process for ISO 27001 MSC. • Obtained initial approval for the UK versions of Atos Binding Corporate Rules (BCR) as both a Controller and a Processor.	• 100% of applicable units (those with 500 or more employees or with legal or contractual requirements to do so) will maintain ISO 27001 certification (MSC - Multisite Certification or local) or for newly acquired companies, actively be in the onboarding process for ISO 27001 MSC • Maintain the level of material complaints regarding breaches of client privacy and losses of client data giving rise to legal proceedings with an amount claimed of at least €300 K close to 0.
Research & Innovation	• 494 Client innovation workshops delivered during the year (record high) • 235 M€ R&D investment and 86 patents filed	• To reach at least 500 Client innovation workshops in 2022
Compliance (Compliance with law and regulations, including anti-bribery)	• 88% of employees successfully completed the Code of Ethics' e-learning • 0 significant fines for non-compliance (0 in 2020 and 2019)	• Raising awareness by increasing the percentage of employees who successfully completed the e-learning on the Code of Ethics, to promote the new version of the Code of Ethics and run global communication campaign on the new version of the Code of Ethics
Supply Chain Management	• 68% of total Atos Group spends are with suppliers assessed by EcoVadis and alternative assessments	• To increase the percentage of total Atos Group spends with suppliers assessed by EcoVadis and alternative assessments and reach 70.5% in 2022

Risk management

Atos operates in a fast-changing environment. This, by nature, exposes the Company to various risks. If these risks were to materialize, they could adversely impact the Company's operations, weaken its financial performance, harm its reputation and more generally jeopardize the achievement of its short- and medium-term targets. In order to mitigate the risk exposure and, beyond that, to succeed and develop securely and sustainably, Atos has implemented a multi-factor risk management system, the governance of which can be set out as follows:



* As this Universal Registration Document relates to year 2021, please note that the governance described here is the one that was in place in 2021. In 2022, an Executive Board composed of eleven members and chaired by the CEO, replaced the old Group Management Committee.

** Corporate Social Responsibility (CSR) also reports to CSR Committee (BoD).

The **first line of protection** is ensured by all Atos employees in their daily work under managerial supervision. They define and execute operational processes, systems and controls to ensure resilience and compliance with legislation, regulation, contractual obligations, and Group policies and standards. The first line also performs day-to-day risk identification, assessment, management and reporting.

The **second line of protection** provides oversight and control. In light of risk analyses conducted through complementary approaches, it establishes enterprise-wide risk governance and business resilience requirements. It sets functional policies, limits of authority and maintains the internal control framework while monitoring the effectiveness of controls carried out by first line with the support of Internal Control Managers and Risk and Internal Control Coordinators. Insurance management forms part of the second line of protection.

Being the **third line of protection**, the internal audit team works according to an annual plan approved by Group management and the Audit Committee. It conducts audits, investigations and advisory engagements to provide independent assurance of the effectiveness of the first and second lines of protection.

Risk management (continued)

The CEO and Group Management Committee* are regularly updated on internal control, internal audit and risks. The Audit Committee receives a report on internal audit activities at least six times a year, quarterly reports on contracts with significant risks and periodic updates on internal control and risk management.

Based on the Enterprise Risk Management cartography, the below table lists the main risks identified, broken down by category, along with the corresponding CSR challenges.

These risks, which could also represent opportunities, are further detailed in section 7 of present document.

Enterprise risks				
People • Key people retention • Key people acquisition & Labor Market • Skills enhancement & performance • People care & Health	**Security** • Cyber attack • Systems security • Data protection	**Operational and financial** • Delivery quality • Customer relationship (contract management/ satisfaction) • Financial rating	**Go to market** • Market environment • Innovation and Intellectual property • Customer digital transformation and business model disruption	**Growing risks** • Regulation & compliance • Environmental impact
CSR Challenges				
Social	Governance	Governance	Governance	Governance Environment
Reference to section 7				
7.2.1	7.2.2	7.2.3	7.2.4	7.2.5

* As this Universal Registration Document relates to year 2021, please note that the governance described here is the one that was in place in 2021. In 2022, an Executive Board composed of eleven members and chaired by the CEO, replaced the old Group Management Committee.

2 Sales and Delivery

2.1 Atos, a customer-centric organization

2.1.1 Customer centricity at the heart of Atos

Atos clients' expectations are changing as they need to increasingly evolve their business models to deliver new experiences and engage with their customers in different ways across every sector of activity. With the next wave of smart data, technology is playing an ever-greater role in defining new business models.

With its operating model and go-to-market approach, **Atos is well positioned to support its clients with agility** to successfully overcome the challenges of disruptive advances in all technology areas.

2.1.2. Atos operating model in support of customer centricity

The Atos organization is defined by an operating model comprised of five **different components**:

- **Global Industries** driving a redesigned go-to-market approach, enabling growth in each Industry underpinned by vertical expertise as well as industry-specific offerings (refer to section 2.2 Industry-specific offerings) pulling through the full suite of Atos capabilities.
  Atos notably addresses:
  - **Manufacturing**: digital factory, IoT / edge, next generation R&D **to shift from products towards experiences**,
  - **Financial Services & Insurance**: new operating models, legacy modernization and open platforms **to digitalize customer experience and operations**,
  - **Public Sector & Defense**: process modernization, next generation citizen services, trust & compliance **to realize the promises of e-states**,
  - **Telecom, Media & Technology**: virtualization (NFV), next generation platforms (BSS, OSS), 5G and advanced analytics **to offer hyper-customization and secure hyperscale,**
  - **Resources & Services**: smart services, smart grid and customer experience **to move business critical to digital and decarbonized**,
  - **Healthcare & Life Sciences**: digital care chain, real-time care, rapid innovation cycle and genomics **to pave the way to precision medicine;**
- **Regional Business Units** ensuring client proximity and supporting each industry's growth objectives;
- **Product Divisions** delivering innovative products and solutions in strategic domains such as cybersecurity, advanced business computing, high-performance and quantum computing, big data and unified communications;
- **Global Delivery** accountable for innovation, horizontal offerings, delivery excellence and cost competitiveness:
  - **Industry Operations** manage industry-specific delivery capabilities mirroring the verticalized industry setup, are overall accountable for project/service delivery excellence, cost and customer satisfaction. Each hosts a Vertical Competency Center leading R&D, Proof of Concept, testing and designing cutting-edge offerings for customers,
  - **Four Strategic Units (digital transformation, Atos OneCloud, digital platforms and managed technology services)** enable development of market-leading horizontal offerings by combining large-scale innovation and vertical specific knowledge, and are responsible for delivery excellence, cost competitiveness and customer satisfaction for projects and services,
  - **One Sales Enablement Group** to deliver excellence in pre-sales, to foster best practices in portfolio and innovation management and to ensure consistent engagement with partners and alliances, with a special focus on cloud hyperscalers;
- **Global Functions** supporting the Atos mission and performance across all dimensions.

2.1.3 The Atos sales and go-to-market approach

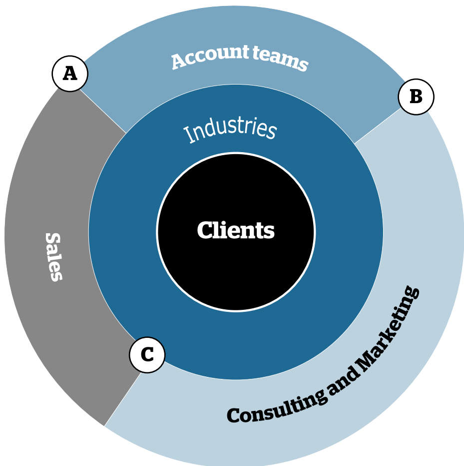
[A12]

Atos has strengthened its customer centricity through a reinforced go-to-market approach, focusing on six global industries and pulling through Atos capabilities, mobilizing people skills and key talents. The Group has developed a comprehensive catalogue of offerings combining industry specific knowledge building on all Atos capabilities.

Each Industry has set up three core teams to drive customer centricity:

- **account management teams** focused on account business planning, client relationship management and sales targets;
- **industry consulting and marketing teams** resolving specific challenges of Atos clients at the core;
- **a dedicated sales organization** driving profitable growth and go-to-market excellence.

STRUCTURE OF THE GO-TO-MARKET APPROACH



Customer centricity is enabled through the following roles which are focused on increasing client intimacy and supporting growth:

- **Client Executive Partners,** acting as "the CEO of each account" managing clients business relationship and growing Atos clients' accounts across the Industry;
- **Client Delivery Executives,** acting as "the COO of each account" to drive service delivery excellence, responsible for contract and project execution and coordination of all key stakeholders including Industry Operations teams and Global Delivery/Products teams;
- **Head of Industry Sales,** responsible for profitable growth within the Industry:
  - industry sales focusing on strategic business development to secure new accounts, retention and renewal of large clients and in collaboration with Client Executive Partners, growth of clients' accounts,
  - dedicated sales specialists focusing on selling and delivering specific product portfolio in collaboration with the Client Executive Partners Industries.
- **Head of Industry Consulting & Marketing:**
  - provides deep Industry knowledge in support of business development, leverages Industry consulting expertise to support sales team and Client Executive Partners in growth of Atos clients' accounts,
  - responsible for the full lifecycle of the industry solutions portfolio, collaborating with the Global Operations teams promoting the Atos Industry portfolio and its relevance in the Industry.

By adapting its operating model, Atos demonstrates its ambition to speak the same language as its clients when leading them to success in their digital transformation.

2.2 Industry specific offerings

2.2.1 Manufacturing

In the Manufacturing Industry, Atos serves customers in Automotive, Aerospace, Consumer Packaged Goods (CPG), Process and Discrete Manufacturing sub-industries in 55 countries.

The Covid crisis has been a dramatic accelerator for manufacturing transformation. After months of pandemic troubles having seen demand collapsing and health policies closing shops and factories, our customers face supply and delivery chain disorders, due to the pace of recovery in some countries while others remain with pandemic conditions. We remain in a still unstable environment Covid wave after Covid wave.

The shift from product-centric, globalized and just in time models to cloud and data based, customer-service centric, flexible and resilient industry models has considerably accelerated. It has also been a dramatic call for manufacturers to meet the imperative of a more sustainable new normal. As highlighted by the importance of green deals in most economic recovery plans, all around the world.

Leveraging its long-term industry expertise, Atos helps its customers drive their digital transformation towards sustainable smart manufacturing, both as a business and a technology partner.

As a business partner, Atos helps manufacturers from consulting to integration and operation, to:

- **move to Sustainable Manufacturing** to transition to a more circular, green economy, with sustainable product designs & Net Zero decarbonization across all the value chains;
- **accelerate Product Innovation** to anticipate fast changing customer demand, and the rapid emergence of new technologies and new regulations. Atos brings here the latest advances in Computer Aided Engineering (CAE), Product Lifecycle Management (PLM), digital twin and AI technologies such as in autonomous cars;
- **deploy Smart Factories** to break down process silos and employ real-time data insights to accelerate digitization of supply, production & delivery chains. Atos offering covers Industry 4.0/5.0 applications, Manufacturing Execution Systems (MES), Manufacturing Operations Management (MOM) and Smart Supply Chain Management (SCM);
- **develop Customer & Service Innovation** to develop human-centric service, build stronger, personalized connection with customers, employees and partners and accelerate the shift to customer-centric services & ecosystems, such as with Direct2Consumer & service-based models…

As a technology partner, Atos also strongly support manufacturers in fully leveraging next generation infrastructures and the convergence of IT/OT technologies, in order to:

- **build Intelligent Manufacturing Platforms** to unleash the business value of data and create more transparent, agile, smart business ecosystems with embedded connectivity, intelligence and automation;
- **develop Sustainable Manufacturing Cloud** to modernize and redesign manufacturing process and connected products in a highly distributed digital world, exploiting the latest advances in hybrid cloud and 5G-powered edge & Internet of Things solutions;
- **ensure Manufacturing Digital Security** with unified risk and security management to fully protect people, processes & assets and provide ultimate digital resilience. Atos brings here a unique know how, in a highly volatile world where security is no more just a matter of protection but of business survival;
- **manage & outsource traditional IT operations** to adapt to fast changing environment and reduce costs to fund agile digital transformation.

Atos differentiates in Manufacturing by providing a vertical expertise also built on years of deep partnership including Siemens, SAP, PTC, Google Cloud, Microsoft, AWS, Pega, Salesforce, among many others. Combined with Atos own highly differentiated IP and solutions, it enables to provide customers with the latest industry innovations, at scale, and in an ultimately trusted way.

2.2.2 Financial Services & Insurance

Atos serves Financial Services & insurrance customer in 44 countries using the talents of over 25,000 experts. The team includes subject matter experts in Financial Services & Insurance (Banking, Capital Markets, Wealth Management, Insurance Risk, Claims, Underwriters, Actuaries, Change Specialists, Architects, etc.) who leverage deep expertise to drive business outcome focused digital transformation for clients. Our point of view on transformation is to start with our clients end-to-end business value streams, their key business challenges and opportunities, and the enabling technologies required to drive new digital business models and value innovation. The Industry builds and develops deep long-term relationships focused on business outcome delivery – whether that be operating as a regulated Financial Services Administrator for Life and Pensions or working with a Savings Bank where the Industry manages over € 180 billion of funds.

2021 has shown strong momentum for the Industry with some notable key wins. Covid 19 has prompted renewed demand in Financial Services for infrastructure services, cloud and digital transformation services as the industry addresses the need to accelerate digital capabilities. In the wake of the crisis there is demand for new digital business models, remote working, transformation of the digital workplace, journey to cloud, and cybersecurity bolstered by end customer shift to **"digital first" services**.

Over the last few years Atos' Financial Services & Insurance market has been undergoing a transformation. Five years ago, the business was primarily Europe based and most of the revenue came from Banking. Today the business mix is very different. This has been achieved through both organic and inorganic initiatives.

Organically, Atos has focused on winning market leading deals by providing **"Business Outcome" based value propositions**. Linking its engagements to business outcomes with identified **Platinum Clients** as part of its business Consulting transformation service.

On top of current business, Atos has invested in several partnerships, acquisitions, and divestments. The results of these strategic initiatives are:

- North America is now the largest geography on a par with Northern Europe;
- its insurance business has grown in double digits and is now circa 25% of the total Financial Services & Insurance business;
- its revenue mix has also changed significantly over the last five years, from being infrastructure oriented to a healthy mix of around half infrastructure and cloud oriented, with the other half coming from applications, digital transformation consulting and systems integration.

Market Sub Sectors

Both Banking and Insurance sub sectors are seeing some common themes and requirements coming through:

- with the shift to digital channels and indeed digital first product design, customer insight is becoming more critical;
- AI has accelerated the automation of the customer interaction as well as driving more STP (Straight Through Processing) and operational improvements;
- cost reduction journey to cloud, security compliance are becoming more prevalent.

Covid-19 has accelerated these trends with contact centers and digital workplace being operated virtually and remotely bringing new security and compliance requirements.

The Atos mission is to help Financial Services & Insurance organizations to transform customer experience and operations, including focusing on decarbonization, by using digital technology to deliver better outcomes for end users and enabling organizations to thrive.

This can be done by taking on mission critical operations and transform them such as for NS&I, Aegon, State Street Corporation, or delivering individual innovation projects such as block chain for MiFID-II reporting, AI driven marketing campaign selection for Amex, and tie that together with infrastructure and application services through the powerful capabilities of Atos.

Decarbonization in Financial Services & Insurance

The focus on decarbonization is happening on three levels. Firstly, regulation is now driving sustainable finance. For example, the European Green Deal objective to be the first climate neutral continent by 2050. There is an estimated €180 billion annual funding gap to achieve this objective and it cannot be done by public sector alone. As part of the Green Deal, the European Green Deal Investment Plan aims to mobilize at least €1 trillion of sustainable investments over the next decade. Secondly, the digitalization of customer experience and operations removes physical infrastructure such as buildings and reduces travel and paper consumption greening the Industry. Finally, the investment & pensions industry needs to be cautious about "funding & reporting" their investments in non-renewables. Recently concluded COP26 at Glasgow has initiated regulations for the Industry to justify continued investment in non-renewables across the entire value chain. This presents an opportunity for Atos to help the FSI clients meet this obligation.

Financial Services & Insurance Expertise and Offerings

- **280+ clients** around the world trust Atos to deliver value. Atos works with some of the biggest names including 15 of the top 20 banks and 11 of the top 15 insurers in the world. Further, Atos is one of the largest third-party Capital Markets service providers.
- With **25,000 experts** including 10,000 in Retail Banking, 5,000 in Capital Markets and 10,000 in Insurance, and Atos actively develops, maintains and runs business-critical Financial Services environments, covering millions of end customers.
- Atos invests in **its own Financial Services' IP** including 20+ accelerators and platforms, such as:
  - Atos SyntBots, a next-generation AI automation platform,
  - Exit Legacy powered by Atos SyntBots for faster, cheaper, and lower-risk legacy transformation,
  - market leading investment accounting product called Apollo which is being used by 13 banks in France across asset & wealth management,
  - market leading clearing product called "Universal Clearing System" being used by one of the largest clearing houses in Europe,
  - PSD2 enablers,
  - Atos ATOM for an Intelligent Digital Platform to develop smart applications with built-in intelligence and automation,
  - Centers of Excellence in Europe, UK, US and India,
  - 2022 targeted development of a business value monitoring framework;
- the **Scientific Community of Industry thought leaders** contributes to Industry understanding about the impact of emerging technologies like quantum computing, AI and IoT. Through its thought leadership and research initiatives, it shares its vision and innovative thinking;
- **co-innovation is at the heart of everything the Industry does** so it can generate ideas and develop platforms, like:
  - its blockchain-based MiFID II reporting tool for UK fund managers,
  - its ready-to-go payment platform that combines High Performance Computing with voice AI to automate operations,
  - its support for Retail Loans Transformation and the shift to Open Banking;
- the **Atos FinTech Engagement and Partner Program** accelerates joint go-to-market propositions between banks, insurers and pre-vetted FinTechs and partners, such as:
  - Atos and IBM have announced plans to further expand their global relationship to help banks and insurance companies address their increased security and regulatory compliance demands when moving their workloads and applications to the cloud. The **Atos Cloud Centre of Excellence** intends to provide technology and Financial Services expertise for clients backed by dedicated Atos professionals trained on IBM Cloud for Financial Services,
  - Know Your Customer (KYC) compliant onboarding and AI-based card fraud prevention tool that includes ID card, biometric and social media verification with specialist solutions such as Hooyu, Pega, Quantexa,
  - Customer Experience & chatbot platform "My Financial Pal 2.0", which allows customers to choose leading-edge personal financial management (PFM) services on any device with platforms such as: Backbase, Temenos,
  - Hyper-agile banking platform for lending, deposits and payments based on cloud architecture, which dynamically create products to build revenues from new market segments with leading banking platforms such as: Finastra, Temenos, Worldline.

2.2.3 Public Sector & Defense

Governments around the world are leading at a pivotal point in human history. The digital transformation of society has been massively amplified during Covid-19. Now, Public Sector & Defense face the challenges of ensuring a sustainable recovery while addressing the calls for effective climate action. Major opportunities lie ahead to leverage better initiatives to create a safer and greener society.

Yet, given the scale and complexities of the demands of this new decade, there is an urgent need to further accelerate governments' widescale digital transformation. Many of the world's most pressing challenges are simply too difficult to address without leveraging the power of connected technologies and data.

- Analysts say that 80% of government organizations are still at initial or developing digital maturity phases.
- 75% of governments will operate more than half of workloads using hyperscale cloud service providers by 2025.

Such digital transformational changes need to be planned and accompanied with the right level of expertise and experience. New digital infrastructures, data platforms and data sources require additional and renewed compliance, sovereignty and security. Each will need to reflect the regulations of different public authorities (e.g., e-administration, education, health and social benefits, border control, public safety, cities).

As a world leader and trusted partner in digital transformation - from high performance computing and cybersecurity to digital workplace, from smart cities to smart defense - Atos brings extensive experience working with public agencies across the globe: in Europe, the United States, Australia, Asia, Middle East and Africa. We help Public Sector & Defense agencies and governments to orchestrate and accelerate their digital journeys for the new age of digital society.

Public Sector & Defense vision: with secure, decarbonized, digital technology, a new world is opening up to public services

Atos Public Sector & Defense ambition is to help its customers to solve major digital challenges they are facing:

- to better serve citizens: Connected agencies, Digital services, Mobile agents;
- to develop the economy: Smart territories, New mobility, Online education;
- to build a sustainable future: Decarbonization, Circular economy, Quality of life;
- to protect Society: Predictive Security and public safety, Digital Defense, Space.

Public Sector & Defense Expertise and Offerings

Atos has the skills and resources to design, build and run the complex architectures enabling the production, analysis, communication and protection of the data its customers need, from local communities to governments and international organizations.

Atos Public Sector & Defense expertise leverages the experience of over 10,000 business technologists, supporting customers from consulting to delivery and operations.

With this ambition in mind and the wish to support its customers Atos has become a founding member of GAIA-X, the European initiative to provide a cloud-based data infrastructure, which reflects the rules and regulations of European institutions and countries with regards to data privacy, data security and data protection. This is a major initiative in data sovereignty.

Atos is also a major contributor to the EuroHPC program, which aims at building European strategic capabilities for future high performance computing capacities. This will ensure EU digital independence while preparing for the Exascale disruption, i.e., when computing platforms will grow from the capability of today's millions of billions of operations per second (the Petascale) to a billion of billion.

Atos is a leader in Smart Cities. Its Urban Data Platform aims to make smart cities a reality by supporting governments in their mission to deliver smart integrated services to their citizens, visitors, and economic partners. This state-of-the-art platform, based on open-source technologies and providing security and data privacy rules on data capture, storage and access, enables a city to benefit from the combination of all data generated by a wide ecosystem of smart city services, applications, and intelligent devices. It manages and publishes data across the city's operational areas – providing a single secure access point and monitoring dashboards for all data-driven services.

Atos has migrated over 190 public organizations to the cloud and is serving its customers across all five continents, in 50 countries. Its partners include all major players in the market, spanning main cloud hyperscalers with Google Cloud, Microsoft Azure and Amazon Web Services and more local technological partners to enable sovereign solutions; software companies such as SAP or Red Hat; hardware companies, in particular Dell Technologies and more. Atos partners ecosystem is enriched by the participation of foundations and organisations, such as FIWARE for smart cities and connected solution, MOSIP for E-identity platform solution which are open-source platform leaders for their respective domains. Atos is also a member of the International Data Spaces Association which has developed a data architecture which allows its users to maintain ownership of the data and which is also part of the GAIA-X initiative.

2.2.4 Telecom, Media & Technology

The Telecom, Media & Technology sector is at the fulcrum of rapid technological convergence that will impact every other sector. Advances in AI are already transforming possibilities for ever more predictive, adaptive and pre-emptive operations and more personalized interactions and customers experiences. The advent of 5G, which will enable an explosion in the use of data and sensors via IoT, will be a critical driver and opportunity for all Telecom, Media & Technology players. The growth prospects for 5G in enterprises are enormous, with the global 5G business mobile subscription count set to rise to 175 million by the end of 2024, up from 500,000 in 2019.[1] As a result, a wave of major investments by Telcos in networks as their core assets is expected by 2025. Subsequently, the move to cloud continues, driven by the critical need for businesses to virtualize and containerize their infrastructures to increase agility and speed to innovate while driving down costs. Edge computing technologies, enabled by 5G, are also evolving fast. The edge market heads for strong growth over the next few years. For example, global revenue for edge devices and networks deployed for AI is set to reach $827.6 billion in 2025.[2] This will shape the evolution of cloud: currently, 80% of all cloud data is processed centrally and 20% on-premise or close to the end customer; by 2025, 80% of all cloud compute will take place at the edge.

As a result of the convergence of 5G, IoT, cloud, Multi-access Edge Computing or MEC and security included, the most significant infrastructure investments by Telcos, hyperscalers (Google, Microsoft, Amazon,) and traditional infrastructure vendors will be at the edge. Telcos are now embracing opportunities to diversify and monetize 5G, for example, offering new services to companies such as computer vision (a field of artificial intelligence that enables computers and systems to derive meaningful information from digital images, videos, and other visual inputs). In the Media & Entertainment sub-sector, traditional companies compete with OTT players as value shifts to platforms and technologies converge with the move to IP protocols. All are competing for advertising revenues together with the mindshare of an audience with expectations of ever richer, more individually personalized, diverse, mobile, and connected experiences.

The impact of Covid-19 has varied across the Telecom, Media & Technology sectors. While traditional media companies have seen challenges around revenue, OTT streamers have grown their subscribers and footprint; the telecoms sector has had mixed fortunes but remains broadly resilient. Most segments of the TMT sector are predicted to regain elements of revenue generation.[3] Covid-19 has accelerated digital transformation; 81%[4] of media and 83%[5] of telecoms enterprises regard digital transformation even more critical than pre-Covid-19. Telecom and media & entertainment[6] enterprises are focusing on building operational resilience and increasing their emphasis on decoupling business and transaction volumes from numbers of operational personnel. Operational transformation through digitalization and automation continues, with the drive to self-service.

1 *5G and beyond: Connecting the dots at MWC20, Omdia, (2020, https://pages.ovum.informa.com/MWC2020-5G-report).*
2 *5G and beyond: Connecting the dots at MWC20, Omdia, (2020, https://pages.ovum.informa.com/MWC2020-5G-report).*
3 *How Media and Entertainment CIOs Can Successfully Address Pandemic-Triggered Disruptions, Gartner, 2020*
4 *The Impact of Covid-19 on the Media Sector, Nelson Hall, August 2020*
5 *The Impact of Covid-19 on Telecoms Enterprises, Nelson Hall, August 2020*
6 *The Impact of Covid-19 on the Media Sector, Nelson Hall, August 2020*

Telecom, Media & Technology Expertise and Offerings

Atos provides a bridge for Telecom, Media & Technology customers between strong, flexible, and agile infrastructures through advanced hybrid cloud services and partner ecosystem, and the ability to leverage data to deliver ever richer, more personalized customer experiences and content. By providing all the components of the infrastructure of the future, Atos is uniquely positioned to support and enable customers in the Telecom, Media & Technology sectors to embrace the opportunities and challenges of technological advance and convergence. Atos combines its transformation offerings with expertise and capabilities in edge computing, next-generation networks, cyber security, and data sovereignty. Atos has invested significantly in both media function virtualization and network function virtualization; these two fields of expertise represent the meeting point of media and telecommunications for on-demand and mobile delivery.

Atos is positioned for the Cloud continuum and 5G investment cycle over the next five years to enable customers across the Telecom, Media & Technology sector to play a new role in the digital economy. For example:

- in the Telecoms market, Atos has worked with world-leading Telcos to offer private MEC solutions combining 5G, BullSequana Edge, IA/ML expertise, computer vision solutions to improve customer experience in retail, manufacturing, and entertainment industries;
- in the Media & Entertainment sub-sector, Atos has enabled Italian national broadcasting to understand, predict and meet individual viewers' likes and preferences with an authentication and content customization and recommendation platform; and Atos has enabled a major media company and theme park operator to improve customer satisfaction, operational resilience, and cost-efficiency by using analytics gathered from sensors on rides with other data sources to achieve predictive asset maintenance and management;
- in the Technology sub-sector, Atos has broken new ground by working in a strategic partnership to enable customers with specialized workloads (Oracle, SAP, VMware) and benefit from a flexible, secure, and compliant public cloud; through a seamless, fully managed Bare Metal as a Service.

Atos continues to invest in its unique partner ecosystem, with hyperscalers such as Google Cloud, Microsoft Azure, and Amazon Web Service, and leading providers in customer engagement such as Salesforce Velocity, Pegasystems and Mavenir

Atos solutions for the Telecom, Media & Technology sector encompass cybersecurity; Secure Decarbonization by Design, and Infrastructure Transformation and Modernization through advanced Hybrid Cloud and Bare Metal as a Service. In addition, Atos' solutions enable customers across the TMT sector to:

- enhance, enrich and personalize experiences and content for audiences, fans, and customers through Customer Engagement Platforms, omnichannel strategies, customized content, digital media, and recommendation engines;
- leverage and monetize data through analytics, artificial intelligence and machine learning solutions and Data Management and intelligence platforms;
- unlock the power of 5G and edge through new ultra-low latency; (private 5G network, private MEC);
- launch applications transformation through the deployment of a digital factory and DevOps;
- accelerate B2B business through white-labeled digital solutions and B2B product catalogs;
- make efficiency gains and performance improvements through process automation, supply chain automation, and predictive maintenance solutions.

In the Telecoms sub-sector, Atos solutions enable fixed and mobile telecoms operators to face the challenges of fixed and mobile convergence and deliver Next-Generation Telecom Networks that drive better customer experiences, cost reduction, new revenue generation, and faster revenue time to market. Solutions for Consolidation, Harmonization, and Transformation of CRM, BSS, OSS, ERP systems enable telco companies rapidly to drive out the benefits of mergers and acquisitions. In the Media & Entertainment sub-sector, Atos solutions enable broadcasters, sports, entertainment, publishing, and digital media companies to engage with their fans and members in new ways through augmented reality, video, and gamification. Through these innovative technologies, the sub-sector can create new revenue streams and business models and improve the efficiency and flexibility of their operations. As the digital landscape evolves, Atos' Broadcast Network Control System (BNCS+) offers broadcasters comprehensive control and monitoring for complex media networks. In the Technology sub-sector, Atos owns and scales its own technologies, including the Atos Bull Sequana S, a high-performance computing platform, to deliver maximum flexibility in terms of interconnect, power, cooling, and covering the widest possible spectrum of applications, delivering high performance, high-volume transactions in memory and leveraged to provide Bare Metal as a Service for specialized workloads.

2.2.5 Resources & Services

In Resources & Services, Atos is present in 50 countries and has a broad scope that spans across a wide variety of sub-markets: Energy & Utilities, Retail, Transportation & Logistics, supported by 18,000 experts.

The ambition of Atos is to bring digital solutions for a leaner and sustainable economy, increasing customer intimacy and generating new revenue streams, accelerating the development of competitive networks and boosting operating excellence through infrastructure & asset management.

Energy & Utilities

According to the *International Renewable Energy Agency*, the total primary energy supply will rise to around 66% by 2050. Energy and Utilities companies are embracing new ways of producing, distributing and ultimately changing the way end users consume energy. Continuous industry disruption has caused Energy and Utilities companies to rely more heavily upon digital technologies. For example, 50% of Energy & Utilities retailers plan to reorganize the customer journey by 2022 to enable faster processes and higher customer satisfaction[1] and 50% of utilities plan to have integrated IT and OT security[2] by 2026.

With 40 years of experience in power generation, transmission and distribution, energy retail, water, and oil and gas, Atos is well positioned to help Energy and Utilities companies thrive in this evolving market. As part of its ambition to become the leader in secure and decarbonized digital, Atos delivers solutions for:

- transforming operations, making them more intelligent and automated; maximizing the productivity of assets; and updating the skillsets of their workforce. Atos digital twin for renewable energy won the Digital Leadership Award at Re ASSET 2020 and has been implemented at an India-based windfarm operator;
- elevating the customer experience for business and domestic customers, improving quality with digital insights, and meeting the demands of empowered prosumers. Atos helped an Italian energy retailer, to rapidly transform its customer experience, reducing time to market for new services by 50% and improving efficiency by 20%, thanks to Europe's first full SAP S/4HANA implementation, using DORA (Digital Operations for Retailers by Atos);
- securing critical infrastructure to ensure worker safety, to protect assets and data from cyber-attacks, and to comply with all regulations. We helped a Spanish gas company, reduce non-technical losses of its gas supply by applying our cognitive analytics platform to the issue of field fraud detection, improving hit rates from 5% to 29%; and
- decarbonizing operations by applying more sustainable and efficient operational methods and embracing renewables. Atos consultants helped a Scottish customer to reduce by 7% the energy use of pumps. Acoustic sensors were used inside pipes at night to increase by 50% the number of leaks detected. We also help an Italian Utilities company by developing a tailored application for carrying out interventions on low voltage power points equipped with new smart meters, to eliminate the repetition of field interventions, improving overall efficiency and projecting a reduction in fuel consumption and the consequent emissions.

1 *According to SAP Customer Experience solutions for industries (https://www.sap.com/products/crm/industries.html?overlay=%252Fproducts%252Fcrm%252Findustries%252Fenergy-utilities.html)*
2 *According to IDC FutureScape: Worldwide Utilities 2021 Predictions (https://www.idc.com/research/viewtoc.jsp?containerId=US45816020)*

Retail & Hospitality

The Retail and Hospitality industries are experiencing transformative changes that are revitalizing commerce. Todays' consumers expect total choice and omnichannel flexibility anywhere, anytime. They want emotional, effortless, and personalized experiences. And they are increasingly concerned with transparency, traceability, and sustainability. They want everything now and are no longer ready to wait.

The Covid-19 pandemic further impacted consumer behavior by dramatically reducing disposable income and, in a longer lasting trend, accelerating the adoption of e-commerce to consumer segments that previously preferred to shop offline. With over 6,000 business technologists and 3,000 industry experts serving more than 350 Retail and Hospitality clients around the world, Atos is well placed to support retailers and hospitality organizations adapt and transform.

Powering the shift from omnichannel to ubiquitous commerce, Atos leverages more than 35 years' experience in this sector to deliver next generation shopping experiences thanks to advances in customer experience, omnichannel and data-driven personalization. Through a network of technology and industry partners, including its strategic alliances with Siemens and Worldline, Atos is reducing cost, increasing transparency and compliance, and decarbonizing retail operations. Through its industry portfolio, Atos is driving innovation and operational efficiencies with a digital commerce platform for seamless omni-channel experience, IoT and connected solutions enabling frictionless and autonomous retail and smarter supply and delivery chains, including warehouse automation.

Transport & Logistics

Mass tourism, globalization, the evolution of complex just-in-time supply chains, and the rise of e-commerce have all helped the sector grow rapidly. However successive economic crises, followed by Covid-19, are now fundamentally reshaping travel and trade, for example, airline transport was severely impacted and retailers and logistics companies accelerated the trend toward shorter supply chains.

Atos is helping over 200 Transport and Logistics organizations around the world to be more resilient with a constant focus on creating value, reducing cost and decarbonization. The International Transport Forum at the OECD estimates that technological disruptions could reduce passenger transport emissions by 76% and lower freight-related emissions by 44% in 2050. Thanks to a network of over 5,000 business technologists and over 30 years of experience, Atos is paving the way to more secure, efficient and sustainable transport and logistics networks.

In the Transport market, Atos boosts customer intimacy and generates new revenue streams with 360° customer engagement and digital platforms and marketplaces that pave way to Mobility-as-a-Service. Atos accelerates the development and competitiveness of transport operators, improves operational excellence and enables new business models for transport infrastructure with smart, connected and data-driven asset management solutions.

Thanks to long-lasting relationships with major Logistics and postal service operators, Atos is a trusted partner delivering integrated, intelligent, and sustainable operations. Atos enhances client engagement and intimacy and drives competitiveness and agility so that customers can adapt to fluctuating demand, while decarbonizing their networks.

2.2.6 Healthcare & Life Sciences

The Covid-19 pandemic has rattled the global Healthcare and Life Sciences market, but let's first understand the challenges that the market faced before Covid-19. There was already an insufficient capacity for demand, which was predicted to worsen. The over 60s population is forecast to double in the next 30 years and those over 80 to triple in the same timeframe. Providing healthcare to the over 80s is five times more expensive than someone in their 30s. Current data for western healthcare systems indicates that more than 40% of the healthcare budget is utilized to provide care for those over-60s. So, if that cohort is going to double, then so is the cost.

In evidence of this, approximately one in three adults globally suffer from multiple chronic conditions (MCCs), with the prevalence of patients with more than four diseases in developed countries projected to almost double between 2015 and 2035. Healthcare expenditures significantly increase, sometimes exponentially, with each additional chronic condition. Factors such as frequent management of appointments at the hospital, increased specialist physician access and when conditions deteriorate, admission to the urgent care pathway and possible hospital admission contribute to the increased costs. This is compounded by prevailing chronic conditions which directly correlate to socioeconomic status. In short, demographics or geographies with lower-income families have a significantly higher prevalence of long-term diseases, with the cost of annual care exceeding their ability to afford access to care.

The net effect of the current and forecasted state of population health is a detrimental and unsustainable epidemiological and economic burden felt by all stakeholders – the payers, the providers and the patients. Solving this problem requires changing how healthcare is funded and delivered and the patient's responsibility for maintaining their health to prevent illness. It's a future where all the stakeholders focus on disease prevention and shift from episodic engagements to support wellbeing, prevention, and early intervention.

There is pressure on the life sciences Industry to move to value-based outcomes and provide factual evidence on the efficacy of the medication. This, coupled with rising R&D costs and a disrupted supply chain due to the pandemic, is a challenging scenario for the Life Sciences sector. Also, due to Covid-19, cancellation of elective surgeries and postponement of ongoing treatments has had a revenue impact on both pharma and medical device organizations. To overcome these challenges, the Life Sciences companies will need direct access to patient data to make improved commercial decisions. Digital technologies are used to collaborate and analyze data, which is then supported by AI to facilitate informed decisions.

Covid-19 has amplified the existing challenges of demand exceeding capacity. It has created newer challenges, including the urgent requirement to identify new treatments, vaccines and models of care that allow vulnerable patients to be treated and monitored remotely to avoid face-to-face contact.

Due to Covid-19, a potentially higher human and economic cost is rapidly emerging from the vast quantity of cancelled elective care procedures that occurred to release hospital beds for Covid-19 patients. The cancellation of such procedures meant that patients with cardiovascular disease and cancer had not received the required clinical intervention, which is estimated to cause significant harm for 50% of cases. The net impact is an unprecedented waiting list for elective care procedures and a threat to human life from such conditions which is forecast to exceed that directly associated with diagnosed Covid-19 cases.

Atos has a vision of a world with a sustainable, high-quality global health system that respects every individual's care journey. Working together with healthcare and life sciences organizations worldwide, Atos is committed to delivering effective solutions that improve the safety and quality of care – from proactive disease mitigation and condition management to prediction, early diagnosis and personalized intervention. Today, there is an increased need for healthcare providers, payers and life sciences organizations to work together to address the challenges caused by Covid-19 and deliver new models of sustainable value-based, personalized and preventative care.

Payments for healthcare provision in a payer-led model must directly correlate with the outcome, rather than the current fee for service model whereby reward is given regardless. In all models, costs must be removed from the system. All stakeholders in the ecosystem must find ways to manage patients with long-term chronic conditions in out-of-care settings to enable risk stratification and identify when clinical intervention is required. This allows providers to focus available resources on the interventions with a clinical and economic benefit for all stakeholders, including the patient.

Digital technology is a critical enabler of all change, and data liquidity is the underpinning element for digital transformation. Organizations must first digitize their data and then make it available and exchangeable with other organizations in the ecosystem. Companies need to build the digital foundation to support the reliance of life-critical clinical processes on digital while ensuring the availability of robust infrastructure to run the services efficiently. This is a critical step in data standardization and end-to-end digitization of processes. It will enable organizations to collaborate effectively by utilizing data both within and outside of their organization and transforming care models and pathways.

In recent years, the concepts of "self-service" and "user-centered design" have been extensively utilized in the digital transformation of many industries. This has enabled consumers to engage seamlessly with company brands to improve consumer experience and loyalty at a lower cost of service. Atos' approach will enable this critical shift from reactive, episodic care to a new paradigm of patient-centric care where people are empowered by technology to manage their health and wellbeing, resulting in improved wellness and clinical outcomes. This will contribute to lowering the demand for services and costs while improving the experience for all the constituents in the healthcare ecosystem.

In an integrated care system, the key components of patient-centric services cannot operate in isolation; just like the body, it's all connected, and a holistic approach is needed. Atos will be the lynchpin of tomorrow's healthcare and life sciences ecosystem, enabling holistic, effective, accelerated and safe digital transformation ushering new, sustainable, value-based, personalized and preventative care models.

Atos is ideally positioned to engage with all organizations in the ecosystem, both individually and collectively, to design, deploy and manage the required new digital systems and services. Its world-leading, end-to-end capabilities will create the foundations to digitize, integrate then transform the ecosystem.

Healthcare and life sciences expertise and offerings

In Healthcare & Life Science, Atos provides unparalleled global expertise, experience and industry-specific offerings to its clients across 46 countries, supported by 12,000+ industry experts.

Its 250 member strong consulting team enables Atos to lead strategic C-suite conversations with its clients to help them navigate the range of challenges they face today. Collaborating with them to develop business cases, design roadmaps for digitally-enabled transformation and offer industry-specific solutions to help create value.

In the healthcare provider market, Atos delivers end-to-end services, including consulting, implementation, managed services, and outsourcing, supported by a differentiating adoption/change management platform, for all health information technology platforms. As customers migrate from systems-of-record to an integration focus model, Atos supports the interoperability requirements and platform capabilities needed to implement new models of care associated with virtual/remote care solutions and digital hospitals. Its person-centric approach enables Atos to support customers in their goals to promote population health and enable precision medicine through analytics and high-performance computing.

Atos works with its customers to modernize applications, automate and improve operational efficiencies and reduce costs in the healthcare payer market, enabling payers to focus on consumer engagement solutions through a combination of robotic and application technologies to provide a digital front door to all health plan services. This includes virtual or remote care solutions to support at risk populations and/or promote member wellness. As member data increases, Atos' computing and analytics capabilities enable leaders to understand their populations better and evolve business models and solutions to achieve optimal business performance and community wellbeing.

In the life sciences industry, Atos is the partner of choice for digital transformation, providing HPC and quantum simulators in the areas of research and genomics. In the drug development area, Atos provide AI for accelerated protocol development and connected plant solutions for transferring technology from lab to production. Traditional and decentralized clinical trials are also supported, leveraging sensors and mobile applications with biomarker modules for data collection. Not least, Atos provides digitization of factories and/or production processes to improve quality and boost production (leveraging I4.0).

To support its world-class portfolio offering, Atos is committed to developing and maintaining the most diverse and valuable partner ecosystem in healthcare. This is particularly important given Atos' belief in a holistic ecosystem approach to transformation and its vendor-neutral strategy, which will strengthen its ability to create integrated data platforms and infrastructure that will underpin connected care systems. Atos healthcare and life sciences ecosystem comprise multinational alliance partners such as Microsoft, Dell and Siemens. Atos also has strong competency centers in electronic medical records (EMR's) with expertise across Allscripts, Cerner and Epic. Atos also offer remote care and monitoring expertise through its collaboration with Teladoc and Huma.

2.3 Horizontal offerings

2.3.1 Atos OneCloud

Organizations continue to face immense challenges with digital transformation. This includes the need for competitive speed and agility, multi-channel customer interaction, and a social imperative to shrink carbon footprint. The scale of accelerated digitalization drives the market for data center consolidation and migration to cloud, while complying with the emergence of new regulations related to data storage and privacy. As consumption becomes more and more personalized and processed in real time, transactions will occur closer to the source, at the edge or distributed across networks.

However, most large organizations were not built in the cloud, and are largely saddled with significant prior investments in technology. To win, business and technology leaders must embrace change and innovate in the face of organizational inertia that is often disguised as risk, technology debt, or budget limitations. Organizations that overcome this friction will become more digital, innovative, data-driven, and socially responsive and will then fully capitalize on huge opportunities.

Having anticipated this shift, Atos invests in various capabilities that are now combined in a unique cloud forward program. Enterprise digital architectures are quickly evolving towards cloud, a mix of data centers, edge computing nodes, and compute and storage services. Atos is uniquely positioned to support customers as the world leader in operating application platforms. Its deep expertise in applications, data, security, and infrastructure is rooted in real-world experience, designing and managing applications for thousands of customers.

Announced in November 2020, supported by a dedicated c. €2 billion investment over five years, **Atos OneCloud** guides organizations on their journey to becoming cloud forward, customer-centric, reaping benefits from modern application services. This strategic initiative combines the unique capabilities of Atos in a powerful one-stop shop, including:

- application modernization skills for the most challenging application environments;
- a global DevSecOps approach at scale, using a distributed digital factory center of excellence;
- cloudOps tools, cloud automation and cloud FinOps capabilities;
- AI/ML expertise, supported by migration capabilities towards cloud native databases;
- world-class leadership in data center outsourcing and digital hybrid cloud managed services;
- unique solutions in high performance computing and cloud edge computing, combined with secure 5G networks;
- a unique bare metal capability, deeply integrated in many public cloud platforms;
- understanding of future European cloud regulations as one of the Gaia-X founding partners; and addressing cloud sovereignty
- focus on measurable and continuous decarbonization of digital platforms;
- Atos talent, carrying 10,000+ digital certifications, providing a deep pool of expertise;
- partnerships with all major cloud providers, both private and public;
- cyber protection through a full set of cloud native compliance and security features;
- business-focused, results-oriented consultancy, from industry experts.

Atos OneCloud one-stop shop offering

Atos recognizes most businesses today will require a cloud-enable approach for years to come. To acknowledge and deal with this reality, **Atos OneCloud** blends cloud advisory consulting, application transformation expertise, prebuilt cloud accelerators, and innovative talents in an end-to-end set of services to help clients navigate and accelerate their cloud journey securely. Through the **Atos OneCloud** initiative, Atos co-invests with clients who want to become more cloud forward, customer centric. Atos and its clients co-develop the **Atos OneCloud Plan**, a customized cloud business case, an industry specific cloud reference architecture and a roadmap for applications, data, and infrastructure modernization. Atos works with customers to develop new cloud use-cases and to lower any cost of migration towards cloud. Equally important, Atos stands behind the plan with the ability to execute from end to end. **Atos OneCloud** transforms and modernizes enterprise applications to be agile, mobile, rooted in analytics, and built in the cloud. From on-premises to private cloud and public cloud. Finally, Atos has introduced **Atos OneCloud Sovereign Shield**, to support digital sovereignty needs of industries and governments worldwide. It is a set of solutions, methodologies, operational Cloud Services enabling clients across the world to meet the challenges of managing their data in the edge to cloud continuum, in line with the highest jurisdictional data governance requirements.

Customer benefits

The result for customers from an **Atos OneCloud** engagement will be a future state-of-the-art digital footprint optimized across on-premises, private cloud, and public cloud platforms, customized to fit the client's unique business needs including:

- results-focused roadmap to become more cloud forward;
- innovative digital hybrid cloud approach suited to large scale enterprise;
- speed to market through the use of prebuilt technology tools;
- increased agility to continuously prioritize high value change;
- ROI driven investment that avoids expensive one-time costs;
- assurance that your data and systems are safe;
- reduced carbon footprint.

Atos' conviction is that its customers will be simultaneously in and out of the cloud for years to come, as not all workloads are right for the cloud. Atos is committed to supporting its customers with pragmatic steps and brings a full toolbox and deep expertise.

Cloud partnerships

Atos OneCloud is delivered by Atos in close collaboration with a world-class partner ecosystem including Google Cloud, Amazon Web Services, Microsoft Azure, SAP, Dell, VMware Salesforce, ServiceNow and IBM - Red Hat. The ecosystem is built to allow customers to implement new technologies at speed and to reduce implementation risks. All partners actively support the **Atos OneCloud** initiative and are ready to deliver their market leading cloud technology and business solutions. Customers will benefit from the close integration of these leading cloud capabilities. By bringing together the world's leading cloud providers, Atos is able to design and integrate a cloud business platform capable of delivering any business challenge. The ecosystem of **Atos OneCloud** partners is fully committed to actively contributing to decreasing the required upfront investments and to bring solutions to train IT staff to make optimal use of the new technologies.

2.3.2 Business critical applications

Business-critical applications are increasingly crucial to the success of Atos customers.

Sometimes also referred to as mission-critical applications having consequences on the overall business of a company, they have been part of our customers' digital landscape for many years. Indeed, applications such as ATM management in Financial Services, ERP in Manufacturing or reservation systems for airlines are good examples of business-critical applications that have been around for a long time.

Put simply, a business-critical application is an application in which failure to perform may result in financial loss, legal exposure, customer dissatisfaction, company reputation impact or important loss in productivity.

Managing business-critical applications has always been an important responsibility for digital organizations, most often associated with avoidance of downtime and therefore implementation of techniques such as software and hardware fault-tolerance or disaster recovery planning.

We see two major trends which are changing the nature of business-critical applications and expanding their reach. The first one is the emergence of new business models that are fully underpinned by critical applications. This trend is mainly driven by the Internet of Things (IoT). The second one is the growing role of cloud computing as the deployment model for such applications, for the innovation and the flexibility that it provides.

The commercial IoT market is expected to increase from \$540 billion in 2019 to \$805 billion in 2025, a CAGR of 10.6%[1]. The most relevant market solution segments identified by this research are smart metering, smart cities and condition monitoring, a clear indicator of which applications are becoming more critical for businesses and public organizations.

Such applications have contributions in many domains, whether it's factory automation, logistics optimization, warehousing management or customer service, enabling more dynamic business models. In this new application landscape, connectivity and scalability become critical success factors as well, and intelligence is leveraged over a wider network of devices, from the cloud and the data center to the edge.

This has also changed the nature of ERP, no longer just a reporting or planning tool. It has evolved into a digital core that directs and orchestrates data and business processes, becoming the backbone for business innovation.

1 *source: Global Data, 2021*

This transformation is accelerated by the cloud, which has become the platform of choice for this digital core. Early in 2021, Atos announced full support for RISE with SAP, which delivers business transformation as a service in a comprehensive package to redesign business processes and reduce complexity. Over the year, we have transformed our own operations and migrated all 42 Atos' SAP S/4HANA business critical systems to SAP S/4HANA® Cloud, private edition over Microsoft Azure.

Supporting today's new breed of business-critical applications requires several key capabilities.

One of the most important requirements is an ability to constantly monitor the behavior of the business service, so that corrective or proactive actions may be taken.

This is something that is increasingly difficult to do as applications frequently involve a complex combination of distributed front and back-end services, sometimes operated by third parties. This requires abstracting the IT process in order to monitor the actual business process through the KPIs that are critical to the business.

This is an incremental, partner-like approach closely linked to the digital transformation journey of its customers which Atos executes by bridging its client's application landscape to its strategic monitoring platform. This allows for tracking predictable, normal or abnormal behaviors through powerful machine learning models. This not only enables Atos to give its customers full visibility of business outcomes but is also a great opportunity for them to imagine new ways of operating and reinventing themselves.

In line with this approach, Atos' strategy is to build end-to-end solutions for innovative business-critical applications.

Its packaged digital IoT offerings allow companies to drive critical business outcomes across several industries. This is based on the concept of a digital twin that provides feedback and insights through simulation and artificial intelligence for continuous process improvement.

Such end-to-end solutions have enabled a large pharmaceutical company to improve vaccine certification success by 14%, and a large shipping company to record significant fuel consumption savings, increased asset utilization and availability as well as further cost reduction through vessel route optimization and predictive maintenance.

In the realm of ERP, Atos has developed an enduring partnership with SAP for more than 35 years. Over 6200 SAP projects have not only made us end-to-end masters of the SAP technology, on top of that we have built unique integrated (industry specific) accelerators to help our customers unleash and manage the new business potential inherent to SAP S/4HANA fast and with confidence. Additionally, Atos brings unique bare metal capabilities with its SAP-certified BullSequana S high-performance servers and achieved advanced SAP specializations for Microsoft Azure, AWS and Google Cloud to further accelerate a fully managed, secure and decarbonized transition to the cloud for business-critical applications.

Atos is ideally positioned to address the growing needs for business-critical applications:

- Atos provides its customers with deep understanding of their business processes ;
- Atos' end-to-end approach allows it to combine the full set of technologies that are needed to create advanced business-critical applications, including AI/ML, edge, cloud and IoT connectivity;
- Atos focuses on resilience and performance: such applications when deployed at scale need an outstanding performance level, given their criticality, and its track record in managed services combined with the strategic monitoring platform deployed fully address this need;
- Atos provides solutions that are secure by design and address the growing needs for decarbonization, allowing low CO_2 levels to become one of the key business KPIs of business-critical applications;
- Atos' partnership ecosystem plays an essential role in allowing it to source and integrate all necessary components of often complex architectures;
- Atos' global leadership on cyber security and through a full set of cloud native compliance and security features protects business critical applications and data.

2.3.3 Digital platforms

Digital platform ecosystems are the enablers of digital business value creation and exchange. They establish an environment for trusted networks of suppliers, partners and customers to co-operate and monetize data-driven interactions.

The challenge is to build scale and business value through customer intimacy and alignment but there are many more sensitivities over intellectual property, data sovereignty and ownership, trust and value sharing.

We now see the emergence of data-driven business ecosystems - a next generation of peer-driven platform thinking. Although this new model is unlikely to usurp that of the current platform monopolies, it has the potential to offer significant complementary routes to value creation: value that can only be sustained when all involved organizations share a mutually beneficial relationship.

Platforms are an enabler for growth and for creating agility and resilience within extended supply chains – critically important attributes for post-pandemic industry recovery.

To underline the importance of platform ecosystems, Atos has combined its capabilities in this space into a newly formed "Digital Platforms" unit, which focusses not only on Atos' own platform developments but drives the significant opportunities with key Atos platform partners, such as SAP, ServiceNow and Salesforce.

In 2021, Atos has made significant progress to become a neutral and secure enterprise data platform operator. With the launch of the Atos Digital Hub Atos provides a one-of-a-kind solution whose primary objective is to serve as an accelerator for the building of ecosystem platforms.

The Atos Digital Hub aims to enable and orchestrate value chains within extended data-driven ecosystems. Ones in which stakeholders of the ecosystem (organizations, partners, suppliers and customers) can build, manage and monetize services with transparency and contractual guarantees of how data will be used and protected. In addition to using analytics and AI to help unlock the value of data, the framework allows for the creation of business services based on federated data, with a set of predefined blueprints supporting diverse industry models.

Atos' proven track record in running business and technology platforms for customers like NS&I and the Olympic Games, shows its ability to rapidly scale up operations on-demand and maintain the security and integrity of operations – key requirements for building trust amongst industry platform participants. Instead, Atos can act as a trusted provider of services relating to the exchange of sensitive and valuable IP. This is an important factor in Atos' engagement in the development of sovereign cloud services particularly with data and cloud communities, such as GAIA-X data space consortiums and IDSA partners, to foster innovative business solutions which use fair and sovereign usage of data. In this context, the Atos Urban Data Platform is an example for the successful implementation of a digital platform model in the public sector. Through its industry vertical organization, Atos is uniquely positioned to support businesses in their specific platform needs with several initiatives in progress:

- Healthcare and Life Sciences: offering more personalized and efficient care paths for patients thanks to interoperable clinical care platforms that enable a wide community of healthcare professionals and healthcare institutions, laboratories or government agencies to exchange valuable health information – further advancing the development of healthcare standards and overcoming system disparities;
- electric vehicle charging: federating data from energy suppliers, charging station operators and car manufacturers, so that users can get seamless access to any charging and related payment service;
- tourism: creating a collaborative environment which aggregates the offers from a wide range of local tourism players (flight services, restaurants, shops, events venues) thereby increasing the brand value of the destination and generating more revenue across the ecosystem;
- decarbonization: allowing enterprises to simplify and automate the collection, calculation, reporting, data analysis and visualization of their carbon emissions across entire supply chains; and working with audit and certification bodies and local governments, to establish a transparent approach to data sharing and exchange.

2.3.4 Customer experience

Customer Experience

The pandemic shifted business interactions online, including businesses and customers who preferred physical, analogue, or traditional modes. Businesses are under pressure to deliver excellent experiences and are levelling up design teams, data and agile whilst scaling their delivery capability.

Customer experience investment is growing, delivering revenue growth & shareholder value and global businesses are anticipating 200% returns and 14X times increased immersive experiences in the next 10 years. Today's enterprise will have to compete with born digital companies to deliver customer experience (CX) in a simple, intuitive, and personalized way, embedding and integrating new technology like augmented reality, AI and real-time data.

Atos is in the heart of this huge transformation and is geared to the $700+ billion estimated 2023 spend in CX by the global businesses. **We are experience creators**. The Group helps clients across a wide range of industries leverage customer experience to build customer advocacy, develop new revenue streams from digital channels and maximize the ROI from digital technology and platforms to successfully compete with "born digital" companies.

Excelling in experience creation is neither simple, straight forward nor easy, it requires a holistic mindset & approach:

- **multiple domains** need to be brought together in CX – strategy, insight, design and transformation;
- optimal customer experience requires an **emergent** approach and ROI;
- requires **left and right brain,** creativity and structured approaches;
- needs to consolidate **fragmented** customer ownership and data across the business;
- improve the lack of **appetite** for disruptive innovation and Internal **resistance** to new ways of working;
- need to acquire leading immersive, design and data **people and skillsets**;

- large **legacy** technology needs to be eliminated and new age agile development practices needs to be embraced to slow **time to market** of CX change, low proactivity.

As Experience creators, we partner with our clients through the cycle of data insights, digital production, and experience transformation. Atos leads the business on the CX journey, from the strategic plan on vision, target value propositions, innovation and ROI, to insight, design, delivery, adoption and outcome realization. We design and deliver experience transformations across five experience pillars, driving adoption & success:

1 **Design -** Service, Product & Journey Design/Customer Experience Transformation/End User **Experience Audit**;

2 **Development -** Front-end, portals & product development/Atos product acceleration;

3 **Platform Design & Acceleration -** Content, ecommerce, immersive, insight, marketing & channel platforms;

4 **Immersive Experience** - 3D/AR/MR design & implementation/Innovation accelerators;

5 **Intelligence & Optimization -** Analytics & AI/ML insight on customers and orchestration.

Atos' CX solutions apply behavioral science, cultural change and outcome realization toolkits to design, deliver and monitor delivery of business outcomes and high adoption of new experiences. Atos has invested heavily in building its **customer experience labs** and developing IP-driven solutions that enable the Group to stay ahead of the capability curve and leverage emerging technologies like "no User Interface" and mobile edge computing to develop futuristic customer experience solutions for its clients.

Atos customer experience transformation services have delivered outstanding business value to clients.

The Group transformed a 180-year-old bank in the United Kingdom into a **digital bank** – driving 3 times more traffic and securing more than 170,000 new customers and £1.6 billion deposits in a short span and 47% improvement in Net Promoter Score (NPS)

Atos also built the "**Store Inventory Management**" platform for a U.S. grocery retailer that improved inventory accuracy by 70%, reduced stock-outs by 250% and Unified data source to provide single source of truth for ordering the items for teams next to stock management

For a leading U.S. auto parts retailer, Atos created a new digital line of business to serve the B2B market segment. The **B2B digital platform** services promises delivery of a spare part within 23 minutes of ordering. Additionally, we generated a 45% increase in order conversion and reduced the client's carbon footprint by optimizing delivery logistics.

With more and more of our daily lives conducted online and via a variety of connected devices, the Group believes that customer experience represents a huge opportunity. As new technologies enter the customer experience arena and Atos' full spectrum of services in delivering **Secure and Decarbonized Digital services**, Atos is well positioned to capitalize on its world-class consulting and systems integration expertise to help clients navigate the future evolution of the customer experience.

2.3.5 Employee experience

Employee experience is a strategic priority for organizations that recognize the importance of engaged employees to enable top line growth. Today's digital solutions must directly enhance the quality of working life, employee wellbeing and productivity for all employees, working anywhere, as part of an inclusive, accessible and decarbonized way of working.

Atos has established a Digital Employee Experience strategy designed to meet the demands of the new normal, delivering a step change in digital experiences, powered by a combination of innovative digital workplace and Unified Communications and Collaboration services. The result is an optimized workplace that is both attractive for employees, personalized, efficient and cost effective.

In 2021, Atos launched its "Engaged Employee Experience" initiative, answering the evolution of the ways of working following the pandemic in 2020 and organizations pivoting to hybrid work. Atos is helping organizations to rethink the way to enable frictionless working, accelerating the transformation of the workplace, with the major focus on the overall employee experience, wellbeing and productivity, wherever people are working.

As enterprise organizations shift their thinking towards digital employee experience and respond to the demands of the "new normal", Atos has invested in adapting its portfolio of services with the creation of a Digital Experience Platform, designed to deliver core employee experience service components:

- communication & collaboration reimagined: enabling inclusive ways of connecting, collaborating and communicating, accelerating user adoption with organization change management combined with a focus on user adoption at scale of new more productive ways of working;
- cloud based UCaaS solutions as well as cloud enabling contact centers: transform voice platforms, enable video conferencing and reimagine the workplace and meeting room environment;

- intelligent Care Center: changing the way end users are supported, leveraging AI, sentiment and cloud-based technologies to deliver a personalized, omnichannel, support experience that enhances the way users are cared for and kept productive;
- Atos Proactive Experience Centers: using data to transform the way customers are supported with modern service models underpinned by Experience Level Agreements (XLAs) and outcome-based contracts, that better reflect user experience than traditional IT measurements;
- Secure Modern Workplace: enabling users to work securely from anywhere, embedding zero trust solutions and modern, cloud-based solutions, removing dependencies on legacy and on-premises infrastructure;
- employee experience and wellbeing services: simplifying the ways people work, everyday experiences and user journeys (e.g. onboarding), listening to the voice of the employee, resulting in measurable performance improvement, whilst focusing on employee wellbeing and health;
- decarbonized workplace experiences: helping organizations reduce the carbon impact of workstyles and technology, reducing the impact of the workplace technology specifically as well as changing the way people work, reducing each and every employee's carbon footprint.

Atos is strongly positioned to help organizations embrace employee experience as the new normal, reflecting on the new requirements for the future as a result of the unprecedented events of 2020. As a global leader in digital workplace services, at the forefront of technology innovation, with service excellence delivered at global scale, Atos has built the required capabilities to support the needs of its enterprise customers:

- investment in Employee Experience and Digital Workplace Services offerings, that deliver standardized end to end capabilities to support the complete Employee Experience lifecycle;
- Over 15,000 experts in Digital Workplace and Employee Experience services globally ready to support customers wherever they are on their journey, from advisory and consulting, design and implementation to managed services and support. This includes specialist skills and expertise in inclusion and accessibility as a core component of Atos' employee experience capabilities;
- an ecosystem of partners that contribute to the Atos' Digital Employee Experience platform, including Microsoft, Google, Dell, VMWare, Nexthink and importantly for collaboration and communication, strategic partnerships with Ring Central and Nice InContact;
- industry specific offerings, that focus on transforming the way employees work in specific work environments, starting with industry specific design thinking, personas, and journey mapping. Atos is already accelerating in this area with focus on creation of specific business solutions for customers, examples include: supporting frontline workers in manufacturing and providing specific collaboration solutions for healthcare professionals.

Digital Workplace and Employee Experience services should represent a growth area for the next 3-5 years and has become a strategic priority for almost all organizations. Atos is perfectly placed to capitalize on this opportunity, transitioning from its current position of Digital Workplace leader to the remote leader in Employee Experience, a clear strategic priority and growth driver.

2.3.6 Digital Security

Ensuring digital resilience in the real world

Resilience is an increasing challenge for public and private organizations, the systems they rely on and the societies they belong to. Since 2020, the Covid-19 pandemic has impacted every person and organization in their private and professional life. For many organizations, this proved to be a "perfect storm". When disasters target people and infrastructure, traditional "nines" calculations become obsolete. Lack of resilience has a disastrous effect on coordination and responsiveness, preventing the accomplishment of critical missions. This is compounded by opportunistic attacks – in 2020[2], malware increased by 358% overall and ransomware increased by 435% as compared to 2019. Even bedrocks of national cohesion such as defense and public safety were impacted, with emergency call volume rising to 40%, resulting in a +19% rise in response time in some large cities in the first quarter of 2020.

The digital landscape is evolving continuously; digital and physical world interlock more and more with smart cities, smart buildings, connected cars, autonomous vehicles. As a result, digital risks are impacting the physical world and we see cyber-physical security incidents (CPS) emerging.

In this context, efficient protection of systems and infrastructures can no longer be viewed solely through a purely "virtual" IT angle. In defense, cybersecurity is both a requirement of connected military systems, and an emerging weapon class, part of multi-arms offensives. Public safety is increasingly digital with coordinated and responsive NG911/NG112 systems. In all industry domains, the explosion of the Internet of Things and connected objects, but also the convergence of the OT and IT worlds, are making the physical/digital distinction increasingly meaningless. In manufacturing, operational technology is now connected, directly or not, to the external network.

Building resilience therefore no longer stops at the activities necessary to protect network and information systems and users of such systems against cyber threats. It needs to go beyond that.

Atos considers that the worldwide sea change calls for the structure and implementation of holistic digital security, based on integrated solutions and large security systems up to these cyber-physical challenges.

For Atos, digital security means first the activities necessary to protect assets, to safeguard the functioning of our daily lives, through both cyber and physical means, and second at building resilient systems that are essential for the economy, society, and critical infrastructure.

This requires multi-disciplinary teams and solutions that anticipate complex real-life risk scenarios to ensure protection, using advanced technology, skills and industry knowledge.

Digital security trends and challenges

With **digital transformation** increasing within organizations, and an overall growth in the cybersecurity market estimated at 10%, Atos has identified the **following five main growth pillars**:

- managed detection and response: Gartner is forecasting a CAGR of 20.2% being one of the fastest growing sectors in cybersecurity;
- IoT security: with the exponential growth of connected objects the IoT security market is expected to grow at 44%;
- operational Technology (OT) security: with an increasing number of cyberattacks, and adoption of Industrial Internet of Things (IoT) technology, this sector promises to grow dramatically over the next 5 years at about 42%;
- cloud security: as part of digital transformation, all companies have moved or are considering moving to the cloud, the Group still expects a high growth of more than 30% for the adoption of cloud infrastructure in the coming years;
- data security: data protection activity is expected to grow at about 16%. As data is one of the most important assets fora company, ensuring its protection when moving to the cloud or stored on premises is a key concern.

Conversely, organizations in charge of protecting critical assets deploy increasingly elaborate systems, which must have guaranteed resilience and responsiveness. This results in a sharp rise of digital-enabled systems – bringing complexity that can potentially create new vulnerabilities. Purchases by defense organizations of C4ISR systems, which provide situational awareness to deployed forces, are expected to reach $119 billion in 2022, with a CAGR of 3.5%[1]. The overhaul of public safety systems, which are undergoing a worldwide next generation renewal, is driving an anticipated homeland security market increase of $846 billion in 2025, with a CAGR of 6.3%[2].

1 *https://www.marketsandmarkets.com/Market-Reports/c4isr-market-1315.html*
2 *https://www.marketsandmarkets.com/Market-Reports/homeland-security-emergency-management-market-575.html*

Security as a business enabler

In 2021, cybersecurity is the top 1 priority of CIOs according to Gartner CIO survey.

71% of CEOs say that their organization sees information security as a strategic function and a source of competitive advantage.

In this context, it is vital for organizations to ensure that digital security is embedded by design in their processes and ways of working and not as an add on. This will provide organizations a competitive advantage and help them build strong cyber resilience in the long run. To enable this, digital security needs to be developed specifically for the organization answering the business challenges, processes and strategic decisions they may face. This is why a tailored industry-led approach is so vital.

According to IDC by 2024, 40% of enterprises in Europe will include digital sovereignty requirements in their proposal requests. In this context, security is a key enabler and Atos is well positioned to bring a layer of trust with its own products and technologies while leveraging its partnerships to provide the needed level of sovereignty according to its customers' requirements.

Atos skills and assets

Atos is uniquely able to deliver digital security, based on integrated solutions and large security systems, with a broad portfolio of skills and technologies, already deployed worldwide to protect a vast number of critical assets.

Atos end-to-end security expertise, strengthened by very active R&D in Identity and Access Management, encryption and Internet of Things security as well as an expertise in analytics technologies enables Atos to set up predictive and prescriptive security analytic solutions that are very innovative within the market. For its customers, Atos manages the whole security process, from consulting to operation, and is recognized as a trusted partner of organizations. Indeed, it benefits from its own technologies and meets the concerns of security specialists, executive management and business functions. Drawing on its own skills and technologies, and aided by a network of partners, Atos can design and implement complex protection systems, including physical, logical and communications components, deployed over an organization, a region or an entire country.

Unique mastery of cyber protection, via logical and physical means

Atos offer builds around three core value assets to accompany businesses on their journey to thrive in the digital age of security, transparency and trust. Its products complement and integrate with each other to create a comprehensive security platform around three key aspects: identity, access and data. With its Evidian Identity and Access management products and its IDnomic for Digital Identities products Atos ensure integrity and reliability of the identities of people, objects and transactions. Atos has completed the acquisition of Cryptovision in 2021 to reinforce its trusted partner positioning on digital identities. Ensuring right people access the right application at the right time and keeping control over identities is key. Evidian helps controlling and simplifying the access to the workplace. Trustway encryption solutions protect company data – one of the most important assets for companies today. All Atos products are developed and manufactured by its own teams located in Europe. With the highest level of certification, they are best positioned to ensure protection of the critical assets of the organizations.

Strong knowledge of the human and physical component of system protection

Recognized by industry analysts as number 1 in Europe in Managed Security Services (MSS) and number 2 in the world, Atos anticipates and responds to cyber-attacks on behalf of its customers. In 2020, Atos has acquired Paladion a leader in Managed Detection and Response, becoming leader in this area with its own IP (Aisaac platform). Atos also expanded its cybersecurity capabilities in 2021 with the acquisitions of Motiv a leader in Managed security services in the Netherlands, In Fidem and SEC Consult highly skilled consultants in cybersecurity based respectively in Canada, Europe and APAC. With more than 6,000 experts in the world and 15 Security Operation Centers (SOCs), Atos helps organizations to implement and operate constant and efficient security solutions so that they can remain focused on their core business. Experience in delivering full-system protection of people and assets for the most demanding scenarios

Atos delivers technology and systems designed for "extreme" environments of defense, homeland security, utilities and manufacturing. Atos designs and deploys private critical communication infrastructure including next generation 5G systems, which our engineers are deploying wirelessly worldwide. Atos is designing rugged high-tech components for on-board usage, in both civilian and military vehicles. These solutions perform processing and signal analysis for fast reaction in the field. Lastly, Atos designs a range of command and control software for military combat, public safety and intelligence missions.

2.3.7 Decarbonization

The global move to net-zero as a result of the climate change challenges in the last 12 months is clearly gathering pace, with increased public awareness, urgency and importance. The ability of business to transform to sustainable operations is both essential to manage risks relating to climate change, but also an opportunity for competitive advantage.

All indicators suggest that the sustainability market for technology is a major growth area. Two reports, for example, indicate 21-26% Compound Average Growth Rate (CAGR):

- Allied Market Research states the global green technology and sustainability market size was valued at $10.32 billion in 2020, and is projected to reach $ 74.64 billion by 2030, growing at a CAGR of 21.9% from 2021 to 2030;
- MarketsandMarkets states the global Green Technology and Sustainability market size to grow from $11.2 billion in 2020 to $36.6 billion by 2025, at a CAGR of 26.6% during the forecast period.

One pivotal event in 2021, where Atos was present, was COP26 the 26th United Nations Climate Change conference held in Glasgow. Several notable agreements were achieved at the conference to further accelerate climate mitigation and adaption plans and specifically, to strengthen emissions reduction targets for 2030 by next year, rather than in 2025 as per the five-year schedule set out under the Paris agreement.

Some highlights in the outcomes of COP26 included:

- large emitters have committed to reducing greenhouse gases with China committed to reach carbon neutrality by 2060, Australia and Saudi Arabia announced net-zero targets in 2050 and 2060, respectively. India and Nigeria also committed to reach net-zero by 2070 and 2060 respectively;
- the United States launched a global methane pledge along with the European Union, signed by over 100 countries to cut methane emissions by 30% by 2030 from 2020 levels;
- governments have partnered with businesses on major multinational pledges such as a commitment over 140 world leaders to halt and reverse deforestation by 2030;
- a bottom-up process where businesses push for more action took place, following an open letter of over 700 businesses (including Atos) urging G20 leaders to take action to limit global warming to 1.5°C, which resulted in the whole G20 committing to end international coal financing in 2021;
- multinational initiatives to phase out coal emerged with many countries and businesses committed to phase out coal and invest in renewable energy;
- article 6 of the Paris Agreement was finally adopted marking an important breakthrough for carbon markets.

Announcements at COP26 reaffirmed the goal to pursue efforts to limit global warming to 1.5°C but it is essential that the commitments translate into clear policy measures and are implemented with no delay.

In its participation and engagement at Glasgow COP26 Atos highlighted increasing evidence of the role that new and emerging digital solutions play in helping organizations of every description reduce emissions.

Atos ambition

Atos' ambition remains to be a global reference in secure and decarbonized digital providing customers with the most comprehensive, end-to-end decarbonization capabilities on the market to enable and accelerate their journeys to net-zero.

It has already developed, and is now evolving, a market leading AtoZero portfolio, which has been fully embraced both internally and with its clients and stakeholders.

The acquisition of EcoAct, an industry-leading consultancy in the area of net-zero advisory and climate finance, is proving successful in accelerating both our internal sustainability program but also adding a unique climate expertise to complement our digital capabilities.

Atos skills

The AtoZero portfolio is driven through and supported by the global Net Zero Transformation Center of Excellence, which is distributed across 9 hubs in total: 5 in Europe (Paris, Lyon, Barcelona, London & Munich), 2 in North America (New York & Montréal) and 2 in Asia (Chennai & Singapore). The Center will allow customers to leverage Atos' global skills, resources and network of more than 200 experts to create their own path towards becoming a net-zero, resilient business. To meet the rising adoption of net-zero emission strategies, Atos is looking to grow its net-zero transformation team to 500 experts by the end of 2022.

Atos is also leveraging its Scaler Accelerator program to support our customer decarbonization needs where one of the selection criteria for our candidates is how they contribute to a decarbonized digital world. Hence, we onboarded 3 new decarbonization-related companies in 2021 Circular Computing (who developed the world's first remanufactured laptop), Carbon Minds and Woop.

Decarbonization portfolio offering examples

- Atos reduces the carbon emissions in its customer's business processes through the market leading advisory services of EcoAct, an Atos company;
- Atos MyC0_2Compass carbon data platform to accelerate clients net-zero ambitions carbon Data Management and reporting across many digital technologies and all scopes of customers' carbon footprint;
- Atos Digital Decarbonization Assessments asses its customers current carbon maturity and builds a roadmap to achieve their carbon goals and ambition;
- Terra[2] mobile application for policy makers and governments, providing data from satellite imagery offered by Atos' satellite Earth Observation Platform Mundi Web Services, the world's largest earth observation program;
- Atos designs technology solutions such as sustainable cloud, decarbonized workplace and other technology solutions with decarbonization at their core;
- Atos designs and partners with industries to build decarbonization business solutions such as the launch with BASF of a digital solution for companies in the chemical and process industries to identify, monitor, and eventually reduce the carbon footprint of chemical products;
- Atos Decarbonization Level Agreements being built into its managed service contracts which contractually commit to a carbon reduction target and/or offsetting;
- EcoAct, an Atos Company, provides climate finance for Nature Based Solutions, neutralizing the residual carbon emissions customers haven't yet removed from their own operations and value chains.

2.4 Innovation and ecosystem

Atos fosters innovation as a key element of our customers' digital transformation.

By combining our technology expertise, high value-added services, and long-term vision with that of our ecosystem, we are developing our open innovation approach to build the best solutions to support our customers' digital transformation.

Atos' innovation strategy is driven by the Chief Technology Officer and is based on the orchestration of our scientific and technological expertise with that of our ecosystem. We consider 4 main sources of expertise that contribute to shaping the vision of our Group.

- the **Business Experts**, whose particularity is to understand and anticipate the main societal changes that will lead to the next challenges facing our clients. They are mainly made up of our Scientific Community;
- the **Technological Experts** whose mastery of technologies allows them to anticipate their evolution and understand how they will be an enabler to help our customers to move forward;
- Nurture by their anticipation of technological trends and their knowledge of the market, our community of **Chief Technology Officers** defines the Group's research and development strategy and draws up the technological roadmap;
- to provide ourselves with the best and cutting-edge solutions on the market and to meet our customers' challenges, we integrate into our approach **external stakeholders** such as our customers, our strategic alliances, research institutes and universities, and the start-ups of our Scaler Accelerator.

The coordination of all these skills and expertise is the Atos driving force.

Atos continues to invest heavily in R&D. The Group has also strengthened its position as a global leader in digital services by acquiring companies with a strong mindset and technological know-how, in Cloud, Big Data, Mobility, cybersecurity and Decarbonization. This enables Atos customers to transform their businesses globally using digital technologies. Atos' R&D investments of approximately €1 billion over 4 years are enabling the development of market-driven solutions around eight strategic technologies. It also enables us to manage a portfolio of 3,000 patents and a unique ecosystem of partners.

2.4.1 Scientific and technological Expertise

Driven by the analysis, understanding and anticipation of upcoming societal, business, and technological disruptions, Atos' innovation strategy relies on two key organizations: The Scientific Community created in 2009 and the Expert Community created in 2017.

- The **Scientific Community** brings together around 175 of Atos' top business experts. With their rich mix of skills and backgrounds, community members work together to anticipate upcoming societal, business and technology disruptions and to craft Atos' vision of the future business and technological challenges that its clients will face. The Scientific Community brings together the Group's "creators of change" whose research can be found in various publications: white papers, blogs and the much-awaited **Journey Thought Leadership report**, the latest edition of which *"Journey 2024 - Redefining Enterprise Purposes"* shares its vision of the future of technology in the economic domain and anticipates the trends and methods that will contribute to reshaping business and society in the years to come.

The 3-to-5-year vision of the Scientific Community is underpinned by a 1-to-3-year technology perspective of the Expert Community, which analyzes the key emerging technologies and develops adoption strategies for both the short and long term.

- The **Expert Community** includes nearly 2,600 technology specialists. They are distributed throughout the world as follows: 8% in North America, 18% in Northern Europe, 21% in Southern Europe, 24% in emerging countries and 30% in Central Europe. Their expertise belongs to one of the 8 strategic technologies identified by the Group and is classified according to four levels of expertise (Expert, Senior Expert, Distinguished Expert and Fellow). The Expert Community develops the expertise, talents, and experience of our leading experts, providing them with a working environment in which they can learn and collaborate, resulting in disruptive innovations beyond the boundaries of the organization. They define the TechRadar, which aims to identify the major technology trends for the next 4 years and understand their impact; but also, the Industry Radars, whose prism is based on understanding the main challenges of our customers in the coming years and how technology will drive change.

Both communities contribute to patents' creation, to the development of the personalized innovation journey that we offer to our clients and partners, from workshops' animation to the development of proofs of concept.

Atos' relationships with the **academic world and research institutes** help to drive its R&D and business.

Atos has developed a framework for engagement, including the following activities :

- organize joint R&D aligned on major technological axes (quantum computing, high-performance computing, cybersecurity, Artificial Intelligence, decarbonization, climatology) as well as specific developments for industries (precision medicine, industry 4.0, etc.). In 2021, two strategic partnerships have been signed with Inria and CEA, and others are being developed in France, Germany, India, and the United States;
- integrate PhD students into Atos teams to put their research topics into practice, in particular around quantum computing, high performance computing and artificial intelligence;
- teaching and other curriculum-related activities. Many Atos engineers teach at universities in their countries;
- setting up university chairs with joint customer funding (e.g., industrial chair with CEA, co-funded by the French National Research Agency (ANR), with the aim of developing research and innovation in quantum information).

In addition to enhancing Atos' reputation in the market, these partnerships add value in three areas:

- accelerated **research power**, on anticipation of leading strategic technologies through world-class academic R&D commitments;
- increasing revenues through the development of **differentiating capabilities and products**;
- strengthening skills and expertise through the **recruitment of talented new employees** within the Group.

The innovation at the heart of our corporate culture also encourages us to broaden the scope of our actions with students. For example, the **Atos IT Challenge**, an international competition dedicated to technological innovation, was created in 2010 to encourage the next generation of digital talent from universities around the world to think and submit their ideas to develop new digital solutions on forward-looking topics. For this 2021 edition, 144 teams from 123 universities from 29 countries, proposed their ideas on the theme of *"How can digital decarbonize the non-digital?"* In the final round, 14 teams stood out including the winner, Tire2Tire, from the Polytechnic University of Bucharest, with its project to monitor the condition of tires using computer vision technologies.

Due to the health conditions, Atos has organized its corporate and annual events virtually throughout 2021, celebrating innovation:

During this **6th edition of the Atos Technology Days**, Atos revealed its vision, strategy and technology roadmap and presented with its customers concrete transformation use cases. It was also an opportunity to announce its strong positioning on:

- "**Atos Digital Hub**", a unique solution whose main objective is to serve as an accelerator for the design of ecosystem platforms. Based on the observation that data is still too compartmentalized within and between organizations and that value creation lies in data federation, Atos' approach is to provide organizations with trusted digital ecosystem hubs enabling fairness, reliability, and security. Moreover, as a member of the GAIA-X, BDVA, FIWARE and IDSA associations, Atos is closely following the technical developments of the European federated cloud of industrial consortia around the GAIA-X vertical data spaces to prepare the future compatibility of Atos Digital Hub with these sovereign environments;
- Atos places decarbonization at the heart of its approach and has recently launched the most comprehensive end-to-end decarbonization solutions on the market that give its customers the means to accelerate their transformation towards "net zero emissions": **MyCO$_2$Compass**: a unique data tool that allows any organization to accurately track and reduce its carbon footprint. It was presented at COP26 in November 2021;
- "**Atos Computer Vision Platform**", a unique end-to-end platform that provides pre-trained and customizable AI models to identify events and behaviors, reduce error rates, ensure the safety of people and assets, deliver the best quality, personalized and frictionless customer experiences;
- "**Atos Urban Data Platform**" which aims to make smart cities a reality by supporting cities in their mission to provide integrated intelligent services to their citizens, visitors, and economic partners.

But also, during the second edition of the **Atos Innovation Week**, 3 days during which Atos highlights the innovation initiatives deployed within the Group. This was an opportunity for more than 450 experts from over 50 countries to share innovation initiatives and best practices with their peers, as well as to hear from over 40 external speakers from our ecosystem.

We have also maximized the points of contact with our customers through virtual workshops.

2.4.2 Research and Development

The cornerstone of Atos' innovation strategy lies in its ability to anticipate its customers' future industry challenges and then combine them with its longer-term view of technology developments to define investment priorities. These investments create value for its customers for their digital transformation, by bringing to market industry-driven services and solutions, supported by targeted technology solutions and products.

The development of industry solutions is built around 4 areas that Atos considers as the fundamental development axes of our customers' digital transformation journey: **Cloud, Digital, Security and Decarbonization.**

These 4 domains are fueled by our R&D projects organized in 9 strategic technologies according to an approach characterized by ethics, cybersecurity and decarbonization by design, here is their scope:

- **Cloud,** groups the following 3 Strategic Technologies:
  - **Advanced Computing**: advanced hardware systems (High Performance Computing, Enterprise, Edge), associated software stack and a quantum computing programming and emulation environment,
  - **Hybrid Cloud**: multi-cloud agnostic management and implementation of dedicated solutions with Atos' Hyperscaler partners,
  - **Edge**: Design and management of intelligent Edge devices, including IoT sensors and local computing capabilities (hardware, software);
- **Digital,** groups the following 4 Strategic Technologies:
  - **Artificial Intelligence:** environment enabling the design of AI solutions, industrial, trusted, and efficient,
  - **Automation:** design of automation tools and technology to enable automation of IT operations,
  - **Immersive Experience**: developing solutions that address the evolution of the digital workspace, including communication, collaboration, and software that enables human interaction and is critical to the future,
  - **Advanced applications:** consolidating the design, development, deployment, and management of cloud-native applications for faster time to market, taking full advantage of cloud-based infrastructures and platforms;
- **Security:**
  - **Cybersecurity:** technologies that enable end-to-end management and automatic remediation of threats to identity and access management and IT/OT encryption with its SOC (Security Operation Center);
- **Decarbonization:**
  - Our approach is to develop the most efficient technologies possible and to support the digital transformation of our customers to optimize their efficiency and encourage the sobriety of their energy consumption.

2.4.2.1 Atos R&D roadmap governance

Primarily influenced by the sectoral demands of our Industries, the governance process of the Atos R&D Roadmap also includes a forward-looking view of the world. Like our innovation approach, our R&D roadmap is governed by a process that considers data from various sources:

- **Industries**: first, the needs of the sector market are understood and translated into requirements, by the industry Portfolio and CTO teams, to form the Industry Roadmap;
- **Strategic Technology Governance**: the Authoritative Advisors, a pair of Fellows and CTOs, propose investment priorities according to the following classifications: investment stage, core with differentiator or without differentiator or Legacy. This is done according to market demand and technological evolution as worked by the Expert community through the publication of the TechRadar;
- **CTO Technological Vision**: the advice of the Chief Technology Officers community brings its own experience, its vision, and its synthesis to create a global recommendation of strategic axes on which to invest;
- **Structured Open-Innovation**: our network of customers, partners and startups feeds our Open Innovation approach.

2.4.3 CTO Technology vision

Our digital world is evolving from a product-centric approach, compartmentalized with proprietary solutions to a service-oriented world of data exchange with end-to-end sustainability.

Our 4 axes of development, allow us to open the perspectives towards these major changes:

- **Cloud:**
  - cloud adoption is becoming widespread. To take full advantage of it, we need to adopt its models natively, and play on hybridization up to the network edge (Edge),
  - low-level services (IaaS) are gradually becoming commodities, and the adoption of Serverless and SaaS approaches is increasing,
  - sovereignty is a growing concern, Atos' modular approach addresses data flow, territoriality, technology, and operational constraints;
- **Digital:**
  - businesses need to be more agile, more sophisticated in the service delivered and more easily consumed by end users,
  - emergence of multi-sided B2B platforms supporting platform business models with data federation and API-based integrations,
  - generalization of automation to the citizen developer,
  - continued data deluge with the rise of IOT and private 5G;
- **Security:**
  - the hybrid landscape, broader adoption of automation, and large-scale data exchange are expanding the attack surface and exposure to human error. We are moving from traditional perimeter security to zero trust (no implicit trust),
  - more data-centric security and sovereignty is needed;
- **Decarbonization:**
  - decarbonization moves from a simple data collection exercise to a global optimization problem, seeking global minimums and increased sobriety,
  - the decarbonization platform requires a larger set of federated data and more intelligent computing algorithms,
  - digital technologies, by transforming our clients' activities, allow the decarbonization of their activities.

Moreover, artificial intelligence is ubiquitous, it allows to improve security and automation, but it still requires trust and efficiency.

In terms of skills, the evolution is towards software engineering skills (API/microservices/cloud native/software engineering for hyper-automation and high quality).

2.4.4 Open Innovation

R&D developments are supported by an ecosystem of partners and startups aligned with the 8 strategic technologies. A few Atos R&D projects are also part of governmental or European initiatives, demonstrating its ability to federate ecosystems and the forward-looking nature of its research topics. The continuous investment in R&D has also enabled Atos to offer the best of its technologies to its customers.

Through its investment in R&D, Atos creates value for its customers and uses it in collaboration with its technology partners and its ecosystem of startups.

This Open-Innovation approach, made possible by our R&D ecosystem working closely with customers, partners and start-ups, has led to the following achievements of integrated technology in our services in 2021:

- Atos and IBM are developing joint solutions that use the power of artificial intelligence and IoT to optimize business operations in manufacturing, production, and logistics;
- with a unique expertise in Europe and innovative technologies such as the Atos Quantum Learning Machine (Atos QLM), the most powerful quantum simulator in the world, Atos works closely with national players such as GENCI (Grand Equipement National de Calcul) and CEA (Commissariat à l'énergie atomique et aux énergies alternatives), as well as the start-up Pasqal; The national quantum strategy now offers Atos the opportunity to accelerate its Atos Quantum program and strengthen its contribution to the French quantum ecosystem, with a view to offering its customers the first benefits of quantum computing in the NISQ (Noisy Intermediate-Scale Quantum) era;
- Atos and 11 partners have finalized the European project "EO4AGRI" after two years of work with the objective of boosting the digitization of the agricultural sector;
- OVHcloud and Atos are creating a state-of-the-art, 100% European multi-cloud solution, combining Atos OneCloud, Atos' powerful one-stop-shop of offerings, with OVHcloud's innovative solutions based on sovereign infrastructures;
- Atos and Inria, the French national institute for research in digital science and technology, have signed a strategic research and innovation partnership agreement. This agreement is part of a common desire to bring the industrial world closer to the research. Atos and Inria have jointly identified areas of research, development, experimentation, and expertise and will collaborate on six scientific themes: Decarbonation, High Performance Computing, Climatology, Quantum Computing, cybersecurity and Artificial Intelligence;

- Atos and Huma, the digital health specialist, announce a five-year global partnership to move healthcare and clinical trials from the hospital to the home. The partnership will focus on the modular platform developed by Huma, which enables the creation of "virtual home hospitals" on a local or national scale and aims to help the pharmaceutical and research industries conduct complex global clinical trials in a decentralized manner;
- Atos OneCloud Sovereign Shield, is a complete ecosystem of edge-to-cloud platforms, offering a highly secure service that improves customers' level of control over the data they produce and exchange, helping them to regain control and effectively manage territorial legal specificities. It is based on an optimized framework of proprietary technology bricks, local and specific partnerships - with strategic players by geographical area and providing local expertise and adapted advice -, global partnerships - to guarantee access to the public cloud and choice of providers among Google GCP, Amazon AWS, Microsoft Azure, OVHcloud, VMWare and Red Hat.

2.4.4.1 Open-Innovation with our customers

Our customers are an integral part of our innovation process and even our primary source of inspiration. The close and trusting relationship we maintain with them is a breeding ground for new topics to stimulate our R&D. Our understanding of the challenges faced by our customers, their strategy and their priorities continuously fuels our thinking to ensure that they always have a competitive advantage in their market.

In addition to our clients' technology innovation, growth and image objectives, there are other issues driven by the environment/ecosystem that must be considered. As data value ecosystems become more distributed, diverse, and transient, trust is increasingly built through consensus. Realizing the full potential of digital technology depends heavily on how it is applied and how that application is perceived. The establishment of a network is an essential success factor for the effective and efficient application of many digital technologies.

At their request, we support them in their innovation approach, questioning how to approach things differently to create impact and engage technology as a vehicle for change.

- **A customer-centric approach** that starts from the knowledge and understanding of the customer context (strategy, objectives, blocking points, innovation model and needs) to compare it with our vision and the various market metrics, and thus identify the strategic points of attention to propose the technological content adapted to the creation of value, the unique experience and security.
- **A centralized team and personalized content**. At each stage of the journey, we have identified the stakeholders to engage with and the reference points, to develop a common view, using the full scope of Atos' assets and ecosystem to optimize the conditions for co-innovation with our customers. We also work on joint innovation programs and business models by participating in shared innovation ecosystems that we put at the service of our customers' innovation.
- **A tailor-made innovation roadmap**. Based on our understanding of digital disruptions and our clients' main industrial challenges, their strategy and priorities, our anticipation of technological trends, their uses, and their impact on our clients' business, we build together their digital innovation roadmap. The elaboration of an action plan allows us to optimize the touch points to ensure follow-up, execution, and continuity.

Our goal is to guide our customers through a digital journey to improve their daily lives, prepare for the future and enable them to be even more successful in achieving their business goals.

It is also our customers' challenges that fuel and stimulate internal ideation. Twice a year, we encourage idea generation and out-of-the-box thinking within our teams to meet our clients' challenges. The best ideas will go on the road to development.

2.4.4.2 A unique ecosystem of technological partners

Alliances & Partnerships continue to be a key growth accelerator for the Group. Atos segments it's Partnerships based on scope and relevance, broadly categorizing in to three segments Global Alliances, Industry Partnerships, and Technology Partnerships.

The Global Alliances represent the most strategic Partnerships with market leaders and shapers with which Atos has established deep relationships and strategic go-to-market engagements.

Atos has a rich heritage in successful technology partnerships with leading technology players and is also strengthening its verticalized focus through its industry focused partnerships.

Atos leverages Alliances & Partners to accelerate value creation for its clients across the three dimensions below:

- **accelerate the core:** managing high performance growth programs on existing Atos offerings embedding our Alliance & Partner technologies;
- **enabling incremental growth:** driving incremental growth through new synergistic offerings by using the expertise of our Alliances & Partners;
- **exploring transformational innovations**: using a more disruptive ecosystem and creating completely new joint differentiated value propositions.

Regardless of the type and nature of partnership, Atos is committed and geared up to effectively accelerate joint growth and value creation across all its strategic offering domains.

- **Cloud:** Atos OneCloud is augmented through our market leading partner ecosystem, which includes AWS, Dell, Google, IBM, Microsoft, Red Hat, Salesforce, SAP, ServiceNow, and VMware;
- **Digital & Automation:** our customer's digital journey is enhanced through Atos Digital offerings, which are integrated with a wide range of complementary technologies from our Partners including Google Cloud, Microsoft, PEGA, RSA, UiPath, and ServiceNow;
- **Cybersecurity:** our cutting-edge cybersecurity offerings combine data protection, access management and digital identities. We collaborate with over 6,000 cybersecurity experts worldwide and with Partners including CyberArk Citrix, MacAfee, and VMware;
- **Decarbonization:** our climate experts' unique expertise, combined with the technologies of our Partners such as Johnson Controls, Microsoft, and SAP, accelerate our Decarbonization agenda.

Our Partners through the achievement of several significant awards in 2021 have recognized Atos' determination and commitment, to accelerate growth with our Alliances & Partnerships.

Partner of the Year 2021 – DELL | UiPath (EMEA) | Google | Open Text Raising Star | Microsoft (Egypt)

2.4.4.3 Atos Scaler, the Accelerator, the value of industry-centric open innovation

Offering innovation, entrepreneurship, vision, and anticipation of digital industry needs and trends, the Scaler program aims to accelerate open innovation between Atos technologists and start-ups across all industries. The goal is to co-create a new generation of innovative digital solutions and services for customers.

Scaler accelerates a fruitful collaboration between Atos experts and start-up entrepreneurs. It is a win-win relationship. Start-ups benefit from accelerated development, access to Atos customers and partners and the power and visibility of the brand. Scaler thrives on the spirit of innovation that results from this collaboration and inspires agility, creativity, and change. As a result, Atos' portfolio integrates optimal solutions and generates new customer engagements.

Supporting its sustainable decarbonization and sector-specific business execution programs by design, Atos Scaler aims to unleash the value of innovation from concept to sector-specific application by reducing time to market.

Scaler is the latest of many innovations that make the Company the leader in decarbonized digital and a trusted partner.

Scaler embeds 20 start-ups in its program and today, more than 50% of them support Atos' leadership in decarbonized digital transformation. This is one of the criteria for selecting candidates: helping to shape a decarbonized digital world. With the Scaler startups, Atos is focused on developing new solutions that turn decarbonization into a competitive advantage.

With the startups already integrated in 2020 and 2021, Atos has brought to market innovative solutions with very specific use cases for each industry Atos addresses, such as energy platform management, a computer vision platform for manufacturing, smart video vignettes for a TV channel, the digital clinician patient platform for hospitals, sustainable finance, process decarbonization or eco-design applications, etc. Scaler startups have strengthened nearly 20 industry solutions in the Atos portfolio in 2021.

In 2021, Scaler integrated 8 new startups, which also complement Atos' sector portfolio and boost its go-to-market, with a particular focus on decarbonization and digital security. Since its launch, Atos Scaler has encouraged open innovation projects that are ever closer to customers' needs. In the last few months, more than 50 customer meetings involving Scaler start-ups have been organized around the world, proactively addressing co-innovation with customers on their digital transformation agenda and opening new business opportunities in various sectors such as energy and utilities, manufacturing, healthcare, media, finance, or public sectors. The start-ups and Atos have jointly submitted +30 innovative proposals to key customers and have already won 10 contracts.

3

Business Performance & Financial Review

3.1 Operational review

3.1.1 Statutory to constant scope and exchange rates reconciliation

Revenue in 2021 reached €10,839 million, -2.5% at constant currency and -4.3% organically. Operating margin reached €383 million, representing 3.5% of revenue, a decrease by -534 basis points at constant scope and currency.

(in € million)	2021	2020	% change
Statutory revenue	10,839	11,181	-3.1%
Exchange rates effect		-67	
Revenue at constant exchange rates	**10,839**	**11,114**	**-2.5%**
Scope effect		209	
Exchange rates effect on acquired/disposed perimeters		-1	
Revenue at constant scope and exchange rates	**10,839**	**11,322**	**-4.3%**
Statutory operating margin	383	1,002	-61.7%
Exchange rates effect		-15	
Operating margin at constant exchange rates	383	987	-61.2%
Scope effect		**10**	
Exchange rates effect on acquired/disposed perimeters		0	
Operating margin at constant scope and exchange rates	**383**	**997**	**-61.5%**
As% of revenue	*3.5%*	*8.8%*	

The tables below present the effects on 2020 revenue and operating margin of acquisitions/disposals, internal transfers, reflecting the Group's Spring organization, and change in exchange rates.

	FY 2020 revenue			
(in € million)	FY 2020 statutory	Internal transfers	Exchange rates effects*	FY 2020 at constant scope and exchange rate
Manufacturing	2,010	0	-12	1,999
Financial Services & Insurance	2,116	3	-16	2,104
Public Sector & Defense	2,565	17	-3	2,580
Telecom, Media & Technology	1,574	-36	-13	1,526
Resources & Services	1,627	7	-11	1,623
Health & Life Sciences	1,288	8	-12	1,284
TOTAL GROUP	**11,181**	**0**	**-67**	**11,114**
North America	2,612	-2	-93	2,518
Northern Europe	2,717	0	52	2,769
Central Europe	2,699	-0	-0	2,699
Southern Europe	2,339	8	0	2,347
Growing Markets	814	-6	-27	781
TOTAL GROUP	**11,181**	**0**	**-67**	**11,114**
Scope effects				**207**
TOTAL GROUP AT CONSTANT SCOPE AND FX				**11,322**

* *At average 2021 exchange rates.*

(in € million)	Operating Margin FY 2020 FY 2020 statutory	Internal Transfers	Exchange rates effects*	FY 2020 Statutory at constant FX
Manufacturing	67	1	-1	67
Financial Services & Insurance	261	1	-5	257
Public Sector & Defense	259	0	0	259
Telecom, Media & Technology	134	-4	-3	127
Resources & Services	121	1	-1	121
Health & Life Sciences	160	1	-5	156
TOTAL GROUP	**1,002**	**0**	**-15**	**987**
North America	393		-15	378
Northern Europe	226		4	230
Southern Europe	182	7	-0	189
Central Europe	123		0	123
Growing Markets	119	-7	-3	109
Global Structure	- 42		-1	- 43
TOTAL GROUP	**1,002**	**0**	**-15**	**987**
Scope effects				**10**
TOTAL GROUP AT CONSTANT SCOPE AND FX				**997**

* *At average 2021 exchange rates.*

Scope effects amounted to €+207 million for revenue and €+10 million for operating margin. They are mainly related to:

- the acquisitions consolidated either in the course of 2020 and 2021 for a total amount of €+237 million for revenue and €+14 million for operating margin; and
- the disposal of some specific Unified Communication & Collaboration activities and Wivertis GmbH in 2020, for a total amount of €-30 million for revenue and €-4 million for operating margin

NB: The closing of the acquisition of Cloudreach took place on January 3, 2022. This acquisition will therefore be consolidated in the Group financial statements only in 2022.

Internal transfers reflected mainly adjustments to the Spring organization, responsibility for managing some clients being transferred from one industry to another to optimize commercial synergies.

Currency exchange rate effects negatively contributed to revenue for €-67 million and to operating margin for €-15 million. They mostly came from the depreciation of the U.S. dollar and the Brazilian Real against the Euro, partially offset by the appreciation of the GBP against the Euro over the period.

3.1.2 Performance by Industry

	Revenue			Operating margin		Operating margin%	
(in € million)	2021	2020*	Evolution at constant currency	2021	2020*	2021	2020*
Manufacturing	2,024	1,999	+1.3%	73	68	3.6%	3.4%
Financial Services & Insurance	2,081	2,104	-1.1%	37	257	1.8%	12.2%
Public Sector & Defense	2,354	2,580	-8.7%	63	261	2.7%	10.1%
Telecom, Media & Technology	1,506	1,526	-1.3%	55	123	3.6%	8.0%
Resources & Services	1,567	1,623	-3.4%	42	121	2.7%	7.5%
Healthcare & Life Sciences	1,306	1,284	+1.8%	113	157	8.7%	12.2%
TOTAL	**10,839**	**11,114**	**-2.5%**	**383**	**987**	**3.5%**	**8.9%**

* *At constant currency.*

3.1.2.1 Manufacturing

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,024	1,999	+1.3%
Operating margin	73	68	
Operating margin rate	3.6%	3.4%	

* *At constant currency.*

With 19% of the Group revenue, Manufacturing reported a **revenue** of €2,024 million, representing an increase by +1.3% year-on-year, with a continuous recovery since Q2 2021. All the geographies but Central Europe contributed to the growth.

The growth was fostered by Discrete Manufacturing, with a new logo with HPC Sales in Northern Europe, in North America with the ramp-up of a new logo in Analytics and a new contract, and in Southern Europe with additional business.

Automotive was positively impacted thanks to a new SAP contract won with a tire manufactuer in Central Europe, as well as increased volume with two large European manufacturers. Activity increased with Food and Beverage customers in Growing Markets with the ramp-up of new projects. Industrial Services grew thanks to a new Logo in North America.

The Industry was impacted by a significant decrease of its activity in the Aerospace and Process Industries sectors, especially in Southern Europe with the reduction of volume in Aerospace with two major customers, and in Central Europe with the termination of a large contract in Process Industries.

The Industry was also impacted by volume reduction with Siemens, mainly in Northern Europe, Central Europe and North America, while new projects were launched in Southern Europe and Growing Markets.

Finally, recent acquisition of Processia and Ideal Group helped to foster growth in Product Lifecycle management and digitalization of industrial processes activities.

The share of business realized with the top 10 customers represents 49% of the Manufacturing Industry.

The volume increase led to an **operating margin** at €73 million, representing 3.6% of revenue. In addition to the volume impact, the Industry managed to increase margin on projects, with strong cost control and program improvement plans executed on difficult projects in Aerospace and Process Industries sectors which were placed since last year under close scrutinity. The delivery control on the other on-going projects also improved.

3.1.2.2 Financial Services & Insurance

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,081	2,104	-1.1%
Operating margin	37	257	
Operating margin rate	1.8%	12.2%	

* *At constant currency.*

Financial Services & Insurance **revenue** was €2,081 million during 2021, representing 19% of total revenue of the Group. The industry was down by -1.1% compared to 2020 at constant currency. Excluding the reassessment of the cost to go on transformation, re-platforming and operations of a BPO contract, the Industry would have grown. Activity in the Industry continued to be driven by the demand for digital transformation and for security expertise both covered by the offerings of the Group and by the synergies with the newly acquired companies such as Eagle Creek, Digital Security, Paladion and SEC Consult.

The Industry growth was driven by the Insurance sector, with the continuation of the ramp-up of the contract with Willis Towers Watson, a new Logo in North America, and additional business in Growing Markets compensating the volume reduction with Insurance companies in Northern Europe.

Excluding the impact of the BPO contract in the United Kingdom, Business Transformation Services grew in 2021, with a new Logo in the pensions area won in 2020 and a new contract with a company in the United Kingdom, offsetting the ramp-down with a savings company.

Activity in the Banking sector was more challenging, in particular with the reduction of volume in North America. Northern Europe was impacted by volume decrease in Banking and Financial Services.

Central Europe grew thanks to additional business with a German bank despite volume reduction and lower level of product sales with another bank, while Southern Europe was positively impacted by increased activity in France more than compensating the termination of a contract with a major bank in Spain. Growing Markets was flat, the volume decrease with a major bank in Asia and in Middle East and Turkey was compensated by new logos, the main one in the digital area in Egypt.

The top 10 customers of the Industry segment Financial Services & Insurance represented 47% of the total revenue of the Industry.

Operating margin was €37 million, representing 1.8% of revenue. Despite the positive contribution from volume increase in North America and Growing Markets, the Industry faced the one-off impact related to the BPO contract. Profitability also reduced due to margin reduction on a limited list of customers in Northern Europe, Asia and Germany. Some new projects were also impacted by attrition rate in the Group Global Delivery Centers which required the use of some specific profiles of subcontractors to secure delivery. Finally, the industry had to support larger structure costs to support development after Spring implementation.

3.1.2.3 Public Sector & Defense

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,354	2,580	-8.7%
Operating margin	63	261	
Operating margin rate	2.7%	10.1%	

* *At constant currency.*

Public Sector & Defense was the largest Industry of the Group with a **revenue** at €2,354 million representing 22% of the Group revenue, and was down -8.7% at constant currency.

This decrease was driven by North America, mainly generated by lower volume with the Texas department of Information Resources due to changes in the configuration of the contract end of 2020, by lower volumes with the U.S. government, as well as the postponement of several NG911 projects. The ramp up of digital workplace projects launched with a new logo and increased sales of own products in the Defense sector could not compensate.

Northern Europe was impacted by the ramp-down of a large HPC project with a weather forecast institution, less HPC products in the Education sector, and less volume with European institutions. New projects with the Ministries in the United Kingdom could only partially compensate this decrease.

Central Europe was impacted by less HPC sales with a research institute in Germany, a project ramp-down with a leading client in Switzerland, and the delay of several HPC sales in 2022. This negative trend was only partially offset by additional volume in the Defense sector, in particular in Germany, as well as increased business in Eastern Europe. The Region was also impacted by the scope impact resulting from the disposal of Wivertis.

Revenue in Southern Europe increased with the continuation of a HPC project with an Italian research consortium, additional projects in France with the Ministry of Defense and the Social Security, compensating the non-repeatable HPC Sales with the Atomic Energy Commission in France and the decrease in business with the European institutions.

Growing Markets was impacted by the ramp-down of projects delivered to local governments in Africa, and by the reduction in High-Performance Computing deliveries in India. The increased activity linked to the Tokyo Games, additional volume in Asia in Central Government & Public Administration and in Defense were not enough to compensate.

36% of the revenue in this Industry was realized with the top 10 clients.

Operating margin reached €63 million, representing 2.7% of revenue. The Industry was first impacted by the significant decrease in revenue which generated less margin on projects and important under-absorption of structure costs. This volume effect was also augmented by price reduction especially in North America with Texas department of Information Resource and by lower margin on projects in Northern, Central and Southern Europe.

3.1.2.4 Telecom, Media & Technology

(in € million)	2021	2020*	Evolution at constant currency
Revenue	1,506	1,526	-1.3%
Operating margin	55	123	
Operating margin rate	3.6%	8.0%	

* *At constant currency.*

Telecom, Media & Technology **revenue** represented 14% of the Group revenue and reached €1,506 million, decreasing by -1.3% compared to 2020 at constant currency.

High Tech & Engineering declined in most of the Regions mainly due to non-repeatable one-off deals in 2020, volume reduction with Unified Communications & Collaboration channel partners, as well as the ramp-down of a global Telecommunications company. Positive results were recorded in Northern Europe thanks to the ramp-up of lab as a service activity.

Media recorded an increase in North America and Southern Europe driven by an important license sale to a social network and the volume increase with other media companies, and a decrease in Northern Europe and Growing Markets mainly due to the reduction in product sales with leading Media companies.

Telecom activity declined mainly in Northern Europe and Central Europe due to a lower level of product sales and a one-off deal in 2020. This decline was partially compensated in the other regions thanks to increase in volume and product sales.

The top 10 clients represented 52% of the total Telecom, Media & Technology Industry revenue.

Operating margin was €55 million or +3.6% of revenue. The Industry was impacted mainly by volume, as well as the impact of 2020 one-off deals in North America and Central Europe which could not repeat in 2021. Project margin improvements in some projects as well as volume increase in Northern Europe could not compensate for this decrease.

3.1.2.5 Resources & Services

(in € million)	2021	2020*	Evolution at constant currency
Revenue	1,567	1,623	-3.4%
Operating margin	42	121	
Operating margin rate	2.7%	7.5%	

* *At constant currency*

Revenue generated by Resources & Services reached €1,567 million representing 14% of the total revenue of the Group. The Industry decreased by -3.4% compared to 2020.

After 2020 having been impacted by Covid-19 pandemic, activity in Transportation and Hospitality sector recovered. Business increased in Southen Europe with a new Logo, new projects and increased volume with a major Airline and a French transportation company. Northern Europe benefited from new business with an Airline company in the decarbonization offering, and Central Europe from new contracts with a postal operator in Germany. North America was impacted by the ramp-down of a large IoT contract with a nutrition company.

The Energy and Utilities sector suffered from volume reduction in Northern Europe, non-repeatable HPC sales with a major customer and ramp down of contracts in Southern Europe, and a HPC project slippage from end 2021 to 2022 in Growing Markets due to supply chain challenges. In Central Europe, the additional business with Utilities could not compensate the decline with other customers.

The situation with customers operating in the Retail sector was also challenging with the end of a contract with a major player in North America, volume reduction with retail customers in Central Europe, that could not be compensated by the good performance of Southern Europe.

The top 10 clients represented 39% of the total Resources & Services revenue.

Operating margin reached €42 million, representing 2.7% of revenue. The decrease in margin derived first from the lower level of activity, primarily in Northern Europe. Margin was also impacted by delivery difficulties on complex transformation projects, for instance in Growing Markets and Central Europe, and by delays in project ramping-up related to shortage of resources from offshore countries. The Industry had also to engage costs to support commercial development especially towards large transportation companies in the aftermath of Covid-19 pandemic.

3.1.2.6 Healthcare & Life Sciences

(in € million)	2021	2020*	Evolution at constant currency
Revenue	1,306	1,284	+1.8%
Operating margin	113	157	
Operating margin rate	8.7%	12.2%	

* *At constant currency.*

Representing 12% of total revenue of the Group, Healthcare & Life Sciences revenue was € 1,306 million, growing by +1.8% compared to 2020 at constant currency.

North America reported a decline primarily due to the termination of the IoT portion of a contract with a Healthcare player. Volumes also reduced due to the base effect of large product sales made in 2020 and not repeatable in 2021. The strong ramp up of a new contract in Healthcare could only partially mitigate these negative trends.

Northern Europe increased revenue, thanks to volume increase in Healthcare with a welfare company and a new contract with a hospital in the United Kingdom which offset volume reduction with Philipps.

Central Europe activity was flat thanks to the Pharmaceutical area, mitigating volume reduction with a Healthcare provider.

Southern Europe reported a significant growth thanks to several new digital projects in France.

Growing Markets also reported a growth thanks to the volume increase with an Australian Healthcare company and with a Pharmaceutical customer.

The top 10 main clients represented 58% of the total Healthcare & Life Sciences revenue.

Operating margin was €113 million, representing 8.7% of revenue and a -355 basis points reduction at constant currency compared to last year. The Industry benefitted from a positive volume impact, mainly in Northern Europe, Southern Europe and Growing Markets. But North America was impacted by the termination of the IOT portion of the contract with a Healthcare corporation. The Industry also had to support incremental costs to invest in commercial development.

3.1.3 Performance by Regional Business Units

(in € million)	Revenue 2021	Revenue 2020*	Revenue Evolution at constant currency	Operating margin 2021	Operating margin 2020*	Operating margin% 2021	Operating margin% 2020*
North America	2,418	2,518	-4.0%	254	377	10.5%	15.0%
Northern Europe	2,686	2,769	-3.0%	50	230	1.8%	8.3%
Central Europe	2,515	2,699	-6.8%	28	123	1.1%	4.6%
Southern Europe	2,418	2,347	+3.0%	54	189	2.2%	8.1%
Growing Markets	802	781	+2.7%	73	110	9.1%	14.0%
Global structures	-	-	-	-76	-43	-0.7%	-0.4%
TOTAL	**10,839**	**11,114**	**-2.5%**	**383**	**987**	**3.5%**	**8.9%**

* *At constant currency.*

3.1.3.1 North America

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,418	2,518	-4.0%
Operating margin	254	377	
Operating margin rate	10.5%	15.0%	

* *At constant currency.*

Revenue reached €2,418 million, decreasing by -4.0% at constant currency. North America faced a volume reduction in classical data centers activities, partially compensated by a good performance in Consulting, Systems Integration and Application development activities, cloud solutioning and Big Data & Cybersecurity. The new acquisitions in cybersecurity services with In Fidem and in Salesforce integration with Eagle Creek had a positive contribution to revenue growth.

Manufacturing grew thanks to the continuation of the digital workplace projects in Discrete Manufacturing and with a new logo in Industrial Services, compensating volume reduction with Siemens.

Financial Services & Insurance closed the year with a +4.9% increase, fueled by continuous growth with Willis Towers Watson, and project development with a new logo in the Insurance sector. These new projects mitigated volume reduction in the Banking sector where customers decrease their expenses with IT partners.

The situation in Public Sector & Defense was challenging, mainly coming from lower volumes with the Texas department of Information Resources since Q4 2020, reduction of business with the U.S. government, and the postponement of deals regarding NG911 projects. The new digital workplace projects launched with a U.S. state and sales of own products with the U.S. department of Defense could not compensate.

Telecom, Media & Technology recorded a growth thanks to an important license sale to a social network, the increased volume in Big Data and cybersecurity with Google, additional business in Media which more than compensated the base effect of a non-repeatable one-off deal in 2020, and volume reduction in High Tech & Engineering.

Resources & Services was down, impacted by volume reduction with a nutrition company and the termination of a contract in Retail.

Healthcare & Life Sciences slightly decreased at constant currency. It was mainly attributable to the termination of the IOT portion of a project with a Healthcare corporation, the product sales which did not repeat, not fully compensated by the ramp-up of the new logo contract in Healthcare.

Operating margin reached €254 million, representing 10.5% of revenue. Profitability decreased compared to 2020 due the revenue erosion especially in the Public Sector & Defense sector, which generated less margin on projects but also less absorption of structure costs. In Telecom, Media & Technology, the margin reduction was mainly related to non-repeated transactions recorded in 2020, and Financial Services & Insurance was impacted by the revenue reduction in projects in the Banking sector. Some of the new projects launched in 2021 required a higher level of subcontractors to compensate the high attrition rate in the United States and in the Global Delivery Centers supporting U.S. contracts.

3.1.3.2 Northern Europe

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,686	2,769	-3.0%
Operating margin	50	230	
Operating margin rate	1.8%	8.3%	

* *At constant currency.*

Revenue reached €2,686 million, decreasing by -3.0% at constant exchange rate. Excluding the reassessment of the cost to go on transformation, re-platforming and operations of a BPO contract, the Region would have been flat.

Manufacturing recorded a strong growth, mainly due to a new HPC contract and increased volume in Discrete Manufacturing.

Excluding the negative impact of the BPO contract, Financial Services & Insurance recorded a stable activity, thanks to new contracts in the pensions area and in Insurance, compensating volume decrease in Banking and Financial Services.

Public Sector & Defense declined, mainly due to ramp down with with European institutions, as well as with some ministries in the United Kingdom and Belgium.

Telecom, Media & Technology recorded a double-digit growth thanks to the delivery of Lab as a service solution in the United Kingdom despite product volume reduction with a UK broadcasting company.

Resources & Services posted a slight decline, with new decarbonization sales for a Global leader airlines company compensating volume and price reduction with a mail operator in the United Kingdom and volume reduction in the Energy Sector.

Healthcare & Life Sciences recorded growth, mainly due to volume increase in Healthcare with a welfare company and a new contract with a hospital in the United Kingdom.

Operating margin reached €50 million or +1.8% of revenue. Beside the impact from the reassessment of the costs to go on a transformation of the BPO contract, operating margin was also impacted by a less favorable business mix and difficulties in the delivery of some projects.

3.1.3.3 Central Europe

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,515	2,699	-6.8%
Operating margin	28	123	
Operating margin rate	1.1%	4.6%	

* *At constant currency.*

Revenue reached €2,515 million, decreasing by 6.8% at constant currency. Half of the decrease came from reduction of product sales for both UCC and BDS, and the other half from legacy business, especially in Manufacturing.

Manufacturing revenue decreased, mainly due to volume reduction with Siemens, a contract termination in Process Industries, partially compensated by a new SAP contract with a tire manufacturer, additional business in automative with a large car manufacturer, and a contract with a new logo in Discrete Manufacturing.

Financial Services & Insurance activity was roughly stable compared to 2020.

Public Sector & Defense was impacted by non-repeatable HPC sales in Germany, a project ramp-down with a leading client in Switzerland, and the delay of several HPC sales postponed to 2022. This negative trend was only partially offset by additional volume in the defense sector, and additional business in Slovakia and Austria. The disposal of Wivertis also negatively impacted the industry.

Telecom, Media & Technology declined due to volume reduction with Unified Communication & Collaboration channel partners, less product sales and the base effect of a one-off deal in 2020 in Telecom, which could not be compensated by HPC delivery to a major company in High Tech & Engineering.

Resources & Services decreased slightly thanks to new contracts in Utilities and Transportation & Hospitality compensating mostly the volume reduction in Retail.

Healthcare & Life Sciences achived stability thanks to the Pharmaceutical area, compensating volume reduction with a Healthcare provider.

Operating margin reached €28 million, representing 1.1% of revenue. Profitability decreased mainly due to some non-repetable deals with high margin in 2020, revenue decrease, difficulties to deliver some projects that could not be compensated by actions on the cost base.

3.1.3.4 Southern Europe

(in € million)	2021	2020*	Evolution at constant currency
Revenue	2,418	2,347	+3.0%
Operating margin	54	189	
Operating margin rate	2.2%	8.1%	

* *At constant currency.*

Revenue reached €2,418 million, increasing by +3.0% compared to 2020 at constant currency. Most of the Industries grew despite the challenging fourth quarter with a lower level of product sales compared to last year.

Revenue in Manufacturing increased thanks to the ramp-up of a new contract with a large automotive manufacturer, and thanks to increased volume in Discrete Manufacturing in France. This compensated the reduction of volume with two leaders in the Aerospace sector.

Financial Services & Insurance grew helped by additional volume in Banking and Financial Services in France, while Spain was impacted by the termination of a contract with a major Bank not mitigated by additional volume with other institutions.

Southern Europe is the only region where revenue in Public Sector & Defense grew in 2021. This positive trend was due to the continuation of a High-Performance Computing project in Italy and new projects in France in the Defense sector and in Central Government and Public Administration. These new projects compensated the non-repeatable HPC sales in France to a major customer and less volume with European institutions.

Telecom, Media & Technoloy revenue was impacted by the lower level of product sales in Unified Communications and Collaboration business that could not compensated by new business in Digital Workplace

Resource & Services revenue increased, mainly driven by the Transportation & Hospitality sector with a new logo, and maintained dynamism with French transportation companies through additional volume. This more than compensated the base effect of large HPC sales that occurred in 2020 with a major Utilities player, and the ramp-down of some contracts in Retail and Utilities.

Healthcare & Life Sciences posted a strong double-digit growth, largely coming from dynamism in Healthcare in France with new Digital projects, the ramp-up of projects as well as a strategic new Logo in the Pharmaceutical area.

Operating margin reached €54 million, representing 2.2% of revenue. Despite increased revenue, proftitability decreased compared to 2020. Margin on projects were negatively impacted by a lower level of high margin software sales in Big Data & Security, as well as larger low margin volume of product sales. The Region was also impacted by some negotiations withs suppliers and one-off deals not repeated this year. Finally, the region supported additional commercial investment to support its growth as well as new research and development projects related to local and group programs.

3.1.3.5 Growing Markets

(in € million)	2021	2020*	Evolution at constant currency
Revenue	802	781	+2.7%
Operating margin	73	110	
Operating margin rate	9.1%	14.0%	

* *At constant currency.*

Revenue reached €802 million, +2.7% compared to 2020, with a strong activity in Manufacturing, Financial Services & Insurance and Healthcare & Life Sciences.

Manufacturing grew with new projects and volume increase in most sectors. The main increase came from fertilization with major U.S. or European customers in the context of global engagements. This compensated the decrease in volume in Process Industries and Industrial Services, and project completion with a major player in automotive and volume reduction in Food and Beverage.

Revenue in Financial Services & Insurance increased, led by the Insurance sector with increased volume in Middle East and Turkey. The Banking and Financial Services sector remained flat, the volume decrease with a major bank in Asia, Middle East and Turkey was compensated with a new logo with a Digital Bank project in Egypt, as well as increased business with other important institutions.

Public Sector & Defense decreased compared to last year, with the decline in Africa impelled by local government sector, and the reduction of High-Performance Computing activities in India. This was not compensated by the increased activity with the International Olympic Committee linked to the Tokyo Games and the ramp-up of the Beijing Games, additional volume with Central Government & Public Administration in Hong Kong and a new logo with a Ministry of Defense in Asia.

Telecom, Media & Technology went down, essentially coming from the reduction of Business in Unified Communications and Collaboration, despite increased business from Telecom sector in Brazil with a new logo, as well as additional business with High Tech & Engineering.

Revenue in Resources & Services also decreased compared to previous year, due to the Energy sector with the reduction of High-Performance Computing projects in Brazil due to the slippage of a project from end of 2021 to 2022. The Energy sector was also impacted by volume reduction in Asia.

Healthcare & Life Sciences achieved a double-digit growth supported by the ramp up of a Healthcare contract in Australia and new projects in the Pharmaceutical area in Asia.

Operating margin was €73 million, representing 9.1% of revenue. The positive impact linked to the revenue increase was offset by overrun costs in Resources & Services projects, price adjustments with a major bank in Asia, reductions in Big Data & Security volume globally generating lower margin, and by additional structure costs related to the implementation of the Spring management structure in the Region.

3.1.3.6 Global structures

Global structures costs increased, reflecting a larger centralization of global functions, and management of global industries in accordance with the Spring organization.

3.1.4 Portfolio

3.1.4.1 Order entry and book to bill

During the full year of 2021, the Group **order entry** reached **€10,774 million**, representing a **book to bill ratio of 99%**, of which 96% in the second half and 102% in Q4 2021.

Order entry and book to bill by Industry was as follows:

	Order entry			Book to bill		
(in € million)	H1 2021	H2 2021	FY 2021	H1 2021	H2 2021	FY 2021
Manufacturing	983	756	1,739	100%	72%	86%
Financial Services & Insurance	773	1,100	1,873	71%	112%	90%
Public Sector & Defense	1,656	1,450	3,106	139%	125%	132%
Telecom, Media & Technology	789	964	1,753	105%	127%	116%
Resources & Services	847	660	1,507	109%	84%	96%
Healthcare & Life Sciences	521	275	796	82%	41%	61%
TOTAL	**5,569**	**5,205**	**10,774**	**103%**	**96%**	**99%**

Book to Bill ratio was particularly high in Public Sector & Defense at 132%, and Telecom, Media & Technology at 116%.

The main new contracts signed over the year included notably:

- two contracts with Siemens: one in Central Europe in the digital area, and another one in Growing Markets in the cloud;
- in North America in the cloud with a large Insurance company;
- a large contract in the Cloud with the Flemish Government;
- a major contract with Revenue & Customs in the digital area in Northern Europe;
- in Northern Europe with a Police institution;
- in Northern Europe for an IT Transformation contract with a European High-Tech player;
- in Southern Europe with Enel; and
- in Central Europe in the cloud with the large car manufacturer.

Main renewals in 2021 were concluded with Department for Work and Pensions in Northern Europe in the cloud, in Southern Europe in digital with a large Telecommunications Operator, and in Growing Markets with a major Asian bank.

Order entry and book to bill by Regional Business Units were as follows:

	Order entry			Book to bill		
(in € million)	H1 2021	H2 2021	FY 2021	H1 2021	H2 2021	FY 2021
North America	694	714	1,408	59%	57%	58%
Northern Europe	1,664	1,378	3,042	119%	107%	113%
Central Europe	1,397	1,042	2,439	113%	82%	97%
Southern Europe	1,318	1,463	2,780	107%	123%	115%
Growing Markets	498	608	1,106	130%	145%	138%
TOTAL	**5,569**	**5,205**	**10,774**	**103%**	**96%**	**99%**

3.1.4.2 Full backlog

In line with the commercial activity, the **full backlog** at the end of December 2021 amounted to **€23.6 billion**, aligned with the figures at the end of December 2020, representing **2.1 year of revenue**.

3.1.4.3 Full qualified pipeline

The full qualified pipeline was **€7.0 billion** at the end of December 2021, representing 7.4 months of revenue, decreasing by €-1.9 billion compared to December 2020 at constant currency.

3.1.5 Human Resources

The **total headcount** was 109,135 at the end of December 2021, up +4.5% compared to 104,430 at the end of December 2020 (+2.9% organically).

In 2021, the Group hired c. 26,000 employees, mainly in offshore/nearshore countries such as India, Poland and Romania and welcomed 1,668 new employees from acquisitions.

Attrition rate was 18.6%, after a 10.9% last year – cumulated attrition in 2020 and 2021 reached 14.7% - compared to 15.1% in 2019.

Headcount evolution in full year 2021 by Regional Business Unit was as follows:

	End of December 2020	Scope	Hiring	Leavers, dismissals, restructuring & transfers	End of December 2021
North America	9,203	806	2,285	-2,863	9,431
Northern Europe	12,930	343	1,731	-2,340	12,664
Central Europe	11,323	276	603	-968	11,234
Southern Europe	16,222	0	1,538	-1,978	15,782
Growing Markets	45,904	39	18,012	-13,912	50,043
Global structures	634	0	77	-54	657
Total Direct	**96,216**	**1,464**	**24,246**	**-22,115**	**99,811**
Total Indirect	**8,214**	**180**	**1,641**	**-710**	**9,324**
TOTAL GROUP	**104,430**	**1,644**	**25,886**	**-22,826**	**109,135**

3.2 2022 Objectives

The objectives presented below are based on data, assumptions and estimates considered reasonable by the Group at the date of this Universal Registration Document. These data and assumptions are likely to change or be modified due to uncertainties related in particular to the economic, financial, competitive, regulatory and tax environment or according to other factors of which the Group is not aware at the date of this Universal Registration Document. In addition, the materialization of certain risks described in paragraph 7.2 "Risk Factors" of this Universal Registration Document, updated with the crisis situation arising from the conflict between Ukraine and Russia, could have an impact on the Group's business, financial position, results or outlook and thus could call into question these objectives. The Group has set its objectives for the financial year ended December 31, 2022 in accordance with the accounting methods applied in the consolidated financial statements for the financial year ended December 31, 2021.

The continued decline in classic IT services, combined with personnel cost inflation and supply chain tensions, will put further pressure on revenue and profitability, particularly in the first half of 2022.

However, the second half should see an improvement, with revenue growth at constant currency turning positive, and an uptick in operating margin. This improvement will be the reflect of performance optimization actions already implemented, an easier comparison basis and a more favorable revenue mix.

Free cash flow should improve significantly compared to 2021, and will largely depend on operating margin delivery and further working capital fluctuations.

For 2022, the Group expects:

- **revenue growth at constant currency** of -0.5% to +1.5%;
- **operating margin** of 3% to 5%;
- **free cash flow** between €-150 million and €200 million.

The above expectations do not include the impacts of the disposal of the activities classified as "assets held for sale" as of December 31, 2021.

3.3 Financial review

Strategic portfolio review resulting in the recognition of major impairment charges and provisions

Following the announcement made by the Group on July 27, 2021 with regards to the ongoing strategic review of its portfolio of activities, the Group decided to reposition its activity and to focus on Digital, Cloud, Security and Decarbonization activities, away from classic infrastructure services and the Unified Communications & Collaboration business.

This resulted in:

- the Unified Communications & Collaboration business being classified as a disposal group held for sale according to IFRS 5; the Group determined that the held for sale classification criteria were met at the end of September 2021;
- the infrastructure legacy business being considered as a disposal group, though not meeting the IFRS 5 criteria to be classified as held for sale at December 31, 2021. This qualification triggered impairment tests on this perimeter.

In addition, in the light of this change in strategy and the refocusing on growing services, the Group conducted a comprehensive analysis of the recoverability of certain assets and the profitability of certain legacy contracts. As announced on January 10, 2022 and February 9, 2022, this analysis led to the impairment of assets and the recognition of provisions, pertaining to legacy activities.

The accounting analysis and consequences of this exercise are further described in the Notes to the consolidated financial statements.

Accounting review of North American entities

Following their audit procedures on the consolidated financial statements for the year ended December 31, 2020, the statutory auditors issued on April 1, 2021 a qualified opinion due to a limitation on the scope of the audit with regards to two U.S. legal entities representing 11% of 2020 consolidated revenue and that required additional diligences.

At June 30, 2021, the Group, with the support of external advisors, completed the full accounting review of those two U.S. legal entities. The work performed did not reveal any material misstatement for the Group consolidated financial statements.

The remediation and prevention plan has been completed and rolled out. The main actions set-up in the plans covered the following topics: preventive controls, guidelines and documentation, HR review, skilling and organization, and awareness and training. The aim of the plans is remediation in North America and prevention in all regions.

3.3.1 Income statement

The Group reported a net loss (attributable to owners of the parent) of €2,962 million for 2021, which represented -27.3% of Group revenue. The net loss was widely impacted by the impairment charges and provisions that arose from the strategic review of the activity portfolio, as well as from the comprehensive review of assets and contracts of the legacy business carried out early January 2022.

The normalized net loss before unusual, abnormal and infrequent items (net of tax) for the period was €215 million, representing -2.0% of 2021 Group revenue.

(in € million)	12 months ended December 31, 2021	% of revenue	12 months ended December 31, 2020	% of revenue
Operating margin	**383**	**3.5%**	**1,002**	**9.0%**
Other operating income (expense)	-3,151		-352	
Operating income (loss)	**-2,768**	**-25.5%**	**650**	**5.8%**
Net financial income (expense)	-151		-51	
Tax charge	-39		-51	
Non-controlling interests	-3		-3	
Share of net profit (loss) of associates	-0		5	
Net income (loss) – Attributable to owners of the parent	**-2,962**	**-27.3%**	**550**	**4.9%**
Normalized net income* – Attributable to owners of the parent	**-215**	**-2.0%**	**725**	**6.5%**

* *The normalized net income is defined hereafter.*

3.3.1.1 Operating margin

Income and expense are presented in the consolidated income statement by nature to reflect the specificities of the Group business more accurately.

Ordinary operating expense, which are broken down into staff expense and other operating expense, are deducted from revenues to obtain the operating margin, one of the Group main business performance indicators.

Operating margin represents the underlying operational performance of the on-going business and is analyzed in detail in the operational review.

In accordance with recommendations from European and French regulators, the Group has elected to maintain the effects of the Covid-19 crisis within the operating margin and not to present those as part of the Other operating income and expense.

3.3.1.2 Other operating income and expense

Other operating income and expense related to income and expense that are unusual, abnormal and infrequent and represented a net expense of €3,151 million in 2021. The following table presents this amount by nature:

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Staff reorganization	-312	-127
Rationalization and associated costs	-81	-36
Integration and acquisition costs	-44	-42
Amortization of intangible assets (PPA from acquisitions)	-151	-153
Equity-based compensation	-34	-74
Impairment of goodwill and other non-current assets	-1 490	0
Other items	-1 039	80
TOTAL	**-3 151**	**-352**

In addition to the measures to adapt the workforce in European countries, as well as the cost of the final phase of the transformation program of the Group incurred over the first semester of 2021, **staff reorganization** expense of €312 million included a €180 million provision related to the German restructuring plan announced on July 12, 2021.

The €81 million **rationalization and associated costs** primarily resulted from the closure of office premises and data center consolidation, mainly in North America, France and Germany.

Integration and acquisition costs were stable at €44 million and mainly related to the integration costs of 2020 and 2021 acquisitions, as well as the cost of retention schemes.

In 2021, the amount related to the amortization of intangible assets recognized in the **Purchase Price Allocation** (PPA) exercises were stable at €151 million compared to €153 million in 2020, mainly reflecting the limited amount of amortization charge arising from 2021 acquisitions while intangible assets related to certain past acquisitions ceased to be amortized in 2021.

The €151 million amortization charge of Purchase Price Allocation intangible assets in 2021 were mainly composed of:

- €60 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- €18 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014;
- €17 million of SIS customer relationships amortized over 12 years starting July 1, 2011;
- €16 million of Xerox ITO customer relationships amortized over 6 to 12 years starting July 1, 2015; and
- €11 million of Anthelio customer relationships amortized until February 2026.

The **equity-based compensation** expense decreased from €74 million in 2020 to €34 million in 2021, reflecting the lower fair value of the 2021 performance share plan compared to the plan delivered in 2021 (2018 plan), together with an under achievement of the performance conditions on the 2019 plans.

Impairment of goodwill and other non-current assets amounted to €1,490 million and included the following:

- €1,324 million of impairment of goodwill, composed of €249 million in connection with the contemplated disposal of the Unified Communications & Collaboration business (see Notes 1 and 8); €192 million related to the infrastructure legacy business (see Note 8), and €883 million related to other legacy acquisitions as a consequence of the revised mid-term plan (see Note 8); and
- €165 million of impairment of other non-current assets (intangible, tangible and right-of-use assets) related to the legacy business.

In 2021, **other items** totaled an expense of €1,039 million compared to an income of €80 million in 2020. For the most part, they originated from the comprehensive review of assets and contracts of the legacy business.

This part can be broken down into €647 million of provisions for onerous contracts, including a large BPO contract in Northern Europe and €367 million on certain vendor contracts, and €219 million of asset write-off of the legacy business and bad debt reserves in North America. To a lesser extent, they also included unusual impacts of settlements of €50 million, mainly in Central Europe, as well as other long-term employee benefits.

3.3.1.3 Net financial expense

Net financial expense amounted to €151 million for the period (compared to €51 million prior year) and was composed of a net cost of financial debt of €25 million and of other financial expense of €126 million.

Net cost of financial debt was €25 million (compared to €33 million in 2020) and resulted from the following elements:

- excluding the OEB, the average gross borrowing of €3,944 million compared to €3,585 million in 2020 bearing an average expense rate of 0.94% compared to 1.17% last year. The average gross borrowing expense were mainly explained by:
  - the used portion of the syndicated loan combined with the Negotiable European Commercial Papers (NEU CP) and the Negotiable European Medium-Term Note program (NEU MTN) for an average of €1,418 million (compared to an average of €1,318 million in 2020) bearing an effective interest rate of +0.04%, benefiting from the attractive remuneration applied to the NEU CP,
  - a €300 million bond issued in October 2016 bearing a coupon rate of 1.444%,
  - a €700 million bond issued in November 2018 bearing a coupon rate of 0.750%,
  - a €750 million bond issued in November 2018 bearing a coupon rate of 1.750%,
  - a €350 million bond issued in November 2018 bearing a coupon rate of 2.500%,
  - a €800 million sustainability-linked bond issued in November 2021 bearing a coupon rate of 1.000%,
  - other sources of financing, for an average of €429 million, bearing an effective interest rate of 0.83%;
- the average gross cash varied from €2,090 million in 2020 to €2,021 million in 2021 bearing an average income rate of 0.61%, flat compared to 2020.

Other financial expense amounted to €126 million compared to €18 million in 2020 and were mainly composed of:

- a net loss of €81 million related to the net values of the OEB derivative and the underlying Worldline shares, both measured at fair value;
- lease liability interest of €15 million compared to €27 million in 2020. This variation arose from modifications of some major contracts coupled with lower discount rates;
- pension related financial expense of €10 million compared to €16 million in 2020. The pension financial cost represents the difference between interest costs on pension obligations and interest income on plan assets;
- net foreign exchange gain (including hedges) of €1 million compared to a loss of €6 million in 2020.

3.3.1.4 Corporate tax

The tax charge for 2021 was €39 million with a loss before tax of €2,919 million and included the derecognition of deferred tax assets for a net amount of €446 million.

3.3.1.5 Non-controlling interests

Non-controlling interests amounted to €3 million compared to the same amount the previous year.

3.3.1.6 Share of net profit (loss) of equity-accounted investments

The share of net result of equity-accounted investments was nil in 2021 compared to €5 million in 2020.

3.3.1.7 Normalized net income (loss)

The normalized net income (loss) attributable to owners of the parent is defined as the net income (loss) attributable to owners of the parent excluding unusual, abnormal, and infrequent items (attributable to owners of the parent), net of tax based on the effective tax rate by country. In 2021, the normalized net loss attributable to owners of the parent was €215 million, representing -2.0% of the Group revenue for the period.

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Net income (loss) - Attributable to owners of the parent	**-2 962**	**550**
Other operating income and expense, net of tax	-2 688	-213
Net gain (loss) at fair value measurement on derivative liability and underlying Worldline shares, net of tax	-58	38
Normalized net income (loss) - Attributable to owners of the parent	**-215**	**725**

3.3.1.8 Earnings per share

(in € million and shares)	12 months ended December 31, 2021	% of revenue	12 months ended December 31, 2020	% of revenue
Net income (loss) – Attributable to owners of the parent [a]	**-2 962**	**-27,3%**	**550**	**4,9%**
Impact of dilutive instruments	-		-	
Net income (loss) restated of dilutive instruments - Attributable to owners of the parent [b]	**-2 962**	**-27,3%**	**550**	**4,9%**
Normalized net income (loss) – Attributable to owners of the parent [c]	**-215**	**-2,0%**	**725**	**6,5%**
Impact of dilutive instruments	-		-	
Normalized net income (loss) restated of dilutive instruments - Attributable to owners of the parent [d]	**-215**	**-2,0%**	**725**	**6,5%**
Average number of shares [e]	109 581 755		109 003 866	
Impact of dilutive instruments	-		-	
Diluted average number of shares [f]	109 581 755		109 003 866	
(in €)				
Basic EPS (Earning Per Share) [a] / [e]	**-27,03**		**5,05**	
Diluted EPS [b] / [f]	**-27,03**		**5,05**	
Normalized basic EPS [c] / [e]	**-1,97**		**6,65**	
Normalized diluted EPS [d] / [f]	-1,97		6,65	

3.3.2 Cash Flow

Free cash flow representing the change in net cash or net debt, excluding net acquisitions/disposals, equity changes, and dividends paid to shareholders, reached €-419 million versus €513 million achieved in 2020.

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Operating Margin before Depreciation and Amortization (OMDA)	**1 095**	**1 661**
Capital expenditures	-272	-320
Lease payments	-391	-361
Change in working capital requirement	-156	-63
Cash from operation (CFO)	**275**	**916**
Tax paid	-81	-113
Net cost of financial debt paid	-25	-33
Reorganization in other operating income	-343	-124
Rationalization & associated costs in other operating income	-76	-35
Integration and acquisition costs	-18	-32
Other changes*	-151	-66
Free Cash Flow (FCF)	**-419**	**513**
Net (acquisitions) disposals	-275	932
Capital increase	23	36
Share buy-back	-58	-45
Dividends paid	-101	-5
Change in net cash (debt)	**-830**	**1 431**
Opening net cash (debt)	**-467**	**-1 736**
Change in net cash (debt)	-830	1 431
Foreign exchange rate fluctuation on net cash (debt)	71	-162
Closing net cash (debt)	**-1 226**	**-467**

* *"Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration and acquisition costs) 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 Operation (CFO) amounted to €275 million, down by €641 million compared to the previous year. This resulted from the change of the following components:

- OMDA net of lease (€-596 million);
- Capital expenditures (€+48 million);
- Change in working capital requirement (€-93 million).

OMDA of €1,095 million represented 10.1% of revenue, compared to 14.9% last year:

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Operating margin	**383**	**1 002**
+ Depreciation of fixed assets	325	332
+ Depreciation of right of use	376	352
+ Net book value of assets sold/written off	10	15
+/- Net charge (release) of pension provisions	-1	-41
+/- Net charge (release) of provisions	2	1
OMDA	**1 095**	**1 661**

Capital expenditures amounted to €272 million or 2.5% of the revenue, down by €48 million compared to 2020.

The **change in working capital requirement** deteriorated by €93 million, in particular as a result of reduction of cash in advance measures. The DSO ratio reached 44 days compared to 46 days at the end of December 2020. The level of trade receivables sold with no recourse to banks with transfer of risks as defined by IFRS 9 was lower by €44 million compared to the end of December 31, 2020.

Cash out related to **tax paid** reached € 81 million.

The **cost of net debt** decreased to €25 million (compared to €33 million in 2020) mainly explained by the reimbursement of the €600m bond in April 2020 and positive interests on the NEU CP program.

Reorganization, rationalization and associated costs, and integration and acquisition costs reached €438 million compared to €191 million in 2020. This represented 4.0% of revenue and included in particular the payment of €180 million related to the German restructuring plan announced on July 12, 2021.

This also included reorganization costs in connection with the transformation program started in the second half of 2020 and finalized over the first half of 2021. Rationalization costs primarily resulted from the closure of office premises and data centers consolidation, mainly in North America, Germany and France. Integration and acquisition costs mainly comprised the integration costs for the new acquisitions.

Other changes amounted to €-151 million, compared to €-66 million in 2020. In 2021, they included in particular the cash effect of pension and early retirement programs in Germany, in the UK and in France, and settlements with customers.

As a result, the Group **Free Cash Flow (FCF)** used during the year 2021 was €419 million.

The net cash impact resulting from **net (acquisitions)/disposals** amounted to €-275 million and originated mainly from the consideration paid on the acquisitions of the year.

Capital increase totaled €23 million in 2021 compared to €36 million in 2020. This is mainly explained by the decrease in Atos share price between 2020 and 2021 affecting the respective values of the Group shareholding programs for employees.

Share buy-back reached €58 million during 2021 compared to €45 million in 2020. These share buy-back programs are related to the delivery of managers performance shares and aim at avoiding dilution effect for the shareholders.

Foreign exchange rate fluctuation determined on debt or cash exposure by country represented an increase in net cash of €71 million, mainly coming from the exchange rate of the US dollar and Indian Rupi against the Euro.

As a result, the Group **net debt position** was €1,226 million at the end of December 2021, compared to €467 million at the end of December 2020. This includes the optional exchangeable bond ("OEB") for €500 million while the Group still owns 2.5% of Worldline shares which are exchangeable at maturity of the OEB.

3.3.3 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 financial position financing through lease contracts, are managed centrally 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.

3.3.3.1 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 November 4, 2021, Atos announced the successful placement of its inaugural €800 million sustainability-linked bond with an 8-year maturity and a 1.0% coupon.

The coupon of the last 3 years will be unchanged if Atos achieves the following Sustainability Performance Target (SPT): reduction in 2025 of Atos annual GreenHouse Gas CO_2 emissions (Scopes 1, 2 & 3) by 50% compared to 2019. In case the SPT is not met, the last three coupons shall be increased by 0.175%. The proceeds of the bonds will be used for general corporate purposes.

On October 30, 2019, Atos announced the disposal of Worldline share capital (€780 million through a private placement by way of Accelerated Book building Offering (ABO)) and the issuance of €500 million zero coupon bonds exchangeable into Worldline shares with a maturity of 5 years and an exchange premium of 35%. Total gross proceeds for Atos were €1,280 million for the combined transactions.

On November 5, 2018, Atos announced the successful placement of its €1.8 billion bond issue. The €1.8 billion triple tranche-bond issue consists of three tranches:

- €700 million notes with a 3.5-year maturity and 0.75% coupon;
- €750 million notes with a 6.5-year maturity and 1.75% coupon;
- €350 million notes with a 10-year maturity and 2.50% coupon.

There are no financial covenants attached to this bond. The rating agency Standard and Poor's assigned a rating of BBB+ to the three tranches, subsequently to the rating of Atos at the time of issuance of the bond. On December 17, 2020, Standard and Poor's reaffirmed BBB+/Stable rating for Atos. On September 20, 2021, Standard and Poor's downgraded Atos rating to BBB-/outlook stable.

On October 11, 2018, Atos signed with a number of major financial institutions a five-year €2.4 billion revolving credit facility (the Facility) maturing in November 2023 with an option for Atos to request the extension until November 6, 2025 in two times. Atos exercized the second option in 2020 to extend the maturity of the Facility until November 6, 2025. The Facility is available for general corporate purposes and replaced the previous €1.8 billion facility signed in November 2014. The Facility includes one financial covenant which is the leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times.

On May 4, 2018 Atos implemented a Negotiable European Medium-Term Note program (NEU MTN) in order to optimize financial expense and improve Group liquidity management, for an initial maximum amount of € 600 million.

On June 2, 2017, Atos implemented a Negotiable European Commercial Paper program (NEU CP) in order to optimize financial expense and improve Group liquidity management, for an initial maximum amount of €900 million raised to €1.8 billion in October 2018. On December 10, 2019, the maximum amount of €1.8 billion was increased to €2.4 billion.

On October 29, 2016, Atos issued a Euro private placement bond of €300 million with a seven-year maturity and with a 1.444% fixed interest rate (unrated). There are no financial covenants attached to this bond.

3.3.3.2 Bank covenants

The Group remained within its borrowing covenant (leverage ratio) applicable to the multi-currency revolving credit facility, with a leverage ratio (net debt divided by OMDA) of 1.74 at the end of December 2021.

According to the credit documentation of the multi-currency revolving credit facility, the leverage ratio is calculated excluding IFRS 16 impacts since 2019. The calculation of the ratio at December 31, 2021 includes an adjustment of €391 million for IFRS 16 lease expense reversal.

The leverage ratio must not be greater than 2.5 times under the terms of the multi-currency revolving credit facility.

3.3.3.3 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.

3.3.3.4 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.

4

Corporate Governance

4.1 Legal Information

4.1.1 Corporate form

[GRI 102-5]

The Company was transformed into a European public limited liability company ("Societas Europaea" (European Company) or "SE") in 2012. It is governed by applicable European and French legal provisions on "European companies", and to the extent they are not contrary to such specific provisions, French legal provisions applicable to "sociétés anonymes", as well as by the Articles of Association.

4.1.2 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;
- raison d'être: article 2 of the Articles of Association also provides since April 30, 2019 that the Company's mission is to help design the future of the information technology space. Its services and expertise, multiculturally delivered, support the advance of knowledge, education and science and contribute to the development of scientific and technological excellence. Across the world, the Company enables its customers, employees and as many people as possible to live, work and develop sustainably and confidently in the information technology space;
- company name: "Atos SE" (article 3 of the Articles of Association);
- issuer's applicable law: 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 1 73 26 00 00;
- registered in the Pontoise Trade Registry under Siren number 323 623 603 and with business identification code (APE code) 7010Z;
- LEI (Legal Entity Identifier): 5493001EZOOA66PTBR68;
- date of incorporation and term: the Company was incorporated in 1982 for a period of 99 years, i.e., up to March 2, 2081.

As part of its normal activities, Atos operates or services a number of critical transport, power, health, telecom or IT infrastructures notably for public agencies or administrations and operates in certain sensitive areas (defense, space, cryptography, IA, cybersecurity, quantum and others). These activities may be subject to foreign investment control regimes, both in France (under articles L. 151-3 et seq. of the French Monetary and Financial Code) and in a substantial number of foreign countries where the Group is present. Under these regimes, certain sales or acquisitions of assets or stakes above certain thresholds in the share capital of Atos or its subsidiaries may be subject to notification or authorization with the competent authorities, even if there is no change of control.

4.1.3 Provisions of the Articles of Association

4.1.3.1 Governance, related-party agreements

Members of the Board of Directors

The Company is managed by a Board of Directors composed of a minimum of seven members and a maximum of eighteen members that are appointed by the Ordinary General Meeting. The Board of Directors is renewed annually 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 higher than one third of the total serving members. The Board of Directors comprises up to two Employee Directors. It may also comprise a Director representing the employee shareholders (articles 13, 14, 15, and 16 of the Articles of Association).

Chairman

The Board of Directors elects a Chairman from among its members. The missions of the Chairman are set forth in section ***4.2.2 Management Mode*** below.

Chief Executive Officer

At the discretion of 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 exercizes these powers within the limits of the Company's purpose and what the law, the Articles of Association and the Board Internal Rules 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 Board of Directors' decisions

Pursuant to article 18 of the Articles of Association, the Board of Directors is convened 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 made by majority of the members present or represented. In the event of a tie, the Chairman has a casting vote.

Powers of the Board of Directors

Pursuant to 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 and within the limits of the Company's purpose, it handles all matters involving the proper operation of the Company and settles matters through its deliberations. The Board of Directors sets the limitations on 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

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 more than 10% of the voting rights 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 French Commercial Code.

Directors' compensation

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 allocated by the Board of Directors in accordance with article L. 22-10-8 of the French Commercial Code.

4.1.3.2 Rights, privileges and restrictions attached to shares

Voting rights

Pursuant to article 33 of the Articles of Association, each share carries one voting right. There is no share with double voting right. On May 28, 2015, the Company's shareholders excluded the application of the so-called "Florange law" (Act dated March 29, 2014) related to double voting rights and consequently, maintained single voting rights at General Meetings of the Company.

Participation in General Meetings

Pursuant to 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.

Identifiable bearer shares

Pursuant to article 9, para. 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.

Calling and general conduct of Ordinary General Meetings and Extraordinary General Meetings

Pursuant to articles 34 and 35 of the Articles of Association, General Meetings 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 French law.

Disclosure of threshold crossing

In addition to the thresholds defined by applicable laws and regulations, pursuant to article 10 of the Articles of Association, all private individuals and legal entities, acting alone or in concert, who acquire, directly or indirectly, taking into account assimilated securities within the meaning of article L. 233-9 of the French Commercial Code, a fraction of the share capital equal to or higher 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 held during a two-year period following the date or regularization filing of such notice. Application of this sanction is subject to a request, mentioned in the minutes of the General Meeting, by one or more shareholders holding at least 5% of the Company's share capital or voting rights. The same information obligation applies, under 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.

Control of the issuer

The Company is not controlled within the meaning of article L. 233-3 of the French Commercial Code. No provisions in the Articles of Association, nor in any charter or Internal Rules, may delay, postpone or prevent a takeover or a change of control of the Company.

4.1.3.3 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 the General Meeting, in accordance with articles L. 232-12 to L. 232-18 of the French Commercial Code. The General Meeting 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.

Distribution of Company's assets

The General Meeting may decide to distribute assets recorded on the Company's balance sheet and, in particular, tradable securities by taking sums from the profits, retained earnings, reserves or additional paid-in capital.

4.2 Corporate governance

[GRI 102-18], [GRI 102-22], [GRI 102-23], [GRI 102-24], [GRI 102-26]

4.2.1 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 Corporate Governance Code of Listed Companies issued by the AFEP-MEDEF (revised version of January 2020) and has decided to use the Code as a reference in terms of corporate governance, and to follow it up, through an annual Board meeting dedicated to these issues.

In that respect, like every year, Atos' Board of Directors met on January 9, 2022 to perform the annual review of the implementation by the Company of these governance principles. Following this meeting, the Board considered that the Company's governance practices are fully compliant with the AFEP-MEDEF Code.

The Board's assessment on the implementation of the AFEP-MEDEF Code is available in its entirety on Atos' website at www.atos.net. The AFEP-MEDEF Code is available on the AFEP website at www.afep.com, in the Governance section.

In addition, governance issues are regularly addressed during Board meetings. The Board has indeed consistently expressed its willingness 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 the Company's innovative practice of regularly consulting its shareholders on the medium-term orientations (most recently, at the General Meeting on October 27, 2020). Also, Atos was the first CAC 40 company to enshrine its raison d'être in its Articles of Association on April 30, 2019, thereby anticipating the entry into force of the PACTE law of May 22, 2019.

4.2.2 Management Mode

The statutory governance of the Company was changed to a system with a Board of Directors in 2009. Since October 31, 2019, in accordance with the succession plan following the resignation of the former Chairman and Chief Executive Officer, and in compliance with best governance practices, the Board of Directors decided to change the Company's governance structure as of November 1, 2019 and to separate the offices of Chairman of the Board and of Chief Executive Officer. This corporate governance structure is widely recognized as a best practice to ensure a clear separation between, on the one side, the functions assigned to the Board of Directors which consist of determining the orientations of the Company's business and monitoring their implementation, and the operational and executive functions assigned to the executive management, on the other side.

In addition to the separation of offices of Chairman of the Board and Chief Executive Officer, in compliance with best governance practices, the following mechanisms apply to ensure a good balance of powers:

- the Board of Directors is composed of 60% of independent Directors;
- the Board has formed four internal Committees, to help in the decision process, composed at least of a majority of independent members. On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees: the Nomination and Governance Committee and the Remuneration Committee. The Nomination and Governance Committee was also entrusted with the regular review of the executive officer's succession plan;
- at least twice a year, Directors hold meetings, in the absence of the Chief Executive Officer, during which they discuss the Company's affairs and address any relevant topics;
- the Internal Rules of the Board of Directors set forth the Board's reserved matters which require the Board's prior authorization as well as the missions of the Chairman of the Board.

Missions of the Chairman of the Board

The statutory missions of the Chairman of Atos SE's Board of Directors (as per the Company's Articles of Association and the Board Internal Rules) are as follows:

- the Chairman organizes and directs the work of the Board;
- the Chairman convenes the Board meetings, determines the agenda and chairs the meetings;
- the Chairman oversees the proper functioning of the Company's bodies and makes sure, in particular, that the Directors are able to carry out their assignments;
- the Chairman presides over General Meetings of shareholders and reports on the Board work to the Annual General Meeting.

Upon the recommendations of an ad hoc committee composed of four independent Directors following the appointment of Bertrand Meunier as Chairman of the Board, the Board of Directors decided in 2020 to entrust the Chairman of the Board with the following additional missions, as reflected in the Board Internal Rules:

- consulting or being consulted and holding discussions with the Chief Executive Officer on certain significant and strategic events for the Company;
- representing the Company in its high-level relations with the public authorities and the Company's strategic stakeholders, in consultation with the Chief Executive Officer;
- participating in certain internal meetings with the Company's managers and teams and, as the case may be, as well as in certain Board committees;
- maintaining the quality of relations with the shareholders;
- participating in the recruitment process for new Directors and in the development of the succession plan;
- ensuring the balance of the Board (in addition to its proper functioning);
- arbitrating potential conflicts of interest.

Limitations on the powers of the Chief Executive Officer

The Board has 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 Chief Executive Officer;
- any material transaction not within the scope of the strategy announced by the Company.

Communication with shareholders

In accordance with the AFEP-MEDEF Code, the Company has regular direct contacts with its shareholders and investors throughout the year to understand their expectations and take them into account.

In that context, the following measures, in favor of a smooth shareholders' dialogue have been implemented:

- Atos regularly communicated its strategy through three-year plans. In June 2020, in the context of an "Analyst Day" Atos presented its medium-term ambition and strategy. These orientations were submitted to the shareholders' consultative vote during the General Meeting held on October 27, 2020. They were approved with above 99.99% of the votes;
- Atos' shareholders, during their Annual General Meeting held on April 30, 2019, decided with 99.93% of the votes to enshrine the Company's raison d'être in its Articles of Association;
- presentations established for financial reports, investor days or General Meetings are posted on the website of the Company;
- the Company is exchanging with its shareholders throughout the year but has, for many years, been conducting a governance roadshow prior to its Annual General Meeting.

Executive Director Succession plan

Directors may hold meetings, in the absence of the Chief Executive Officer, during which they discuss the Company's affairs, and address, among other subjects, the Executive Officer's succession plan, as per the recommendation of the AFEP-MEDEF Code.

4.2.3 The Board of Directors: composition and organization principles

[GRI 102-18], [GRI 102-22], [GRI 102-23], [GRI 102-24], [GRI 102-25]

4.2.3.1 Composition of the Board of Directors

Evolution of the composition of the Board of Directors and its Committees

In 2021 and up until the date of publication of this Universal Registration Document, the composition of the Board of Directors and of its committees was modified as a result of the following events:

	Board of Directors	Audit Committee	Nomination and Governance Committee	Remuneration Committee	CSR Committee
Departure	Élie Girard **(10/22/2021)**	–	–	–	–
Appointment	Rodolphe Belmer[1] **(10/23/2021)**	–	–	–	–
Renewal	Vivek Badrinath Bertrand Meunier Aminata Niane Lynn Paine **(05/12/2021)**	–	–	–	–

1 *Provisional appointement by the Board of Directors on October 20, 2021 to replace Mr. Élie Girard, which will be submitted for ratification to the next General Meeting called to approve the accounts for the year 2021.*

Composition of the Board of Directors

At the date of publication of this Universal Registration Document, the Board of Directors was composed of 13 members as listed below:

		PERSONAL INFORMATION			EXPERIENCE		POSITION ON THE BOARD				MEMBERSHIP IN COMMITTEES[3]
		Age	Gender	Nationality	Number of shares	Number of other mandates in listed companies[1]	Inde-pendence	Date of first appointment[2]	End of term of office	Seniority on Board	
Chairman	**Bertrand MEUNIER**	65	M	French/ British	25000	0	NO	07/03/2008	AGM 2024	13	N&G ⋆
Chief Executive Officer	**Rodolphe BELMER**[4]	52	M	French	500	1	NO	10/23/2021	AGM 2022	0	N/A
Directors (L225-17 CCom)	**Vivek BADRINATH**	52	M	French	500	1	YES	04/30/2019	AGM 2024	2	C ⋆♦
	Valérie BERNIS	63	F	French	505	2	YES	04/15/2015	AGM 2022	6	Rem, CSR ⋆
	Cedrik NEIKE	48	M	French/ German	500	2	NO	01/28/2020	AGM 2023	2	N/A
	Colette NEUVILLE	84	F	French	1022	0	YES	04/13/2010	AGM 2022	11	CSR
	Aminata NIANE	65	F	Senegalese	1012	0	YES	05/27/2010	AGM 2024	11	Rem ⋆
	Lynn PAINE	72	F	American	1000	0	YES	05/29/2013	AGM 2024	8	C ♦, N&G, CSR
	Edouard PHILIPE	51	M	French	501	0	YES	10/27/2020	AGM 2023	1	N&G
	Vernon SANKEY	72	M	British	1296	0	NO	02/10/2009	AGM 2022	12	C ♦, CSR
Director representing the employee shareholders (L225-23 CCom)	**Jean FLEMING**	52	F	Bristish	1829	0	NO	05/26/2009	AGM 2022	12	Rem
Employee Directors (L225-27-1 CCom)	**Vesela ASPARUHOVA**	39	F	Bulgarian	0	0	NO	10/15/2020	AGM 2023	1	N/A
	Farès LOUIS	59	M	French	0	0	NO	04/25/2019	AGM 2023	2	N/A

1 *Other mandates exercised in listed companies (Outside the Atos Group). Mandates exercised in listed companies belonging to the same group account for one single mandate.*
2 *Date of first appointment on the Board of Directors of Atos.*
3 *N&G: Nominations and Governance Committee, Rem: Remuneration Committee, C: Audit Committee, CSR: CSR Committee.*
4 *Mandate of Chief Executive Officer became effective on January 1, 2022.*
⋆ *Chairman of the Committee*
♦ *Vivek Badrinath, Lynn Paine and Vernon Sankey have sufficient financial and accounting skills by virtue of their educational and career backgrounds for the purpose of their membership in the Audit Committee.*

Director's biographies

Bertrand MEUNIER

Chairman of the Board of Directors

Chairman of the Nomination and Governance Committee

Professional address:
River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:
25,000

Date of birth:
March 10, 1956

Nationality:
French, British

Date of first appointment:
February 10, 2009 (Director) – July 3, 2008 (Member of Supervisory Board) ratified by General Meeting of February 10, 2009

Date of last renewal:
May 12, 2021

Term expires on:
AGM ruling on the accounts of the 2023 financial year

Biography - Professional Experience

Chairman of the Board of Directors of Atos SE

Bertrand Meunier is a graduate of the Ecole Polytechnique and of Paris VI University. He joined PAI Partners in 1982 up until 2010. Bertrand Meunier joined CVC Capital Partners Ltd as a Managing Partner from 2012 to 2020.

He became Chairman of the Board of Directors of Atos in November 2019.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

- Director*: Suez**

Abroad:

None

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

France:

- Director: Parex, Vedici, Elsan Holding, Linxens

Abroad:

- Managing Partner: CVC Capital Partners Ltd (United Kingdom)
- Director: Continental Foods (Belgium), CVC Capital Partners (Luxembourg), CVC Group Ltd (Luxembourg), PDC Brands (USA)

* *Term of office ended in January 2022*
** *Listed company*

Rodolphe BELMER

Director and Chief Executive Officer

Professional address:

River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:

500

Date of birth:

August 21, 1969

Nationality:

French

Date of first appointment:

October 23, 2021 (as a Director)

Date of last renewal:

N/A

Term expires on:

AGM ruling on the accounts of the 2021 financial year

Biography – Professional experience

Administrateur et Directeur Général d'Atos SE

A graduate of France's HEC business school, Rodolphe Belmer began his career at Procter & Gamble France before joining McKinsey in 1998. In 2001, he joined the Canal+ group and was appointed Head of Marketing and Strategy in 2002. From 2003 he oversaw the editorial division of the Group, initially as CEO of Canal+, and from 2006, as Head of all pay-TV channels. He led the Group's diversification into free-to-air television in 2011, notably through the acquisition and relaunch of D8 and D17, before being appointed as CEO of the Canal+ group in 2012. On December 1, 2015, he joined Eutelsat as Deputy CEO, then was appointed CEO as from March 1, 2016 and Director as from November 4, 2016.

Rodolphe Belmer has been appointed Director of Atos SE as from October 23, 2021 and has taken up the position of CEO as from January 1, 2022.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

- Chairman of Auteurs Solidaires
- Chairman of Séries Mania
- Director of Brut
- Director of Voodoo

Abroad:

- Independent Director of Netflix Inc.** (USA)

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

France:

- CEO and Director of Eutelsat Communications SA
- CEO and Director of Eutelsat SA**
- Member of the Supervisory Board of Mediawan**
- Chairman of RBC

Abroad:

- Chairman and Board member of Eutelsat Inc. (USA)
- Chairman and Board member of Eutelsat Americas (Mexico)
- Board member of Broadband for Africa (United Kingdom)
- Chairman and Board Member of Eutelsat Networks LLC (Russia)
- Manager of Eurobroadband Infrastructure Sàrl (Switzerland)
- Manager of Eurobroadband Retail Sàrl (Switzerland)
- Board member of Hispasat S.A. (Spain)
- Board member of OneWeb Plc (United Kingdom)

** *Listed Company*

Vesela ASPARUHOVA

Employee Director

Professional address:
17 General M. Skobelev bul, 1463 Sofia, Bulgaria

Number of shares:
0

Date of birth:
September 22, 1982

Nationality:
Bulgarian

Date of first appointment:
October 15, 2020

Term expires on:
AGM ruling on the accounts of the 2022 financial year

Biography - Professional Experience

Service Delivery Manager (Bulgaria)

Vesela Asparuhova is a graduate of the Technical University of Sofia where she received an MSc in Engineering in Communication Technology. She has post-graduate qualifications in Global Service Management from ESCP Europe Business School and Leadership in the Digital Age from Harvard Business Publishing.

In 2021, Vesela was awarded a certificate in Company Direction from the UK Institute of Directors.

Vesela Asparuhova has 16 years of experience in the IT industry in leadership positions and customer executive roles focusing on excellence in delivery of complex end-to-end solutions and operating performance.

She started her professional career with Siemens in 2006, where she co-led the set-up and development of GDCs in Eastern Europe. Subsequently she worked for the Global Solution Design business unit of Siemens Enterprise Communications. Since 2012 Vesela has been a Service Delivery Manager with Atos Bulgaria. Vesela Asparuhova was a member of the Company's Council for 3 years and in 2020 she was elected to serve as an Employee Director on the Atos SE Board of Directors.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

None

Abroad:

- Member of CCI France Bulgaria

Other positions held during the last five years

Within the Atos Group

France:

None

Abroad:

- Member of the Expert Community
- Member of the Company Council of Atos SE

Outside the Atos Group

France:

None

Abroad:

- Member of the PMI Bulgaria Chapter

Vivek BADRINATH*

Chairman of the Audit Committee

Professional address:

Vantage Towers AG,
Prinzenallee 11-13,
D-40549 Düsseldorf

Amtsgericht Düsseldorf,
HRB 92244

Number of shares:

500

Date of birth:

June 27,1969

Nationality:

French

Date of first appointment:

April 30, 2019

Date of last renewal:

May 12, 2021

Term expires on:

AGM ruling on the accounts of the 2023 financial year

Biography - Professional Experience

Chairman of the Management Board of Vantage Towers AG

Vivek Badrinath holds Engineering degrees from the Ecole Polytechnique and the Ecole Nationale Supérieure des Télécommunications (ENST) and also holds a post-graduate degree in stochastic modeling and statistics from Paris-Sud University.

He started his career in 1992 at the French Ministry of Industry.

Vivek Badrinath joined Vodafone's Executive Committee as CEO of Africa, Middle East, Asia and Pacific in October 2016. He oversees Vodafone's operations in the Vodacom Group, in India, Australia, Egypt, Ghana, Kenya and New Zealand. He was also Interim CEO of Vodafone Business in 2019.

In 1996, he joined Orange in the Group's Long Distance Networks department before becoming CEO of Thomson India in 2000. He returned to Orange in 2004 as Chief Technical Officer of the mobile division and was appointed to the Group's Executive Committee in 2009 as Director of the networks and operators division. Between April 2010 and April 2012, Vivek Badrinath was CEO of Orange Business Services before being appointed Deputy CEO in charge of Innovation, Marketing and Technologies on May 1, 2013. He was Deputy Chief Executive Officer, Marketing, Digital Solutions, Distribution and Information Systems for AccorHotels between March 2014 and October 2016. He joined the Vodafone Group in 2016 and was CEO of Vodafone Towers Europe until March 2020. Since March 2020, he chairs the Management Board of Vantage Towers.

Vivek Badrinath is a Chevalier in the French Ordre national du mérite (National Order of Merit) and in the French *Légion d'honneur*.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

None

Abroad:

(all mandates relating to his main function

at Vodafone)

- Chairman of the Management Board of Vantage Towers AG** (Germany)
- Director of Vantage Towers Greece (Greece)

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Director and member of the Audit Committee: Nokia
- Director: Accor
- Director: Vodafone Qatar, Vodacom** (South Africa), Vodafone Idea Limited** (India), Safaricom** (Kenya), Vodafone Hutchison Australia (Joint-Venture with Hutchison Whampoa in Australia), Vodafone Egypt**
- CEO: Vodafone Towers Europe

* *Independent Director*
** *Listed company*

Valérie BERNIS*

Chairman of the CSR Committee **Member of the Remuneration Committee** **Professional address:** River Ouest – 80 quai Voltaire 95870 Bezons, France **Number of shares:** 505 **Date of birth:** December 9, 1958 **Nationality:** French **Date of first appointment:** April 15, 2015, ratified by AGM held on May 28, 2015 **Date of last renewal:** June 16, 2020 **Term expires on:** AGM ruling on the accounts of the 2021 financial year	**Biography - Professional Experience** **Company Director** Valérie Bernis is a graduate of the Institut *Supérieur de Gestion* and *Université des Sciences Economiques* in Limoges. In 1996, after 2 years spent as Communication and Press Advisor to the Prime Minister, 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 a Member of the Board of Directors of l'Occitane and France Télévisions. She is also a member of the Board of Directors of Lagardère SA. **Directorships and positions** **Other Directorships and positions as at December 31, 2021** **Within the Atos Group** None **Outside the Atos Group** France: • Member of the Board of Directors: France Television (also Chairman of the Remuneration Committee and CSR Committee, and member of the Strategic Committee and Commitments Committee) • Member of the Board of Directors: Lagardère SA** (formerly Lagardère SCA) (also member of the Audit Committee and ad hoc Committee) • General Secretary of Board of Directors: AROP (Opera de Paris) • Board Member: Fondation contre Alzheimer Abroad: • Independent member of the Board of Directors and member of Nomination Committee, Audit Committee and CSR Committee: l'Occitane International SA (Luxemburg)**	 **Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** • Member of the Supervisory Board: Euro Disney SCA** • Member of the Board of Directors: Suez SA** • Vice-President: Fondation Engie • Member of the Board of Directors: Palais de Tokyo SAS

* *Independent Director.*
** *Listed company.*

Jean FLEMING

Director representing the employee shareholders **Member of the Remuneration Committee** **Professional address:** Midcity Place, 71 High Holborn London WC1V 6EA UK **Number of shares:** 1,829 **Date of birth:** March 4, 1969 **Nationality:** British **Date of first appointment:** May 26, 2009 **Date of last renewal:** June 16, 2020 **Term expires on:** AGM ruling on the accounts of the 2021 financial year	**Biography - Professional Experience** **Leadership Coach (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. Jean Fleming was appointed Director representing the employee shareholders. **Directorships and positions** **Other Directorships and positions as at December 31, 2021** **Within the Atos Group** None **Outside the Atos Group** France: None Abroad: Director of Jean Fleming Ltd (United Kingdom)	 **Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** None

Farès LOUIS

Employee Director

Professional address:
River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:
0

Date of birth:
May 23, 1962

Nationality:
French

Date of first appointment:
April 25, 2019

Term expires on:
AGM ruling on the accounts of the 2022 financial year

Biography - Professional Experience

Business Developer Cyber Security Products

Farès Louis joined Bull in 1991 as commercial engineer. He then held several positions as Account Manager for large accounts located in France, manager of Bull subsidiary located in the Middle East, and in the development of international offers. Currently, he is a business developer for security products in Middle East & Africa within the BDS service line.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

- French Labor Court judge (Conseiller Prud'homal)
- Trade Union defender
- Member of the CFDT corporate body/Symetal Francilien

Other positions held during the last five years

Within the Atos Group

- Trade Union representative
- Employee representative on the Company premises located in Les Clayes-sous-Bois
- European Committee Bull
- Bull Work's council

Outside the Atos Group

None

Cedrik NEIKE

Professional address:
Siemens AG
Werner-von-Siemens-Straße 1 80333
Munich, Germany

Number of shares: 500

Date of birth: March 7, 1973

Nationality:
German, French

Date of first appointment:
January 28, 2020

Term expires on:
AGM ruling on the accounts of the 2022 financial year

Biography - Professional Experience

Member of the Managing Board of Siemens AG and CEO of Digital Industries

Cedrik Neike is a graduate of University College London and London School of Economics where he received a Bachelor in Engineering and Business Finance. He also holds a MBA from Insead Business School (France).

Cedrik Neike joined Siemens in 1997 as Product line Manager for wireless Internet. In 2001, he then moved to Cisco Systems where he held several executive positions in Germany and USA, including in particular SVP, Global Service Provider, Service Delivery Worldwide, and SVP, Global Service Provider, Sales, EMEA, Russia and APJ.

In April 2017 he was appointed Member of the Managing Board of Siemens AG**.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

- Siemens France Holding SA, France
- Siemens AG Österreich, Austria (Director)
- Evonik Industries AG, Germany (Member of the Supervisory Board)

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Siemens Pte. Ltd., Singapore
- Siemens Ltd, India
- Siemens Schweiz AG, Switzerland (Chairman)

** *Listed company.*

Colette NEUVILLE*

Member of the CSR Committee

Professional address:
River Ouest – 80 quai Voltaire 95870 Bezons, France

Number of shares:
1,022

Date of birth:
January 21, 1937

Nationality:
French

Date of first appointment:
May 30, 2012 (Director) – June 12, 2008 (member of Supervisory Board) – April 13, 2010 (Censor) ratified by General Meeting of May 27, 2010

Date of last renewal:
June 16, 2020

Term expires on:
AGM ruling on the accounts of the 2021 financial year

Biography - Professional Experience

Chairman (founder) of the ADAM

Colette Neuville is a law graduate and a graduate of the *Paris Institut d'Études 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 *"Épargnants et Actionnaires Minoritaires"* (Retail Investors and Minority shareholders) of the *Autorité des Marchés Financiers* (French Financial Markets Authority).

She was also member of the Board of Directors of the FAIDER and the ARCAF.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

- Member: Consultative Commission "Epargnants et actionnaires minoritaires" ("Retail Investors and Minority shareholders") of the Autorité des Marchés Financiers (French Financial Markets Authority), Club of the Chairmen of Remuneration Committees

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Member: Conseil de Gouvernance de l'Ecole de Droit & Management de Paris II Panthéon-Assas
- Director: Getlink SE** (also member of the Audit Committee and Corporate Committee and Chairman of the Remuneration Committee and Lead Director), ARCAF (association des fonctionnaires épargnants pour la retraite), FAIDER (fédération des associations indépendantes de défense des épargnants pour la retraite)

* *Independent Director*
** *Listed company*

Aminata NIANE*

Chairman of the Remuneration Committee

Professional address:
BP 29495 – DAKAR, Senegal

Number of shares:
1,012

Date of birth:
December 9, 1956

Nationality:
Senegalese

Date of first appointment:
May 27, 2010

Date of last renewal:
May 12, 2021

Term expires on:
AGM ruling on the accounts of the 2023 financial year

Biography - Professional Experience

International Consultant

Aminata Niane holds an Engineering Degree in Science and Technology of Food Industries (Montpellier, France) and a Master in Business Administration (Birmingham, UK).

Then she started her career in 1983 as an engineer in big Senegalese companies in the 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 International Consultant, after being with the African Development Bank, Lead Advisor-Office of the Vice-President Infrastructure, Private Sector and Regional Integration, and Manager for the return of the Bank to its registered offices in Abidjan.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

None

Abroad:

- Director: Groupe Envol Immobilier Sénégal (Senegal), Banque Atlantique Sénégal (Senegal)
- Chairman of the association "Social Change Factory"

Other positions held during the last five years

None

* *Independent Director.*

Lynn PAINE*

Member of the Audit Committee **Member of the Nomination and Governance Committee** **Member of the CSR Committee** **Professional address:** Harvard Business School, Soldiers Field Road, Boston, Massachusetts 02163 **Number of shares:** 1,000 **Date of birth:** July 17, 1949 **Nationality:** American **Date of first appointment:** May 29, 2013 **Date of last renewal:** May 12, 2021 **Term expires on:** AGM ruling on the accounts of the 2023 financial year	**Biography - Professional Experience** **Baker Foundation Professor, John G. McLean Professor of Business Administration, Emerita** Lynn Paine is Baker Foundation Professor and John G. McLean Professor of Business Administration, Emerita. She previously served as Senior Associate Dean for International Development, and prior to that, as Senior Associate Dean for Faculty Development at Harvard Business School. She is former chair of the School's general management unit and a specialist in corporate governance. An American 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 course, 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, the Senior Executive Program for Africa, and the Leading Global Business, and, currently, Making Corporate Boards more Effective, Women on Boards and Preparing to Be a Corporate Director. 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. She also served on the Academic Advisory Council of the Hills Program on Governance at the Center for Strategic and International Studies (CSIS), in Washington, D.C.; on the Governing Board of the Center for Audit Quality in Washington D.C.; and the Advisory Board of the Conference Board's Governance Center in New York. She was a Director of RiskMetrics Group (NYSE) prior to the Company's merger with MSCI. **Directorships and positions**	
	Other Directorships and positions as at December 31, 2021 **Within the Atos Group** None **Outside the Atos Group** France: None Abroad: • Global Advisory Council, Novonor S.A. (formerly Odebrecht S.A.), São Paulo (Brazil) • International Advisory Council, FDC (Fundação Dom Cambral), Belo Horizonte (Brazil)	**Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** • Senior Associate Dean, Harvard Business School, Boston, Massachusetts (USA) • Academic Advisory Council, Hills Program on Governance – Center for Strategic and International Studies, Washington, D.C. (USA) • Senior Advisor to Independent Monitor for Volkswagen AG** (Germany)

* *Independent Director.*
** *Listed company.*

Édouard PHILIPPE*

Member of the Nomination and Governance Committee

Professional address:

River Ouest
80 Quai Voltaire
95870 Bezons
France

Number of shares:

501

Date of birth:

November 28, 1970

Nationality:

French

Date of first appointment:

October 27, 2020

Term expires on:

AGM ruling on the accounts of the 2022 financial year

Biography - Professional Experience

Mayor of Le Havre, former Prime Minister

Édouard Philippe is former Prime Minister, head of the French government from May 15, 2017 to July 3, 2020. He was re-elected Mayor of Le Havre at the municipal elections of June 2020. In October 2021, he founded the center-right political party "Horizons".

Édouard Philippe is a graduate of the Institut d'études politiques de Paris and then of the École nationale d'administration (ENA).

After graduating from ENA in 1997, Édouard Philippe became a member of the Conseil d'État assigned to the litigation section.

In 2004, he became an attorney with Debevoise & Plimpton, in charge of public law matters.

Edouard Philippe joined Areva in 2007 as Director of Public Affairs (2007-2010).

After holding several local offices, he was elected Mayor of Le Havre and President of the Le Havre Metropolitan Community in 2010 and 2014. He was elected Member of the Parliament in 2012.

Directorships and positions

Other Directorships and positions as at December 31, 2021

Within the Atos Group

None

Outside the Atos Group

France:

(mandates mainly relate to his functions of Mayor of Le Havre and of President of the urban community Le Havre Seine Métropole)

- Mayor of Le Havre
- President of the Urban Community Le Havre Seine Métropole
- Member of the Supervisory Board of Le Havre Grand port maritime
- Chairman of the Supervisory Board of Directors of the Hospital group of Le Havre
- President of the Social Action Center of Le Havre
- President of the EPCC, Le Volcan – Scène Nationale
- President of the Association Le Havre Seine Développement
- President of the Urban Planning Agency of the Le Havre region and of the Seine estuary
- President of the Association Internationale des Villes Portuaires (AIVP)
- President of the political party "Horizons"

Abroad:

None

Other positions held during the last five years

Within the Atos Group

None

Outside the Atos Group

- Prime Minister from (France)
- Member of French Parliament
- Member of the Board of Directors of the International Association of the Cities and Ports
- Member of the Board of Directors of the public land-management institution of Normandie
- Member of the Board of Directors of the Société Hérouvillaise d'économie mixte pour l'Aménagement

* *Independent Director.*

Vernon SANKEY

Member of the Audit Committee **Member of the CSR Committee** **Professional address:** 51 Walnut Court, St Mary's Gate, London W85UB, UK **Number of shares:** 1,296 **Date of birth:** May 9, 1949 **Nationality:** British **Date of first appointment:** February 10, 2009 (Director) – December 16, 2005 (Member of Supervisory Board) ratified by General Meeting of May 23, 2006 **Date of last renewal:** April 30, 2019 **Term expires on:** AGM ruling on the accounts of the 2021 financial year	**Biography - Professional Experience** **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 United-Kingdom in the period 1992-1999. Since then, he has held several non-executive positions as Chairman or Board member in several major international companies such as Pearson plc, Zurich Insurance AG, Taylor Woodrow plc, Thomson Travel plc, Gala plc, Photo-Me plc, Firmenich SA, etc. and was a founder member of the Management Board of the FSA (Food Standards Agency) UK. **Directorships and positions** **Other Directorships and positions as at December 31, 2021** **Within the Atos Group** None **Outside the Atos Group** None	 **Other positions held during the last five years** **Within the Atos Group** None **Outside the Atos Group** France: None Abroad: • Chairman, former Director: Harrow School Enterprises Ltd (United Kingdom) • Member: Pi Capital (United Kingdom)

Diversity policy at Board level

The Board of Directors meeting held on December 16, 2021, upon recommendation of the Nomination and Governance Committee, examined the composition of the Board of Directors and approved the diversity policy applicable at Board level.

In that respect, after carefully analyzing the Board's membership with respect to such criteria as age, gender, skills, professional experience, nationality and independence, and in light of the evolution of the Board composition over the past recent years, it set the following objectives:

- **age of Directors**: On December 16, 2021, Directors' age ranged from 39 to 84 with an average of 59.5 years old compared to 57.9 in 2020. The Board considered that the age average was satisfactory and decided to closely monitor the limit of one third exceeding 70 years old set in the Articles of Association;
- **gender diversity:** On December 16, 2021, the Board of Directors was composed of 46.2% women Directors (6 out of 13)[1]. The Board considered that the ratio was satisfactory but contemplated the nomination or renewal of independent women Directors during the General Meeting called to approve the accounts for the 2021 financial year in order to maintain the statutory ratio;
- **diversity of skills and professional experience:** The Board acknowledged that (i) the diversity of skills is well reflected in the variety of profiles of Board members who gather extensive experiences and trainings: governance and CSR, and (ii) the Board has three Directors representing the employees (employees and employee shareholders) who enrich the panel of professional experience and perspective. Following its review, the Board also considered the potential addition of new Directors' profiles with experience in IT/Technologies and knowledge of the North American market;
- **diversity of nationalities:** On December 16, 2021, the proportion of Directors of non-French nationality reached 53,8%, in line with the Group's international dimension. Consequently, the Board considered that the ratio was highly satisfactory and could be maintained to stay in line with the Group's international dimension;
- **directors' independence:** On December 16, 2021, the ratio of independent Directors was 60%. The Board considered to recommend the renewal or nomination of independent member to the Board of Directors so as to maintain in the long term and increase the ratio of independent Directors.

1 40% (4 out of 10) pursuant to the legal ratio. In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors.

4.2.3.2 Directors' independence

Definition of an independent Director

As per the AFEP-MEDEF Code

The AFEP-MEDEF Code defines as independent, a Director when "he or she has no relationship of any kind whatsoever with the corporation, its group or its management that may interfere with his or her freedom of judgment". The AFEP-MEDEF Code, adopted by the Board as reference code, also provides for a certain number of criteria that must be reviewed in order to determine the independence of a Director:

Criterion 1	Not to be and not to have been within the previous five years: • an employee or executive officer of the corporation; • an employee, executive officer or Director of a company consolidated within the corporation; • an employee, executive officer or Director of the Company's parent company or a company consolidated within this parent company.
Criterion 2	Not to be an executive officer of a company in which the Corporation holds a Directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a Directorship.
Criterion 3*	Not to be a customer, supplier, commercial banker, investment banker or consultant: • that is significant to the corporation or its group; • or for which the corporation or its group represents a significant portion of its activities. The evaluation of the significance or otherwise of the relationship with the Company or its group must be debated by the Board and the quantitative and qualitative criteria that led to this evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the report on corporate governance.
Criterion 4	Not to be related by close family ties to a Corporate Officer
Criterion 5	Not to have been an auditor of the corporation within the previous 5 years.
Criterion 6	Not to have been a Director of the corporation for more than 12 years. Loss of the status of independent Director occurs on the date of the 12th anniversary.
Criterion 7	A non-executive officer cannot be considered independent if they receive a variable compensation in cash or in the form of securities or any compensation linked to the performance of the corporation or Group.
Criterion 8	Directors representing major shareholders of the corporation or its parent company may be considered independent, provided these shareholders do not take part in the control of the corporation. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board of Directors, upon a report from the Nomination Committee, should systematically review the qualification of a Director as independent in the light of the composition of the corporation's share capital and the existence of a potential conflict of interest.

* *As recommended by the AFEP-MEDEF Code, as part of the assessment of how significant the relationship with the Company or its Group is (Criterion 3), the Board of Directors, on the recommendation of the Nomination and Governance Committee, retained the same criteria as those used in the previous year:*
- *a quantitative criterion, being the consolidated turnover of 1% performed by the Company with a group within which an Atos Director exercises a function and/or holds 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;*
- *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 detailed assessment of the Directors' independence carried out on December 16, 2021, and based on the above-mentioned criteria is reproduced in the table below:

	Bertrand Meunier	Rodolphe Belmer	Vesela Asparuhova	Vivek Badrinath	Valérie Bernis	Jean Fleming	Farès Louis	Cedrik Neike	Colette Neuville	Aminata Niane	Lynn Paine	Edouard Philippe	Vernon Sankey
Criterion 1	✔	✖	✖	✔	✔	✖	✖	✔	✔	✔	✔	✔	✔
Criterion 2	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 3	✔	✔	✔	✔	✔	✔	✔	✖	✔	✔	✔	✔	✔
Criterion 4	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 5	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 6	✖	✔	✔	✔	✔	✖	✔	✔	✔	✔	✔	✔	✖
Criterion 7	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 8	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Independence	NO	NO	NO	YES	YES	NO	NO	NO	YES	YES	YES	YES	NO

In this table, ✔ represents an independence criteron that is satisfied and ✖ epresents an independence criterion that is not satisfied.

On December 16, 2021, the Board of Directors reviewed the independence of each of its members on the basis of the criteria mentioned above and acknowledged that 60% of its Directors could be considered independent:

7 Directors were not considered as independent	• Mr. Rodolphe Belmer, as the future Chief Executive Officer, whose mandate effectively began on January 1, 2022.
	• Mr. Bertrand Meunier, Mr. Vernon Sankey and Ms. Jean Fleming as they have been serving on the Board for more than 12 years
	• Mr. Cedrik Neike due to his mandate in Siemens which has significant commercial relationship with Atos.
	• Ms. Vesela Asparuhova, Ms. Jean Fleming and Mr. Farès Louis by virtue of their quality as employees of a subsidiary of the Company*.
6 Directors were considered as independent	• Ms. Colette Neuville et Ms. Lyann Paine were considered as independent in the absence of any element falling within the criteria.
	• 4 Directors, performing mandates or functions in corporations having business relationships with the Company could nevertheless be considered as independent, considering the low turnover, below the threshold of 1% set by the Board, achieved by Atos with all these corporations: Mr. Vivek Badrinath, Ms. Valérie Bernis, Ms. Aminata Niana and Mr. Edouard Philippe.

* *As per article 9.3 of the AFEP-MEDEF Code, the Directors representing the employee shareholders and the Employee Directors are not taken into account for the ratios of independent Directors.*

4.2.3.3 Employee's participation at Board level

The Board includes a Director representing the employee shareholders, appointed by the General Meeting. The appointment of such Director was voluntarily submitted to the General Meeting in 2013, 2017 and in 2020.

The Board also comprises two Employee Directors within the meaning of article L. 225-27-1 of the French Commercial Code, appointed as per the procedure set forth in the Articles of Association. In accordance with the PACTE law, the Company submitted to the 2020 Annual General Meeting an amendment to the Articles of Association to lower the threshold from 12 to 8 Directors composing the Board for the required appointment of a second Employee Director. Following this amendment, a second Employee Director was appointed and joined the Board of Directors on October 21, 2020.

Directors representing the employee shareholders and the Employee Directors are expressly designated as members of the Board in the Board Internal Rules. In that respect, they fully participate in the meetings and deliberations of the Board. They have the same rights and obligations as any other Directors, in particular of confidentiality, save for the obligation to hold at least 500 shares of the Company.

Pursuant to an agreement dated December 14, 2012, the Company has implemented a scheme of participation of employees through the creation of the European Company Council of Atos SE and the designation, among the members of this council, 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.

4.2.3.4 Directors' training

As per the AFEP-MEDEF Code, upon the appointment of a new Director, various sessions are offered with the main group executives on the Group's business, organization and governance. Newly appointed Directors are provided with the Company's governance documentation (including the Articles of Association, the Board Internal Rules and the Director Charter) and received a specific training focusing on corporate governance. They are also alerted on stock exchange regulation obligations applicable to Directors of listed companies.

In addition, specific external trainings are contemplated for Directors on an ad hoc basis.

A specific training is also provided to Directors appointed on the Audit Committee. The members of the Audit Committee have the required skills by virtue of their education and professional experience. Newly appointed members were trained by the Chief Executive Officer, the Chairman of the Audit Committee, the Group Chief Financial Officer and the Group General Counsel on the Company's specific accounting, financial or operational features and the Company's governance.

4.2.3.5 Shareholding obligations

Pursuant to the Articles of Association, each Director must own at least 500 shares. However, such requirement does not apply to the Employee Directors and the Director representing the employee shareholders.

4.2.3.6 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 for 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.

4.2.3.7 Potential conflict of interest and agreements

[GRI 102-25]

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.

To the best of the Company's knowledge, save for the case of Cedrik Neike whose appointment was proposed by Siemens Pension-Trust e.V. 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 of the Company's knowledge, there are no family 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, save for the Employee Directors and the Directors representing the employee shareholders, must own at least 500 shares of the Company and the retention obligations defined by the Board of Directors for the Chief Executive Officer of the Company.

4.2.3.8 Internal rules of the Board of Directors

The Board of Directors of Atos SE has approved Internal Rules which govern the works of the Board of Directors. The Board Internal Rules were last updated during the Board meetings held on February 18, 2020, October 21, 2020 and December 1,2020 to adapt to the new governance structure of the Company. The Board Internal Rules include, as attachments, a Director Charter and a Guide to the prevention of insider trading.

The Board Internal Rules set out the rules on composition, operation and 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 of the Board Chair, the specific missions which can be granted to a Director and the confidentiality obligations imposed on Directors.

As soon as appointed, a copy of the Internal Rules as well as the Director Charter and the Guide to the prevention of insider trading are provided to the Directors who acknowledge receipt of these documents. The Board Internal Rules are available on the Company website at www.atos.net ("Investors" section).

Latest amendments to the Board Internal Rules

During the meeting held on February 18, 2020, the Board of Directors adopted, upon the recommendation of an ad hoc Committee, a new version of the Internal Rules in order to amend and detail the missions of the Chairman of the Board in Article 2.3.1 – Chairman of the Board, following the separation of the offices of Chairman of the Board and Chief Executive Officer. The missions of the Chairman of the Board are detailed in section 4.2.2 of this document.

During the meeting held on October 21, 2020, the Board of Directors approved the amendment of the Board Internal Rules to reflect the modifications to the Articles of Association approved during the Annual General Meeting held on June 16, 2020. The amendments to the Board Internal Rules were the following:

- Article 2.4.6 – Written consultation: Insertion of a new provision to allow the written consultation of the Board of Directors on specific decisions as provided for under article 18 of the Articles of Association;

- Articles 3.1, 4 and 9.3.1 – Directors' and Censors' compensation: Adjustment of the wording of the Directors' and Censors' compensation in articles 20 and 26 of the Articles of Association, to reflect the new legal name of this compensation.

During the meeting held on December 1, 2020, the Board of Directors approved the amendment of the Internal Rules in connection with the split of the missions previously allocated to the Nomination and Remuneration Committee between two new committees replacing the former Nomination and Remuneration Committee: the Nomination and Governance Committee and the Remuneration Committee. The missions of these two committees are described in sections 4.2.4.4 and 4.2.4.5 of this document. During the same meeting, the Board of Directors also decided to remove the position of Lead Independent Director and entrust the newly created Nomination and Governance Committee with the duties and missions formerly held by the Lead Independent Director which had not already been allocated to the Chairman of the Board as per Internal Rules.

Acceptance of new corporate mandates

Pursuant to the Board Internal Rules, the Chairman of the Board of Directors and the Chief Executive Officer, and the Chairman and Chief Executive Officer, as applicable, as well as any Deputy Chief Executive Officer, seek the Board of Directors' opinion before accepting a new Directorship in a listed company, whether French or foreign, outside the Group.

Conflicts of interest [GRI 102-25]

Pursuant to the Board Internal Rules, a Director undertakes to strictly avoid any conflict that may exist between his or her own moral and material interests and those of the Company. Directors must inform the Chairman of the Board of Directors of any conflict of interest, even a potential one, within which he or she may be directly or indirectly involved. In the case where he or she cannot avoid having a conflict of interest, he or she must abstain from participating in discussions and decisions on such matter, and the Chairman may request him or her not to attend the deliberations. 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).

Trading during closed periods

Pursuant to Atos' Guide to the prevention of insider trading, Atos' Directors and employees who are likely to have access on a regular or occasional basis to privileged information must not trade 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, 30 days preceding the publication of Atos SE half year financial statements, and four weeks prior to the publication of Atos SE financial information for the first and third quarters.

4.2.3.9 Board of Directors' Internal Charter on related-party and "free" agreements

The Board of Directors adopted an Internal Charter on related-party and "free" agreements.

Considering the organization of the Atos Group and, in particular, the principle of segregation of duties of its internal control system, the Internal Charter sets up a procedure involving both the Group Legal department and the Group Internal Control department whereby:

- the Group Legal department is in charge of qualifying the agreements either as related-party agreements or as "free" agreements, and of supervising the authorization procedure for related-party agreements; and
- the Group Internal Control department is in charge of regularly assessing whether agreements relating to ordinary transactions entered into under normal conditions do indeed meet these conditions. It communicates the results of its work to the Audit Committee.

4.2.4 Operation of the Board of Directors and its Committees

4.2.4.1 Attendance to the meetings of the Board of Directors and its Committees in 2021

Individual attendance

	Rodolphe Belmer	Bertrand Meunier	Vesela Asparuhova	Vivek Badrinath	Élie Girard	Valérie Bernis	Jean Fleming	Farès Louis	Cedrik Neike	Colette Neuville	Aminata Niane	Lynn Paine	Edouard Philippe	Vernon Sankey
Board of Directors	**100%**	**100%**	**94.74%**	**100%**	**100%**	**100%**	**94.74%**	**94.74%**	**94.74%**	**94.74%**	**94.74%**	**94.74%**	**94.74%**	**100%**
Audit Committee	N/A	**100%**	N/A	**100%**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**90%**	N/A	**100%**
Nomination and Governance Committee	N/A	**100%**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**100%**	**100%**	N/A
Remuneration Committee	N/A	N/A	N/A	N/A	N/A	**100%**	**100%**	N/A	N/A	N/A	**100%**	N/A	N/A	N/A
CSR Committee	N/A	N/A	N/A	N/A	N/A	**100%**	N/A	N/A	N/A	**100%**	N/A	**100%**	N/A	**100%**

Global attendance rate

Board of Directors	Audit Committee	Nomination and Governance Committee	Remuneration Committee	CSR Committee
96.76%	**96.67%**	**100%**	**100%**	**100%**

4.2.4.2 Board of Directors'activity

Mission

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, issues the report on corporate governance, 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. The Board of Directors endeavors to promote long-term value creation by the Company by considering the social and environmental aspects of its activities. It regularly reviews, in relation to the strategy it has defined, the opportunity and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly.

Operating rules

Pursuant to the Board Internal Rules, the Board of Directors, convened by its Chairman, meets 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 videoconference or conference call. The meetings of the Board of Directors 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 appoints, determining his or her term of office, a secretary who may be chosen from among the Directors or from outside. The Directors have the option of being represented at meetings of the Board of Directors by another Director. Each Director may only represent one of the other Directors during the same Board of Directors. The Board of Directors may only deliberate validly if at least half of its members are present. Decisions are passed by a majority of members present or represented. If the votes are split, the Chairman of the session casts the deciding vote.

Activities in 2021

During the 2021 financial year, the Board of Directors met 19 times. This number of meetings was necessary in order to allow a regular and timely review by the Board of regular or exceptional events, notably (i) developments related to the accounting review of certain U.S. legal entities, as well as the review of the remediation and prevention plan designed and implemented by the Group, (ii) the strategic review of the Group's portfolio and the monitoring of the implementation of the Group's business repositioning program, and (iii) the review acquisition projects contemplated or decided by the Group.

Global attendance of Directors at these meetings was an average of 96.76%.

The Board of Directors met to discuss the following topics:

Financial statements, budget and financial commitments:

- review and approval of the 2022 budget;
- review of the financial information and quarterly reports and forecasts;
- review of and closure of consolidated 2021 half-year and 2020 yearly financial statements;
- close supervision of the work undertaken by the Company in connection with the qualified opinion issued by the statutory auditors due to a limitation of scope as to two U.S. legal entities;
- follow-up of the North America audit through the monitoring of the full accounting review of certain U.S. legal entities and review of the remediation and prevention plan designed and implemented by the Group.;
- review of financial presentations and press releases;
- approval of parental company guarantees and review of off-balance sheet commitments.

Strategic projects and transactions:

- approval of the Company's medium-term ambition and strategy;
- regular review of the M&A activities, in particular in connection with potential acquisitions or disposals;
- strategic portfolio review of the non-core assets as part of the Group repositioning program and monitoring of its implementation;
- authorization of the issue of a sustainability-linked bond.

Compensation:

- *Compensation policy:*
  - set the compensation policy applicable to the Chairman of the Board, the Directors and the Chief Executive Officer,
  - review of the conformity of the executive officers' compensation policy with the AFEP-MEDEF Code,
  - change in the scope for calculation of the pay ratio applicable to executive officers introduced by the PACTE law,
  - determination of Rodolphe Belmer's compensation as new Chief Executive Officer,
  - determination of Pierre Barnabé's and Adrian Gregory's compensations as interim Chief Executive Officer and interim Deputy Chief Executive Officer, respectively,
  - conditions of departure of Élie Girard from his position as Chief Executive Officer;
- *Variable compensation:*
  - acknowledgement of the results for the Chief Executive Officer's variable compensation for H2 2020,
  - revision of the targets, then acknowledge the results for H1 2021 applicable to the Chief Executive Officer's variable compensation,
  - definition of the targets of the variable part of the Chief Executive Officer's compensation,
  - variable part of the Chief Executive Officer's compensation for H1 2022;
- *Directors' compensation:*
  - approval of the unchanged structure of Directors' compensation;
- *long-term incentive plans:*
  - set-up of a performance share plan in favor of Group employees,
  - confirmation of the achievement of 2020 performance conditions of the performance shares plans implemented in 2018,
  - revision of the performance conditions of performance share plans implemented in 2019 and 2020 given the extension of the Covid-19 related health measures,
  - reduction of the number of performance shares allocated to certain beneficiaries, member of the Group Management Committee, under the ongoing performance share plans,
  - Implementation of an employee stock ownership plan in 2021;
- *share buybacks:*
  - decide the implementation of share buybacks in connection with the delivery of performance shares.

Atos' raison d'être and CSR topics:

- definition of the orientations and review of the Company's initiatives regarding its social and environmental responsibility (particular with respect to sustainability, gender balance and diversity), their implementation and results;
- review of the Group's work regarding the implementation of its raison d'être;
- review of the results of the Great Place to Work Survey;
- review of the convergence and synchronization work carried out by the CSR and Internal Audit teams, and in particular the integration of CSR issues into the Group's risk mapping;
- review and monitoring of the Group's decarbonization ambition to achieve "zero net emissions by 2028";
- review of the Group's CSR initiatives;
- review of the Group's customer innovation programs.

Governance:

- *General Meeting:*
  - convening of the Annual General Meeting,
  - review and approval of the Board of Directors' report to the Annual General Meeting;
- *Company governance:*
  - appointment of a new Chief Executive Officer of the Company and an interim executive management composed of an interim Chief Executive Officer and an interim Deputy Chief Executive Officer,

- review of the composition of the Board of Directors in light of the Board policy,
- confirmation of the composition of the Committees after the Annual General Meeting;

- *governance-related documentation:*
  - review and approval the Board of Directors’ report on corporate governance,
  - review of the 2020 Universal Registration Document and of the 2020 Compliance report,
  - review of the Amendment to the 2020 Universal Registration Document filed with the Autorité des Marchés Financiers on July 30, 2021,
  - review of the draft revised Code of Ethics of the Company;
- *operation of the corporate bodies:*
  - renewal or approval of certain delegations of powers to senior executive officers,
  - proposals in connection with the renewal of Directors’ term of office or the appointment of new Board members,
  - assessment of the Board’s work,
  - review of the independence of Board members,
  - conformity review of the Company’s practices with the AFEP-MEDEF Code,
  - annual review of related parties’ agreements authorized during previous financial years;
- *risks:*
  - approval of parental guarantees,
  - review of the results of the risk mapping exercise,
  - review of the recommendations of Internal Audit missions,
  - review of main on-going litigations.

The Board regularly heard the reports of the statutory auditors as well as those of its four Committees.

The Board Committees are governed by the Board Internal Rules which specify their respective missions. The Committees only have an advisory role 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.

Specific work of the Board of Directors and of the Audit Committee to supervise the North American accounting review and the remediation and prevention plan

This section focuses on the specific activities arising from the issuance, on April 1, 2021, of a qualified opinion of the Statutory Auditors due to a scope limitation concerning two U.S. legal entities.

The Board of Directors and its Audit Committee closely supervised the full accounting review of these entities and the resulting remediation and prevention plan, which were formally on the agenda of six meetings of the Board of Directors held after April 1, 2021, including four dedicated exceptional meetings. The follow-up of this matter was also addressed during meetings where it was not formally included on the agenda.

The Board was assisted by the Audit Committee, which held four extraordinary meetings dedicated to these topics in 2021, and followed up on the design and the implementation of the remediation and prevention plan at all meetings held from April to December 2021.

Increasing its monitoring of the Company on these matters, the Board delegated the current Chairman and the former Chairman of the Audit Committee to meet on a weekly basis from April to July 2021 with an ad hoc steering committee and the Statutory Auditors, to oversee the additional accounting work performed by a task force and required by the qualification of the Statutory Auditors. This additional accounting work resulted in the absence of any qualification in the Statutory Auditors' reports on the half-year condensed consolidated financial statements as at June 30, 2021 and on the consolidated financial statements for the year ended December 31, 2021, issued respectively on July 30, 2021 and on March 11, 2022.

The Board of Directors retained its own external legal and accounting advisors and was assisted by them over several months.

As part of its work in 2021, the Board of Directors, on the basis of proposals made by executive management and the recommendations of its Audit Committee:

- oversaw cooperation with the Statutory Auditors, ensuring that the Atos teams and the dedicated task force were provided with sufficient resources, including external support, to carry out the required accounting work as quickly as possible;
- decided to maintain the scheduled date of the 2021 Annual General Meeting with the goal of securing and pursuing the ordinary course of the Company’s business;
- obtained detailed reports, including advice from advisors specialized in this type of internal investigations, discussed the appropriate remedial measures, reviewed and approved the principles of the remediation and prevention plan, and monitored its progressive enrichment;
- supervised executive management’s deployment and implementation of the remediation and prevention plan, taking into account the recommendations of the Statutory Auditors and of the Company's independent advisors (see notably paragraph 7.4.5 regarding the strengthening of Atos’ internal controls); and
- was informed of the regular meetings on this matter with the French stock exchange regulator, the AMF.

4.2.4.3 The Audit Committee's activity

Composition

The Audit Committee is composed of three members, including two independent members.

Mission

The Audit Committee prepares and facilitates the work of the Board of Directors within its fields of competence. For this purpose, it assists the Board of Directors in its analysis of the accuracy and sincerity of the Company's corporate and consolidated accounts. The Committee formulates opinions and recommendations to the Board of Directors according to the following assignments received from the Board:

With respect to the accounts:

- to monitor the financial reporting process, and as the case may be, issue recommendations to guarantee integrity of the said process;
- 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 of the Company 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 upon approval of the annual accounts as well as the important financial documents and press releases;
- to report on the results of the financial statements certification, on the way this mission contributed to the integrity of the financial information and about the role that the Committee played in the process.

With respect to the external control of the Company:

- to examine questions concerning either the appointment or renewal of the statutory auditors;
- to monitor the conduct of the assignment entrusted to the statutory auditors;
- to approve the provision of services by the statutory auditors or by their network members for the benefit of the Company or its subsidiaries, other than the certification of the accounts and the services required from the statutory auditors by the law. The Committee bases its recommendations on the analysis of the risk to the independence of the statutory auditor(s) and on the safeguard measures applied by them;
- to ensure the statutory auditors act in compliance with their duty of independence.

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 cash position and any significant commitments or risks, notably through a litigation review, and to examine the procedures adopted to assess and manage such risks;
- to monitor the effectiveness of the Internal Audit of the procedures relating to the preparation and processing of financial and extra-financial accounting information.

Operating rules

Pursuant to the Board Internal Rules, the Audit Committee members are provided, at the time of appointment, with information relating to the Company's specific accounting, financial and operational features. The Audit Committee interviews the statutory auditors, and also the persons responsible for finance, accounting and treasury matters. The review of accounts by the Audit Committee should be accompanied by a presentation from the statutory auditors stressing the essential points not only of the results of the statutory audit, in particular the adjustments resulting from the audit and significant weaknesses in internal control identified during the auditor's works, but also of the accounting methods chosen. It should also be accompanied by the complementary report to the Audit Committee provided for by applicable law and a presentation from the chief financial officer describing the corporation's risk exposures including those of a social and environmental nature, and its material off-balance-sheet commitments. As far as Internal Audit and risk control are concerned, the Committee interviews 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 2021, the Audit Committee, in its operation, benefited from Company's internal skills, in particular the Group Chief Financial Officer, the Group General Secretary, the Group Head of Internal Audit, the Group Head of Bid Control and Business risk management, the Group Head of Investor Relations and Financial Communication, the Group Head of Accounting, Tax and Structuring, 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. In addition, with respect to the developments related to the full accounting review of U.S. legal entities that were subject to a reservation by the statutory auditors for limitation of work, the Audit Committee also called upon various external experts in U.S. accounting and investigation.

Activities in 2021

During the 2021 financial year, the Audit Committee met 10 times. Attendance of members to the meetings was an average of 97.67%.

During the 2021 financial year, the Audit Committee reviewed the accounting and financial documents, before their presentation to the Board; the Committee also reviewed the main accounting items and methods. The Audit Committee examined the quarterly financial reports on the Group's performance, the consolidated accounts for 2020, the half yearly accounts 2021, and the draft financial press releases before their submission to the Board of Directors. With respect to the developments related to the full accounting review of U.S. legal entities that were subject to a reservation by the statutory auditors for limitation of work, the Audit Committee reviewed the reports and works of the statutory auditors and the various external experts specially appointed for this mission (see section 4.2.4.2 above for more details on the specific work of the Audit Committee to supervise the North American accounting review and the remediation and prevention plan).

The Audit Committee was regularly informed of the conclusions of the main missions and reviewed the summary reports concerning the Internal Audit activities. The Committee was informed on a regular basis of the monitoring and management of risk of the significant contracts and reviewed the updated risk mapping presented by the Group Head of Internal Audit. The Committee also periodically reviewed the status of the declared claims and litigations and the provisions. The Committee reviewed relevant sections of the Universal Registration Document. The Committee was regularly informed on the status of the Group's treasury and financing needs and reviewed the significant off-balance-sheet commitments. 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. It also examined the fees and the independence of the statutory auditors.

4.2.4.4 The Nomination and Governance Committee's activity

On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees, resulting in the creation of the Nomination and Governance Committee.

Composition

The Nomination and Governance Committee is composed of three members, including two independent members.

Mission

The Nomination and Governance Committee shall have the task of preparing and facilitating the decisions of the Board of Directors within its fields of competence according to the following assignments received from the Board:

- to research and examine, for the Board of Directors, any candidate for the appointment to the position of member of the Board of Directors or to a position of manager who holds a corporate mandate within the Company, to formulate an opinion on these candidates and/or a recommendation to the Board of Directors, particularly taking into account the desired balance within the composition of the Board of Directors and to assess the opportunities for the renewal of mandates; and to review and formulate recommendations regarding the succession plan for executive officers.

Selection process for candidates s independent Directors

The Nomination and Governance Committee identifies and selects candidates to the office as independent Directors according to the following procedure:

- identification of the missing profiles through the analysis of the targets of the diversity policy set by the Board and the inputs and suggestions made by the members of the Board of Directors when answering the questionnaire related to the annual assessment of the works of the Board;
- identification by the Committee of potential candidates meeting the identified criteria, with the help, as applicable, of an external consultant;
- preselection of candidates by the Nomination and Governance Committee after careful review of their skills, experience, professional background, independence and ability to carry the duties of the Charter of the Atos Board of Directors;
- the Chairman or another member of the Nomination and Governance Committee contacts the preselected candidates and enquires about their willingness to be considered for the position;
- the preselected candidates who have confirmed their willingness to be considered for the position are interviewed by the Committee members during a committee meeting and shall fulfill a questionnaire with disclosures and a commitment to abide by the Board rules;
- after the interviews, the Nomination and Governance Committee issues a recommendation to the Board of Directors.
- to examine major operations involving a risk of a conflict of interest between the Company and the Directors, to provide recommendations regarding the assessment of the Directors' independence and to supervise the annual evaluation of the Board's works.

Operating rules

The Nomination and Governance Committee is subject to the same general operating rules as those applicable to the other Board Committees. The Committee may use external experts as needed.

Activities in 2021

During the 2021 financial year, the Nomination and Governance Committee met seven times. Attendance of members to the meetings was 100%.

The Nomination and Governance Committee met in 2021 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- search for potential candidates for the position of Board member in light of the diversity policy defined by the Board;
- proposal to renew the term of office of Board members at the Annual General Meeting;
- review of the key executive officers and their succession plans;
- yearly review of the composition of the Board of Directors in accordance with the defined diversity policy of the Board and selection process of a new Board member representing the employee shareholders;
- review of the yearly assessment of the Board work in 2021;
- proposals in connection with the review of the independence of Board members;
- composition of the Remuneration Committee: evolution of the AFEP-MEDEF rules.

4.2.4.5 The Remuneration Committee's activity

[GRI 102-36], [GRI 102-37]

On December 1, 2020, the Board of Directors decided to split the missions previously allocated to the Nomination and Remuneration Committee between two committees, resulting in the creation of the Remuneration Committee.

Composition

The Remuneration Committee is composed of three members, including two independent members.

Mission

The Remuneration Committee shall have the task of preparing and facilitating the decisions of the Board of Directors within its fields of competence according to the following assignments received from the Board:

- to formulate proposals regarding the compensation of the Chairman of the Board and the Chief Executive Officer (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) and of the Directors;
- to review and formulate recommendations to the Board of Directors regarding the annual compensation policy for corporate officers;
- to contribute 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 corporate officers and any or all employees of the Company and its subsidiaries;
- to make observations and/or recommendations related to the pension and insurance plans, payments in kind, various financial rights granted to corporate officers of the Company and their subsidiaries.

Operating rules

The Remuneration Committee meets without the Company Officer's presence for the setting of the Chairman of the Board and the Chief Executive Officer's compensation policy and the Chief Executive Officer's related objectives as well as the assessment of this latter's performance on the occasion of the allocation of his variable compensation. The Remuneration Committee delivers an opinion to the Board of Directors on the performance of the Chief Executive Officer. The Chief Executive Officer is associated to the works of the Committee relating to the long-term incentive policy related proposals for employees. The Committee may use external experts as needed.

Activities in 2021

During the 2021 financial year, the Remuneration Committee met six times. Attendance of members to the meetings was 100%.

The Remuneration Committee met in 2021 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- compensation policy:
  - proposals in connection with the review of the conformity of the Chairman's and of the Chief Executive Officer's respective compensations with the AFEP-MEDEF Code,
  - proposals relating to the change of scope for the calculation of the "pay ratio" introduced by the PACTE law,
  - proposals relating to the determination of the compensation of Rodolphe BELMER as new Chief Executive Officer,
  - proposals relating to the determination of the compensations of Pierre BARNABE and Adrien GREGORY, respectively, as interim Chief Executive Officer and interim Deputy Chief Executive Officer,
  - proposal relating to the conditions of departure of Élie GIRARD from his position as Chief Executive Officer,
  - proposals relating to the definition of the compensation policy applicable to the Chairman of the Board, the Directors and the Chief Executive Officer;
- variable compensation:
  - proposals in connection with the acknowledgement of the results of the variable compensation of the Chief Executive Officer for the second half of 2020,
  - proposals relating to the adjustment of the targets for the variable part of the compensation of the Chief Executive Officer for the first half of 2021,
  - proposals relating to the acknowledgement of the results for the first half of 2021 applicable to the compensation of the Chief Executive Officer,
  - proposals relating to the setting of targets for the variable part of the compensation of the Chief Executive Officer for the second half of 2021,
  - proposals in connection with the variable part of the Chief Executive Officer's compensation;
- Directors' compensation:
  - proposals for the allocation of the Directors' compensation for 2021,
  - proposals for the renewal of the Directors' compensation for 2022;
- long-term incentive plans:
  - proposals in connection with the confirmation of the achievement of the 2020 performance conditions of the performance share plans implemented in 2018,
  - proposals in connection with the revision of the performance conditions of performance share plans implemented in 2019 and 2020 given the extension of the Covid-19 related health measures,
  - proposals in connection with a project of employee stock ownership plan.
  - proposals in connection with the setting up of a performance share plan in favor of Group employees,
  - proposition in connection with the reduction of the number of performance shares allocated to certain beneficiaries, member of the Group Management Committee, under the ongoing performance share plans;
- share buybacks:
  - proposal in connection with the implementation of share buybacks in connection with the delivery of performance shares.

4.2.4.6 The CSR Committee's activity

To strengthen the consideration of Corporate Social Responsibility, the Board created a committee dedicated to corporate social and environmental responsibility matters, in place since January 2020.

Composition

The CSR Committee is composed of four members, including three independent members

Mission

The CSR Committee shall have the task of preparing and facilitating the work of the Board of Directors within its fields of competence. The Committee shall formulate all opinions and recommendations to the Board of Directors according to the following assignments received from the Board:

- to review the Group's corporate social and environmental responsibility strategy and the rollout of the related initiatives;
- to review the Group's corporate social and environmental responsibility commitments in light of the challenges specific to the Group's business and objectives, in particular in such areas as well being at work, diversity and environment;
- to evaluate the risks and opportunities with regard to social and environmental performance;
- to review the social and environmental policies taking into account their impact in terms of economic performance;
- to review the annual statement on extra-financial performance; and
- to review the summary of ratings awarded to the Group by rating agencies and in extra-financial analysis.

Operating rules

The CSR Committee is subject to the same general operating rules as those applicable to the other Board Committees. The CSR Committee meets as often as the Company's interest so requires. The Committee may, in carrying out its responsibilities, contact leading managers of the Company after notifying the Chairman of the Board of Directors or the Board of Directors itself and under the condition that it reports back to the Board of Directors. The Committee may use external experts as needed.

Activities in 2021

During the 2021 financial year, the CSR Committee met three times. Attendance of members to the meetings was 100%.

The CSR Committee met in 2021 to deal in particular with the following subjects so as to formulate opinions and recommendations to the Board of Directors:

- review of the Company's initiatives regarding its social and environmental responsibility (in particular with respect to sustainability, gender balance and diversity), their implementation and results;
- review the Group's work regarding the implementation of its raison d'être;
- review of the convergence and synchronization work carried out by the CSR and Internal Audit teams, and in particular the integration of CSR issues into the Group's risk mapping;
- review and monitoring of the Group's decarbonization ambition to achieve "zero net emissions by 2028";
- review of the Group's customer innovation programs.

The CSR Committee also organized a one-day seminar open to Directors in 2021 to present them to important CSR topics.

4.2.5 Assessment of the works of the Board of Directors

[GRI 102-28]

Pursuant to the Board Internal Rules, 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 evaluation has three objectives:

- to assess the way in which the Board operates;
- to check that the important issues are suitably prepared and discussed;
- and to measure the actual contribution of each Director to the Board's work.

Once a year, the Board of Directors shall devote one item on its agenda to the discussion of its operation and inform the shareholders each year, in the Universal Registration Document, of the conduct of these assessments and the subsequent follow-up.

In accordance with the AFEP-MEDEF Code, the Board of Directors has undertaken since 2009 a formalized annual assessment under the supervision of its Lead Independent Director, and of its Nomination and Governance Committee as from 2020 due to the removal of the position of Lead Independent Director.

Under the supervision of the Nomination and Governance Committee, the assessment was carried out pursuant to the following procedure:

- each Director answered a questionnaire adjusted to (i) the Atos Group situation and, in particular, the developments in connection with the full accounting review of the U.S. legal entities that were subject to a reservation by the statutory auditors for limitation of work and the related remediation and prevention plan, and (ii) the recommendations made during previous assessments. The questionnaire addressed such topics as:
  - the satisfactory nature of the Board's participation and of the information it is given in defining the Group's strategy, its raison d'être and its ambitions in terms of social responsibility and their implementation,
  - the quality and responsiveness of the Board's response to exceptional events, and in particular to the developments in connection with the full accounting review of the U.S. legal entities and the related remediation and prevention plan,
  - the satisfactory nature of the Directors' knowledge of the Group's business and its management,
  - the quality of the information provided to the Board and of the procedures put in place regarding risk control,
  - the suitability of the Board and Committees composition,
  - the suitability of the agenda and information provided in that respect, of the time devoted to specific subjects,
  - for the Committee members, the suitability of the Committee's works and of the means provided to the Committees to carry out their mission,
  - the quality of the recommendations from both Committees,
  - the quality of the minutes of meetings and of the documents/information provided,
  - the satisfactory nature of the actual contribution of each Director to the works of the Board,
  - the improvements to be made, and
  - the suitability of the Board's work in 2021;
- during its meeting held on December 16, 2021, the Board of Directors, further to the report of the Chairman of the Nomination and Governance Committee on the outcome of the assessment, considered the improvements to retain. The answers were collected, analyzed and consolidated in a report for the Board after review by the Nomination and Governance Committee. At the end of these works, an item was put on the agenda of the Board of Directors' meeting of December 16, 2021 in order for the Chair of the Nomination and Governance Committee to report on the outcome of this assessment and consider the improvements to retain.

The tone of the assessment is very positive, as for the previous years and several improvements were acknowledged: the quality of the debates and of the informal meetings among Directors. The following points emerged from the analysis, and were shared with all the Directors:

- **composition of the Board of Directors**: the Directors made several suggestions on the profiles to be targeted for future candidates to the Board in order to further enrich its composition by potentially adding profiles with an expertise in IT/Technologies and a good knowledge of the North American market. They were satisfied with the diversity of the composition of the Board of Directors, with the required maintenance of the overall balance between men and women Directors,
- **activities of the Board**: Directors are globally very satisfied with the way the Board meetings are conducted, with a very high attendance rate, which is up compared to last year. Certain Directors also suggested that, as soon as the health situation allows it, informal meetings and work sessions with the Group's management teams that should be resumed,
- **strategy**: the organization of an annual strategic seminar was suggested when the sanitary situation will allow such seminar to be conducted,
- **governance**: the Directors greatly appreciated their review of the performance of the executive Directors and the remuneration policy applicable to them,
- **monitoring of the full accounting review of U.S. legal entities**: the Directors considered the management's response on the developments in connection with the full accounting review of U.S. legal entities that were subject to a qualification for limitation work by the statutory auditors to be fully appropriate, and the Board's monitoring of this matter and of the remediation and prevention plan implemented by the Group were deemed to be very strong. The Directors supported the strengthening of the Board's monitoring of accounting risks, particularly in the United States, and suggested that the risk management plan be further improved in this regard,
- **risks**: The Directors suggested that the Board of Directors continue to periodically review risk management matters.

In addition to being addressed through the questionnaire (in particular with the assessment of the actual contribution of each Director), the assessment of the performance of the Chief Executive Officer took place twice in 2021 during the Board of Directors' meetings that ruled in February and July, respectively for the second semester 2020 and the first semester 2021, on the achievement of the performance criteria of the Chief Executive Officer's variable compensation.

4.2.6 Board of Directors' reports

4.2.6.1 Board of Directors' report on corporate governance

The 2021 Universal Registration Document includes all corporate governance-related items required under the provisions of the French Commercial Code and the AFEP-MEDEF Code of corporate governance to be included in the Board of Directors' report on corporate governance approved during the meeting held on February 28, 2022 and amended during the meeting held on March 24, 2022. Consequently, the following table allows to identify in the 2021 Universal Registration Document the required information.

Information required under the French Commercial Code	Section of the 2021 Universal Registration Document
Governance *(L. 22-10-10 of the French Commercial Code)*	
List of mandates and functions in any company exercized by each corporate officer during the financial year	4.2.3.1
Agreements entered into between a subsidiary and a corporate officer or a shareholder holding more than 10% of the voting rights	N/A
Table of on-going delegations to proceed to share capital increases	8.7.7
Choice of terms and conditions to exercize the general management of the Company	4.2.2
Composition of the Board of Directors and conditions of organization of the works of the Board of Directors	4.2.3, 4.2.4
Diversity policy at Board of Directors and Executive Committee levels and results in terms of gender diversity for the 10% highest responsibility positions within the Company	4.2.3.1, 5.3.5, 5.3.1
Limitations of powers on the Chief Executive Officer	4.2.2
Recommendations of Corporate Governance Code which are not followed and place where Code may be consulted	4.2.1
Specific terms and conditions of participation in General Meetings	4.1.3.2
The description of the procedure related to related-party and free agreements set up by the Company and of its implementation	4.2.3.9
Executive Compensation *(L. 22-10-8, L. 22-10-9, L. 225-185 and L. 225-197-1 of the French Commercial Code)*	
Presentation of the corporate officers' compensation policy to be submitted to the General Meeting in the context of the ex ante vote	4.3.1
Corporate officers' compensation paid during the closed financial year or awarded in relation thereto	4.3.2
Proportion between the fixed and variable compensation	4.3.1; 4.3.2.3
The use of the possibility to ask for the restitution of the paid compensation	N/A
Undertakings in favor of corporate officers in case of taking up, ending or change of functions.	4.3.1
Compensation paid or awarded by a consolidated company	4.3.1; 4.3.2
Ratios between the Company officers' compensation and the employees' average compensation	4.3.2.2, 4.3.2.3
The annual evolution of the compensation, the Company's performance, the employees' average compensation, and the hereabove mentioned ratios over the last five years in a way that allows a comparison.	4.3.2.2, 4.3.2.3, 4.3.2.4
An explanation on the way the total compensation complies with the adopted compensation policy, including the way it contributes to the Company's long-term performance and the way the performance criteria were applied	4.3.1, 4.3.2
The way the vote during the last Ordinary General Meeting provided for in article L. 22-10-34 para. I was taken into account	4.3.1
Any discrepancy with the compensation policy and any exception applied in accordance with article L. 22-10-8 para. III, including the explanation on the nature of the exceptional circumstances and the indication of the specific elements to which an exception is made	N/A
The implementation of the legal provisions regarding the discontinued payment of the Directors' compensation, if applicable	N/A
Allocation and holding obligation of options by Company's officers	4.3.1.4
Allocation and holding obligation of free shares by Company's executive officers	4.3.1.4
Elements likely to have an impact in case of public offer *(L. 22-10-11 of the French Commercial Code)*	
Structure of share capital of the Company	8.1.2, 8.2, 8.7.3, 8.7.5
Limitations on the exercise of voting rights and share transfers as per the Articles of Association	4.1.3.2, 8.7.4, 8.7.5
Direct or indirect shareholdings in the share capital of the Company	4.1.2, 8.1.2, 8.2, 8.7.3
List of holders of any securities with special control rights	N/A
Control mechanisms in employee shareholding systems	8.7.5
Agreements between shareholders which may result in restrictions to share transfers and the exercise of voting rights	8.7.5

Information required under the French Commercial Code	Section of the 2021 Universal Registration Document
Rules applicable to the appointment and replacement of Board of Directors members and the amendment of the Articles of Association of the Company	4.1.3.1., 4.1.3.2
Powers of the Board of Directors' (in particular for the issuance or buyback of shares)	4.1.3.1, 4.2.2, 4.2.4.2,8.7.6, 8.7.7
Agreements entered into by the Company which are modified or terminated in case of change of control of the Company	8.7.5
Agreements providing for indemnities to Board of Directors members or employees upon termination of their employment contract, by resignation or termination without real and serious cause, or pursuant to a purchase or exchange public offer	4.3.1, 8.7.5

Information recommended under the AFEP-MEDEF Code of corporate governance	Section of the AFEP-MEDEF Code	Section of the 2021 Universal Registration Document
Board of Directors' activity	1.8	4.2.4.2
Board Internal rules	2.2	4.2.3.8
Quantitative and qualitative criteria that led to the evaluation of the significance or otherwise of the relationship with the Company or its Group	9.5.3	4.2.3.2
Assessment of the works of the Board of Directors	10.3	4.2.5
Number of meetings of Board of Directors and of Board Committees held in the past financial year and information relating to Directors' individual attendance at such meetings	11.1	4.2.4
Start and end dates of Directors' term of office, Directors' nationality, age and principal position, list of names of the members of each Board's committees	14.3	4.2.3.1
Description of the Committees activities in the past financial year	15.2	4.2.4
Number of shares held by the Directors	20	4.2.3.1
Rules for allocation of Directors compensation and individual amounts of payments made in this regard to the Directors	21.4	4.3.2.1
Minimum number of registered shares that the Company officers must retain	23	4.3.1
Recommendation of the High Committee and reasons why the Company decided not to comply with it	27.1	N/A

4.2.6.2 Summary of the transactions on Company's shares performed by senior executives

The following transactions on the Company's shares were carried out in 2021 by the persons referred to in article L. 621-18-2 of the French Monetary and Financial Code:

Name	Number of shares purchased	Number of shares sold	Date	*Purchase* Price/ sale price *(in €)*
Jean Fleming	197		07/30/2021	0.0000[1]
		86	07/30/2021	40.4125[2]
Vesela Asparuhova	102		10/28/2021	31.7400[3]
Élie Girard	3,000		02/19/2021	62.5200
	13,748		07/30/2021	0.0000[1]
Pierre Barnabé	1,252		10/28/2021	31.7400[4]
Uwe Stelter	2,455		07/30/2021	0.0000[1]
		611	07/30/2021	0.0000[2]
	1502		10/28/2021	31.7400[5]

1 *Vesting of performance shares pursuant to a plan set up by the Company (Plan of July 22, 2018).*
2 *Shares sold by the Company pursuant to the performance share plan of July 22, 2018 to finance the taxes owed by the beneficiary upon vesting of the shares.*
3 *Subscription of 100 units of the Group Mutual Fund (FCPE) "Atos Relais 2021" (on the basis of one FCPE unit/one Atos share) within the framework of the capital increase reserved to the employees of the Group carried out on October 28, 2021. The Company contributed 2 shares to the subscription.*
4 *Subscription of 1,250 units of the Group Mutual Fund (FCPE) "Atos Relais 2021" (on the basis of one FCPE unit/one Atos share) within the framework of the capital increase reserved to the employees of the Group carried out on October 28, 2021. The Company contributed 2 shares to the subscription.*
5 *Subscription of 1,500 units of the Group Mutual Fund (FCPE) "Atos Relais 2021" (on the basis of one FCPE unit/one Atos share) within the framework of the capital increase reserved to the employees of the Group carried out on October 28, 2021. The Company contributed 2 shares to the subscription.*

4.3 Compensation and stock ownership of Company officers

4.3.1 Compensation policy for the Company officers

4.3.1.1 General principles of the Company officers' compensation

1 Setting, amending and implementing the compensation policy

The Company officers' compensation policy is proposed by the Remuneration Committee, approved by the Board of Directors and submitted to the vote of the General Meeting.

The role and missions of the Remuneration Committee in the context of setting, amending and implementing the compensation policy are stated in the Internal Rules of the Board of Directors (cf. paragraph 4.2.4.5).

Setting the compensation policy

The compensation policy of the Board Chair, the Chief Executive Officer and the Directors is set by the Board of Directors, upon the proposal of the Remuneration Committee, and submitted to the vote of the General Meeting.

The Board of Directors defines the elements of analysis that it wishes the Remuneration Committee to provide in support of its recommendations and determines the time horizon to be considered to set the Company executives' compensation.

The principles governing the determination of the compensation of the Company officers are established in the framework of the AFEP-MEDEF Code to which the Company refers.

In particular, the compensation must aim to promote the performance and competitiveness of the Company, to ensure its growth and the sustainable value creation for its shareholders, its employees and all its stakeholders. Thus, the Company associates the leading executives and key digital talents with the long-term incentive plans from which the executive Directors benefit, if necessary by differentiating the level of requirement between the Chief Executive Officer, the members of the Executive Committee, and the other key digital talents benefiting from these instruments. Besides, Atos France signed a specific profit-sharing agreement with the representative trade unions, still currently in force.

Thus, the Remuneration Committee ensures the competitiveness of the Company executive officers' compensation, through regular compensation surveys, and recommends a compensation structure that respects the corporate interest, by ensuring that no element represents a disproportionate share of the global compensation. The compensation elements thus defined are justified and assessed in a consistent way with the compensation components for the managers and employees of the Group.

In compliance with the corporate interest, the Company executive officers' global compensation structure is designed according to a "pay-for-performance" approach, focusing on a significant variable part over annual and multiannual terms.

The variable compensation is subject to the achievement of precise, demanding and measurable objectives which are closely linked to the Group's objectives, as regularly disclosed to the shareholders and linked to the Company's social and environmental strategy. No minimum payment is guaranteed and, in the event of outperformance, the variable compensation due or awarded is capped.

The approach adopted in terms of compensation structure provides the Company executive officer with a transparent, competitive and motivating framework for achieving the Group's ambitions, and allows the Company to be committed only to a limited part of the overall compensation if the Company's performance, in the short or medium term, turns out to be unsatisfactory.

The compensation policy thus contributes to the strategy and sustainability of the Company while respecting the corporate interest.

Amending the compensation policy

The compensation policy is reviewed at least every three years, especially to assess its effectiveness.

During this review, the Remuneration Committee shall consider changes in the Company employees' employment and wages conditions prior to formulating its recommendations and proposals to the Board of Directors.

The compensation policy for Company's officers can also be reassessed each year by the Board of Directors. To this end, it regularly uses studies from comparable companies or legal opinions possibly prepared by third parties, in accordance with the Board's Internal Rules which authorize it. This practice helps preventing conflicts of interest that could possibly arise in the context of the preparation of meetings of the Remuneration Committee and of the Board of Directors.

The last reassessment of the compensation policy for Company executive officers was carried out in October 2021, upon the recommendation of the Remuneration Committee, with a view to taking into account the current context of the Company, and the need for attractiveness in connection with the appointment of the new Chief Executive Officer, following the resignation of Élie Girard with effect from October 22, 2021.

Implementing the compensation policy

The compensation policy is implemented by the Board of Directors in accordance with the resolutions adopted by the General Meeting. Upon recommendation of the Remuneration Committee, the Board of Directors sets, at the beginning of each semester, the objectives of each performance indicator on which the variable compensation of the Company executive officers is based and defines the elasticity curves accelerating the amount of the variable compensation due upwards and downwards to get on track towards achieving the Group's mid-term targets. In addition, the Board of Directors sets, upon recommendation of the Remuneration Committee, the multiannual equity-based compensation in accordance with the Company's performance and the Group's ambitions.

2 Methodology for assessing performance criteria

The performance criteria set for the annual variable compensation in cash and for the multiannual equity-based compensation are measurable and fully objective. Thus, no criterion requires a subjective assessment by the Board of Directors. Indeed, the variable compensation is based on financial or CSR criteria the achievement of which is externally audited in the context of the publication of the Universal Registration Document or in the context of publications by external organizations as well as objectively predefined qualitative criteria.

3 Handling conflicts of interest

The Company complies with the conditions set out in the AFEP-MEDEF Code relating to the management of conflicts of interest. In that respect, the Charter of the Atos Board of Directors sets out the duties and obligations of Directors, which also aim to prevent any conflict of interest in the performance of their duties (see para. 4.2.3.8). In particular, it provides that the corporate officer or Director must make every effort to avoid any conflict that may exist between his moral and material interests and those of the Company. Without prejudice to the prior authorization and control formalities required by law and the Articles of Association, he or she must inform the Chairman of any conflict of interest, even potential, in which he may be directly or indirectly involved. In cases where he or she cannot avoid finding himself/herself in a conflict of interest, he or she shall abstain from participating in discussions and any decision on the matters concerned. The Chairman may ask him/her not to attend the deliberations. The Chairman of the Board of Directors, pursuant to the Board's Internal Rules, shall arbitrate any conflict of interest that may concern a Director.

In the event of a governance or ethical issue concerning the executive corporate officer, which could concern, in particular, his compensation, which deserves an in-depth examination, the Company may seek the opinion of a College of Ethics (Collège des Déontologues) with members from outside the Company. This College is composed of two honorary judges and a law professor acting independently, and may be consulted, in accordance with its charter, by the Chairman of the Board of Directors or the General Secretary on governance, compliance and ethics issues. A report from the College of Ethics would then be presented to the Company's Board of Directors.

In addition, the Company's Board of Directors ensures that the number of independent Directors on its Board of Directors is sufficient, in particular with regard to the AFEP-MEDEF Code.

4 Distribution rules for the annual amount allocated to the members of the Board of Directors

In accordance with the resolution voted by the shareholders at the Annual General Meeting held on April 30, 2019, the annual envelope of Directors' compensation was set at € 800,000 for the members of the Board of Directors for financial year 2019 and for subsequent financial years until further decision of the General Meeting. The rules for allocating Directors' compensation are set by the Board of Directors, based on a proposal from the Remuneration Committee. The allocation rules for the Directors' compensation are based on the following principles:

- for the Board of Directors:
  - a fixed annual compensation of €20,000 per Director, as well as a variable compensation of €2,500 per meeting attended by the Director,
  - the Lead Independent Director, in the event that the Board of Directors decides to appoint one among its members, receives an additional fixed compensation of €20,000 per year;
- for the Committees, the compensation depends on the attendance to the meetings:
  - €3,000 per meeting attended by the Chair of the Audit Committee,
  - €2,000 per meeting attended by the Chairs of the other Committees,
  - for other members of the Committees, € 1,000 per meeting attended by each member;
- the Board may decide that successive meetings held on the same day shall be equivalent to one meeting for the calculation of Directors' compensation;
- for the purpose of calculating the Directors' compensation, the Board may consider the existence of a single meeting, in the event that several meetings held on different days but within a short period of time are related;
- the written resolutions are not remunerated;
- the Employee Director(s) do(es) not receive any compensation for this mandate;
- Directors are reimbursed of expenses incurred as part of their mandate, in particular, travel and accommodation.

The Directors' compensation policy as applicable in 2020 was renewed in 2021 at the Annual General Meeting held on May 12, 2021. During its Board meeting held on December 16, 2021, the Board of Directors decided:

- to maintain the global amount of €800,000 for the envelope. This yearly envelope is tacitly renewed as per the resolution approved at the 2019 Annual General Meeting;

- that the allocation rules will continue to apply to the members of the Board of Directors;
- to renew for 2022 the rules of allocation for the members of the Board of Directors used in 2021.

5 Modification of the compensation policy

The compensation policies applicable to Directors and the Chairman of the Board of Directors, voted by the Annual General Meeting held on May 12, 2021 under the 12th, 13th and 14th resolutions are renewed for the year 2022. In fact, these compensation policies were approved by more than 97% of the shareholders' votes.

With a view to proposing a remuneration adapted to the experience of the Chief Executive Officer, competitive and in line with market practices following the resignation of Élie Girard and to align the interests of the shareholders and those of the Chief Executive Officer, the Board of Directors of December 16, 2021 decided, on the recommendation of the Remuneration Committee, to submit to the General Meeting a modification of the remuneration policy of the Chief Executive Officer by changing certain elements of his remuneration and in particular the fixed remuneration, the ceiling of the multi-year variable remuneration and by providing, under certain circumstances, for an exceptional indemnity, a severance payment in the event of involuntary departure and/or a non-compete indemnity. All of the changes are detailed in a precise and comprehensive manner in the following sections (cf. paragraph 4.3.1.4, 1.).

6 Derogation

In accordance with the provisions of article L. 22-10-8 of the French Commercial Code, in the event of exceptional circumstances, the Board of Directors, on the recommendation of the Remuneration Committee, may depart from the compensation policy when such departure is temporary, consistent with the Company's interest and necessary to ensure the Company's long-term survival or viability.

Exceptional circumstances may arise in particular from a change, or even a substantial change, in the economy, the Group's market conditions or the competitive environment, a significant change in the Group's scope of consolidation such as a transforming operation (merger, disposal, etc.), the acquisition or creation of a significant new activity or the elimination of a significant activity, or a change in accounting methods/standards.

In this context, the Board of Directors may, on the recommendation of the Remuneration Committee, adjust the performance criteria and conditions for variable and multi-year compensation in shares, it being specified that the ceilings for such compensation may not be changed under any circumstances.

These adjustments will be duly justified and strictly implemented. Such compensation will be submitted to the *ex post* vote of the General Meeting and may only be paid if the latter votes in favor. These modifications must necessarily maintain the alignment of the interests of the shareholders and the beneficiaries. It would be reported in detail by the Board of Directors to the shareholders.

7 Compensation policy for the newly appointed Company officers

If a new Chair of the Board of Directors is appointed, the compensation policy applicable to the current Chairman of the Board of Directors will be applied taking into account the additional tasks that the Board of Directors could entrust to him or her, in particular under the Internal Rules of the Board of Directors.

If a CEO is appointed, the compensation policy for the current CEO will apply.

If a new Director is appointed, the compensation policy for current Directors will apply.

However, the Board of Directors, on the proposal of the Remuneration Committee, may take into account specific situations and responsibilities with respect to each company officer.

For any other appointment, the Board of Directors, on the proposal of the Remuneration Committee, will take into account the particular situation of the person concerned and the responsibilities attached to his or her function.

In the event of external hiring of a new executive officer and in particular of a Deputy Chief Executive Officer, the Board of Directors may decide to grant an amount (in cash or in equity instruments) in order to compensate for the loss to the new hire related to the departure from his/her former position, possibly subject to a reimbursement clause notably in the event of early departure. In all cases, the payment of such compensation will be conditioned on the approval by the General Meeting in accordance with article L. 22-10-34 of the French Commercial Code.

4.3.1.2 Compensation policy for the Directors

1 General principles and term of office

Directors' term of office is three years, subject to the statutory provisions concerning age limit and implementation of the renewal by thirds each year of the Directors which can justify terms of office of one or two years. Directors' term of office may be renewed subject to the same provisions.

Employee Directors' term of office is three years, renewable once. The term of office of the Directors representing the employee shareholders is three years.

Directors may be dismissed at any time by the General Meeting. However, Employee Directors may be dismissed in case of willful misconduct while performing their mandate. The term of office of an Employee Director ends automatically by anticipation in case of termination of his/her employment agreement or in case his/her employer ceases to be an Atos affiliate.

The employment agreements of certain Directors may be terminated in accordance with applicable provisions of French labor law (resignation, contractual termination or dismissal or any other equivalent measure) by complying with notice periods and indemnification rules set by the French Labor Code and the collective agreements.

2 Compensation for the financial year 2022

For the financial year 2022, the Board members shall receive:

- a fixed annual compensation of €20,000 par Director;
- a variable compensation of €2,500 par attended meeting.

As far as committees are concerned, compensation depends on attendance to the meetings:

- €3,000 per meeting attended by the Chair of the Audit Committee;
- €2,000 per meeting attended by the Chairs of the other Committees (Nomination and Governance Committee, the Remuneration Committee and CSR Committee);
- for other members of the Committees, €1,000 per meeting attended by each member.

The Employee Directors do not receive any compensation for the exercise of that mandate.

Directors are reimbursed of expenses incurred as part of their mandate, notably travel and accommodation.

Directors do not receive any other kind of remuneration than those mentioned above. In particular, no Director receives any compensation for any mandate held in Group companies other than Atos SE, save for the Employee Directors or the Director representing the employee shareholders. In fact, these persons receive a salary from the relevant Company subsidiary by virtue of their employment agreement, which is not related to the performance of their mandate as Directors of the Company.

4.3.1.3 Compensation policy for the Chairman of the Board of the Directors

1 General principles and mandate of the Chairman of the Board

Bertrand Meunier was appointed Chairman of the Board of Directors with effect as of November 1, 2019, following the Board's decision to separate the offices of Chairman of the Board of Directors and Chief Executive Officer.

The term of office of the Chairman of the Board is two years and expired at the Annual General Meeting held in 2021 to decide on the 2020 financial statements. The Board of Directors, on the recommendation of the Remunerations Committee, decided to propose to this General Meeting the renewal of Bertrand Meunier's term of office as Director. The shareholders General Meeting on May 12, 2021 decided pursuant to the 5th resolution to approve the renewal of his term of office for three years.

The mandate of the Chairman of the Board of Directors may be terminated at any moment by the Board of Directors.

Bertrand Meunier is not bound by any employment agreement with the Company or any other group Company.

The Board of Directors met on December 16, 2021 and February 28, 2021, and on the recommendations of the Remuneration Committee, decided to propose to renew the compensation policy for the non-Executive Chairman of the Board of Directors in effect since 2020, as approved during the Annual General Meetings held on June 16, 2020 and on May 12, 2021. This policy takes into account the additional missions, which the Board of Directors has entrusted to the Chairman of the Board of Directors under its internal rules after having obtained the opinion of an Ad hoc Committee of the Board of Directors.

The objective of the compensation policy for the Chairman of the Board of Directors is to offer a transparent, competitive and motivating global compensation consistent with market practices. To preserve the independence of his judgment on the action of the executive management of the Company, the compensation of the Chairman of the Board of Directors does not include any variable component depending on long- and short-term performance.

After examination of similar mandates, the Board of Directors took the following into account to set the structure and the amount of the Chairman's compensation:

- the absence of a pre-existing executive corporate officer mandate;
- the specific missions entrusted to the Chairman of the Board in addition to his legal missions.

After reviewing this compensation structure for the Chairman of the Board in December 2021 in comparison with the CAC40 and Next20 companies, the Board of Directors, on the recommendation of the Compensation Committee, decided to keep it identical in 2022. The Board of Directors noted the particularly important commitment of its Chairman during the year 2021, in particular given the current events of the Company.

In accordance with the objectives of the compensation policy, the following principles were adopted by the Board of Directors on the recommendation of its committee in charge of remuneration:

What we do	What we do not do
• A single fixed annual compensation based on the comparable market practices • Provision of a secretariat and an office • Reimbursement of expenses incurred in connection with his missions	• No additional Director's compensation. • No exceptional compensation • No severance payment, *i.e.*, indemnities or rights due or likely to be due as a result of the termination or change in function of company executive officers • No commitment corresponding to indemnities in return for a non-competition clause • No attendance fees for functions and mandates held in Group companies • No additional pension scheme beyond the basic and supplementary mandatory schemes.

2 Compensation of the Chairman of the Board for the year 2022

In compliance with the general principles of the compensation policy for the Chairman of the Board of Directors, the Board of Directors, meeting on December 16, 2021, on the recommendation of the Remuneration Committee, renewed, for 2022 the compensation applicable to the Chairman of the Board of Directors in 2020 and in 2021.

Fixed compensation:

A gross annual fixed compensation of € 400,000, paid in twelve monthly installments.

Variable compensation:

The Chairman of the Board shall not receive any variable compensation.

Long-term compensation:

The Chairman of the Board shall not receive any long-term compensation

Benefits:

The Chairman of the Board shall be provided with a secretariat and an office and be reimbursed for the fees incurred in connection with his mandate.

Directors' compensation:

The Chairman of the Board shall not receive any compensation in connection with his mandate as Director in 2022.

Other compensation elements:

The Chairman of the Board shall not enjoy any supplementary social protection scheme applied within Atos.

Severance payment:

The Chairman of the Board shall not receive any severance payment.

Non-competition severance payment:

The Chairman of the Board shall not receive any non-competition severance payment.

4.3.1.4 Compensation policy for the Chief Executive Officer

Considering the Group's situation in 2021 and in connection with the appointment of a new Chief Executive Officer, Rodolphe Belmer, the Board of Directors, on the recommendation of the Remuneration Committee, has decided on a modification of the compensation policy, subject to approval by the Annual General Meeting on May 18, 2022.

This compensation policy for the Chief Executive Officer applies to the current Chief Executive Officer, Rodolphe Belmer, as well as to any newly appointed company executive officer (as Chief Executive Officer or Deputy Chief Executive Officer). In the event of the appointment of a Deputy Chief Executive Officer, the compensation amounts would be reduced to take into account the difference in responsibility between the functions of Chief Executive Officer and Deputy Chief Executive Officer.

1 General principles and mandate of the Chief Executive Officer:

The Board of Directors, meeting on October 20, 2021, appointed Rodolphe Belmer as Chief Executive Officer and co-opted him as a Director. Mr. Belmer assumed his duties as Chief Executive Officer on January 1, 2022. His term of office as Director will be proposed for ratification by the shareholders at the Annual General Meeting of May 18, 2022, at which time it will also be proposed that the shareholders reappoint Mr. Belmer as Director for a term expiring at the end of the Annual General Meeting to be held in 2025 to approve the financial statements for the year 2024. The duration of his mandate as Chief Executive Officer is aligned with the duration of his mandate as Director. The Chief Executive Officer may be removed from office at any time by the Board of Directors. Rodolphe Belmer is not bound by any employment contract with the Company or any other entities within the Group.

The compensation policy for the Chief Executive Officer, which will be effective retroactively to January 1, 2022 subject to approval by the shareholders at the Annual General Meeting on May 18, 2022, aims to support the Company's strategy in a difficult context with an ambition to turn around the Company and, to align the Chief Executive Officer's long-term interests with those of the shareholders, by:

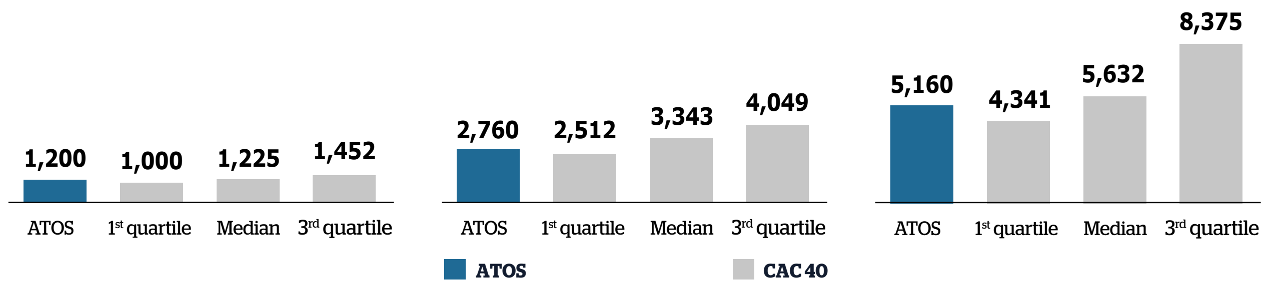
- offering a transparent, competitive and motivating global compensation consistent with market practices and the Company's economic and financial condition;
- establishing a close link between performance and short-term and long-term compensation;
- including in long-term, and possibly in short-term, variable compensation CSR criteria that directly participate in the Company's social and environmental strategy;
- retaining and involving employees in the long-term performance of the Company.

The global compensation structure is thus designed according to a "pay-for-performance" approach, focusing on the variable part over annual and multiannual terms.

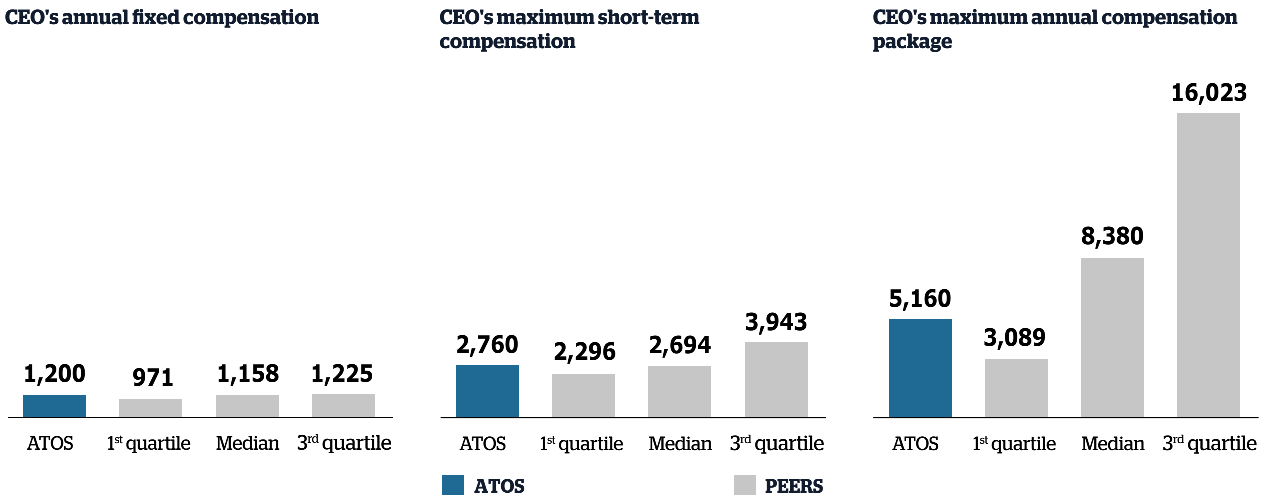
The structure of the overall remuneration, including an increase in the fixed annual compensation compared to that of the previous Chief Executive Officer, is well justified by the need for the Company to attract a high-caliber external candidate, who has demonstrated in the position of Chief Executive Officer of a listed company his ability to lead teams in a phase of reorganization and rebound. These criteria for the profile of a new Chief Executive Officer had been identified as crucial further to the works of the Nomination and Governance Committee in charge of the succession plan. The new Chief Executive Officer has received assurances from the Company that, despite the absence of any welcome indemnity, he will benefit from a compensation structure that will incentivize him to work on the Company's recovery when it faces a difficult situation.

Besides, the so determined fixed annual compensation of the Chief Executive Officer is in line with the median and below the average of CAC40 companies (reference panel used in particular in the recruitment process initiated when the Company belonged to this index). The maximum potential total compensation for the new Chief Executive Officer remains well positioned in relation to the benchmark for CAC40 companies.

CEO's annual fixed compensation | **CEO's maximum short-term compensation** | **CEO's maximum annual compensation package**



In addition, for information purposes, the Board of Directors also compared the different components of Mr. Belmer's compensation with his international peers as detailed below. Although relevant given the global competitive environment in which Atos operates, including major American and Indian players, the Board of Directors did not retain this peer group as a relevant element of comparison in determining the quantum. Mr. Belmer's potential maximum compensation remains well below international practice for similar positions.



Selected peers for the international comparison which operate in a similar or comparable field are the following: Accenture; Capgemini; Cognizant Technology; DXC Technology; IBM; Sopra Steria; T-Systems; Wipro.

In accordance with the objectives of the compensation policy, the following principles were adopted by the Board of Directors upon the recommendation of the Remuneration Committee:

What we do	What we do not do
• Preponderance of the variable components in the short and long term • Nature and weighting of performance criteria according to strategic priorities • Precise, simple, and measurable objectives in line with the Company's communications to the market • No variable compensation when the minimum achievement thresholds by criteria are not reached • Cap on variable compensation in the event of outperformance • Balance between cash and equity-based compensation • Participation of executives and digital key talents in Long-Term Incentive plans benefiting company executive officers • Rule regarding the holding of a portion of Atos shares for the whole duration of the mandate, defined for each grant of equity-based compensation • Prohibition to conclude any financial hedging transaction on the equity instruments granted, throughout the tenure • Severance payment in the event of involuntary departure, non-compete indemnity, duly justified exceptional indemnity, potential taking up indemnity	• No supplementary compensation related to mandates or functions held in Group subsidiaries • No pension benefits on top of the mandatory basic and complementary pension schemes • No combination of a company office and an employment contract

Thus, the global compensation of the Chief Executive Officer mainly consists of a compensation in cash, with a fixed part and a variable part, a multi-year variable equity-based compensation and fringe benefits.

To set the on-target global compensation structure and the level of its components, the recommendations of the Remuneration Committee are based on market positioning studies for similar functions and also take into account the Group's main competitors' practices in France and abroad as well as the internal practices applicable to senior executives and managers. Market positioning studies are carried out by international firms specializing in executive compensation.

Fixed compensation:

The objective of fixed compensation is to recognize the importance and complexity of the duties as well as the experience and the career path of the Chief Executive Officer.

Variable compensation:

The objective of annual variable compensation is to encourage the Chief Executive Officer to reach the annual performance objectives set by the Board of Directors in close connection with the Group's ambitions as regularly disclosed to the shareholders. The variable compensation is conditional, based on clear and demanding operating performance criteria related to quantitative and financial objectives, and a qualitative one only in respect of the first half of 2022, with a contemplated introduction of objectively predefined non-financial criteria.

The target level is set as a percentage of fixed compensation. In order to monitor the Company's performance more closely and establish a proactive way to support its ambition and its strategy, the selection and the weighting of the performance criteria may be reviewed each year as part of the annual compensation policy's review and approval. The objectives related to selected performance criteria are set by the Board of Directors, and then subject to review, on a half-year basis. 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 updated budget "Full Year Forecast 2" approved in July. It is envisaged that this appraisal will be conducted on an annual basis starting in 2023. Also, the Chief Executive Officer's variable compensation would be based on both financial and non-financial quantitative criteria (including CSR performance) as from 2023.

For each performance indicator, the Board of Directors sets:

- a target objective, in line with the budget, the achievement of which results in a 100% achievement rate, entitling to the on-target variable compensation linked to this indicator;
- a floor which defines the threshold below which no variable compensation in relation to this indicator is due;
- a cap which defines the threshold above which the variable compensation in relation to this indicator is capped, set at 130% of the on-target amount in the case of overachievement;
- an elasticity curve accelerating the amount of the variable compensation due upwards and downwards to get on track towards achieving the Group's mid-term target.

The underlying objectives are determined by the Board of Directors in order to ensure a successful achievement of the financial objectives announced to the market, and potentially non-financial quantitative objectives as from 2023. Qualitative objectives are predefined by the Board of Directors in an objective manner such that measurement of its achievement is undisputable.

In addition, the Board of Directors may exercize its discretion in determining the Chief Executive Officer's short-term variable compensation in the event of special circumstances that might justify an upward or downward adjustment of one or more of the objectives or criteria making up his or her compensation, so as to ensure that the results of the application of the criteria described above reflect both the Chief Executive Officer's performance and that of the Group. This adjustment would be made to the Chief Executive Officer's variable annual or half-yearly compensation by the Board of Directors on the recommendation of the Remuneration Committee, subject to the ceiling of 130% of the variable annual target compensation applicable in the event of outperformance. It would be reported in detail by the Board of Directors to the shareholders.

Pursuant to article L. 22-10-34 of the French Commercial Code, the payment of the variable compensation due for the first and the second semesters is subject to the vote of the Annual General Meeting approving the financial statements for the previous year.

Multiannual equity-based compensation:

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 Atos' first managerial lines and experts, including the Chief Executive Officer.

The total equity-based compensation of the Chief Executive Officer is limited to, based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements, to the sum of 100% of the gross fixed annual compensation and 100% of the effective annual variable compensation calculated in accordance with the terms described above (excluding any outperformance).

The first grant in favor of Rodolphe Belmer is expected to occur in May 2022 on the basis of a valuation limited to the sum of 100% of the gross fixed annual compensation and 100% of the target annual variable compensation (excluding potential overachievement). It is expected that the valuation of this grant will be based on the IFRS 2 value of the Atos share price, based on the closing price of the share on the day of the grating decision of the Board of Directors. However, given the volatility of the Atos share price and the exchanges with some of the Company's shareholders, the Board of Directors meeting on December 16, 2021 decided to apply, at the time of its decision to grant the shares, a reduction on the amount of the grant authorized by the Chief Executive Officer's compensation policy, by calculating the number of shares granted on the basis of the average share price of Atos during the 20 trading days preceding the date of the Chief Executive Officer's appointment to the Company, *i.e.*, € 36.54, instead of the share price at the time of the grant. This decision, aimed at countering a windfall effect, could potentially significantly reduce the IFRS value of the Chief Executive Officer's 2022 performance share grant if the share price remains below this predefined amount.

The equity-based compensation takes the form of performance share plans and/or stock-option plans. The instruments used do not guarantee minimum allocation or minimum gain to beneficiaries.

The vesting of shares under performance share plans is fully subject to the achievement of performance conditions, which must be fulfilled over a period of at least three years, based on key success factors of the Group's strategy through clear and measurable criteria. The selected performance criteria include the corporate social and environmental responsibility, and starting in 2022, the relative total shareholder return compared to a basket of competing companies, with a view to aligning the interests of the Chief Executive Officer with those of the shareholders.

The vesting of stock-options under stock-option plans is fully subject to the achievement of external stock market performance conditions to meet over a period of at least three years.

In addition, vesting of equity instruments (shares or stock-options) is subject to a continuous tenure of the beneficiary as company officer until the definitive vesting date, except in the event of death, disability or retirement. In the event of retirement, the acquisition of equity instruments remains subject to the achievement of performance conditions.

Holding obligation:

In the context of each grant decision, the Board of Directors sets the percentage of acquired equity instruments that company executive officers must retain up to the end of their respective mandates as executive company officers. This percentage may not be lower than 15% of the grant. The Board also sets a general rule for the holding of Atos SE shares applicable to the Chief Executive Officer of 15% of the shares awarded to him since the beginning of his mandate, aside from the specific rules usually set at the time of each award.

Financial hedging instruments:

At the time of each award, the Chief Executive Officer is asked to acknowledge the prohibition to conclude any financial hedging instruments over the equity instruments being the subject of the award throughout his mandate, and to undertake to abide by it. The financial transactions in question are, in particular, forward sales, short sales, the purchase of put options or the sale of call options.

Fringe benefits:

The Chief Executive Officer benefits from the use of a company car with driver. In addition, company executive officers benefit from the collective life, disability and health insurance schemes applicable in the Company on the same terms as the employees.

Other compensation elements:

The Chief Executive Officer does not receive any remuneration or benefits from Atos SE or other Group companies in relation to his mandate. He is not bound by any employment contract and does not benefit from any supplementary pension scheme and is personally responsible for building up a pension supplement beyond the compulsory basic and complementary schemes.

Given the context of the Group in 2021 and the external recruitment of a new Chief Executive Officer, the Board of Directors decided, in the interests of the attractiveness of the remuneration offered to the latter and in the interests of the Group, to introduce the following remuneration elements in the remuneration policy in strict compliance with the AFEP-MEDEF code.

First, the Chief Executive Officer will be entitled to a severance payment in the event of involuntary departure during the first three years of his term of office, *i.e.*, until December 31, 2024, in any form whatsoever, following a merger or demerger (excluding projects in line with the Company's strategy defined as of the date of Rodolphe Belmer's appointment), a takeover or change of control within the meaning of article L. 233-3 of the French Commercial Code, or a significant change in the Group's strategy.

As an exception, no such indemnity would be due in the event of involuntary departure resulting from serious or gross misconduct, a change of position at the initiative of the Chief Executive Officer to take up new duties in another group, a change of position within the Group or retirement.

The maximum amount of the indemnity would be 200% of the theoretical gross annual compensation (fixed and target annual variable) in the event of departure during the first two years following the assumption of duties by the Chief Executive Officer, and 100% of such compensation in the event of departure during the third year of his assumption of duties. The compensation would be calculated on the basis of the last twelve months prior to the termination of the duties and subject to the satisfaction of demanding performance conditions and to the assessment of the Board of Directors, on the recommendation of the Remuneration Committee:

- in case of involuntary departure in 2022: severance payment would be triggered only if the recovery plan presented by Rodolphe Belmer during the second quarter 2022 is approved by the Board of Directors, and the first steps for implementation have been taken;
- in case of involuntary departure in 2023 and 2024: severance payment would be triggered only if the implementation of the recovery plan is underway and milestones are met as per the plan.

It would be reported in detail by the Board of Directors to the shareholders. This indemnity in case of involuntary departure may only be paid after approval by the General Meeting in accordance with article L. 22-10-34, II, paragraph 2 of the French Commercial Code.

Secondly, Rodolphe Belmer has undertaken, for a period of eighteen months from the end of his term of office as Chief Executive Officer, not to hold, directly or indirectly, any position as an employee, executive or corporate officer, in any form whatsoever, or any consulting activity on behalf of companies operating in the sector of digital services and products related to information processing and the engineering and security of computer systems, including any related study or research and development activity. In consideration for this commitment given with regards to France, Germany, the United Kingdom and the United States of America, Rodolphe Belmer will receive a monthly indemnity equal to 100% of one twelfth of his theoretical gross annual compensation (fixed plus target variable), calculated on the basis of the last twelve months preceding the termination of his duties, and paid monthly for the duration of the non-competition undertaking on the Company's usual salary payment date. If the Chief Executive Officer exercizes his right to retirement, no indemnity may be paid to him beyond the age of 65. The Board of Directors may decide to release the Chief Executive Officer from his non-competition undertaking upon termination of his duties.

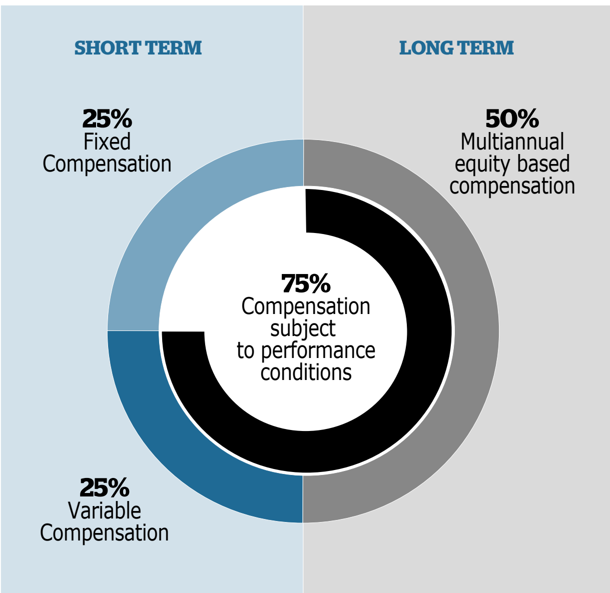
In any event, the sum of the severance payment and the non-compete indemnity may not exceed a maximum amount equal to twice the theoretical gross annual compensation (fixed plus target variable) applicable on the date of termination of the office. During the third year of the Chief Executive Officer's term of office, the maximum quantum of the two cumulated indemnities would then be based on the fixed and variable annual compensation actually paid instead of the theoretical compensation. From the fourth year of the Chief Executive's Officer's term of office, the severance payment entitlement would no longer apply and only the non-compete indemnity may be paid.

Furthermore, unvested performance shares would lapse upon any kind of departure by virtue of the presence requirement under the plan rules.

Finally, in the event of special circumstances justifying it, characterized by their importance for the Company, the involvement they require and the difficulties they present, the Board of Directors may decide to grant exceptional compensation to the Chief Executive Officer. Reasons must be given for the payment of such compensation and the event that the event leading to its payment must be explained. Such compensation may not exceed 100% of the Chief Executive Officer's gross fixed annual compensation. Its payment may only be made after approval by the ordinary General Meeting of shareholders deciding on the compensation for the year in question ("*ex post say on pay*").

2 Compensation of the Chief Executive Officer for the 2022 financial year

Subject to the ratification by the shareholders at the General Meeting on May 18, 2022, the Chief Executive Officer's target compensation set for the 2022 financial year will be designed as follows:



The proposed pay mix, following the aforementioned principles, remains almost unchanged compared to 2021 with the maintenance of 75% of the target compensation subject to performance conditions.

The target annual variable compensation is rebalanced at 100% of the fixed amount and the multi-year variable equity-based compensation is maintained at 100% of the fixed gross annual compensation and 100% of the target annual variable compensation.

Rodolphe Belmer's on-target global package represents an increase of 12% compared to the previous Chief Executive Officer, which the Board of Directors considers limited given the challenges to be met.

Fixed compensation:

A gross annual fixed compensation of € 1,200,000 paid in twelve monthly installments. Since his appointment on January 1, 2022, the gross monthly fixed compensation of Rodolphe Belmer is that resulting from the compensation policy of the former Chief Executive Officer (*i.e.*, € 950,000 gross per year). The difference between the amount received by Rodolphe Belmer and the amount that would be due to him for the period since his appointment under the compensation policy will be paid to him after the approval of said policy by the Annual General Meeting on May 18, 2022.

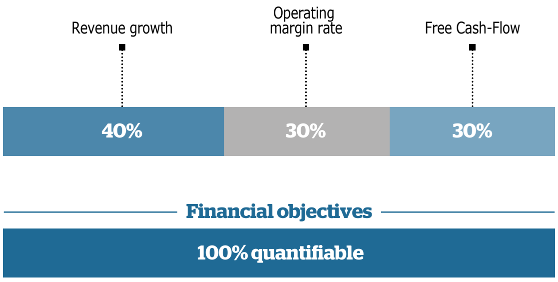
Variable compensation:

An annual variable compensation, depending on objectives, with a target set at 100% of the fixed compensation (*i.e.*, a target variable compensation of € 1,200,000), with a maximum payment capped at 130% of the target variable compensation in case of over-performance and no minimum payment.

By way of exception, and only for fiscal year 2022, on the recommendation of the Compensation Committee, the Board of Directors has chosen, in view of the specific governance context, to determine the 2022 annual variable compensation based on qualitative and quantitative criteria determined as follows:

- for the first half of 2022, the variable compensation actually awarded for the first half of the year will be paid on the basis of qualitative criteria, with no possibility of outperformance, and limited, in any event, to 50% of the total annual variable compensation paid for 2022. The Board of Directors has retained the following criteria for determining the variable compensation of the Chief Executive Officer: validation by the Board of Directors of a mid-term strategic plan and presentation of this plan on the occasion of a day dedicated to investors and analysts (Capital Markets Day);

- for the second half of 2022, the Board of Directors retained, for determining the variable compensation of the Chief Executive Officer, the three key success factors for which the mid-term targets reflecting the Group's ambition have been set: revenue growth; operating margin rate; free cash flow, with the following weighting:



The objectives for each semester underlying the variable compensation are determined by the Board of Directors in order to drive successfully the achievement of the financial objectives announced to the market (please refer to the section 3.2 of the Universal Registration Document). For reasons of business confidentiality, the figures of the objectives cannot be made public. The achievement rates recorded by the Board of Directors at the end of the periods under consideration are disclosed in the Universal Registration Document. If the Chief Executive Officer leaves the group during the financial year, the amount of the variable part of his compensation for the current year or semester will be calculated in proportion to his time of presence during the period concerned.

The Board of Directors, upon recommendation of the Remuneration Committee, sets at the beginning of each semester, the elasticity curves accelerating the amount of the variable compensation due upwards and downwards depending on the achievement level of each performance indicator.

Multiannual equity-based compensation:

The total equity-based compensation equal, based on the fair value set by reference to IFRS 2 recognized in the consolidated financial statements, to the sum of 100% of the gross annual fixed compensation and 100% of the variable annual target compensation (excluding any outperformance).

After having consulted the Remuneration Committee, the Board of Directors plans to grant performance shares to the Chief Executive Officer and selected employees representing approximately 1% of the Group total headcount, as part of the objectives of growth and sustainable value creation for the shareholders, the employees and all the stakeholders.

Subject to the approval of the shareholders at the Annual General Meeting of May 18, 2022, the terms of the grant dedicated to the Chief Executive Officer would be as follows:

- a vesting period maintained at three years from the grant date;
- four internal financial performance indicators and two performance conditions, one internal and one external, related to the corporate social and environmental responsibility of the Company, the achievement of which, measured over the 3-year period, conditions the vesting in whole or in part of the performance shares;
- introduction in 2022 of an indicator of relative total shareholder return compared to a basket of competing companies;
- a continuous tenure of the beneficiary as company officer during the vesting period, except in the event of death, disability or retirement.

Thus, the definitive acquisition of all or part of the performance shares over a period of three years will be subject to the achievement of:

- three internal financial performance indicators including (i) organic revenue growth, (ii) operating margin, and (iii) cumulative free cash flow, each weighted at 20%;
- one external stock market performance criterion (TSR) weighted at 20%;
- two social and environmental responsibility (CSR) performance indicators, each weighted at 10%.

Internal Financial Performance Criteria:

The final vesting of all or part of the performance shares over a period of three years will be subject to the achievement of objectives set by the Board of Directors in line with the annual financial objectives communicated by the Company and with the new strategic plan to be communicated during the second quarter of 2022.

Stock market performance criterion:

The relative stock market performance of the Atos SE share, with dividend reinvestment, will be measured over the three-year period (2022-2024) against the median stock market performance of a basket of competing companies in the same industry.

External and internal CSR performance criteria:

The external CSR performance condition, based on the Dow Jones Sustainability Index ("DJSI") (World or Europe), will weight 10% of the award. The target level of achievement will be based on a comparison of the average score obtained by the Group during the performance period with the average score achieved by the other companies in the DJSI index over the same period.

The CSR external indicator would be based on the Atos relative positioning in the DJSI index over the performance period (2022-2024).

The CSR internal indicator, also weighted at 10%, would be based on the reduction of CO_2 emissions achieved over the performance period.

An elasticity curve relating to each performance indicator depending on its level of achievement at the end of the three-year period would allow the percentage of the final allocation of performance shares to vary upwards or downwards. As an exception, no upward variation in the event of outperformance may be applied to the non-financial criteria relating to CSR.

The Chief Executive Officer does not receive shares for outperformance, keeping the total ceiling of the grant at 100%.

Indicators	Performance		% vesting (curves)
Atos share price performance Relative total shareholder return, with dividend reinvestment **(20%)**	Relative stock market performance of the Atos share over the 3-year period (2022-2024) compared to the median of the stock market performance of a basket made of industry competitors	**Floor:** 100% **Target:** 110% **Ceiling:** 125%	65% 100% 130%
Group 1 performance ER Organic growth **(20%)**	Average of the External Revenue Organic growth rates over the 3-year period (2022-2024)	**Floor:** bottom of the mid-term (MT) objective **Target:** mid-point of the MT objective **Cap:** ≥ +10% of the max MT objective	30% 100% 150%
Group 2 performance Operating margin (%) **(20%)**	Average of the Operating Margin % over the 3-year period (2022-2024)	**Floor:** bottom of the MT objective **Target:** mid-point of the MT objective **Cap:** ≥ +10% of the max MT objective	50% 100% 130%
Group 3 performance Cumulated FCF **(20%)**	Cumulated amount of FCF at the end of the 3-year period (end of 2024)	**Floor:** bottom of the MT objective **Target:** mid-point of the MT objective **Cap:** ≥ +10% of the max MT objective	50% 100% 130%
External CSR criterion DJSI (World or Europe) **(10%)**	Average of the yearly **DJSI** scores (World or Europe) of Atos vs. other companies over the 3-year period (2022-2024)	**Floor:** 70th percentile **Target:** 85th percentile	50% 100% (cap)
Internal CSR criterion Reduction of CO_2 emission **(10%)**	% of **reduction of CO_2 emissions** (in tCO_2e) at the end of 2024 (vs.baseline 2021), with a target of -34.1% (full scopes 1,2 and 3 according to SBTi net zero requirements). *NB: this target corresponds to -13% each year compared to the previous year*	**Floor:** -31.9% **Target:** -34.1%	50% 100% (cap)

An average vesting rate will be calculated based on the weighting assigned to each indicator. With regards to the Chief Executive Officer, overall performance is capped at 100%.

The Board of Directors could, if necessary, modify the performance conditions in the case of occurrence of unpredictable and special circumstances, such as those that resulted in 2020-2021, of the economic crisis caused by the Covid-19 pandemic and of the health measures deployed in the countries where the Atos Group operates; however, the performance conditions would remain demanding and in line with the Group's objectives, and the other elements (presence condition, vesting period and retention rule) would remain applicable in any event.

At the time of grant decision, the Board of Directors will set the percentage (at least 15%) of acquired shares that the Chief Executive Officer must retain up to the end of his mandate. The Chief Executive Officer will be asked to acknowledge the prohibition to conclude any financial hedging instruments over the equity instruments being the subject of the award throughout his mandate, and to undertake to abide by it.

Fringe benefits:

The Chief Executive Officer benefits from the use of a company car with driver and he benefits from the collective life, disability and health insurance schemes on the same terms as the employees. He is not eligible to any supplementary pension plan.

For information purposes, the amount of fringe benefits for the year 2022 is estimated at around €23,000.

Severance payment:

The severance payment in the event of departure in 2022, as defined in the preceding paragraph, will be subject to demanding performance conditions defined as follows by the Board of Directors on the recommendation of the Remuneration Committee, according to the period considered:

- severance payment would be triggered only if the recovery plan presented by Rodolphe Belmer during the second quarter 2022 is approved by the Board of Directors; and
- the first steps for implementation have been taken.

It would be reported in detail by the Board of Directors to the shareholders.

Non-compete clause: the Chief Executive Officer is entitled to a non-competition indemnity under the conditions set out above (see paragraph 4.3.1.4).

4.3.2 Elements of the compensation due or awarded for the financial year 2021 to the Company executive officers, and submitted to the shareholder's vote

Pursuant to article L. 22-10-34 of the French Commercial Code, the amounts and elements presented below, resulting from the implementation of the compensation policies approved by the Annual General Meeting on May 12, 2021, are subject to the approval of the shareholders during the Annual General Meeting approving the accounts for the financial year 2021. They form an integral part of the report of the Board of Directors on corporate governance.

4.3.2.1 Elements of compensation due or awarded for the financial year 2021 to the members of the Board of Directors

Directors' compensation due for the financial year 2021 and these paid during the financial year 2021 for the financial year 2020 are presented below.

	2021	
(in euros)[1]	Paid[5]	Owed[6]
Vesela Asparuhova[2]	N/A	N/A
Rodolphe Belmer	-	-
Vivek Badrinath	57,000	97,500
Nicolas Bazire	27,680	-
Valérie Bernis	57,000	79,500
Roland Busch	929	-
Jean Fleming[3]	52,000	71,000
Jean-Louis Georgelin	3,842	-
Élie Girard	-	-
Farès Louis[4]	N/A	N/A
Bertrand Meunier	-	-
Cedrik Neike	46,025	65,000
Colette Neuville	53,000	68,000
Aminata Niane	72,000	77,000
Lynn Paine	55,000	84,000
Edouard Philippe	9,607	72,000
Vernon Sankey	69,000	80,500
TOTAL	**503,083**	**694,500**

N/A: Non applicable
1. *Gross before taxes.*
2. *Ms. Vesela Asparuhova, Employee Director since October 21, 2020 is employed by the Atos Group. Employee Directors do not receive Directors' compensation.*
3. *Ms. Jean Fleming, Director representing the employee shareholders is employed by the Atos Group.*
4. *Mr. Farès Louis, Employee Director, is employed by the Atos Group. Employee Directors do not receive Directors' compensation.*
5. *Compensation paid in 2021 for the year 2020.*
6. *Compensation owed for the year 2021.*

Élie Girard, Rodolphe Belmer and Bertrand Meunier have declined to receive any Directors' compensation for the year 2021.

The variable portion of Directors' compensation represents in 2021 the majority of the total amount of Directors' compensation (74.1%), which is in accordance with article 21.1 of the AFEP-MEDEF Code.

In 2021, the members of the Board of Directors did not receive any other compensation from Atos SE or its subsidiaries, except for:

- Bertrand Meunier, Chairman of the Board of Directors;
- Élie Girard, Chief Executive Officer;
- Jean Fleming, Director representing the employee shareholders, and Vesela Asparuhova and Farès Louis Employee Directors, the three of them having received in 2021 a compensation in connection with their employment contract with the Group.

The Board of Directors being formed in accordance with the provisions of article L. 225-18-1 of the French Commercial Code, the payment of the compensation allocated to the Directors has not been suspended.

4.3.2.2 Elements of compensation due or awarded for the financial year 2021 to Bertrand Meunier, Chairman of the Board of Directors

The compensation policy applicable to the Chairman of the Board of Directors, Bertrand Meunier who has held this position since November 1, 2019, was approved by the Annual General Meeting held on May 12, 2021 under the 13th resolution.

The elements making up the total compensation and fringe benefits of all kinds paid or allocated to Bertrand Meunier comply with this policy which provides for a gross annual fixed compensation of €400,000 as the sole component.

(in €)	**2021**
Fixed compensation	400,000
Variable compensation	0
Fringe benefits	0
Directors' compensation	0
TOTAL	**400,000**
Relative share of the fixed component	*100%*
Relative share of the variable component	*0%*
Other compensation elements and indemnities or benefits due as a result of termination or change of functions	n/a

AFEP RECAPITULATIVE TABLE:

Elements of compensation to be voted on	Amounts allocated for 2021 or accounting value	Amounts paid in 2021 or accounting value	Presentation of elements of compensation
Fixed compensation	€400,000	€400,000	4.3.1.3
Variable annual compensation	0	0	4.3.1.3
Performance shares	0	0	4.3.1.3
Multi-year variable compensation and exceptional compensation	0	0	4.3.1.3
Compensation of Directors (formerly called "Directors' fees")	0	0	4.3.1.3
Additional benefits to compensation	0	0	4.3.1.3

Pay ratio and other indicators

Information provided in the table below has been prepared in accordance with AFEP-MEDEF guidelines updated in February 2021.

The scope used to calculate the ratio is consistent with last year's report and includes all Atos companies based in France as well as the Atos International companies (Germany, the Netherlands, the United Kingdom and Switzerland) which comprise the global functions of the Atos Group in Europe. Thus, the selected scope represents more than 7,500 Atos employees, of which 95% are based in France and constitutes a coherent and legitimate representative perimeter for the Atos SE company whose roots are deeply European with two headquarters in Bezons (France) and Munich (Germany).

The compensation underlying the determination of the ratios correspond to the total gross compensation paid during the financial year. They include all the elements of compensation in cash (base salary, performance bonuses, exceptional bonuses, benefits in kind) as well as equity-based compensation valued at their fair value, on the grant date, as recognized in the consolidated accounts in accordance with IFRS 2. This value corresponds to a historical value on the grant date calculated for accounting purposes. It does not represent a current market value nor the actual value that may be received by the beneficiaries upon vesting provided that the performance shares finally vest.

The selected scope only covers employees who were continuously employed during the financial years concerned. For part-time employees, compensation was established on a full-time-equivalent basis.

Pay ratio for the Chairman of the Board of Directors	2021	2020
Evolution (in%) of the compensation of the Chairman of the Board of Directors *	-14.6%	n/a
Evolution (in%) of the average compensation of the employees **	-6.2%	+1.7%
Pay ratio on average compensation	6.5	7.1
Evolution of the ratio (in%) compared to the previous year	-9.0%	n/a
Pay ratio on median compensation	8.0	9.2
Evolution of the ratio (in%) compared to the previous year	-13.2%	n/a
Company performance		
Profitability: Group's operating margin as a percentage of its revenue	3.5%	9.0%
Value creation: Annual change in the 3-year moving average of the enterprise value.	-16.4%	-10.8%

* *Based on the compensation paid to the Chairman in 2021, as shown in AMF Table 2 (refer to para. 4.3.2.7). As the Board of Directors on October 31, 2019 had not taken a decision on the compensation of the Chairman of the Board of Directors, no theoretical compensation for the 2019 financial year could be determined for comparison purposes. No comparison over 5 years is presented due to the creation of the position of Chairman of the Board as from November 1, 2019.*

** *As the Company does not employ any employees, there is no need to present the ratios provided for in Article L. 22-10-9 I 6° of the French Commercial Code on the basis of the scope of "employees of the Company". As an alternative, this table presents the pay ratio on the basis of a scope deemed representative by the Company.*

The General Meeting of May 12, 2021, in its 11th resolution, approved by 96.36% the information provided for in article L. 22-10-9 of the French Commercial Code relating to the compensation paid or awarded to corporate officers for the financial year ended December 31, 2021.

The elements of compensation awarded or paid to the Chairman of the Board of Directors are consistent with the provisions adopted by the Board of Directors, on the recommendation of the Remuneration Committee, constituting the Company's compensation policy as voted by the General Meeting held on May 12, 2021 (13th resolution adopted by 97.45% of the votes).

The Company has not deviated from the compensation policy implementation process, as approved by shareholders during the abovementioned Annual General Meeting. The Company has not departed from the implementation of the compensation policy.

4.3.2.3 Elements of compensation due or awarded for the financial year 2021 to Élie Girard, Chief Executive Officer

Élie Girard, who had been appointed Chief Executive Officer as from November 1, 2019, has resigned as Chief Executive Officer and Director with effect from October 22, 2021. The compensation policy applicable to Élie Girard was approved by the Annual General Meeting held on May 12, 2021 under the 14th resolution.

The elements making up the total compensation and fringe benefits of all kinds paid or allocated to Élie Girard comply with this policy.

(in €)	**2021**	**2020**
Fixed compensation	772,817	878,750
Variable compensation	0	683,525
Fringe benefits	17,137	18,997
Value of options granted during the year	0	0
Value of performance shares granted during the year	0	1,378,339
TOTAL	**789,954**	**2,959,611**
Relative share of the fixed component	98%	30%
Share of variable compensation in total compensation (fixed and variable)	0%	70%
Other compensation elements and indemnities or benefits due as a result of termination or change of functions	n/a	n/a

Fixed compensation:

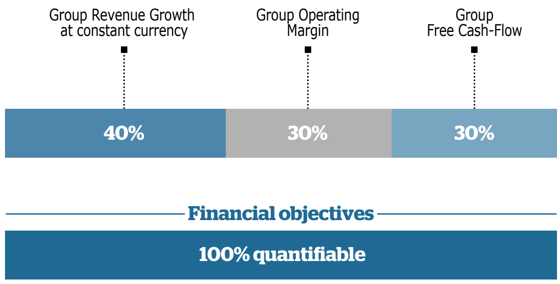
Élie Girard's fixed remuneration was paid *prorata temporis* until October 22, 2021, *i.e.*, €772,817 for the year 2021 as from January 1, 2021.

Variable compensation:

The target annual variable compensation of Élie Girard for the 2021 year amounted to €966,022: €593,750 for the first half and €372,272 for the second half *prorata temporis* taking into account his resignation.

Élie Girard's total variable compensation is nil for each semester of the year 2021. Non-achievement of the performance criteria and the resulting absence of variable compensation have been validated by the Board during meeting held on July 27, 2021 and February 28, 2022.

As a reminder, the nature and weighting of each of the indicators making up the 2021 variable compensation of the Chief Executive Officer are as follows:



	First semester 2021		Second semester 2021	
	Weight	Payout*	Weight	Payout*
Group Revenue Growth at constant currency	40%	<100%	40%	<100%
Group Operating Margin	30%	<100%	30%	<100%
Group Free Cash Flow [1]	30%	<100%	30%	<100%
Payout in% of the semester on-target bonus		**00.0%**		**00.0%**

* *On the basis of the elasticity curves capped at 130% for each indicator.*

1 *before acquisitions/disposal and variation of equity and dividends.*

Budget achievements are as follows:

Budget "Full Year Forecast 2"	2021
Group Revenue Growth at constant currency	97.52%
Group Operating Margin	57.43%
Group Free Cash Flow [1]	0.00%

1 *before acquisitions/disposal and variation of equity and dividends.*

Objectives which are set every semester on the basis of the Company's budget are in line with the financial guidance announced to the market at the beginning of the year.

Fringe benefits:

Élie Girard benefited from the use of a company car with driver and from the collective life, disability and health insurance schemes applicable to employees. The annual employer's contribution in respect of the life and disability scheme amounts to €2,007. The annual employer's contribution in respect of the healthcare plan stands at €2,438. The benefit in kind related to the use of the Company car with driver is assessed to €12,692.

Multiannual equity-based compensation:

Élie Girard has decided to waive his eligibility to receive performance shares for 2021. The Remuneration Committee and the Board of Directors have taken note of the Chief Executive Officer's request. Consequently, no performance shares have been granted to Élie Girard for 2021.

Other compensation elements:

As a reminder, Élie Girard did not receive exceptional compensation nor compensation elements or fringe benefits related to his mandate from Atos SE or any of its subsidiaries. He did not have any employment contract and he was not entitled to any severance payment nor any compensation for non-compete clause in the event of termination of his mandate. He did not receive any Director's compensation.

Besides, Élie Girard was no longer eligible to any supplementary pension plan since the decision of the Board of Directors on December 16, 2019.

AFEP RECAPITULATIVE TABLE:

Elements of compensation to be voted on	Amounts allocated for 2021 or accounting value	Amounts paid in 2021 or accounting value	Presentation of elements of compensation
Fixed compensation*	€772,817	€772,817	4.3.1.4
Variable annual compensation	€0	€683,525**	4.3.1.4
Performance shares	€0		4.3.1.4
Multi-year variable compensation, exceptional compensation and compensation of Directors (formerly called "Directors' fees")	€0	€0	4.3.1.4
Additional benefits to compensation	€17,137	€17,137	4.3.1.4

* *Cf. supra in 4.3.2.3*

** *Following the approval by the General Meeting of May 12, 2021 of the 10th resolution, a variable compensation was paid for a total amount of €683,525 in respect of his mandate as Chief Operating Officer, i.e., €115,068.75 for the first half of 2020 and €568,456.25 for the second half of 2020.*

Pay ratio and other indicators

Information provided in the table below has been prepared in accordance with AFEP-MEDEF guidelines updated in February 2021. The scope and the methodology used are detailed into the "Pay ratio and other indicators" section relating to the Chairman of the Board of Directors (see paragraph 4.3.2.2).

Pay ratio for the Chief Executive Officer	2021	2020	2019
Evolution (in%) of the compensation of the Chief Executive Officer [1]	-40.4%	-15.8%	n/a
Evolution (in%) of the average compensation of the employees [2]	-6.2%	+1.7%	n/a
Pay ratio on average compensation	26.9	42.3	51.1
Evolution of the ratio (in%) compared to the previous year	-36.4%	-17.2%	n/a
Pay ratio on median compensation	33.2	54.7	65.7
Evolution of the ratio (in%) compared to the previous year	-39.3%	-16.7%	n/a
Company performance			
Profitability: Group's operating margin as a percentage of its revenue	3.5%	9.0%	10.3%
Value creation: Annual change in the 3-year moving average of the enterprise value.	-16.4%	-10.8%	6.6% *

* *For 2019, the enterprise value includes the distribution in kind of part of Worldline share capital to Atos' shareholders for an amount of €2.3 billion.*

1 *Considering that the Chief Executive Officer's mandate was held by Élie Girard until October 22, 2021 and that he was not replaced until end of 2021, the Chief Executive Officer's compensation for 2021 was annualized in this table. It corresponds to the sum of the annual fixed salary (€950,000), annual fringe benefits (€20,984), and of the amount of the variable remuneration paid in 2021 for the year 2020 (€683,525, as shown in AMF Table 2 (see para. 4.3.2.7)). There was no grant of long-term incentives to the Chief Executive Officer in 2021.*
For the 2020 financial year, the Chief Executive Officer's compensation corresponds to the sum of (a) the compensation paid in 2020 as shown in AMF Table 2 (see para. 4.3.2.7) and (b) the value of the performance shares granted in 2020 as shown in AMF Table 1 in the same paragraph. For the 2019 financial year, considering that Élie Girard was appointed Chief Executive Officer from November 1, 2019, his theoretical compensation for the 2019 financial year, determined for comparison purposes, corresponds to (a) the gross annual fixed compensation as approved by the Board of Directors on October 31, 2019, (b) to which were added, (i) the theorical variable compensation that would have been allocated in 2019 on the basis of his annual on-target variable compensation component approved by the Board of Directors on October 31, 2019 and the payment rate applied to the former Chairman and Chief Executive Officer's variable compensation for the 2018 financial year (79.1%), and (ii) the value of a theorical allocation of performance shares on the basis of the amount of the grant decided by the Board of Directors in 2020 (in the absence of any grant of performance shares for his position of Chief Executive Officer in 2019). No comparison is presented with the years 2016, 2017 and 2018 due to the creation of the position of Chief Executive Officer as of November 1, 2019 (date of the separation of the positions of Chairman of the Board of Directors and Chief Executive Officer).
For the year 2018 and prior years, i.e., when the Company's Board had designated a Chairman and Chief Executive Officer, please refer to the 2019 Universal Registration Document, paragraph G.3.2.3, page 356.

2 *As the Company does not employ any employees, there is no need to present the ratios provided for in Article L. 22-10-9 I 6° of the French Commercial Code on the basis of the scope of "employees of the Company". As an alternative, this table presents the pay ratio on the basis of a scope deemed representative by the Company.*

The General Meeting of May 12, 2021, in its 11th resolution, approved by 96.36% the information provided for in article L. 22-10-9 of the French Commercial Code concerning the compensation paid or awarded to corporate officers for the financial year ended December 31, 2020.

The compensation paid to the Chief Executive Officer complies with the provisions of the Company's compensation policy as approved by the Board of Directors on the recommendation of the Remuneration Committee at the Annual General Meeting held on May 12, 2021 (14th resolution adopted by 87.40% of the votes cast).

The Company has not deviated from the procedure for implementing the remuneration policy as approved by the shareholders at the aforementioned General Meeting. The Company has not deviated from the implementation of the remuneration policy.

The remuneration paid contributes to the long-term performance of the Company and the criteria for variable remuneration are consistent with the long-term strategy of the Group.

4.3.2.4 Elements of compensation due or awarded for the financial year 2021 to Pierre Barnabé, Interim Chief Executive Officer

Following the resignation of Élie Girard from his position as Chief Executive Officer with effect from October 22, 2021, Pierre Barnabé was appointed Interim Chief Executive Officer by decision of the Board of Directors on October 20, 2021. Barnabé held this position during the interim period from October 23 to December 31, 2021, prior to Rodolphe Belmer taking up his duties on January 1, 2022.

In accordance with the recommendations of the AFEP-MEDEF Code, Pierre Barnabé's employment contract was suspended during this interim period.

During his term of office, Pierre Barnabé received a fixed monthly compensation corresponding to the fixed monthly compensation he would have received under his employment contract had it not been suspended, *i.e.*, a total of €72,738 for the period from October 23, 2021 to December 31, 2021.

The variable compensation of Pierre Barnabé in respect of his office was calculated in accordance with the variable compensation he would have received under his employment contract. Pursuant to article L. 22-10-34, II of the French Commercial Code, its payment will be subject to the approval of the General Meeting called to approve the financial statements for the year ending December 31, 2021, in the case of variable compensation during the period from October 23, 2021 to December 31, 2021.

Pierre Barnabé's target annual variable compensation, as Interim Chief Executive Officer, amounts to €109,107 for the second half of the year *prorata temporis*.

The total variable compensation due for his term of office as interim Chief Executive Officer in 2021 amounts to €87,286 and thus represents 80% of the target variable compensation.

Pierre Barnabé did not receive any performance shares in respect of his corporate mandate.

He continued to benefit, by virtue of his mandate, from the pension and provident plans and his company car, which he enjoyed as part of his employment contract, which are value at €1,889 for the period of his mandate.

(in €)	**2021**	**2020**
Fixed compensation	72,738	n/a [1]
Variable compensation	87,286	n/a
Fringe benefits	1,889	n/a
Value of options granted during the year	0	n/a
Value of performance shares granted during the year	0	n/a
TOTAL	**161,913**	**n/a**
Relative share of the fixed component	*45%*	n/a
Share of variable compensation in total compensation (fixed and variable)	*55%*	n/a
Other compensation elements and indemnities or benefits due as a result of termination or change of functions	n/a	n/a

1 *No compensation was paid in 2020 as the related interim position was held only in 2021.*

Pay ratio and other indicators

Information provided in the table below has been prepared in accordance with AFEP-MEDEF guidelines updated in February 2021. The scope and the methodology used are detailed into the "Pay ratio and other indicators" section relating to the Chairman of the Board of Directors (see paragraph 4.3.2.2).

Pay ratio for the Interim Chief Executive Officer	2021	2020
Evolution *(in%)* of the compensation of the Interim Chief Executive Officer [1]	n/a	n/a [3]
Evolution *(in%)* of the average compensation of the employees [2]	-6.2%	+1,7%
Pay ratio on average compensation	6.5	7.1
Evolution of the ratio *(in%)* compared to the previous year	n/a	n/a
Pay ratio on median compensation	8.0	9.2
Evolution of the ratio *(in%)* compared to the previous year	n/a	n/a
Company Performance		
Profitability: Group's operating margin as a percentage of its revenue	3.5%	9.0%
Value creation: Annual change in the 3-year moving average of the enterprise value	-16.4%	-10.8%

1 *Due to the duration of Pierre Barnabé's mandate as Interim CEO from October 23 to December 31, 2021, compensation was annualized in this table. It corresponds to the sum of his annual fixed salary (€390,000) and annual fringe benefits (€10,715). No variable compensation was paid in 2021 in his capacity as Interim Chief Executive Officer (see AMF Table 2). No long-term incentive was granted in 2021 to the Interim CEO with regards to his mandate (see AMF Table 1).*

2 *As the Company does not employ any employees, there is no need to present the ratios provided for in Article L. 22-10-9 I 6° of the French Commercial Code on the basis of the scope of "employees of the Company". As an alternative, this table presents the pay ratio on the basis of a scope deemed representative by the Company.*

3 *No compensation was paid in 2020 as the related interim position was held only in 2021.*

4.3.2.5 Elements of compensation due or awarded for the financial year 2021 to Adrian Gregory, Interim Deputy Chief Executive Officer

Adrian Gregory was appointed interim Deputy Chief Executive Officer by decision of the Board of Directors on October 20, 2021. Adrian Gregory held this position during the interim period from October 23 to December 31, 2021, prior to Rodolphe Belmer taking up his duties on January 1, 2022. Mr. Gregory's employment contract was not suspended taking into account the foreseeable short duration of this mandate during such a transitional period.

Adrian Gregory did not receive any compensation for his duties as interim Deputy Chief Executive Officer. Therefore, no compensation related to his short corporate mandate should be subject to the shareholders' vote. For this reason, no summary table or equity ratio is presented. In accordance with legal requirements, a resolution will be presented to the 2022 Annual General Meeting to decide on the fixed, variable, long-term and exceptional elements making up Mr. Gregory's aggregate compensation and advantages of all kinds paid for the financial year that ended on December, 31, 2021, or awarded for that same year.

For information, Adrian Gregory received during the fiscal year 2021 in relation to his unsuspended employment agreement a fixed salary amounting to €402,897 and a variable compensation of €275,671. He received a car allowance amounting to €14,220.

4.3.2.6 Compliance of total compensation of company executive officers with the AFEP-MEDEF Code recommendations

The Company committed in 2008 to implement the recommendations of the AFEP-MEDEF Code of corporate governance for listed companies, relating, in particular, to the conditions of compensation of company executive officers, and to regularly report thereon. The Board of Directors met on December 16, 2021 to perform the annual review of the implementation by the Company of these governance principles. Following this meeting, the Board of Directors considered that the Company's governance practices, including on the Company executive officer'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 in its entirety on Atos' website.

4.3.2.7 Summary of compensation, due or paid to the Company officers by the Company and its subsidiaries – AMF Tables 1 and 2

AMF Table 1
(in €)

	2021	2020
Bertrand Meunier, Chairman of the Board of Directors as from November 1, 2019		
Due remuneration for the relevant year	400,000	370,000
Value of options granted during the year	-	-
Value of performance shares granted during the year	-	-
TOTAL	**400,000**	**370,000**
Élie Girard, CEO until October 22, 2021		
Due remuneration for the relevant year	789,955	1,581,272
Value of options granted during the year		
Value of performance shares granted during the year	-	1,378,339
TOTAL	**789,955**	**2,959,611**
Pierre Barnabé, interim CEO from October 23, 2021 to December 31, 2021*		
Due remuneration for the relevant year	161,913	-
Value of options granted during the year**		
Value of performance shares granted during the year	-	-
TOTAL	**161,913**	**-**
Adrian Gregory, interim Deputy CEO from October 23, 2021 to December 31, 2021		
Due remuneration for the relevant year	0	-
Value of options granted during the year	0	-
Value of performance shares granted during the year***	0	-
TOTAL	**0**	**-**

* *In his capacity as an employee, Pierre Barnabé received a total remuneration of €592,287 for the period from January 1 to October 22, 2021 under his employment contract (of which €317,262 was fixed remuneration and €265,324 was variable remuneration paid in 2021, of which €168,033 was variable remuneration for the second half of 2020).*

** *In his capacity as an employee, Pierre Barnabé benefited from the performance share plan of July 27, 2021 (estimated at grant date according to IFRS 2 at €492,156). The performance shares granted to Pierre Barnabé in 2021 will eventually not be delivered as he will be leaving the Group in 2022 and hence, will not meet the presence condition under this performance share plan rules.*

*** *In his capacity as an employee, Mr. Gregory benefited from the performance share plan of July 27, 2021 (estimated at grant date according to IFRS 2 at €492,156).*

On the date of each grant, the fair value of performance shares and/or stock-options granted is determined pursuant to IFRS 2 standard and recognized in the consolidated financial statements. The value of the performance shares and stock-options granted are valued based on this fair value. Thus, the value of the performance shares or stock-options granted correspond to a historical value on the grant date calculated for accounting purposes. This value does not represent a current market value nor the actual value that may be received by the beneficiary upon vesting provided that the performance shares or the stock-options finally vest.

AMF Table 2 *(in €)*	2021 Due	2021 Paid	2020 Due	2020 Paid
Bertrand Meunier, Chairman of the Board of Directors as from November 1, 2019				
Fixed remuneration	400,000	400,000	370,000	370,000
Variable remuneration	-	-	-	-
Exceptional remuneration	-	-	-	43,833
Director's compensation	-	-	-	54,500
Fringe benefits	-	-	-	-
TOTAL	**400,000**	**400,000**	**370,000**	**468,333**
Élie Girard, CEO until October 22, 2021				
Fixed remuneration	772,817	772,817	878,750	878,750
Variable remuneration	-	683,525	683,525	499,660
Exceptional remuneration	-	-	-	-
Director's compensation	-	-	-	-
Fringe benefits	17,137	17,137	18,997	18,997
TOTAL	**789,955**	**1,473,480**	**1,581,272**	**1,397,407**
Pierre Barnabé, interim CEO from October 23, 2021 to December 31, 2021				
Fixed remuneration	72,738	72,738	-	-
Variable remuneration	87,286	-	-	-
Exceptional remuneration	-	-	-	-
Director's compensation	-	-	-	-
Fringe benefits	1,889	1,889	-	-
TOTAL	**161,913**	**74,627**	**-**	**-**
Adrian Gregory, interim Deputy CEO from October 23, 2021 to December 31, 2021				
Fixed remuneration	0	0	-	-
Variable remuneration	0	0	-	-
Exceptional remuneration	0	0	-	-
Director's compensation	0	0	-	-
Fringe benefits	0	0	-	-
TOTAL	**0**	**0**	**-**	**-**

4.3.2.8 AMF Table 11

Company Officers	Employment contract	Supplementary pension plan	Payments or benefits effectively or potentially due in the event of termination or change of position	Non-compete payment clause
Bertrand Meunier Chairman	NO	NO	NO	NO
Élie Girard CEO until October 22, 2021	NO	NO	NO	NO
Pierre Barnabé interim CEO from October 23, 2021 to December 31, 2021	YES*	NO	NO	NO
Adrian Gregory interim Deputy CEO from October 23, 2021 to December 31, 2021	YES**	NO	NO	NO
Rodolphe Belmer CEO since January 1, 2022	NO	NO	YES	YES

* *Pierre Barnabé's employment contract has been suspended for the period of his mandate as Interim Chief Executive Officer from October 23 to December 31, 2021, pending Rodolphe Belmer's assumption of his duties as Chief Executive Officer on January 1, 2022 following the decisions taken by the Board of Directors on October 20, 2021.*

** *Adrian Gregory has received no remuneration for his mandate as Interim Deputy CEO from October 23 to December 31, 2021 and his employment contract has not been suspended during this period.*

4.3.3 Performance share plans and stock subscription or purchase option plans

[GRI 102-35]

4.3.3.1 Past grants of Performance Shares – AMF Table 10

The outstanding 2,385,143 rights to performance shares reported hereafter represented 2.15% of Atos SE's share capital as of December 31, 2021.

PERFORMANCE SHARE PLANS:

	Plan dated 03/27/2018	Plan dated 07/22/2018	Plan dated 07/24/2019	Plan dated 10/23/2019	Plan dated 07/24/2020	Plan dated 07/27/2021
General Meeting authorization date	7/24/2017	5/24/2018	04/30/2019	04/30/2019	06/16/2020	05/12/2021
Board of Directors meeting date	3/27/2018	7/22/2018	07/24/2019	10/23/2019	07/24/2020	07/27/2021
Number of beneficiaries	**1**	**1,231**	**1,249**	**1**	**1,155**	**1,004**
Total number of granted perf. shares	**8,500**	**891,175**	**907,500**	**12,000**	**870,630**	**862,100**
Of which to the executive officers	-	*51,350*	*56,200*	-	*28,000*	
Chairman and CEO: Thierry Breton	-	*51,350*	*40,300*	-	-	
Deputy CEO: Élie Girard			*15,900*			
CEO: Élie Girard					*28,000*	
Vesting date	3/27/2021	7/30/2021	07/25/2022	10/23/2022	07/24/2023	07/29/2024
End of holding period	3/27/2021	7/30/2021	07/25/2022	10/23/2022	07/24/2023	07/29/2024
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes
Achievement of performance conditions	Yes	Yes	Partially	Partially	-	-
Share rights adjustment*	1,972	207,703	-	-	-	-
Number of vested shares as at Dec. 31, 2020	**-**	**-**	**2,500 [1]**	**-**	**1,500[1]**	**-**
Number of shares cancelled as at Dec. 31, 2021[2]	**2,125**	**453,343**	**166,127**	**2,400**	**83,360**	**8,200**
Outstanding performance shares as at Dec. 31, 2021	**-**	**-**	**738,873**	**9,600**	**782,770**	**853,900**

* *Share rights adjustment following the exceptional distribution in kind of Worldline shares effective on May 7, 2019.*

1 *Shares acquired in advance following death or disability.*

2 *Including the reduction in the entitlements of members of the Executive Committee, following the decision of the Board of Directors on July 16, 2021. At its meeting of July 16, 2021, the Board of Directors decided, on the recommendation of the Compensation Committee, to modify the financial objectives of the performance share plans for 2019 and 2020 for all beneficiaries of these plans except for the Chief Executive Officer and the Chief Financial Officer of the Group, for whom the financial objectives have not been modified. The objective of this revision was to align the financial objectives of these performance share plans with the new 2021 objectives communicated to the market on July 12, 2021, and with a gradual improvement in the indicators towards the Group's medium-term targets, which were confirmed on the same day. For the other members of the General Management Committee, the allocations for 2019 and 2020 have been reduced by 20% and 15% respectively (by means of a reduction in these proportions of the maximum number of performance shares initially allocated). The non-financial objectives have been maintained for all beneficiaries. The Board of Directors has granted to the members of the Executive Committee under the July 27, 2021 plan a number of shares reduced by 10% compared with the initial allocation, with the exception of the Chief Executive Officer and the Chief Financial Officer of the Group, who have waived this allocation.*

Performance conditions	Plan dated 03/27/2018*	Plan dated 07/22/2018
Earnings per share of the year in question is at least:	In line with the annual financial objectives communicated by the Company at the beginning of the year, and for the year 2018 rising by at least 10% in the second half of the year (excluding costs related to the acquisition of Syntel Inc.), after a 7% increase achieved in the first semester	
	Adjustment by the Board of Directors, upon the Remunerations Committee's recommendation, for the year 2020 due to the Covid-19 crisis:	
	In line with the updated financial objectives as presented on April 22, 2020 on the occasion of the Q1 revenue release	
And		
Operating margin of the year in question is at least:	In line with the annual financial objectives communicated by the Company at the beginning of the year	
	Adjustment by the Board of Directors, upon the Remunerations Committee's recommendation, for the year 2020 due to the Covid-19 crisis:	
	In line with the updated financial objectives as presented on April 22, 2020 on the occasion of the Q1 revenue release	
And		
Revenue organic growth rate of the year in question is at least:	In line with the annual financial objectives communicated by the Company at the beginning of the year, and for the year 2018 but only for 75% of the performance shares granted to each beneficiary, in line with the revised annual financial target for 2018 **	
	Adjustment by the Board of Directors, upon the Remunerations Committee's recommendation, for the year 2020 due to the Covid-19 crisis:	
	In line with the updated financial objectives as presented on April 22, 2020 on the occasion of the Q1 revenue release	
And		
External condition linked to the environmental and social performance	Atos must be a member of the Dow Jones Sustainability Index (Europe or World) or be granted at least Ecovadis Silver rating.	
Years in question	2018, 2019 and 2020	2018, 2019 and 2020

* *In the context of significant acquisitions decided in 2018, in particular the signature of the Syntel Inc. acquisition on July 20, 2018, the Board of Directors of Atos SE, during its meeting on July 22, 2018, decided to replace for this plan, as from 2018, the performance condition related to the operating margin conversion rate into free cash flow with a new performance condition tied to the earnings per share assuming the completion of the Syntel Inc. acquisition. In particular, the Syntel Inc. acquisition was financed through bank indebtedness and bonds' issuance for an overall amount greater than € 3 billion. This decision was taken for the plan of July 25, 2017 and March 27, 2018 by the Board of Directors, which, on the general management recommendations, found essential to obtain from the leading executives of the Group benefiting from the plan (1,230 persons including Syntel key people) a strong commitment in order to ensure that the shareholders benefit from an increase of the net EPS. That is the reason why the Financial Performance Indicator EPS replaced the operating margin conversion rate to free cash flow from October 9, 2018 on, upon completion of the Syntel Inc. acquisition. Nevertheless, it must be noted that for 2018 the Group reported an operating margin conversion rate to free cash flow above 57%, in line with its target.*

** *In order to take into account the downward revision of the annual financial revenue objective, as indicated in the press release relating to the performance of the third quarter of 2018, the Board of Directors, during its meeting on October 22, 2018, decided to modify, for the year 2018, but only for 75% of the total number of performance shares granted to each beneficiary, the wording of the achievement rate of this internal performance indicator.*

% of the grant if the employment condition is met at the vesting date	
Plan dated 03/27/2018	75%* if all performance conditions are achieved for the last two years. 0% otherwise
Plan dated 07/22/2018	

* *Due to the verification of the Board of Directors on February 20, 2019 of the failure to reach the initial organic revenue growth rate target for the year 2018, applying to 25% of the performance shares granted, the maximum number of shares that can be acquired at the end of the vesting period is reduced at 75%.*

Performance conditions	Plan dated 07/24/2019 and Plan dated 10/23/2019	Plan dated 07/24/2020	Plan dated 07/27/2021
Average of the External Revenue Organic growth rates over the 3-year period (for the plan dated July 24, 2020) or Average of the External Revenue growth rates at constant currency over the 3-year period (for the plan dated July 27, 2021)	**Targets initially defined:** In line with the financial objectives of the 3-year strategic plan "Advance 2021"	**Targets initially defined:** In line with mid-term financial objectives as presented at the 2020 Analyst Day on June 24, 2020 and approved by the shareholders during the General Meeting held on October 27, 2020, under the assumption of a return to a normal economic activity by mid-2021	In line with the adjusted financial targets communicated to the market on July 12, 2021 and with a gradual improvement in indicators towards the Group's medium-term targets which were confirmed on the same day.
Average rate of Operating Margin over the 3-year period	**Adjusted targets by the Board of Directors, upon the Remunerations Committee's recommendation, due to the Covid-19 crisis:**		
Cumulated amount of Free Cash Flow at the end of the 3-year period (for the plan dated July 24, 2020) or Average of the Operating Margin conversion rates to Free Cash Flow over the 3-year period (for the plan dated July 27, 2021)	In line with mid-term financial objectives presented at the 2020 Analyst Day on June 24, 2020 and approved by the shareholders during the General Meeting held on October 27, 2020, under the assumption of a return to a normal economic activity by mid-2021 **Adjusted targets by the Board of Directors, upon the Remunerations Committee's recommendation, as part of the review of 2021 financial objectives*.** In line with the adjusted financial targets communicated to the market on July 12, 2021 and with a gradual improvement in indicators towards the Group's medium-term targets which were confirmed on the same day.		
Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period	The relative average ranking by RobecoSam AG institute: Floor: 70th percentile –Target: 80th percentile – Cap: 90th percentile		
Percentage of CO_2 emissions variation per € million revenue (tCO_2/€M) over the 3-year period		Floor: 0% Target: -10% Cap: -15%	Floor v. 2020: -15% Target v. 2020: -21% Cap v. 2020: -25%
Period in question	2019-2021	2020-2022	2021-2023

* *The performance conditions of the performance share plans for 2019 and 2020 have been adjusted for all beneficiaries, except for the Chief Executive Officer and the Chief Financial Officer of the Group in office on July 16, 2021, the date of the Board of Directors' decision*

% of the grant if the employment condition is met at the vesting date
Each performance indicator conditions a percentage of the initial grant. Elasticity curves accelerate upwards and downwards the percentage of the grant related to each performance indicator according to its level of achievement over the 3-year period. Thus, the percentage of vested shares depends on the "Average acquisition rate" calculated according to the level of achievement of each performance indicator and its weighting. The percentage of vested shares is capped at 100%.

	Performance indicator	Weight	% of the grant according to the achievement level		
Plan dated 07/24/2019 and Plan dated 10/23/2019	Average of the External Revenue Organic growth rates over 3 years (2019-2021) ("A")	**30%**	Floor	-1,9%	30%
			Target	-1,2%	100%
			Cap	-0,7%	150%
	Average rate of Operating Margin over 3 years (2019-2021) ("B")	**25%**	Floor	8,1%	50%
			Target	8,4%	100%
			Cap	8,7%	130%
	Cumulated amount of Free Cash Flow at the end of the 3-year period (in 2021) ("C")	**25%**	Floor	€947M	50%
			Target	€1,118M	100%
			Cap	€1,252M	130%
	Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period ("D")	**20%**	Floor	70th percentile	50%
			Target	80th percentile	100%
			Cap	90th percentile	150%
	A * 30% + B * 25% + C * 25% + D * 20% = Average acquisition rate (The average acquisition rate may not exceed 100%)				

	Performance indicator	Weight	% of the grant according to the achievement level		
Plan dated 07/24/2020	Average of the External Revenue Organic growth rates over 3 years (2020-2022) ("A")	**30%**	Floor	-2,7%	30%
			Target	-2,0%	100%
			Cap	-1,5%	150%
	Average rate of Operating Margin over 3 years (2020-2022) ("B")	**25%**	Floor	7,0%	50%
			Target	7,3%	100%
			Cap	7,6%	130%
	Cumulated amount of Free Cash Flow at the end of the 3-year period (in 2022) ("C")	**25%**	Floor	€460M	50%
			Target	€713M	100%
			Cap	€846M	130%
	Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period ("D")	**10%**	Floor	70th percentile	50%
			Target	80th percentile	100%
			Cap	90th percentile	150%
	Percentage of CO_2 emissions variation per € million revenue (tCO_2/M€) over the 3-year period ("E")	**10%**	Floor	0%	50%
			Target	-10%	100%
			Cap	-15%	150%
	A * 30% + B * 25% + C * 25% + D * 10% + E * 10% = Average acquisition rate (The average acquisition rate may not exceed 100%)				

	Performance indicator	Weight	% of the grant according to the achievement level		
Plan dated 07/27/2021	Average of the External Revenue growth rates at constant currency over 3 years (2021-2023) ("A")	**30%**	Floor	0.7%	30%
			Target	1,2%	100%
			Cap	1,7%	150%
	Average rate of Operating Margin over 3 years (2021-2023) ("B")	**25%**	Floor	6.7%	50%
			Target	7%	100%
			Cap	7,3%	130%
	Average of the Operating Margin conversion rates to Free Cash Flow over 3 years (2021-2023) ("C")	**25%**	Floor	21.5%	50%
			Target	23.0%	100%
			Cap	24.5%	130%
	Average of the yearly Atos scores in the DJSI (World or Europe) compared to other companies over the 3-year period ("D")	**10%**	Floor	70th percentile	50%
			Target	80th percentile	100%
			Cap	90th percentile	150%
	Percentage of CO_2 emissions variation per € million revenue (tCO_2/M€) over the 3-year period ("E")	**10%**	Floor	-15% v. 2020	50%
			Target	-21% v. 2020	100%
			Cap	-25% v. 2020	150%
	A * 30% + B * 25% + C * 25% + D * 10% + E * 10% = Average acquisition rate (The average acquisition rate may not exceed 100%)				

4.3.3.2 Adjustment of performance conditions for the 2019[1] and 2020[2] performance share plans

At its meeting on July 16, 2021, the Board of Directors decided, on the recommendation of the Compensation Committee, to modify the financial objectives of the 2019 and 2020 performance share plans for all beneficiaries of these plans except for the Chief Executive Officer and the Group Chief Financial Officer in office at the date of this meeting, for whom the financial objectives were not modified. The objective of this review was to align the financial objectives of these performance share plans with the new 2021 objectives communicated to the market on July 12, 2021, and with a gradual improvement of the indicators towards the Group's medium-term targets, which were confirmed on the same day. For the other members of the General Management Committee, the allocations for 2019 and 2020 have been reduced by 20% and 15% respectively (by means of a reduction in these proportions of the maximum number of performance shares initially allocated). The non-financial objectives have been maintained for all beneficiaries.

4.3.3.3 Achievement of the performance conditions related to the performance share plans in the course of vesting or acquired during the year

As a reminder, the performance conditions related to the performance share plans dated March 27, 2018 and July 22, 2018 were achieved for the year 2018 based on the revised organic growth rate, for the year 2019 and for the year 2020 based on the post-Covid-19 objectives for 2020 as presented on April 22, 2020 on the occasion of the Q1 revenue release.

Group free cash flow	2020	2019	2018
Objective achievement *(%)*	**n/a**	**n/a**	**n/a**
Criterion completion	n/a	n/a	n/a
Earnings per share	**2020**	**2019**	**2018**
Objective achievement *(%)*	**100.0%**	**101.9%**	**105.5%**
Criterion completion	YES	YES	YES
Group operating margin	**2020**	**2019**	**2018**
Objective achievement *(%)*	**105.9%**	**102.6%**	**100.5%**
Criterion completion	YES	YES	YES
Group revenue growth	**2020**	**2019**	**2018**
Objective achievement *(%)*	**101.0%**	**100.6%**	**118.7%**
Criterion completion	YES	YES	YES
EXTERNAL PERFORMANCE CONDITION LINKED TO THE SOCIAL AND ENVIRONMENTAL PERFORMANCE	**2020**	**2019**	**2018**
Criterion completion*	YES	YES	YES
ACHIEVEMENT OF PERFORMANCE CONDITIONS		**YES**	

* *In 2020, Atos was ranked number 1 in sustainability performance within the IT services sector in the DJSI World and Europe indexes for the second year running and has been awarded the Platinum medal by EcoVadis for its performance in Corporate Social Responsibility (CSR), with a score of 82/100.*

1 *Performance share plans dated July 24, 2019 and October 23, 2019*
2 *Performance share plan dated July 24, 2020*

The performance conditions related to the performance share plans dated July 24, 2019 and October 23, 2019 are based on indicators measured over a 3-year period. Performance conditions for these two plans were partially achieved, resulting in a vesting of 30% of the performance shares. The definitive acquisition of the vested performance shares remains subject to the completion of the presence condition on July 25, 2022 and October 23, 2022, respectively.

Based on 3-year targets

Group external revenue organic growth	**2019 - 2021**
Objective achievement *(%)*	**-1,96%**
Criterion completion	NO
Group operating margin	**2019 - 2021**
Objective achievement *(%)*	**7,6%**
Criterion completion	NO
Group cumulated free cash flow	**2019 - 2021**
Objective achievement	**€ 699 M**
Criterion completion	NO
External performance condition linked to the social and environmental performance	**2019 - 2021**
Objective achievement	**>90 percentile**
Criterion completion	YES
Achievement of performance conditions	**PARTIALLY (30%)**

The external performance condition related to the stock options plan dated July 24, 2019 is based on an indicator measured over a 3-year period ending on June 30, 2022; its achievement will be assessed at the end of the first half of 2022.

The performance conditions related to the performance share plan dated July 24, 2020 are based on indicators measured over a 3-year period. Achievement rates of these indicators as well as final acquisition percentage will be disclosed in the Universal Registration Document for the financial year 2022.

Similarly, the performance conditions related to the performance share plan dated July 27, 2021 are based on indicators measured over a 3-year period. Achievement rates of these indicators as well as final acquisition percentage will be disclosed in the Universal Registration Document for the financial year 2023.

4.3.3.4 Performance shares granted to or became available for Company officers during the year – AMF Tables No 6 and No 7

During fiscal year 2021, Élie Girard and Pierre Barnabé did not benefit from the grant of performance shares in their respective capacities as Chief Executive Officer and Interim Chief Executive Officer.

AMF Table 6	Plan date	Number of shares	Vesting date	Availability date	*Share valuation (in €)**
Élie Girard	None	None	None	None	None
Pierre Barnabé**	None	None	None	None	None
Adrian Gregory***	None	None	None	None	None

* *Valuation of the shares at their grant date as recognized pursuant to IFRS 2, taking into account any discount related to performance criteria and the probability of presence in the Company at the end of the vesting period, but before amortization of the expense pursuant to IFRS 2 throughout the vesting period.*

** *In his capacity as an employee, Pierre Barnabé benefited from the performance share plan of July 27, 2021 (estimated at grant date according to IFRS 2 at €492,156). The performance shares granted to Pierre Barnabé in 2021 will eventually not be delivered as he will be leaving the Group in 2022 and hence, will not meet the presence condition under this performance share plan rules.*

***In his capacity as an employee, Adrian Gregory benefited from the performance share plan of July 27, 2021 (estimated at grant date according to IFRS 2 at €492,156).*

During 2021, the performance shares granted on July 22, 2018 became definitively vested and available during the year. The performance conditions of the plan indicated below are summarized in the paragraph above "History of performance share grants".

Pierre Barnabé and Adrian Gregory did not acquire any performance shares during fiscal year 2021 in their capacity respectively as interim Chief Executive Officer and interim Deputy Chief Executive Officer.

AMF Table 7	Plan Date	Number of shares available during the financial year	Vesting Date	Availability Date
Élie Girard	July 22, 2018	13,748	July 31, 2021	July 31, 2021

4.3.3.5 Past awards of subscription or purchase options – AMF Table 8

The table below shows the past grants over the last ten years.

	Plan dated 07/24/2019
General Meeting authorization date	04/30/2019
Board of Directors meeting date	07/24/2019
Number of beneficiaries	**23**
Total number of granted options	**209,200**
Of which to the executive officers	*56,200*
Chairman and CEO: Thierry Breton	*40,300*
Deputy CEO: Élie Girard	*15,900*
Start date of exercise period	07/25/2022
End date of exercise period	07/24/2029
Strike price	€79.86
Number of options exercized as at Dec. 31, 2021	**-**
Number of options cancelled or expired as at Dec. 31, 2021	**72,200**
Outstanding options as at Dec. 31, 2021	**137,000**

Performance conditions and acquisition rules in respect of the plan dated July 24, 2019 are summarized hereafter:

Indicator
Relative performance of the Atos SE share compared to the performance of a basket* consisting of indexes and shares, measured on the basis of the average of the opening share price (dividends reinvested) during the trading days of the calendar quarter preceding the grant and vesting dates, respectively.

* *Basket: 20% CAC40 index + 20% STOXX Europe 600 Technology index + 10% IBM + 10% DXC + 10% Capgemini + 10% Accenture + 10% Sopra Steria + 10% CGI Group*

% of the grant if the employment condition is met on the vesting date

- No stock-option will vest if the relative performance of the Atos SE share is less than 100% of the average performance of the basket over a three-year period.
- 80% of stock-options will vest if the relative performance of the Atos SE shares is equal to 100%.
- 100% of stock-options will vest if the relative performance of the Atos SE shares is equal to 115%.

For relative performance between these points: the percentage of vested stock-options will be determined based on linear interpolation.

4.3.3.6 Stock options granted to, or exercized by, the Company executive officers during the year – AMF Tables 4 and 5

During 2021, the Chief Executive Officer, the Interim Chief Executive Officer and the Deputy Chief Executive Officer were not granted any options to purchase or subscribe shares of the Company. In addition, they did not hold any exercisable options in 2021.

4.3.3.7 Stock options granted to the top ten employees who are not company officers, and stock options exercized by them, during the year – AMF Table 9

During 2021, the employees were not granted any options to purchase or subscribe shares of the Company. In addition, they did not hold any exercisable options in 2021.

5

Corporate Social Responsibility

5.1 Introduction to CSR at Atos

[GRI 102-21], [GRI 102-26], [GRI 102-27], [GRI 102-29], [GRI 102-30], [GRI 102-31], [GRI 102-32], [GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Employee Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socioeconomic compliance], [GRI 103-2 Atos specific indicators]

5.1.1 Vision

[GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Employee Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socioeconomic compliance], [GRI 103-2 Atos specific indicators]

At Atos, Corporate Social Responsibility belongs to its "raison d'être" (statement of purpose), by which "across the world, we enable our clients and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space."

Atos is therefore fully aware of its mission and responsibility towards society and is convinced that digital can make an important contribution towards sustainable and social development, in particular to the fight against climate change, trust in Data Management and digital inclusion.

Striving to comply with the highest transparency standards, Atos has issued a non-financial report in accordance with the Global Reporting Initiative (GRI) standards since 2012 and, since 2018, has published its integrated report in strict compliance with the recommendations of the GRI Sustainability Reporting Standards, option "comprehensive", the International Integrated Reporting Council (IIRC) and the Task Force on Climate-related Financial Disclosures (TCFD) recommendation. Furthermore, Atos CSR strategy is fully aligned with the UN Sustainable Development Goals.

5.1.2 Governance

[GRI 102-18], [GRI 102-19], [GRI 102-20] [GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Employee Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socioeconomic compliance], [GRI 103-2 Atos specific indicators]

The Board Corporate Social Responsibility (CSR) Committee, in place since 2019 and led by Valérie Bernis as Chairman, is dedicated to the Group's Corporate Social Responsibility matters. The CSR Committee is directly involved in defining the CSR strategy and priorities.

At upper management level, the General Secretary, a member of the Executive Board reporting directly to the CEO, provides guidance and supervises the Atos Corporate Social Responsibility Program. The General Secretary regularly presents to the Executive Board regarding the latest achievements and planned objectives of the Group's environmental and social initiatives at global and regional levels. The Executive Board is associated with the validation of the CSR strategy and the implementation of the program.

The global core CSR Team is led by the Group CSR Officer, a member of the Group Management Committee, with a core international team, as well as representatives of all support and business functions. Weekly and monthly reviews are organized to ensure the proper implementation and monitoring of the main action plans and objectives. Specific channels are in place to facilitate communications across Industries, Business Units and Regions.

5.1.3 Strategy

[GRI 103-2 Anti-Corruption], [GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 103-2 Employment], [GRI 103-2 Employee Health and Safety], [GRI 103-2 Training and education], [GRI 103-2 Customer privacy], [GRI 103-2 Socioeconomic compliance], [GRI 103-2 Atos specific indicators]

Atos has consistently pursued its strategy, announced in 2020, to become the market leader in digital, sustainable, and secure technologies. Sustainability is no longer a niche topic. The demands for sustainable business have become loud and clear, and they run through all areas of business. The Covid-19 pandemic has once again reinforced this view and has made the need for digital technologies obvious. 'Digital for good' has become a value proposition and Digital Social Responsibility is more important than ever.

In this context, Atos's Corporate Social Responsibility strategy is core to its business strategy and therefore discussed at the highest governance level within the CSR Committee of the Board of Directors and within the Board of Directors itself. Beyond, Atos promotes an open dialogue with all stakeholders through regular meetings, especially with the Employee Representatives.

The review of Atos CSR challenges is performed regularly through a materiality assessment that prioritizes the areas where the Group must focus on incorporating best practices in the market, trends in the digital sector, and compliance with existing regulations and international standards. Atos has also developed robust systems and procedures to ensure Corporate Social Responsibility matters are being measured and reported, following Atos' integrated thinking and reporting principles.

Through its business strategy, Atos believes in creating significant positive impacts for society:

- from an environmental perspective, Atos continues to lead by example and reduce the carbon emissions under its influence. Atos also continues to develop its expertise in the combination of environmental sustainability and digitalization to contribute to the reduction of emissions caused by digital technologies. Furthermore, smart digital technologies are themselves becoming an increasingly important tool for achieving emissions reductions.
- from a social perspective, Atos' digital business strategy considers inclusion and accessibility to be an integral part of the digital workplace. Atos provides a state of the art digital experience to improve work efficiency, employees' motivation, and engagement. Atos' digital solutions also enable access to distance learning, facilitating continuity of education, especially in times of pandemic.
- from a governance perspective, Atos' business strategy operates to enhance trust in the era of digital transformation. Atos strives to be recognized as a trustworthy digital company, from a corporate governance, ethics, data security, and safety perspective.

The Atos Corporate Social Responsibility framework is structured in the three dimensions Environment, Social and Governance (ESG) associated with a set of non-financial performance objectives:

E – Environment

To limit global warming to 1.5°C and align with the Science-Based Targets initiative's (SBTi) latest net-zero standard published at the end of 2021, Atos's new commitment is to achieve net-zero emissions[1] at the latest by 2039, earlier than the recommendations of the COP21 Paris Agreement, the COP26 and the IPCC.[2] [GRI 102-12]

At the same time, Atos has set itself the short-term objective of reaching -50% by 2025, which is 5 years ahead of the most demanding recommendations of the SBTi (Greenhouse Gas Emissions Scopes 1, 2 and 3, 2019 baseline).

In addition, each year since 2018, Atos offsets 100% of the residual emissions of its Carbon Operational Perimeter (emissions under control or direct influence).

Atos is also convinced that decarbonization is a strong added value of digitalization. For its clients and partners, the Group has set up a Net Zero Transformation Practice which helps them decarbonize both their IT and their activities.

Atos is actively working in R&D to optimize the energy efficiency of its supercomputers and to supply datacenters with hydrogen. The Group is also investing in blockchain technologies to optimize recycling, as well as in quantum technologies allowing, for example, the development of new materials that absorb CO_2 from the atmosphere.

1 As set by the new SBTi standard, i.e. 90% of CO_2 reduction (baseline 2019) and compensating the remaining 10%.
2 Intergovernmental Panel on Climate Change

S – Social

The Covid-19 pandemic has unfortunately continued into 2021 and has further highlighted Atos's strong culture of social responsibility, exemplified through effective crisis management guided by people care as well as health and safety. From the beginning of the pandemic, the Group has enabled its workforce to work safely and efficiently from home and has supported remote collaboration. Especially in this situation, digital inclusion has become critical to social responsibility and a sustainable business lever.

Atos continues to encourage open and diverse working conditions through many initiatives. Operating as a responsible and inclusive employer that inspires its people to innovate for its clients, and guided by the principles of its "We are Atos" Program, the Group is encouraging and promoting a flexible and attractive workplace. As a multicultural company acting across 70 countries, Atos is an inclusive employer with employees from 149 nationalities. The Group intends to create a truly "Great Place to Work" and in this year's Great Place to Work survey, 63% of employees responded positively to the statement: "Taking everything into account, I would say this is a great place to work", equalling the 2020 score and confirming the good progress made last year.

Atos's mission is to build and deploy technology that works for everyone now and in the future. To ensure digital accessibility, Atos is addressing the key challenges that people face in going digital, supporting the ability to connect to the Internet and use services, connectivity such as fixed line broadband and mobile, accessibility and interoperability with assistive technologies.

G – Governance

Atos complies with regulatory frameworks and applicable laws in different countries and behaves as an ethical and fair player within Atos's sphere of influence. In the field of ethics and data protection, the Group intends to further increase the percentage of employees who have successfully completed the e-learning on the Code of Ethics and in 2021 launched a new version of the Code of Ethics formalizing Atos's commitment to the highest ethical standards.

Atos takes Governance-related topics as a priority to execute the Group strategy and guarantee that value is delivered at all levels. Client satisfaction is a major driver of Atos's strategy for growth and value creation, with an objective to continue to raise the Net Promoter Score significantly above 50% for all Atos clients by 2022.

Leveraging a global ecosystem of partners as well as its Scaler start-up accelerator program, Atos engages its clients on digital innovation and invests in innovative solutions to deliver value for clients while ensuring the highest levels of security and data protection and promoting a culture of digital sustainability.

Atos and other companies launched at European level the ETAMI initiative which has as its objective to design ethical frameworks for Data Management. Regarding data sovereignty, Atos believes that the potential of the economy of data relies on trust and confidence in Data Management.

In this respect, Atos is a founding member, and a member of the Board of Directors, of Gaia-X, contributing to set-up a data and infrastructure ecosystem according to European values and standards, such as data protection, digital sovereignty, interoperability, portability and security. Atos is also a member of the Charter of Trust initiative which aims to design reliable standards for Data Management in Europe.

In 2021, Atos significantly reinforced its commitment to CSR as part of its business strategy, accelerating a journey which started 13 years ago:

In 2008 Atos creates its Corporate Social Responsibility program and launches its environmental program.

In 2009 Atos releases its first report entirely dedicated to Corporate Social Responsibility and joins the Global Reporting Initiative. [GRI 102-12]

In 2010 Atos starts to carry out regular materiality assessments and signs up to the United Nations Global Compact. [GRI 102-12]

Atos launches the global workplace transformation program Wellbeing@work.

In 2011 Atos holds its first annual Global CSR Stakeholders' meeting.

In 2012 the Atos Smart Campus concept is rolled out to Atos Pune in India.

Atos creates the Client Innovation Workshops.

In 2013 Atos is listed in two major CSR ratings: CDP and Dow Jones Sustainability Indexes (DJSI).

In 2014 Atos is the first IT company to gain approval from European data protection authorities for its Binding Corporate Rules (BCR) for processing personal data on behalf of its clients and for itself.

All Atos's main sites must enter the ISO 14001 certification process.

In 2015 climate change commitments are made by Atos as part of the COP21 Paris Agreement. [GRI 102-12]

In 2016 Atos adopts integrated thinking criteria, and presents its 3-year strategic plan including financial and non-financial targets, with CO_2 reductions targets being part of this plan.

In 2017 the Science-based Targets initiative (SBTi) validates Atos's carbon reduction targets for 2050. [GRI 102-12]

Atos implements detailed action plans in response to new regulations, such as the Sapin II law in France and the EU's General Data Protection Regulation (GDPR). [GRI 102-12]

In 2018 Atos's absolute emissions are reduced by 50% between 2012 and 2018. Atos operational perimeter becomes carbon neutral, offsetting all residual CO_2 emissions under its control and direct influence.

In 2019 Atos publishes its raison d'être or sense of purpose, which was approved by its shareholders in April 2019.

In 2020 Atos commits to the most demanding 1.5°C Science-based Targets following the latest IPCC recommendation, increasing its ambition on climate action.

In 2021 Atos participates in COP26, underlining the pivotal role of digital innovation in the fight against climate change[1] .

Atos implements EU Taxonomy reporting to support the objectives of the European green deal. [GRI 102-12]

Today Atos is recognized by the most relevant ESG ratings as leader in its Industry. In 2021, Atos entered the CAC 40 ESG index.

2021 MARKET ESG RATINGS	ATOS SCORE	ATOS POSITION
DJSI	83/100	Top 4% (#1 DJSI Europe)
MSCI	AA	Top 21%
CDP CLIMATE	A	Top 2%
ISS-OEKOM	C+	Top 20%
FTSE4GOOD	4.1/5	Top 9%
VIGEO-EIRIS	67/100	Top 1%
ECOVADIS	80/100	Top 1%

Note: information as of December 1, 2021

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1 *https://atos.net/wp-content/uploads/2021/10/Digital-Vision-COP26-Opinion-paper-report.pdf*

5.1.4 Atos stakeholders' approach and engagement

[GRI 102-13], [GRI 103-1 Anti-Corruption], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [103-1 Occupational Health and Safety], [GRI 103-1 Training and education], [GRI 103-1 Customer privacy], [GRI 103-1 Socioeconomic compliance], [GRI 103-1 Atos specific indicators]

Atos is fully aware of the importance of engagement with its stakeholders. To structure its stakeholder dialogue, Atos uses international standards such as the AA1000 SES (2015) standard in alignment with the following principles: Inclusivity, Materiality, Responsiveness, and Impact (see 5.6.1. Scope of the report for more details). Atos maintains a constant dialogue with its stakeholders to ensure a transparent communication about its CSR program and to align with the demand of the market and investors. In 2021, three meetings have been held by the Board of Directors CSR Committee, which is directly involved in defining the CSR strategy and priorities.

Atos's stakeholders are identified as external and internal groups and individuals who represent clients, employees, employee representatives, business partners and suppliers, as well as communities and public authorities. Atos engages with stakeholders at all levels of the organization using a variety of interaction channels.

The frequency and nature of this dialogue are designed to enable regular communication with the objective of:

- identifying the expectations of Atos's stakeholders;
- prioritizing the corporate responsibility issues raised according to their relative importance and criticality to business operations;
- defining the key performance indicators that assess Atos's corporate responsibility performance.

Mapping of stakeholders' expectations

[GRI 203-2], [GRI 102-40], [GRI 102-42], [GRI 102-43], [GRI 102-44]

Atos engages regularly with its stakeholders to better understand, prioritize their needs, and ensure that its strategy remains fully aligned with their expectations.

In 2021, the Board of Directors CSR Committee met three times to discuss current and future CSR challenges, validate the CSR strategy and confirm the roll-out of the related initiatives.

During the year, further interactions with external stakeholders confirmed that the Atos CSR strategy and initiatives appropriately respond to the issues raised by stakeholders. The exchange with Atos clients' sustainability leaders has been significantly intensified, as achieving ambitious environmental goals requires interaction throughout the value chain. In addition, Atos continued to be actively engaged in 2021 by regularly attending investors meetings and interacting with leading standards organizations such as the GRI Sustainability Reporting Standards and having an active presence during the COP26[1] conference in Glasgow. The exchange on the topic of sustainability runs through all areas of the Group: clients now have very clear requirements for sustainable business and demand exchange on the contribution through digital technologies. Business partners have to work together in terms of sustainable supply chains and exchange data and information, and finally, all market participants are confronted with new regulatory requirements that also require a professional exchange. Sustainability thrives on interaction beyond contractual business relationships.

1 *https://atos.net/en/2021/press-release_2021_11_04/atos-at-cop26*

Clients

Expectations: Atos clients expect innovative digital solutions that create value by helping them to optimize their operational performance and address their own challenges such as tackle climate change or reporting according to some requirements. These solutions must also guarantee high levels of security and data protection;

Challenges and key topics: Client satisfaction. Client trust. Anticipation of clients' future needs. Security and data protection. Innovation;

Value created by Atos: Atos's business model is founded on creating value for its clients and partners through innovative and sustainable business solutions that will meet their needs to perform in the new digital economy;

SDGs addressed: 8,9,12,16.

Partners

Expectations: Collaboration with Atos partners is key to face challenges ahead of IT industry and ensure the development of innovative technologies;

Challenges and key topics: Anticipation of clients future needs, Innovation, Security & Trust;

Value created by Atos: Atos's unique partnership ecosystem includes both major IT industry players and start-ups that work together with Atos labs and Business Technology Innovation Centers, allowing Atos to combine a disruptive mindset with best-in-class technologies in its digital solutions for its clients;

SDGs addressed: 8,9,12,16.

Investors and analysts

Expectations: Investors expect profitability, efficiency from Atos, in line with its carbon footprint and energy efficiency commitments to tackle climate change. Atos keeps investors informed about its strategy and Corporate Social Responsibility achievements and objectives, while responding to their demands for clarity and transparency regarding value creation and resource management;

Challenges and key topics: Integrated thinking. Effective reporting to articulate strategy. Transparency. Credibility;

Value created by Atos: Atos discloses its CSR KPIs* and integrates financial and non-financial factors, providing valuable information to investors. Atos also creates significant value for investors and shareholders.

SDGs addressed: **8,9,12,16**.

People

Expectations: Atos employees expect to work in the best possible environment, where their work is recognized, their data is protected, and their ambitions and potential can be realized through opportunities to grow and develop within the Company;

Challenges and key topics: Health and safety. Skills management and development. Talent attraction and retention. Employee commitment, engagement, and satisfaction. Brand appeal, Wellbeing at work, Diversity;

Value created by Atos: Atos recognizes that its role as a responsible employer means providing a safe, diverse, inclusive, and rewarding work environment, while preparing its people for the workplace of the future. Atos has put in place programs to train and develop its employees and encourage internal hiring and promotion. At the same time, Atos has developed strong partnerships with leading universities worldwide to attract the best young talents;

SDGs addressed: **3,4,5,10.**

** Key Performance Indicators*

Suppliers

Expectations: Atos suppliers want to benefit from access to new markets, revenue growth and fair margins. They expect long-term relationships supported by ongoing dialog that ensures the observance of contracts, shared ethical values and trust;

Challenges and key topics: Ethics and responsibility in the value chain. Collaboration. Knowledge sharing. Efficiency;

Value created by Atos: As the first ICT* company to obtain approval for its Binding Corporate Rules (BCR) by the European data protection authorities, Atos continues to place data protection as a key component in its business culture. Its governance framework uses ethics and compliance to drive organizational processes and business thereby securing a sustainable supply chain. Atos works closely with its suppliers to ensure that they meet required standards regarding the environment, labor and human rights, ethics and sustainable procurement;

SDGs addressed: **8,9,12,16.**

Communities and society

Expectations: Society and local communities expectations of Atos include its ability to deliver socioeconomic benefits through job creation, smart solutions and new technologies. Atos is also expected to reduce its environmental impact and help its clients and suppliers to do the same. Public bodies deliver administrative authorizations and determine the regulatory context in which Atos does business;

Challenges and key topics: Digital inclusion. Education and knowledge equality. Savings. Performance. License to operate. Employability;

Value created by Atos: Atos is committed to generating economic value that creates value for society by responding to its needs and challenges. As a recognized leader in CSR in the IT sector, Atos minimizes and offsets environmental impacts and generates sustainable profits to support innovation. Through its support for volunteer programs, university relations and corporate citizenship actions Atos aims to have a positive and long-term impact on local economies, support social progress and reduce the digital divide;

SDGs addressed: **5,10,12,13,16.**

** Information and Communications Technology*

5.1.5 Challenges and Materiality Matrix

[GRI 102-46], [GRI 102-47], [GRI 103-1 Anti-Corruption], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [103-1 Occupational Health and Safety], [GRI 103-1 Training and education], [GRI 103-1 Customer privacy], [GRI 103-1 Socioeconomic compliance], [GRI 103-1 Atos specific indicators]

Atos's Corporate Social Responsibility approach is supported by a materiality analysis performed to prioritize its actions on the business activities integrating the stakeholders' expectations. In this context, materiality analysis is a tool used to connect and prioritize financial and non-financial considerations.

In the materiality assessment, Atos seeks to identify the principal topics and challenges that the market and key stakeholders consider as essential for Atos. These topics are material because they are critical to achieve the organization's goals, secure its business model, and manage its impact on society.

As a result, last year Atos shared its new materiality matrix with an ESG approach following the three broad dimensions or areas of interest in Corporate Social Responsibility: Environment, Social and Governance:

- a good management approach of the Environmental material topics supports the transition to a zero-carbon economy at a global scale for the Group, its clients and society;
- a good management approach of the Social material topics enables Atos to be a responsible employer and creates a work environment that meets the needs and expectations of employees;
- a good management approach of the Governance material topics helps Atos to be an ethical and fair player within its sphere of influence and generates value for clients and partners through innovative and safe solutions.

Atos material topics and boundaries aligned with GRI Standards

[GRI 102-44], [GRI 103-1]

The following topics of GRI Standards are material for Atos as a whole. Outside the organization, these topics are material for the stakeholders mentioned below.

Atos Material Topic	GRI Material Topic	Topic boundaries outside the organization
Client satisfaction and delivery capability	*Atos specific*	Clients, Investors and analysts
Corporate governance	*Atos specific*	Investors and analysts
Security & Data Protection	418 Customer Privacy	Clients, Investors and analysts
Solutions to address clients' environmental challenges including decarbonization (IT for Green)	302 Energy 305 Emissions	Clients, Investors and analysts
Talent attraction and retention	401 Employment (incl. Hiring)	Not material outside the organization
Research & Innovation	*Atos specific*	Clients, Investors and analysts, Suppliers, Business partners. Communities and NGOs, Public entities
Carbon footprint and energy efficiency of Atos operations	302 Energy 305 Emissions	Clients, Investors and analysts
Compliance with laws & regulations, including antibribery	205 Anticorruption 419 Socioeconomic Compliance	Clients, Investors and analysts, Suppliers, Public entities, Communities and NGOs
Skills management & development	404 Training and Education	Not material outside the organization
Eco-efficiency of technologies and solutions	302 Energy	Clients, Investors and analysts
Employees' Health and Safety	403 Occupational Health and Safety	Not material outside the organization

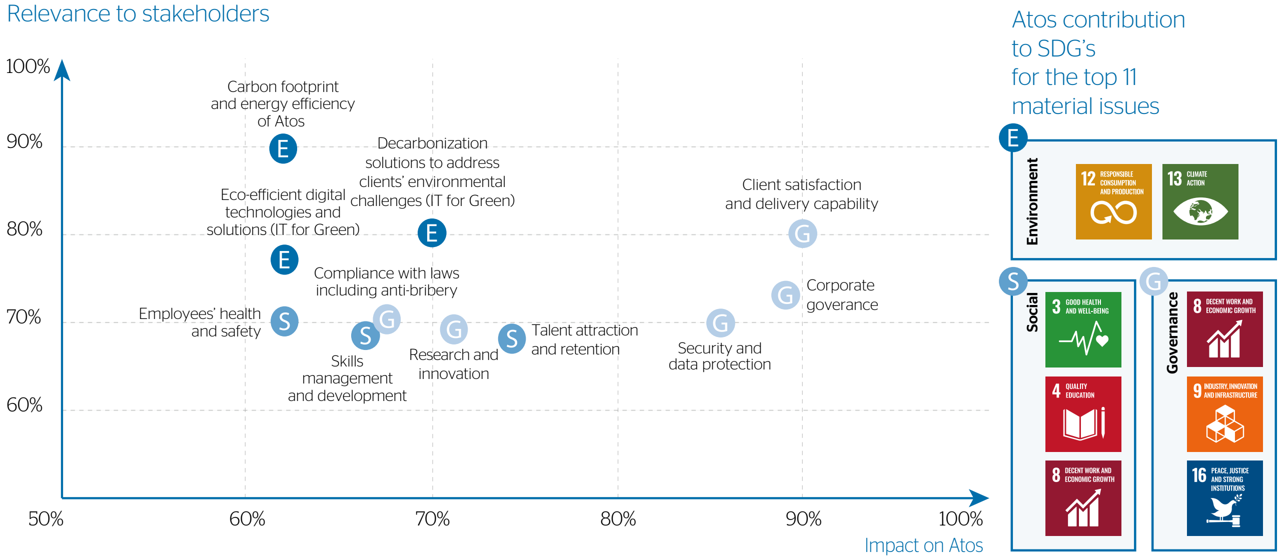
Atos materiality matrix

[GRI 102-14], [GRI 102-15], [GRI 102-47], [GRI 102-44], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [GRI 103-1 Occupational Health and Safety], [GRI 103-1 Training and education], [GRI 103-1 Anticorruption], [GRI 103-1 Customer privacy], [GRI 103-1 Socioeconomic compliance], [GRI 103-1 Atos specific indicators]

Based on the results of the analysis conducted by Atos with internal and external stakeholders, Atos designed the materiality matrix shown below which summarizes Atos's Corporate Social Responsibility material topics for the three ESG dimensions.

Atos informs its stakeholders about those topics in this annual report (Atos Universal Registration Document), however additional information is disclosed based on the regular communications with stakeholders in workshops, meetings, events, as well as on interviews with the CSR Committee of the Board of Directors and Group General Management Committee members regarding the current Corporate Social Responsibility strategy.

ATOS MATERIALITY MATRIX



The matrix above presents the eleven material topics based on the relevance for stakeholders and the impact on Atos. This matrix is reviewed every year to confirm that the priorities are still appropriate for the good development of the Group CSR Strategy which aims to align business practices with a positive impact on society fully aligned with the Atos purpose.

These eleven top priorities contribute directly to eight of seventeen sustainable development Goals (SDG) defined by the United Nations as presented in the above infographic.

In addition, Atos remains committed to other relevant topics, such as digital inclusion, diversity, employee engagement and supply chain management, and contributes significantly to the positive impact on employment by developing new job opportunities in emerging countries, supporting local economic development, and generating economic growth as a whole.

Environment:

Supporting the transition to a zero-carbon economy at a global scale for the Group, its clients, and the society.

The material issues for Atos in relation to Environment are:

- support decarbonization solutions to address clients' environmental challenges (IT for Green);
- reduce carbon footprint and improve energy efficiency of Atos operations;
- eco-efficient digital technologies and solutions (green IT) – Digital solutions already represent significant impacts for the environment, and their use will keep increasing in the future.

Main SDGs for Environment are: "Climate Change" (SDG 13) and "Responsible Consumption and Production" (SDG 12)

Social:

Being a responsible employer and creating a work environment that meets the needs and expectations of employees.

The material issues for Atos in relation to Social are:

- manage talent attraction and retention;
- ensure adequate skills management & development;
- guarantee employees' Health and Safety.

Main SDGs in Social are: "Decent Work and Economic Growth" (SDG 8), "Quality Education" (SDG 4) and "Good Health and Well-Being" (SDG 3).

Governance:

Being an ethical and fair player within the sphere of influence and generating value for clients and partners through innovative and safe solutions.

The material issues for Atos in relation to Governance are:

- ensure client satisfaction and delivery capability;
- establish a strong corporate governance;
- guarantee Security & Data Protection;
- foster Research & Innovation;
- ensure compliance with laws, including antibribery.

Main SDGs in Governance are: "People, Justice and Strong Institutions" (SDG 16), "Decent Work and Economic Growth" (SDG 8) and "Industry, Innovation and Infrastructure" (SDG 9).

5.2 Environment

5.2.1 Environmental non-financial performance [GRI 103-1 Energy], [GRI 103-2 Energy], [GRI 103-3 Energy], [GRI 103-1 Emissions], [GRI 103-2 Emissions], [GRI 103-3 Emissions], [GRI 103-1 Atos specific indicators], [GRI 103-2 Atos specific indicators], [GRI 103-3 Atos specific indicators], [GRI 302-1], [GRI 302-2], [GRI 302-3], [GRI 302-4], [GRI 302-5], [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5], [A14]

5.2.1.1 Overview of Atos main challenges and ambition [GRI 103-2 Energy], [GRI 103-2 Emissions]

There is a growing acknowledgment that all transactions and actions bring associated externalities that range in scale of impact from personal to planetary. Digital technologies are responsible for an estimated 4% of the total global CO_2 emissions, but when appropriately implemented, they also have the potential to help decrease global CO_2 emissions by 15% to 20%.

Atos's main ambitions are to fully contribute to a more decarbonized and sustainable world by reducing and offsetting Atos's own carbon emissions and to promote digital solutions that support its supply chain and clients in their own decarbonization journeys. To support these ambitions, the Group addresses a wide range of environmental issues and intends to cover in a comprehensive manner all the significant impacts, risks and opportunities related to its business model and main activities.

The Group's main potential environmental impacts, risks and opportunities are regularly assessed through specific work and activities and further explained in a following section. More specifically, Atos regularly updates its CSR/Environmental "materiality assessment" to consider the point of view of its stakeholders and to better identify some existing or emerging issues or topics that could become critical for the Group.

At present, the predominant environmental aspects resulting from Atos business activities concern the operations of its datacenters, offices, and employee business travels in addition to impacts incurred from within the supply chain as well as the use of solutions and technologies that are deployed by the Group.

The last "materiality assessment" update highlighted the following issues/topics organized by level of priority:

Core domain	Specific topic	Covered in section:
Climate change	Carbon footprint and energy efficiency of Atos operations	5.2.5
IT contribution	Digital for decarbonization to address clients' challenges (IT for Green)	5.2.4
IT footprint	Decarbonized digital solutions (green IT)	5.2.6
Other issues	Other environmental challenges	5.2.7

Through its Environmental Program, Atos directly contributes to several of the **United Nations Sustainable Development Goals** (SDGs), notably: (SDGs) 12 – Responsible Consumption and Production and 13 – Climate Action and indirectly to the SDGs 7 – Clean Energy, 8 – Decent Work and Economic Growth, SDG 9 – Industry, Innovation, and Infrastructure and 15 – Life on Land. Atos reports against each of these SDGs and the results can be found in the following sections.

5.2.1.2 Overview of main commitments and targets regarding climate change

In 2016, as part of the Paris Agreement[1] , Atos's Chairman and CEO approved four key initiatives which have all been implemented since: Pursue Science-based emission reduction targets (SBT); Implement an Internal Carbon Price (ICP); Engage in climate policy by anticipating the risks and opportunities; Publicly disclose climate change-related information.

Additionally, Atos undertakes the following activities to directly contribute to the fight against climate change:

- **Environmental Management System certification:** Atos's current objective is to have at the end of each year, at least 80% of its main sites (core datacenters operated by Atos and office sites with more than 500 internal employees) ISO 14001 certified or in the process of certification;
- **Energy efficiency** of Atos datacenters: Using the standard industry efficiency metric, Atos aims to achieve datacenter PUE optimization from 1.41 in 2021 to around 1.34 in 2023 for all Atos core datacenters;
- **Renewable energy:** In terms of renewable energy, and to support its 1.5°C (degree Celsius) Near-Term Science-based Target, Atos aims at being at 85% by 2025. (In % of total electricity consumption);
- **Science-based Targets:** In 2020, Atos shifted its 2°C carbon reduction target to the most demanding **1.5°C** SBT and committed to halve its overall carbon emissions by 2025 (GHG Protocol Scopes 1, 2 and 3; 2019 baseline). This near-term target already validated by the SBTi[2] is 5 years ahead of the Science-based Targets requirement;
- **Net-zero targets:** In addition, Atos new long-term target and net-zero target will comply with the new SBTi's Net-Zero Standard criteria formally launched in October 2021 (more information in section 5.2.5.1. Reduction of carbon emissions).

5.2.1.3 Overview of main climate change-related action plans

[GRI 103-2 Energy], [GRI 103-2 Emissions]

To deliver the emissions reductions outlined within Atos's ambitious climate change related targets, the following policies, processes, guidelines, and action plans are in place and were active in 2021:

- **Environmental Policy, Management System and Certification:** A global Environmental Policy strongly encourages a "do more with less" approach: reduce energy intensity and consumption, reduce travel impact, and consider other environmental challenges (biodiversity, water, circular economy, waste, plastics). A global EMS[3] and the ISO 14001 certification of all Atos main sites allow significant progress at local and global levels. (More information in section 5.2.2 Environmental Governance);
- **Energy consumption, energy efficiency, carbon free energy:** To improve the energy efficiency of datacenters, one of the key indicators is the Power Usage Effectiveness "PUE" and many ongoing action plans are in place to reduce it. In the offices, a smart and optimized Real Estate program is rolled out worldwide. In 2021, Atos pursued its rapid transition to low-carbon or renewable energy and achieved new milestones in reducing its energy consumption, both for datacenters and offices. (More information in section 5.2.5 Carbon footprint and energy efficiency of Atos operations);
- **Green mobility:** In 2021 Atos further boosted its green mobility program to furthermore develop remote collaboration tools, better enforce travel discipline and shift to an electric Atos car fleet. (More information in section 5.2.5 Carbon footprint and energy efficiency of Atos operations);
- **IT footprint reduction/Eco-design (green IT):** Atos further reduced the energy consumption and carbon footprint of its digital solutions and technologies (eco-efficient digital technologies). Constant reduction of the energy consumption/CO_2 emissions of the products and solutions Atos sells to its clients (green IT best practices, green life cycle assessments, eco-design, eco-label guidelines, dedicated R&D investments on energy and carbon, selection of low-energy subcomponents, adoption of the Circular Economy principles…). Supercomputers built by Atos are repeatedly ranked among the top 100 supercomputers in the world, and among the very first in the Green 500 List in terms of energy efficiency (GFlops/watts). The Edge computing servers developed by Atos are also a new way of reducing the energy consumption of IT infrastructures. (More information in section 5.2.6 Decarbonized digital solutions);

1 *https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement*
2 *Science-based Targets Initiative*
3 *Environmental Management System*

- **IT contribution/Sustainable Solutions (IT for Green):** In 2021, Atos further supported its clients to meet their own sustainability challenges, decarbonize their activities and achieve carbon neutrality (thanks to decarbonization solutions). In 2020, Atos introduced binding contractual Decarbonization Level Agreements for its clients. Together, Atos and EcoAct (an internationally recognized climate strategy consulting firm acquired by Atos in 2020) have created a global Decarbonization Excellence Center with comprehensive delivery capabilities to help organizations achieve their climate ambitions. Atos reinforced its decarbonization expertise through cooperation with specialized start-ups (Tier One, GreenSpector, Plan A, Circular Computing) in its Scaler program. (More information in section 5.2.4 Digital for decarbonization to address clients' challenges (IT for Green);
- **Supply chain:** In 2021, Atos further engaged its suppliers to decarbonize their upstream emissions. Specific contractual clauses regarding environmental performance, energy management and decarbonization were implemented within supplier contracts. (More information in section 5.2.5.5 Decarbonization of Atos's supply chain);
- **Internal Carbon Price (ICP):** Since 2020 the Atos ICP has been set at €80 per ton of CO_2 to drive business and operational decisions towards decarbonization. In 2021, the ICP encompassed three main objectives: to reduce emissions generated from business operations (datacenters, offices, travel, IT devices), to guide purchasing activities and spend towards the greenest suppliers and finally, to increase the volume of decarbonization business projects with clients. The ICP maintained the commitment of all employees in all entities and directly impacts all managers' incentives. While securing a strong business decarbonization ownership, it also connected several key departments such as Real Estate and Logistics, Purchasing and Sales towards the Group decarbonization commitments and targets. Thus, Atos's decarbonization strategy was being constantly cascaded from the management levels to the daily decisions on energy management, purchasing policies and sales action plans;
- **Carbon Offsetting:** In 2021 (and as each year since 2018), the Group offset 100% of its carbon operational perimeter (emissions under control or direct influence from datacenters, offices and travel) through dedicated offsetting programs (50% wind-farm projects to generate clean energy and 50% forest protection projects to preserve carbon sinks). (More information in section 5.2.5 Carbon footprint and energy efficiency of Atos operations).
- **All action plans** mentioned above can be found, sorted by GHG Protocol Scopes (1, 2 and 3) in the following section/sections:

GHG Scope	Main emission sources	Main activities to reduce carbon emissions	Covered in section:
Scope 1	Emissions from fossil fuel consumption, cooling systems and Atos car fleet	Energy efficiency and consumption reduction. Shift to renewable or carbon-free energy. E-fleet, travel optimization and green mobility, remote working tools, homeworking.	5.2.5.3 5.2.5.4
Scope 2	Emissions from electricity consumption and district heating	Energy efficiency and consumption reduction. Shift to renewable or carbon-free energy.	5.2.5.3
Scope 3	Carbon emissions under influence: Scope 3 categories 1 to 15.	Decarbonization of Atos Supply Chain: progress with suppliers (CO_2 reduction targets, CO_2 criteria, ratings, specific progress plan) Promotion of digital solutions at the service of the decarbonization challenges of clients' businesses (IT for Green) Promotion of carbon neutral hosting services and of responsible digital technologies with the lowest possible environmental footprint. Atos sold products energy reduction (green IT). Travel/transport optimization and green mobility, remote working tools, homeworking Other categories optimization	5.2.5.5 5.2.4 5.2.6 5.2.5.4 5.2.7

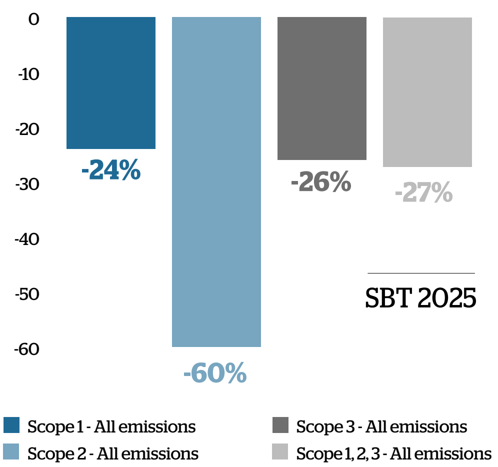
5.2.1.4 Overview of main climate change-related achievements

Ensuring transparency to stakeholders, Atos publishes details on the achievement of its environmental goals within its main reports (Universal Registration Document, Integrated Report), on the Atos website[1] and within other external sites such as the Carbon Disclosure Project (CDP).

To track Atos's progress on climate change, 60 specific key performance indicators are collected annually worldwide at more than 400 office locations and datacenters. In 2021, the main results were the following:

- **Environmental certification:** In 2021 90% of Atos's main sites (datacenters and offices) were ISO 14001 certified or in the process of being certified;
- **Energy consumption/efficiency**: In 2021, the ongoing action plans to improve energy efficiency resulted in a drop of 11% in electricity consumption;
- **Renewable/carbon-free energy**: In 2021, the rapid transition to renewable/carbon-free (decarbonized) energy resulted in a decrease of 34% in normal grid electricity and an increase of 29% in renewable electricity including RECs (respectively -44% and +18% in 2020). As a result, in 2021, 67% of the electricity consumed by Atos worldwide came from renewable sources which includes RECs (46% in 2020, 32% in 2019). In its datacenters, Atos also increased the percentage of renewable energy (including RECs) across all its geographies (from 49% in 2020 to 71% in 2021) and reached 95% in its core strategic datacenters;
- **Carbon Operational Perimeter:** Between 2019 and 2021, Atos decreased its emissions within its Carbon Operational Perimeter (CO_2e emissions under control or direct influence) by 59% in absolute (tCO_2e) and by 56% in intensity (tCO_2e/M€ revenue) (More information in section 5.2.5.1 => Atos Carbon Operational Perimeter);
- **Carbon Science-Based Target:** In 2020, Atos strengthened its SBT commitment, moving from a 2°C GEVA[2]-based intensity target to the most challenging 1.5°C target set against absolute emissions with a new baseline year of 2019. Between 2019 and 2021 all Atos emissions (GHG Scopes 1, 2 and 3) decreased by 27% (reaching 2,406 M tCO_2e in absolute). This reduction trend is fully in line with the 1.5°C commitments to reach -50% by 2025. (More information in section 5.2.5.1 Atos GHG emissions targets and commitments).

REDUCTION OF CARBON EMISSIONS OVER THE PERIOD 2019-2021



5.2.1.5 Overview of key environmental external recognition

In 2020-2021, Atos was recognized by many key players for its actions to reduce its environmental impacts and its carbon emissions, to integrate the business challenges linked to climate change, and for the quality and transparency of its communication. The list with the awards and recognition obtained in 2021 can be found in section 5.1.1 Vision. More specifically regarding environmental recognition:

- In 2021, Atos was selected once again as a member of both the Dow Jones Sustainability Index World and Europe. Atos scored 83/100 in the 2021 S&P Global Corporate Sustainability Assessment (industry average score 34 /100), achieving its industry best score of 98/100 in the Environmental dimension (Score date: Nov 12, 2021);
- in 2021, and for the 9th consecutive year, Atos was positioned by the CDP[3] in its Climate Performance Leadership Index comprising the companies with the highest scores in terms of the fight against climate change. In 2021 Atos was once again awarded an "A" grade. Atos is one of a very small number of companies (200) distinguished for their high environmental performance out of over 13,000 companies that were scored worldwide, representing 64% of the global market capitalization. In addition, Atos was also recognized as leader in the CDP Supplier Engagement Leaderboard in 2020 and 2021 due to its work on reducing emissions throughout its value chain.

1 *www.atos.net*
2 *Greenhouse gas emissions per unit of added value*
3 *Climate Disclosure Project https://www.cdp.net/en*

5.2.2 Environmental governance

[GRI 103-2 Energy], [GRI 103-3 Energy], [GRI 103-2 Emissions], [GRI 103-3 Emissions]

5.2.2.1 Governance - management approach

Atos's global environmental program is fully embedded into Atos strategy. Since 2018, Atos's Board of Directors has set up a specific committee dedicated to Corporate Social and Environmental Responsibility (CSR). The role of the CSR Committee is to review and monitor CSR/Environmental matters across the Group.

The Group CSR Officer manages the entire Corporate Social Responsibility Program and regularly informs of the latest environmental initiatives, objectives and results of the Program. The Group CSR Officer reports to the General Secretary.

The General Secretary, who is a member of the Executive Board and reports directly to the Atos Chief Executive Officer (CEO), oversees the entire Corporate Social Responsibility Program and regularly informs the Executive Board of the latest environmental initiatives, objectives, and results of the Program.

Weekly meetings led by the Group CSR Officer are held with experts in several essential areas for the success of Atos's Net-Zero Program. In these meetings, Global Head of Real Estate, Chief Procurement Officer and Head of Sustainable Procurement, Net Zero Transformation practice, Regional Business Units and Industries representatives and the CSR Global team present and report about their net-zero initiatives and targets.

Climate-related risks and opportunities are overseen by the Board of Directors and the Atos Executive Board. From the climate change scenario analysis (transition risk/opportunities), Atos has identified that digital technologies/solutions will become more and more critical to help tackle climate change and help mitigate its consequences. Consequently, the potential for a global "decarbonization" plan has been assessed and is considered today as one of the most credible development/transition scenarios for Atos. A global "decarbonization" development/transition program was rolled out by the Group CSR Officer, the General Secretary and the Group CEO and it has been executed since 2020. As a result, the strategy and business objectives are now reflecting the decarbonization digital program, aiming to an incremental revenue growth, Atos 1.5°C Science-based targets and Atos net-zero commitments.

In 2021, to ensure the deployment of the decarbonization program, its targets, and deliverables across the Group, the General Secretary held bi-weekly meetings with the CEO and the Executive Board, reporting the status of the program. This illustrates how embedded the decarbonization plan is in the strategic topics of the Group. At a more detailed level, the environmental program is also managed by the Group Environmental Program Manager and a dedicated team, comprising representatives from all support functions and industry sectors.

Supporting these plans, Atos also operates incentive schemes for top managers to work to achieve these carbon targets, including an internal carbon price (ICP) directly impacting business results. Further information about the ICP can be found in the section 5.2.1.3.

The Environmental Management System (EMS) is in place at Group level and in all Regional Business Units (RBUs). Within the RBUs, the EMS Managers and the Heads of CSR supervise the environmental challenges at regional and local levels. In addition, in all main sites, the ISO 14001 certification managers handle the local environmental challenges.

Profiting from this multilevel structure, local and global environmental matters are covered by the Group. At the Atos General Assembly (AGM) in 2021, Atos shareholders adopted, by a very large majority, a "Say On Climate"[1] resolution on the Group's environmental policy regarding decarbonization, confirming its position among the most advanced technology companies in the fight against climate change. (More information on TCFD-related topics in Section 5.2.3).

5.2.2.2 Environmental Policy, high-level principles, and operational guidelines

The current version of the Group's Environmental Policy is available on the Atos website. This Policy, embedded in the Atos Book of Internal Policy, is aligned with the Group's strategic ambitions and with the Atos Group's CSR program.

The purpose of the Policy is to provide high-level principles, over the short and long terms, regarding the Group's main environmental challenges. It is applicable to all Atos's entities and operations, all office sites, and datacenters regardless of their location. The entire Atos organization (100%) is covered, including its suppliers and subcontractors.

The Policy is complemented by a book of operational guidelines and objectives by environmental challenge. It includes regularly updated information about the context of each environmental challenge and its main concrete instructions, ambitions, objectives, or targets at Group and/or at local level.

Atos has formalized its commitment to integrity, notably through its Code of Ethics, which materializes the requirements in terms of ethical behaviour from its employees, and through its Atos Partners' Commitment to Integrity, which sets out the ethical commitment that Atos expects its Partners to take prior to entering in contractual relationship with them. This Atos Partners' Commitment to Integrity also aims to support Atos efforts to decarbonize its supply chain in line with Atos Decarbonization commitments to become net-zero and Atos Science-based targets, aimed at limiting the global temperature rise to 1.5°C by reducing its total emissions by half by the end of 2025. More broadly, it is a key part of Atos's Vigilance Plan, which has been developed and is monitored on a continuous basis to identify, prevent, and mitigate the risks arising from Atos own activities and supply chain, relating to violations of human rights, health and safety of individuals and the environment. (See section 5.4.6.1. Monitoring of CSR risk in the supply chain).

1 *Atos shareholders "Say On Climate" resolution: https://atos.net/en/2021/press-release/financial-information-press-releases/show-to-investors_2021_05_12/atos-annual-general-meeting-3*

5.2.2.3 Environmental Management System and ISO 14001 Certification [A14]

Atos Environmental Management System (EMS) is a framework covering the entire Group, supporting achievement of its environmental objectives through a structured organization, a Plan-Do-Check-Act (PDCA) process and the consistent evaluation, and improvement of its environmental performance.

The EMS is in place at Group level and in all RBUs. 100% of Atos employees are covered by the EMS. The Atos EMS is part of the Integrated Management System to ensure synergies between all management systems for Quality, IT, Security and Environment.

In addition, since 2018, Atos has chosen to deploy an ISO Multi Site Certification (MSC) process which follows a 3-year life cycle satisfying requirements of ISO norms underpinned via different management systems for Quality, IT, Security, and Environment: ISO 9001:2015 for the Quality Management System; ISO 20000-1:2018 for the IT Service Management System; ISO 27001:2013 for the Information Security Management System; ISO 14001:2015 for the Environmental Management System.

This ISO MCS process is totally integrated in the Group business lifecycle providing guarantees for clients that Atos delivers consistent services and products worldwide for the 4 domains mentioned previously.

To ensure an efficient implementation of its Environmental Program and Management System, Atos has chosen to certify under the ISO 14001 all its main sites with specific criteria (more detailed below).

The multi-site certification management coordinates, standardizes and optimizes the ISO 14001 with an end-to-end compliance approach from Group to site level. As a result, all sites certified or in the process of being certified are following this end-to-end approach from Group to site levels. This guarantees a strong coordination and a proper local EMS implementation at all stages.

The EMS and the ISO 14001 certification of the Group's main sites are two operational tools that help Atos:

- To implement and operate the Environmental Program, its Policy, and its Operational Guidelines company wide;
- To monitor the Group's main challenges (energy, travel, carbon emissions, green IT and IT for green solutions and services) as well as the local challenges (e.g., water, waste, biodiversity…) through consistent action plans and controls internally and externally audited;
- To avoid the risks of non-compliance with regulations and stakeholder requirements;
- To maintain or gain new market share as ISO 14001 certification is increasingly requested.

For each new eligible site to be certified ISO 14001, the Group Environmental Management System (EMS) manager prepares a set of ISO 14001 assets. The complete "ISO 14001:2015 Mentorship Training program" is an extensive training course that is mandatory for each new local EMS manager and is usually progressed and monitored through a series of meetings. This training is key to guide the EMS Manager in the preparation of all the necessary actions, processes, and documentation for its upcoming certification.

Following the certification life cycle process, samples of sites are annually audited by Atos's own specialists and by an external international certification body. The results of these ISO 14001 Internal Audits are presented in an annual audit program and independently verified, ensuring that a high level of maturity and knowledge is maintained across the Group.

More precisely, all office sites with more than 500 internal employees, plus all core datacenters operated by Atos must enter the ISO 14001 environmental certification process and get certified. Other sites can join the certification to meet local business needs.

The ISO 14001 indicator, so called A14, is among the environmental KPIs for the Group. It is biannually monitored during the data collection. All the data are consolidated and verified by an external auditor. A site is formally entered in the "certification process" when a budget has been allocated or the EMS manager has been appointed for this process.

The overall portfolio of Atos operational sites evolves over time due to delivery agreements, acquisitions, divestitures, and efficiency programs. Atos's current objective is to have at the end of each year, at least 80% of its main sites (offices and datacenters) either already certified or in the process of being certified.

At the end of 2021, 90% of Atos main sites were ISO 14001 certified or in the process of being certified (89% in 2020 and 2019, 85% in 2018, 80% in 2017) and 81,925 (81,850 in 2020) employees were working in one of these sites. Among those, 78,482 employees are working in sites already fully certified and 3,343 in sites in the process of being certified. At the end of 2021, a total of 99 offices and datacenters were fully certified.

Additional to the EMS and ISO 14001 certification, Atos counts on environmental legal watch (ELW) and Internal Auditors to support the Environmental Program and policies. At local level, Atos has implemented an environmental legal watch system for its sites. To specifically address local legal requirements, to prevent any environmental issues and to dialogue with local stakeholders, each RBU and its respective countries developed an ELW, which is locally executed and globally monitored. Any significant local environmental challenge is then discussed during the management reviews and the necessary actions are taken. Finally, Atos Internal Auditors, supported by the global EMS, support the Company's environmental policies, and assist in internal controlling processes.

5.2.2.4 Communication, information, and training process

Atos rolls out an annual communications plan covering all its main environmental challenges. Regularly and widely, this plan is communicated internally and externally through flyers, videos, reports, posts, blogs, position papers, websites, external ratings, press releases, information spaces and dedicated meetings, mobile applications (Atos Green app) and trainings.

Still concerning environmental awareness, Atos internal global reporting process is specifically supported by dedicated training on environmental challenges and KPIs. As an example, the EMS/ISO 14001 certification program is supported by mandatory e-learning to engage all employees and promote eco-friendly behaviours worldwide. Several digital collaborative communities address sustainability related topics such as environmental challenges, market trends, stakeholder expectations, innovations, business challenges and best practices.

In 2021, 86.1% of the total Atos workforce, across all sites, received a complete online training covering the environmental program and its challenges with a focus on the environmental management system deployed within the Group (78.9% in 2020, 67.8% in 2019, 50% in 2018). All Atos buyers and global supplier managers were invited to training sessions held in February and September on sustainable procurement. Recordings for those couldn't attend, were made available.

Among the communication and information initiatives taken in 2021:

- **The full deployment of the "Atos Green App"** launched in 2019 enables all employees to monitor the progress made by the Group in terms of major environmental issues, and to individually contribute to this progress. (More information in specific Atos Green app section below);
- **Online dedicated communities:** One of the most active communities, led by the young generation of Atos worldwide, the "Atos Green Network", encourages greener practices and leads projects such as abandoning plastic for all purchases and promotional products, publishes dedicated newsletters and organizes environmental awareness webinars such as World Ocean Day, Earth Day, and Climate Change awareness;
- **Webinars:** Highly qualified external speakers are invited to a webinar series, where topics related to climate change are discussed. 2021 examples were: "How can digital & data be used to build a low-carbon future?"; "Where next for secure decarbonized digital?";
- **Workshops:** A whole week of online webinars and workshops for all Atos employees, the "We are Atos, we are responsible days" were devoted to the Group's CSR commitments and focused on "Caring for the planet". Specific testimonies concerning decarbonization, water, or forest protection were addressed;
- **Internal development programs** such as Fuel for Emerging Leaders and Gold for Technology and Business: groups of employees involved in these further development programs were invited to create projects about the topic of decarbonization. Five projects were delivered in 2021 covering innovation, communications, business development and strategy in the decarbonization domain.
- **Interviews:** "Forrester: The Planet: Sustainability Interview Series". The first in this series was with Atos Chief Digital and Transformation Officer and Head of Corporate Social Responsibility;
- **Publications, blogs, white papers**: 2021 examples: Atos monthly Decarbonization Market Analysis Newsletter informs employees on special events, market insights and trends, client news per industry, partners news, competitors news, and public initiatives per countries; Atos Journey 2024 is a most expected publication addressing challenges such as the concept of Restorative Economy using technology to repair ecosystems or on digitally enabled microgrid network as a critical part of decarbonizing systems; Atos and EcoAct factsheets or white papers cover specific environmental topics such as "Digital decarbonization, the key enabler for corporate decarbonization, "The role digital can play in making net-zero a reality", "Digital Vision: COP26", "Could DNA be the next big thing in data storage?";
- **External collaboration:** Numerous external collaborations with organizations, think-tanks, professional unions, clients, partners, and start-ups to exchange and disseminate good technological and environmental practices;

- **Information and press releases:** A great deal of information and press releases are published on the Atos Group Corporate Social Responsibility website dedicated section and on the Welcome to the Atos Newsroom[1] ;
- **COP 26:** Event where all major governments converged on Glasgow to discuss and agree how the world can move closer to averting the global climate crisis. Atos is a member of the Defra e-Sustainability Alliance, and as such took part in a COP26 side event in Glasgow during early November 2021. The event, hosted by Defra, is a demonstration across the breadth of IT sector that digital can play a major role in decarbonizing society and was used to promote collaboration and knowledge sharing within the sector. The event was over 5 days, with the first 3 days being a show, with all participant organizations having a stand within a hall. Apart of the stand, Atos had the Atos´s Public Sector Decarbonization Lead and the Atos´s group Chief Delivery Officer participating on discussion panels. The footprint of Atos's participation in COP26 was estimated to be 883kg CO_2e, which is to be compensated through tree planting, confirming that the Atos participation was carbon neutral.

5.2.3 Risks and opportunities related to environment

[GRI 103-2 Energy], [GRI 103-2 Emissions], [GRI 201-2], [A7], [A20]

This section covers the risks and opportunities related to the major environmental issues and climate change. These can generate new opportunities to create added value and business or, on the contrary, negatively impact the Group's activity.

Aligned with the expectations from key players such as the European Commission, the Task Force on Climate-related Financial Disclosures (TCFD), NGOs[2] , clients or student groups, Atos favors a double materiality approach that considers both the potential impacts of climate change on companies (risks and opportunities) and the potential impact of companies on climate. Atos is officially a supporter of the TCFD initiative.

Cross-reference table. TCFD recommendation/ Universal Registration Document/ CDP Disclosures:

Domain	Sub domain	Section
Governance	Board oversight of climate-related risks and opportunities	5.2.2.1. Governance – management approach; CDP Climate Change Questionnaire => Q C1 (1.1; 1.1b) and C4 (4.1; 4.1a; 4.1b)
	Management's role in assessing and managing climate risks and opportunities	5.2.2.1 Governance – management approach; 5.4.8. Vigilance Plan; 7.1.1. Enterprise risk management (ERM); 7.2.6.2. Environmental impact; CDP Climate Change Questionnaire => Q C1 (1.1a, 1.2; 1.2a, 1.3, 1.3a)
Strategy	Climate-related risks and opportunities identified in the short, medium, and long term	5.2.3.2. Risks; 5.2.3.3. Opportunities; CDP Climate Change Questionnaire => Q C2 (2.1; 2.1a)
	Impact of climate-related risks and opportunities on the Company's activities financial strategy and forecasts.	5.2.3.1. Information; 5.2.3.2. Risks; 5.2.4. Digital for decarbonization; CDP Climate Change Questionnaire => Q C2 (2.3; 2.3a; 2.4; 2.4a) and Q C3 (3.1; 3.3; 3.4)
	Resilience of the Company's strategy considering different climate-related scenarios included a 2-degree scenario.	5.2.3.1 Information; 5.2.3.2 Risks; CDP Climate Change Questionnaire => Q C3 (3.1)
Risk and Opportunities Management	Procedure for identifying and assessing climate-related risks and opportunities	5.2.3.1 Information; CDP Climate Change Questionnaire => Q C2 (2.2) and C3 (3.2; 3.2a; 3.2b)
	Integration of procedures to identify, assess and manage climate-related risks in the overall risk management of the Company	5.2.3.1. Information;5.4.8. Vigilance Plan; 7.1.1.Enterprise risk management (ERM); CDP Climate Change Questionnaire => Q C2 (2.1, 2.2) and Q C4 (4.1; 4.2)
KPIs and Objectives	Indicator used to assess climate-related risks and opportunities, in line with the Company's risk management strategy and procedure	5.4.8. Vigilance Plan; 7.1.1. Enterprise risk management (ERM); CDP Climate Change Questionnaire => Q C4 (4.1; 4.2)
	Greenhouse gas emissions from Scopes 1, 2 and scope 3.	5.2.5. Carbon footprint and energy efficiency; CDP Climate Change Questionnaire => Q C4 (4.1; 4.1a), and Q C6 (6.1; 6.2; 6.5)
	Objective used to manage risks and where opportunities relating to the climate and the performance of the Company vis-à-vis its objectives	5.4.8. Vigilance Plan; CDP Climate Change Questionnaire => Q C2 (2.3; 2.3a; 2.4; 2.4b)

1 *https://atos.net/en/newsroom*
2 *Non-governmental organizations*

5.2.3.1 Requests regarding climate change disclosures

[GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

Identification of the main environmental risks and opportunities

The identification of the main environmental risks and opportunities is carried out by internal experts from internal support functions using a combination of analysis, tools, and processes and with the support of external experts. Multi-function working groups, risk assessments, and prospective methodologies are being used to assess the risks/opportunities and scenarios.

Climate model and scenario analysis

Concretely, Atos uses climate model inputs from the World Resources Institute (WRI) and from FM Global Assurance and other macro and micro-economic projections (e.g., Global Adaptation Index Score, World Bank surveys) against specific geography and locations where the Group main activities and sites are based. Atos analyzed how the predicted changes in temperature, rainfall, drought, storms, and sea levels might impact its operations, including also potential economic and supply chain disruptions.

Atos selected the low warming climate models (IEA[1] 2DS[2] and RCP[3] 2.6[4]) because they are endorsed by the SBTi and were used in setting Atos's Science-based Targets. The Group wants to keep its own climate change scenarios consistent with these targets and to understand first how it will be able to operate in a world that is 2°C warmer. Acute physical, chronic physical, and transition risks are covered.

Atos uses the scenario analysis approach to assess the resilience of its activities, considering both physical and transformation risks, as well as different geographies, time horizons and climate-related models (including a 2°C scenario and a 4°C scenario).

In addition, Atos's climate change scenario projections are aligned with the short-, medium- and long-term time horizons considered for risk/opportunity assessments and with its Science-based Targets final objective with interim targets in 2025, 2030 and 2035.

Identification, evaluation, monitoring and mitigation tools and processes

Many tools and processes are used to identify, evaluate, monitor, and mitigate risks:

- **identification and evaluation tools and processes:** materiality and risk assessments, including stakeholders' interviews conducted with the help of external consulting firms; local and global impact and risks assessments conducted by Atos as part of the EMS process, assessments before determining new operational locations and/or when new sites come under the Group's control (geographical location); annual "Risk Assessments" done by Atos's insurer (including natural risks/hazards, potential impacts on the environment and onsite visits); "Flood Maps" covering all Atos sites (datacenters and offices); "Resilience Index" (RiskMark Score) and "Risk Heat Map" including resilience advice and recommended action plans; evaluation of the maturity of key suppliers and strategic partners in the field of climate-related risks; climate change models to identify the foreseeable impacts (transformation, acute, chronic); climate change macro and micro-economic scenarios to identify the potential business impacts; competition benchmarks; legal monitoring and documentary research;
- **monitoring and mitigation tools and processes:** the Global Environmental Program, the EMS (Environmental Management System) and the ISO 14001 certification of Atos's main sites; The Enterprise risk management (ERM) Process (monitoring main risks that can impair the achievement of the Group's objectives), the Book of Internal Control (BIC), the Legal Risk Mapping and the policies that frame all activities; the Global "crisis management policy" and extensive "business continuity" strategies including "local crisis scenarios" and local "continuity plans"/"recovery procedures"; the RBUs, Global Operations and Support Functions dedicated action plans; the Safety and Emergency Response Tool (SERT).

The ERM is one of the key risk management activities, embracing the widest scope of risks. It is included in the Atos risk management policy. It includes enterprise and operations risks:

- enterprise risks address all risks on the strategic level and taking into account different sources (external (e.g., Political, Economic, Social, Technological, or Environmental) and internal (e.g., by Organization or Process Design);
- operations risks address all the operational/business risks of the organization (through Rainbow Delivery and through Risk and Issue Management).

1 International Energy Agency
2 2°C Scenario
3 Representative Concentration Pathway
4 Following the guidance shared by TCFD (https://www.tcfdhub.org/)

The ERM approach is bottom-up (top risks by organizations) and top-down (request to assess existing risks from the risk catalog) and it uses quantitative risk indicators (KPIs) to get trends visibility. The outcome includes multiple workshops, a risk cartography and agreement on remediation actions, communication of action plan and follow-up throughout the year.

Impact of climate-related risks and opportunities on the Company's activities, financial strategy, and forecasts. Resilience of the Company's strategy considering different climate-related scenarios included a 2-degree scenario.

For each risk and opportunity, multiple dimensions are investigated: In addition to a specific description of each risk, the analysis includes: risk type; risk driver in the value chain (where the source of the risk occurs); primary climate-related drivers; time horizon; likelihood; magnitude of impact; potential financial impact; explanation of the financial impact; management method; cost of management; impact on business and level of consideration in the financial planning process.

Atos' analysis forecasts the impacts of climate change (acute physical, chronic physical, and transition risk) and includes essential services such as future energy requirements and carbon impacts. All areas of the organization are considered as part of the climate change scenario analysis. At this point in time, it is assumed that between now and 2050 Atos would still be in the same main geographies and with the same core activities (digital services including hosting activities).

From the climate change scenario analysis (acute physical, chronic physical), no main Atos operational site was identified at significant risk up to a 2030-time boundary, and/or that do not have enough in-built resilience. However, Atos operates in a few areas that have a projected notable change in climate (e.g., regions in India, in the United States...). Thus, Atos recognizes the need to plan changes in these locations between 2030 and 2050.

From the climate change scenario analysis (transition risk/opportunities), digital technologies/solutions were identified as increasingly becoming critical to help tackle climate change and help mitigate its consequences. Consequently, Atos's global "decarbonization" plan is considered as one of the most credible developments/transition scenarios.

A global "decarbonization" development/transition plan was decided upon and prepared at the end of 2019 and it was rolled out in 2020 and 2021. It impacts both strategy and business objectives with the potential to contribute to 1% of Atos internal growth. Specific outcomes have been:

- increased risk of taxation and carbon costs. To mitigate this, Atos has accelerated its decarbonization plan, shifting from an SBT 2°C pathway to 1.5°C;
- Atos clients need help in reducing their own impacts. Atos has developed a comprehensive portfolio of low-carbon solutions as part of the decarbonization plan, including Atos's new service the "Digital Decarbonization Assessment" (More information in section 5.2.4);
- risk of interruption of Atos operations due to climatic events. Atos has identified to immediate or mid-term risks, however, the Group now has a process in place for ongoing monitoring;
- risk of supply chain disruption. To mitigate this, Atos has a policy in place for diverse sourcing of equipment and criteria based on assessment of the maturity of its main providers.

Reporting

In addition to the following sections presenting Atos main climate change-related risks and opportunities, further detailed explanations are accessible online in the Group's 2021 submission to the CDP Climate Change Questionnaire.[1]

5.2.3.2 Main climate-related risks

Atos three main environmental and climate-related risks concern A - potential changes in regulations linked to climate change (ability to anticipate and mitigate); B - more frequent and more extreme natural events and disasters (level of resilience); and C - energy and carbon (new constraints, new limits, new taxes).

A - Potential changes in regulations linked to climate change.

Types of potential risk:

- current regulation risk: Changes in existing regulations for reporting climate-related information and existing regulations related to climate change;
- emerging regulation risk: New guidelines for reporting climate-related information and new regulations related to climate change;
- legal risk: New compliance obligations with the risks of being prosecuted by authorities or clients;
- market risk: Shift in client preferences and/or disruption in the supply chain leading to increased costs.

Risk assessment: legal watch for existing and emerging regulations is included in the Enterprise risk management process (risk type "Laws & Regulations"). In addition, regarding compliance with environmental regulations, the ISO 14001 certification of all Atos major sites involves legal monitoring and constant information on potential changes. Legal monitoring at Regional Business Units level aims at informing about global issues that may need to be addressed by all sites, whether certified or not. Thanks to this close monitoring, no significant environmental fines or non-monetary sanctions were imposed in 2021 (also none in 2020, 2019, 2018 and 2017).

1 https://www.cdp.net/en/climate

Residual risk: in the short to medium term, although new changes in regulations are very likely, at Atos the magnitude of the potential residual impacts is perceived as low in view of the ongoing monitoring, and mitigation actions undertaken to anticipate and absorb the coming changes.

B- More frequent and more extreme natural events and disasters due to climate change.
[GRI 201-2], [A20]

Types of potential risk:

- acute physical risk: Service delivery issues impacting Atos datacenters or supply chain with operational and financial consequences;
- market risk: Shift in client preferences and/or disruption in the supply chain leading to increased costs;
- reputation risk: following climate-related events, failure to deliver services due to lack of adaptation and the consequential negative reputational damage;
- chronic physical risk: Issues impacting Atos workforce, operations, and production capacities.

Atos addresses both the resilience of the activities and the safety of its employees:

- **employees' safety:** Since 2017, Atos has operated its own Safety and Emergency Response Tool (SERT) that is activated in areas where a natural disaster has occurred and could put Atos employees' safety at risk. In the light of a natural disaster, terrorist attack or any kind of emergency, the employees identified as part of a geographical danger radius receive an email from Atos Security and Safety. Through this online tool accessible to all employees 7/7, 24/24, employees can report their status, the status of a colleague(s) and request assistance. In 2021 SERT was activated in the United States, New Caledonia, New Zealand, Colombia, Israel, Greece, Philippines, and India;
- **business continuity – Datacenters:** Extensive business continuity strategies have been implemented, resulting in the ability to provide services from different locations. Notably, the core datacenters are twin datacenters with full duplication capacity (synchronous data and IT infrastructure replication). Residual risk: In the medium term, more frequent and extreme natural events are very likely. Due to the current geographical localization of Atos's main sites and the tools or processes in place, the magnitude of the potential concrete impacts is perceived as between low and medium;
- **business continuity – Supply Chain:** Many of the potential risks that Atos faces will be equally faced by its supply chain, and if these materialize, they could have a knock-on effect for Atos delivering services. Whereas Atos is adapting and future-proofing its business against these risks, it cannot not be totally sure that its supply chain is making the same effort. In addition, IT equipment-infrastructure suppliers also have their own supply chains for sub-components and these second-tier suppliers could experience similar issues. Atos concern here is that if its suppliers of IT equipment-infrastructure (e.g., servers, storage, network, power…) encounter issues due to climatic events it may mean that Atos is unable to purchase necessary equipment (and to deliver services) for a period of time until they recover from the event or until change to alternative suppliers. The main financial impact is linked to the possibility that Atos would need to source equipment from alternative IT equipment providers at increased costs. In 2021, Atos is mitigating this risk through its partnership program, its active multi-sourcing policy and through criteria measuring the maturity of its main providers (See section 5.4.6. Suppliers CSR performance).

C - Energy and carbon emissions (new constraints, new limits, new taxes).
[GRI 201-2]

Types of potential risk:

- current regulation risk: Existing regulations for reporting climate-related information and existing regulations regarding carbon and energy, carbon taxes, or emission trading scheme;
- emerging regulation risk: New guidelines for reporting climate-related information and new carbon/energy transition laws and taxes;
- technology risk: New request for environmentally sustainable economic activities, technologies, and solutions;
- legal risk: New compliance obligations with the risks of being prosecuted by authorities or clients;
- market risk: Shift in client preferences and/or disruption in the supply chain leading to increased costs.

Risk assessment: legal watch for existing and emerging regulations is included in the Enterprise risk management process (risk type "Laws & Regulations") as well as in the Environmental Management System/ISO14001 certification process.

The continuous effort made to reduce energy consumption, improve efficiency, shift to renewable sources, limit travel impact and reduce carbon emissions progressively improve the Group's ability to operate in a low-carbon economy. The internal carbon price in place at RBU level also helps to prepare the Group for higher taxes in the coming years.

Impact valuation assessments (externalities) have been carried out on an annual basis since 2017. In 2021, based on a social cost of carbon ranging from €61 to €86 per ton of carbon (based on the Stern report and meta-surveys), the impact valuation linked to Atos gross Greenhouse gas (GHG) emissions (operational perimeter) comprised between €8 to €11 million (€9 and €12 million in 2020) and at €2.6 million (€3 million in 2020) for a carbon market price set at €20 per ton of carbon. In 2021, the impact valuation linked to Atos gross Greenhouse gas (GHG) emissions (all Scopes 1, 2 and 3) comprised between €147 million and €206 million (based on the Stern report and meta-surveys) and at €48 million (based on carbon market price set at €80 per ton). Since 2020, Atos has published its financial results including the market price of its carbon externalities.

In 2021, when considering the mitigation/offsetting of 100% of its carbon operational perimeter residual emissions, the volume and the social cost of Atos emissions was zero. Residual risk: in the medium term, specific issues (increased cost, taxes, regulations) regarding energy and GHG emissions are very likely. At Atos, the magnitude of the potential concrete impact is perceived as low, thanks to the long-term ongoing activities to prepare the Group to operate in a low-carbon economy.

MAIN RISK OVERVIEW:

Risk	Likelihood *	Time horizon *	Magnitude of impact *	Challenge/mitigation *
A - Potential changes in regulations linked to climate change. E.g: Emerging regulation regarding energy sources or emission levels.	Very likely	Short to medium-term	Low	Ability to anticipate and absorb regulatory changes.
B1 - More frequent and more extreme natural events and disasters. E.g: Datacenter vulnerability and hosting service risk of failure.	Likely	Medium-term	Low to medium	Site geographical localization and ability to properly assess and maintain the appropriate resilience level.
B2 - Ability to source IT Equipment-Infrastructure. E.g: Supply chain disruptions	Likely	Medium-term	Very low to low	Suppliers' maturity assessment and active multi-sourcing policy.
C - Energy and carbon emissions (new constraint, new limits, new taxes). E.g: Increased indirect costs due to new carbon taxes.	Very likely	Medium-term	Low	Ability to reduce energy consumption, GHG emissions, and exposure.

* *Likelihood: chance the event/risk will materialize (scale: unlikely, likely, very likely, certain).*

* *Time Horizon:*
short term (0-3 years) - aligned with business 3-year plans,
medium term (3-10 years) - considers longer-term strategy and investment requirements,
long term (10+ years) - aligned to more generally defined climate risks publicized through global scientific bodies.

* *Magnitude of impact for Atos's operating margin: very low (<€10 million); low (€10 - €50 million); medium (€50 - €200 million); high (> €200 million).*

* *Mitigation: more details, concrete examples, specific case studies and description of active policies can be found on Atos's answers to the CDP Climate Change Questionnaire (see CDP website).*
Risk A =>CDP Climate change questionnaire – See Question C2.3a – Risk 2
Risk B1 =>CDP Climate change questionnaire – See Question C2.3a – Risk 3
Risk B2 =>CDP Climate change questionnaire – See Question C2.3a – Risk 1
Risk C =>CDP Climate change questionnaire – See Question C2.3a – Risk 2

5.2.3.3 Main climate-related opportunities

In the context of this section, the term opportunity should be understood primarily as potential co-benefits or by-products of actions undertaken either to limit the risks associated with climate change or to help tackle climate change.

Atos main climate-related opportunities concern A - its own progress in terms of operational efficiency and cost reduction, B - the attractiveness of its eco-friendly offerings and the promotion of sustainable and decarbonization solutions that help its clients with their own sustainability issues, C - the high level of resilience of its sites and activities for hosting critical IT services.

A - Operational efficiency and cost reduction:

Atos rolls out global and local action plans to improve its operational efficiency and reduce its energy consumption, its carbon emissions and the associated costs. (more information in section 5.2.5 Carbon footprint and energy efficiency).

B - Attractiveness of eco-friendly and decarbonized offerings:

Atos invests in the development of new products and services (green IT) that, through R&D and innovation, reduce as much as possible their environmental impact and reflect shifting consumer preferences, in particular carbon-compensated hosting services (more information in section 5.2.5.2 Carbon mitigation/Offsetting) or supercomputers that are among the most energy-efficient worldwide (more information in section 5.2.6.1 Eco-designed supercomputers). This contributes to the Group's attractiveness for clients seeking eco-friendly digital solutions.

Atos innovates and delivers new technologies and solutions (IT for Green) helping its clients tackle both their business and environmental challenges. This contributes to Atos attractiveness for clients who are seeking to reduce their own environmental impacts and improve their positive contribution to the planet (more information in section 5.2.4 Digital for decarbonization). Starting this year, the total revenue for these offerings is reported according to the requirements set by the new EU Taxonomy, as presented in section 5.4.10 EU Taxonomy.

C - Resilience of sites and activities to host critical IT services:

Atos rolls out specific action plans that contribute to future-proof its sites and activities. This promotes the Group's attractiveness for clients seeking hosting services that are resilient to extreme natural events.

5

MAIN OPPORTUNITIES OVERVIEW:

Opportunity	Likelihood *	Time horizon *	Magnitude of impact *	Challenge/mitigation *
A – Operational efficiency and cost reduction. E. g: Move to more eco- friendly, more eco-efficient sites	Very likely/Certain	Current/Short term	Low	Ability to roll out global/local programs like Atos's ongoing office and datacenter optimization programs.
B - Attractiveness of eco-friendly and decarbonized offerings. E.g: Increased sales thanks to new offerings (green IT, IT for Green).	Very likely/Certain	Short-term	High	Development of new products or services through R&D and innovation to reflect shifting in consumers preferences.
C – Improved resilience of sites and activities likely to host critical IT services. E.g: Resilient datacenters	Likely	Medium-term	Medium	Ability to offer demonstrably more secure and resilient sites and activities against climate change events.

* *Likelihood: chance the event/opportunity will materialize (scale: unlikely, likely, very likely, certain).*
* *Time Horizon:*
short term (0-3 years) - aligned with business 3-year plans,
medium term (3-10 years) - considers longer-term strategy and investment requirements,
long term (10+ years) - aligned to more generally defined climate risks publicized through global scientific bodies.
* *Magnitude of impact for Atos operating margin: very low (<€10 million); low (€10 - €50 million); medium (€50 - €200 million); high (> €200 million).*
* *Mitigation: more details, concrete examples, specific case studies and description of active policies can be found on Atos's answers to the CDP Climate Change Questionnaire (https://www.cdp.net/en/).*
Opp A =>CDP Climate change questionnaire – See Question C2.4a – Opp 1
Opp B =>CDP Climate change questionnaire – See Question C2.4a – Opp 2
Opp C =>CDP Climate change questionnaire – See Question C2.4a – Opp 3

Further information regarding the risk monitoring can be found in section 5.4 Corporate governance => 5.4.8 Vigilance Plan.

5.2.4 Digital for decarbonization to address clients' challenges (IT for Green)

As part of Atos ambition to unlock the carbon neutral economy with digital technologies, Atos recognized the need to develop a complete 360-degree approach supporting its clients at all stages of their decarbonization journey. The portfolio focuses on accelerating clients journey to net-zero, supporting them on the journey. The global move to net-zero as a result of the climate change challenges in the last 12 months is clearly gathering pace, with increased public awareness, urgency and importance. The ability of business to transform to sustainable operations is both essential to manage risks relating to climate change, but also an opportunity for competitive advantage.

Publicly available indicators suggest that the sustainability market for technology is a major growth area[1 2]

Atos's ambition remains to be the global leader in decarbonized digital providing clients with the most comprehensive, end-to-end decarbonization capabilities on the market to enable and accelerate their journeys to net-zero. In that context, the Atos´s decarbonization revenue was €76.6 million for 2021.

It has already developed, and is now evolving, a market leading "AtosZero" portfolio, which has been fully embraced both internally and with its clients and stakeholders.

The acquisition of EcoAct, an industry-leading consultancy in the area of net-zero advisory and climate finance, is proving successful in accelerating both the Atos's internal sustainability program but also adding a unique climate expertise to complement its digital capabilities.

The "AtosZero" portfolio is driven through and supported by the Atos Net Zero Transformation Center of Excellence, which is distributed across 9 hubs in total: 5 in Europe (Paris, Lyon, Barcelona, London & Munich), 2 in North America (New York & Montréal) and 2 in Asia (Chennai & Singapore).

The Center will allow clients to leverage Atos global skills, resources and network of more than 200 experts to create their own path towards becoming a net-zero, resilient business. To meet the rising adoption of net-zero emission strategies, Atos is looking to grow its net-zero transformation team to 500 experts by the end of 2022.

Atos is also leveraging its Scaler Accelerator program (supporting Start-ups) to strengthen its client decarbonization needs where one of the selection criteria for the Start-ups candidates is how they contribute to a decarbonized digital world. Hence, Atos onboarded 3 new decarbonization-related companies in 2021 Circular Computing (who developed the world's first remanufactured laptop), Carbon Minds and Woop.

Decarbonization portfolio offering examples:

- Atos reduces the carbon emissions in its client's business processes through the market leading advisory services of EcoAct, an Atos company;
- Atos MyCO_2Compass carbon data platform to accelerate clients net-zero ambitions carbon Data Management and reporting across many digital technologies and all scopes of clients' carbon footprint;
- Atos Digital Decarbonization Assessments asses its clients current carbon maturity and builds a roadmap to achieve their carbon goals and ambition;
- Terra[2] mobile application for policy makers and governments, providing data from satellite imagery offered by Atos satellite Earth Observation Platform Mundi Web Services, the world's largest earth observation program[3] ;
- Atos designs technology solutions such as sustainable cloud, decarbonized workplace and other technology solutions with decarbonization at their core;
- Atos designs and partners with industries to build decarbonization business solutions such as the launch with BASF[4] of a digital solution for companies in the chemical and process industries to identify, monitor, and eventually reduce the carbon footprint of chemical products;
- Atos Decarbonization Level Agreements being built into its managed services contracts which contractually commit to a carbon reduction target and/or offsetting;
- EcoAct, an Atos Company, provides climate finance for Nature Based Solutions, neutralizing the residual carbon emissions clients haven't yet removed from their own operations and value chains.

Atos provides, through EcoAct, carbon offsetting services, helping clients generate carbon-credits from financing carbon-positive projects in areas of the world that need to develop themselves. They correspond to real, measurable, permanent, additional, independently verified and unique emissions reductions. Atos, through EcoAct, has a pre-built selection of global projects to choose from. Atos brings a unique Project Risk Matrix 2.0 Based on ISO 31000 risk management norm, assessing 7 key risk factors: political, legal, industrial, financial, social, environmental and communication, broken down into 30 sub-factors. The EcoScore tool supports the selection of the most appropriate projects thanks to its SDGs evaluation model. Project co-benefits are accounted for in terms of project contribution towards the SDGs.

1 *https://www.marketsandmarkets.com/Market-Reports/green-technology-and-sustainability-market-224421448.html*
2 *https://www.alliedmarketresearch.com/green-technology-and-sustainability-market-A06033*
3 *https://atos.net/en/2021/press-release_2021_10_14/atos-launches-terra%C2%B2-mobile-app-to-provide-the-most-comprehensivesatellite-images-of-earth-empowering-policy-makers-in-their-race-to-net-zero*
4 *Atos develops digital solution to calculate product carbon footprints within the chemical industry in partnership with BASF - Atos*

5.2.5 Carbon footprint and energy efficiency of Atos operations

This section covers in more detail the action plans and results regarding the Group's main environmental challenges: carbon emissions, energy, travel impact.

The selection of sustainability objectives by Atos was conducted considering relevance and materiality to Atos's operations. The KPIs included in this section are implemented within Atos overall corporate strategy. They reflect Atos's sustainability commitments and showcase its journey as a sustainable responsible company. A summary table of the main KPIs can be found in section 5.2.8 Environmental Non-Financial Performance Indicators.

5.2.5.1 Reduction of carbon emissions

Atos GHG emissions targets and commitments
[GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

In 2020, Atos shifted its former 2°C aligned carbon emissions reduction target to a much more demanding target aligned with the 1.5°C trajectory. A new near-term objective, also officially validated by the SBTi, concretely committed Atos to reduce its emissions by 50% by 2025 compared to 2019. That was 5 years before the maximum deadline set by the SBTi (2030). This objective covered all emissions as defined by the GHG Protocol and therefore all Scopes 1, 2, and 3. This target implied a reduction of the absolute COe emissions of Atos by approximately 11% each year. Longer-term targets, also aligned with the SBTi 1.5°C trajectory, were set for 2030, 2040, and 2050 (-86% by 2050). In addition, and ahead of the recommendations aligned with the 2016 Paris Agreement, Atos committed to achieving net-zero against Scopes 1, 2 and 3 by 2028.

However, there has been increasing recognition that many organizations were creating their own definitions of net-zero, resulting in confusion about the levels of actual commitments being made. In response to this, in October 2021, the SBTi published the SBTi Net-Zero Standard which, as the Group expects, will become the globally accepted definition.

This new Net-Zero Standard provides new criteria for the near, long-term and net-zero targets. Reaching net-zero now requires: 1) to follow a reduction trajectory of 1.5°C; 2) to reduce the volume of absolute emissions by 90% also referred to as "deep decarbonization" and, 3) to neutralize at the same time all residual emissions (10%) using nature-based carbon capture projects and /or technology.

In 2021, following this publication, of the SBTi Net-Zero Standard, Atos has reconfirmed and realigned its targets to consider all the new applicable criteria:

- **Atos 2019-2025 reduction target has been reconfirmed**. This short-term target (renamed "near-term" under the new Net-Zero Standard) has already been validated by the SBTi. It already meets or exceeds the new criteria of the Net-Zero Standard. It is aligned with the 1.5°C trajectory and still exceeds the minimum requirements on two aspects: 2025 is five years ahead of the recommendations of the initiative (2030) and the scope of emissions (emission boundaries) already comprehensively covers all Scopes 1, 2, and 3;
- **Atos long-term reduction objective has been strengthened**. It went from -86% by 2050 to -90% at the latest by 2039[1] (Scopes 1, 2, and 3, 2019 baseline). It is thus perfectly realigned with the new criteria of the SBTi New Standard;
- **Atos net-zero target has also been realigned.** The New Standard criteria have been fully applied (-90% for all Scopes 1, 2, and 3 and neutralization of the residual 10%) and in addition, Atos commits to achieving this target at the latest by 2039;

Atos' commitments (near-term, long-term, and net-zero) have therefore been realigned with the new criteria of the Net-Zero New Standard and exceed them either in terms of the level of reduction or in terms of the scopes taken into account, or in terms of completion dates.

A common practice in the economic sector to which Atos belongs is to declare the date when all Scopes 1 and 2 emissions will be fully neutralized through carbon offsetting or carbon capture projects, which is commonly referred to as "net zero or carbon neutrality for operational emissions". It is important to mention that the use of the terms "net-zero" and "carbon neutral" in this context are not aligned with the recommendations of the SBTi (see above the SBTi Net-Zero Standard criteria), and therefore Atos does not apply these definitions.

For more information on the carbon offsetting programs in place at Atos, see section 5.2.5.2.

5

1 At the end of 2021, Atos asked the SBTi to validate as soon as possible its new long-term and net-zero objectives with regard to the New Standard applicable criteria. This validation is planned for 2022

OVERVIEW OF THE EVOLUTION OF ATOS COMMITMENTS

Atos commitments:	Emission reduction	Net-zero
2017 commitment aligned with COP21 objectives	Target ambition: below 2°C Short-term SBT [2]: -20% by 2021 (2015 baseline)	Carbon neutrality [1] for Atos "Carbon Operational Perimeter" [2] Offsetting [3] covering 100% of Atos "Carbon Operational Perimeter"
2020 commitment aligned (or superior to) the IPCC' new report and recommendations	Target ambition: 1.5°C Short-term SBT [4]: -50% by 2025 (2019 baseline) Long-term objective [4]: -86% by 2050 (2019 baseline)	Net -zero target: • 2019-28 reduction trend aligned with a 1.5°C pathway • leading to around -70% by 2028 • all residual emissions (around 30%) offset [5]
2021 commitment aligned with (or superior to) the SBTi New Standard	Target ambition: 1.5°C Near-term SBT [4]: -50% by 2025 (2019 baseline) Long-term SBT [4]: -90% (2019 baseline) at the latest by 2039 [6]	Net-zero target: • reduction trend aligned with a 1.5°C pathway • leading to -90% (2019 baseline) • all residual emissions (10%) neutralized [6]

1 *Carbon neutrality under the PAS 2060 standard*
2 *"Carbon Operational Perimeter" (Scopes 1, 2, 3 Category 6): See full description in a following section.*
3 *Wind farm offsetting projects*
4 *All GHG emission Scopes 1.2,3*
5 *Avoidance projects (wind farms and forest protection)*
6 *Residual emissions neutralized through carbon removal projects (nature-based and techno-based).*

Atos highly ambitious near-term science-based target

Since 2020, Atos has its short-term (near-term) emissions reduction target approved by the SBTi being consistent with climate science and a 1.5°C pathway.

In November 2021 – Atos announced the successful placement of its first sustainability-linked bond issue for an aggregate amount of €800 million with an 8-year maturity and a 1.0% coupon. The coupon of the last 3 years will be unchanged if Atos achieves a "Sustainability Performance Target" (SPT). The KPI selected for this SPT is Atos short-term (near-term) Science-based target (See description of this target in the section above).

In its Second-Party Opinion (linked to this sustainability-linked bond), Sustainalytics underlined that "the KPI chosen [is] Very Strong", the SPT [is] aligned with Atos's sustainability strategy and… Highly Ambitious, given that: (i) it is in line with its historical performance, (ii) it is above its industry peers, and (iii) it presents a [Greenhouse Gas] reduction aligned with a 1.5°C scenario". The SustainabilityLinked Financing Framework and the Second-Party Opinion are available on Atos's website[1] .

Atos GHG[2] emissions Scopes 1, 2 and 3 and progress made

GHG emissions - Direct/Indirect - Scopes 1, 2 and 3: GHG accounting and reporting must be aligned with the substance and economic reality of the Company, and not just with its legal structures. Direct emissions are from sources that are owned or controlled by the reporting company. These direct emissions are grouped into Scope 1. Scope 1 (direct emissions). E.g., Emissions from fossil fuels or company's cars, and refrigerant gases from cooling systems. Indirect emissions are emissions that are a consequence of the activities of the reporting company but occur at sources owned or controlled by another company. These indirect emissions are regrouped in Scope 2 and Scope 3: Scope 2 (indirect emissions). E.g., Emissions from energy, specifically electricity and district heating. The Scopes are defined to ensure that two or more companies do not account for the same emission within Scope 1 or Scope 2. Scope 3 emissions are divided into 15 upstream and downstream categories. The distinction is based on the financial transactions of the reporting company. Scope 3 (indirect emissions) Ex: emissions that occur at sources owned or controlled by other entities in the value chain.

Atos GHG emissions reporting: Atos reporting covers all its significant emissions from Scopes 1, 2 and 3. Atos Scope 3 covers all 15 upstream and downstream. In 2021 (as well as in 2019 and 2020), the Scopes 1, 2 and 3 covered above 99% of Atos's revenue. The data and methodologies used by Atos to calculate its emissions were reviewed by external auditors[3] (see report from the external auditors in section 5.6.2). Regular progress made in carbon accounting and remaining uncertainties are described in section 5.6 – Information about the report.

GHG emissions reduction trends: In 2021, Scope 1 represented 26,955 tCO_2e (1% of all Atos emissions), Scope 2 represented 70,964 tCO_2e (3% of all emissions) and Scope 3 represented 2.308 M tCO_2e (96% of all emissions).

1 *https://atos.net/content/investors-documents/2021/atos-slf-framework.pdf*
2 *Greenhouse Gases*
3 *A quantitative validation on operational perimeter was done: GHG Scopes 1, 2 and 3A*

GHG Protocol Scopes	Emission sources	2021	2020	2019
GHG Protocol Scope 1. Emission under Atos's direct control	Fossil fuels [2], Atos car fleet and refrigerant gases[4].	26.9 K. tCO_2e (1% to total)	25.7 K. tCO_2e (1% to total)	35.5 K. tCO_2e (1% to total)
GHG Protocol Scope 2. Emission under Atos's direct control	Electricity and district heating[1.2]	70.9 K. tCO_2e (3% to total)	123.8 K. tCO_2e (4% to total)	178.1 K. tCO_2e (5% to total)
GHG Protocol Scope 3 All 15 categories. Emissions under Atos's influence	Atos Supply Chain (C1&2), use of sold products (C11), and all other small emission sources.	2.308 M. tCO_2e (96% to total)	2.66 M. tCO_2e (95% to total)	3.10 M. tCO_2e (94% to total)
All GHG Protocol Scopes	All emission sources *(in million tons)*	2.406 M. tCO_2e (100%)	2.80 M. tCO_2e (100%)	3.30 M. tCO_2e (100%)

1 *Market based (more information in specific section below)*
2 *All energy emissions regrouped in Scopes 1 and 2 (see more details in section 5.6.1.5. Methodological detailed information)*

EVOLUTION 2019-2021:

GHG Protocol Scopes	Evolution 2019-2020	Evolution 2020-2021	Evolution 2019-2021
Scope 1	-28%	5%	-24%
Scope 2	-31%	-43%	-60%
Scope 3	-14%	-13%	-26%
Scopes 1, 2, 3	-15%	-14%	-27%

In 2021, all Atos emissions reduced by 14% (-15% in 2020). This evolution (-27% in 2 years) is partly due to the reduction and transformation of main activities, partly to the structural progress made and partly to the impact of Covid-19. The overall impact of Covid-19 estimated at -5% between 2019 and 2020 did not represent any significant additional impact in 2021.

Between 2019 and 2021, Atos's level of carbon emissions reduction was in line with its near- and long-term targets. (For more information regarding Atos reduction targets see the dedicated section above).

Scope 1 - breakdown

In the table presented above, Scope 1, regroups the direct emissions from fossil fuels consumed in Atos facilities (owned or leased) and from Atos car fleet and the fugitive emissions from air conditioning systems. The slight increase in Scope 1 between 2020 and 2021 is linked to business trips made with the Atos car fleet (+2.0 K.tCO_2e). This increase is largely offset by a decrease in business trips (-5.8 K.tCO_2e) made with other modes of transport and reported in Scope 3 C6.

Following to the GHG Protocol guidelines, the fugitive emissions from air conditioning systems (HFC[1] and PFC[2] refrigerant gases' leaks) are reported in Scope 1. In 2021, a new screening of refrigerant gas leaks in Atos facilities was carried out (in the United Kingdom, France, Germany, and India) and was supplemented by estimations for other countries following the Ademe's Carbon Base methodology[3]. The volume of fugitive emissions covering the entire Group (all datacenters and all offices) amounted to 11,279 tCO_{2e}. Given the drastic reduction in Scope 1 for several years, these emissions now represent a significant part of Scope 1.

Scope 2 - Market-based/Location based

For Scope 2, "location-based" calculations reflect the average emissions intensity of national power grids on which energy consumption occurs (using mostly grid-average emission factors provided by recognized data sources: IEA[4], DEFRA[5]) and "market-based" estimations reflect emissions from the primary energy sources used to generate electricity that utility companies have purposefully chosen (using emission factor provided by specific providers).

In 2021, Atos Scope 2 emissions amounted to 166,555 tCO_2e using "location-based conversion factors" and 70,964 tCO_2e using "market-based conversion factors". Market based electricity was 100% renewable (zero carbon) and included RECs[6] in Hong Kong (for 34.5 K.tCO_2e).

1 *Hydrofluorocarbure*
2 *Fluorinated gases*
3 *More information on the Ademe site https://www.bilans-ges.ademe.fr/fr/accueil/documentation-gene/index/page/Refrigeration_et_climatisation*
4 *International Energy Agency*
5 *Department for Environment, Food and Rural Affairs*
6 *Renewable Energy Certificates*

Scope 3 - breakdown

In 2021, Atos Scope 3 represented 96% of the Group's total emissions (all Atos GHG Protocol Scopes combined) and amounted to 2.308 million tCO_2e (2.66 in 2020, 3.10 in 2019).

The 3 most significant categories representing in 2021 around 96% of the full Scope 3 were the upstream categories 1 and 2 (Goods and services and Capital goods representing 62%) and the downstream category 11 (Use of sold products representing 34%).

Scope 3	Emission sources In% of total Scope 3 and in [K tCO_2e]	2021	2020	2019
Categories 1 and 2	All emission sources from purchased goods and services and capital goods.	62% [1,438]	58% [1,548]	62% [1,931][1]
Category 3	Fuel- and energy-related activities, not included Scopes 1, 2.	1% [18]	<1% [29]	<1% [24]
Category 4 (and 9)	Upstream and downstream transport, fret, and warehouses, not already included Scopes 1, 2.	1% [28]	<1% [21]	<1% [18]
Category 5 (and 12)	Waste generated in operations and end of life of sold products.	<1% [3]	<1% [3]	<1% [2]
Category 6	Employee's business travel, not included Scope 1.	<1% [6]	<1% [11]	1% [37]
Category 7	Employees commuting/homeworking.	1.3% [32]	1% [29]	4% [133]
Category 8	Upstream leased assets (not relevant in Atos context).	0	0	0
Category 9	Downstream transport, fret, and warehouses, not included Scopes 1, 2.	Included in C4	in C4	in C4
Category 10	Processing of sold products (not relevant in Atos context).	0	0	0
Category 11	Use of sold products (both Atos's and suppliers' products)	34% [780]	38% [1,023]	31% [955] [2]
Category 12	End of life of sold products.	Included in C5	in C5	in C5
Category 13	Downstream leased assets (not relevant in Atos context).	0	0	0
Category 14	Franchises (not relevant in Atos context).	0	0	0
Category 15	Investments (not relevant in Atos context).	0	0	0
All	All Scope 3 emission sources in [$MtCO_2e$]	[2.308] Mt	[2.66] Mt	[3.10] Mt

1 Categories 1 and 2: 2019 aligned with calculation methods used in 2020 and 2021. In 2020 and 2021, conversion factors (CF) geo-localized for all purchase categories except for IT Hardware (where the place of manufacture is already embedded in the CF). Source of conversion factors: Ademe (CF: Euros to CO_2e).

2 Categories 11: 2019 aligned with calculation methods used in 2020 and 2021. In 2020 and 2021, a PUE criteria (Power Usage Effectiveness) was introduced to better estimate the total energy consumption/emissions of sold products including the energy used by the data center (e.g. for cooling).

For Scope 3 categories 1, 2, emissions were calculated using a mix of sources: Ademe[1] and geo-localized Ademe conversion factors, smart proxies' emissions for consistent hardware categories and when available actual data from providers. Carbon reduction activities within Atos's supply chain are described in a section 5.2.5.5.

For Scope 3 category 11, emissions are linked to the use phase of the IT hardware. Progress is linked to the energy efficiency ratios, but also depends on the volume of hardware sold to Atos clients, where the hardware is sold and on the local energy mix. The carbon reduction activities related to the hardware marketed by Atos are described in the section 5.2.6.

Atos's "Carbon Operational Perimeter" for emissions under control or direct influence

Atos "Carbon Operational Perimeter" is an Atos-specific regrouping designed to better identify the emission sources that Atos - through operational choices and dedicated action plans – can directly control or directly influence.

Concretely, Atos "Carbon Operational Perimeter" regroups all emissions from the energy consumption in offices and datacenters (from Scope 1 for fossil fuel and from Scope 2 for electricity and district heating), plus all the fugitive emissions from air cooling systems, plus all business travel emissions (from Scopes 1 for Atos fleet and from Scope 3 category 6 for other travel).

1 www.ademe.fr/en

In 2021, Atos "carbon operational perimeter" amounted for 103,493 tCO_2e and represented 4% (6% in 2020) of the Group's total emissions (all Scopes 1, 2 and 3 combined).

- Scope 1 represented 26% of the total, Scope 2 69% and Scope 3 Category 6 5%.
- In terms of business activities, the datacenters represented 38,702 tCO_2e, the offices 36,891, the cooling fluid 11,279 and business travel 16,621 tCO_2e.

Atos "carbon operational perimeter" intensity was 9.61 tCO_2e per € million revenue.

Between 2019 and 2021, Atos "Carbon Operational Perimeter" reduced by 59% exceeding a 1.5°C pathway and already at a level only expected by 2030, following the SBTi newest requirements.

Atos Perimeters	GHG Protocol Scopes	Emission sources	2021	2020	2019
Atos "Carbon Operational Perimeter".[1] Scopes 1, 2 and 3 category 6.	Emission under Atos's direct control (Scopes 1 and 2) or direct influence (Scope 3 C6)	Scope 1: Fossil fuels (all facilities), Atos car fleet and refrigerant gas leaks. Scope 2: Electricity and district heating (all facilities) Scope 3 C6 business travel	103.5 K.tCO_2e	160.9 K.tCO_2e	250.2 K.tCO_2e

5.2.5.2 Carbon mitigation/offsetting

[GRI 305-5]

Atos offsetting perimeter evolution

The urgency of the climate crisis means the world needs ambitious action from business by every means possible. This is a means to finance sustainable development and support projects that are doing vital work to preserve habitats, to improve international solidarity and people's lives, whilst reducing or removing some of Atos carbon emissions. The preservation of carbon sinks in developing countries is particularly effective in fulfilling this requirement.

Atos continues to assert that amongst a range of activities, voluntary carbon mitigation/offsetting via high quality projects verified by internationally recognized standards plays an important role in the transition to net-zero at global level. For several years, Atos has gradually broadened the perimeter of the emissions it mitigates/offsets ("emission mitigation outside the value chain"):

Period	Since 2015	Extension 2019-2021		Future extensions
Perimeter	All datacenters energy consumption	Extended to Atos "carbon operational perimeter" (Scopes 1, 2 and 3 C6). Including refrigerant gas in 2021.		Progressively extended to cover all Scopes 1, 2, 3. (Perimeter fully aligned with Atos net-zero target)
Mitigation and removal projects	Mitigation/offsetting through wind farm projects	Mitigation/offsetting through wind farm projects	Mitigation/offsetting extended to 50/50 wind farm and forest protection projects	Progressively extended to 100% removal projects (neutralization); nature-based or techno-based

In 2021, thanks to this mitigation/offsetting program, Atos net CO_2e emissions for an enlarged "Carbon Operational Perimeter" are equal to zero when all projects are considered. In particular, Atos IT services and hosting services are carbon-compensated worldwide (carbon neutrality under the PAS 2060 standard).

In 2021, Atos also completed the decarbonization of one of its key cybersecurity offerings: supply chain, transportation, operations, end of life (for more information see section 5.2.6). In addition, Atos expanded its Net Zero Transformation portfolio with carbon neutral remanufactured laptops (for more information see section 5.2.7.1). Atos participation to the COP26 in Glasgow was carbon neutral. (For more information see section 5.2.2.4).

1 *More information in section 5.6.1.5 Detailed information regarding GHG emissions reporting, Scopes and KPIs*

Atos ongoing mitigating/offsetting specific projects

Since 2020, emission mitigation/offset has been carried out through wind farm projects and through forest protection projects on an equal basis or 50/50 proportion. Wind farm projects generate clean electricity and prevent local consumers from generating new emissions from the combustion of fossil fuel. Forest protection projects (nature-based) enable emissions mitigation and in some cases carbon removal, fully counterbalancing carbon emissions.

Atos mitigation/offsetting projects are certified and deliver social and economic benefits for local communities. The forest protection projects contribute directly to UN Sustainable Development Goals (SDGs) 8 (decent work), 12 (responsible production), 13 (climate action), 15 (life on land). The wind farms in India support SDGs 7 (clean energy), 8 (decent work), 9 (innovation) and 13 (climate action).

Indian projects – Wind farms: Atos supports three wind farms located in India across three states (Karnataka, Gujarat and Maharashtra), promoting the use of renewable energy and avoiding the emission of greenhouse gases. With 137 turbines, the three wind farms have a total generating capacity of 109.6 megawatts and power approximately 40,000 households in rural areas. As well as preventing CO_2 from entering the atmosphere, the wind farms also support sustainable economic development in the region and the project supports social initiatives covering education for children and students, healthcare management and female empowerment.

Ethiopian project – Forest protection: In the Bale Mountains in south-eastern Ethiopia, Atos is supporting a forestry project which combats unplanned deforestation and preserves carbon sinks and biodiversity. The project also promotes sustainable agroforestry and livestock breeding, providing new sources of income, and supports climate adaptive measures such as tree plantation and water management. The local community is benefiting from technical training and capacity building and has experienced a significant increase in household income. Overall, the project will result in a 62% reduction in deforestation. Thanks to continued carbon sequestration within the preserved forest, emissions will be reduced by 22 million tCO_2e over a 20-year period.

Brazilian project – Forest protection: Located in the state of Pará in northern Brazil, this project aims to preserve the fragile and biodiverse rainforest in the region from unplanned deforestation. The implementation of a land management system, consisting of rigorous monitoring and enforcement by trained local villagers, is helping to prevent activities such as illegal logging and cattle ranching. As well as reducing emissions from deforestation, the project is protecting local biodiversity, including animal species such as the capuchin monkey and the giant otter. The project also has a positive social and economic impact, creating new jobs and delivering technical training programs to the local community. Over 40 years, the Floresta de Portel project will avoid the emission of over 22 million tCO_2e.

5.2.5.3 Reduction of energy consumption

[GRI 302-1], [GRI 302-2], [GRI 302-3], [GRI 302-4], [GRI 302-5], [SASB TC-SI-130a.1]

Energy consumption

In 2021, Atos overall energy consumption amounted to 519,800 MWh. (579,140 MWh in 2020, 702,398 in 2019). Atos energy intensity was 48 MWh/€ million revenue (52 in 2020, 61 in 2019) and 4.9 MWh per employee (5.7 in 2020, 6.5 in 2019). Supporting Atos's SBT commitments, Atos carbonized energy consumption forecasted target for the coming years is a reduction of around 15% per year (consumption reduction and shift to renewable). All energy KPIs split by types of activity (datacenters, offices) and by types of fuel can be found in the section 5.2.8 Environmental Non-Financial Performance Indicators.

Renewable energy and self-generation of local green electricity

[GRI 305-5]

In 2021, 67% of the electricity consumed by Atos worldwide came from renewable sources, including RECs (46% in 2020, 32% in 2019).

To support the Group's 1.5°C Science-Based Target commitments, Atos ambition is to tend towards 100% of renewable and decarbonized electricity. The interim targets for the coming years (as a percentage of total electricity consumption) are 70% in 2022, 75% in 2023, 80% in 2024, and 85% in 2025.

To accelerate this transition, Atos has launched a program to rapidly and whenever possible migrate from carbon-based electricity to renewable or decarbonized energy. In 2021, several large countries hosting main datacenters and offices were already supplied with between 80% and 100% of decarbonized electricity (Spain, France, Germany, Denmark, Finland, Sweden, Luxembourg, Belgium, the Netherlands, the United Kingdom and Hong Kong).

In 2021, 55% of the electricity consumed in Atos offices and 71% of the electricity consumed in Atos Datacenters was renewable. In the Group's core datacenters operated by Atos, above 95% (88% in 2020) of all the electricity consumed came from renewable sources. In the offices, since 2020, Atos has been rolling out a systematic campaign among its office owners to raise awareness and convert the electricity they provide to Atos into green energy (RECs included).

Bangalore office moved in October 2021 to green energy access, allowing for 80%+ of its consumption to be green. Mumbai SEEPZ office is now similarly supplied with 100% green energy and other large office sites such as Chennai, Navi-Mumbai, and Tirunelveli are on the same path.

In 2021, Atos's technology delivery center in Pune, India (12,000 employees), began benefiting from new solar panels installed on its roofs and car park. Potential production is estimated at around 1.2 MW. This self-generation of local renewable energy will help reduce the consumption of highly carbonized local electricity. In 2021, total electricity self-generation amounted to 254 MW.

For 6 Atos operated datacenters, the Group has commenced an investigation of feasibility and economic efficiency for the installation of solar panels on roofs, over parking places and other available spaces. Installation shall start in 2022.

Energy optimization in the offices

[GRI 302-5]

Since 2014, a global consolidation and optimization program has been underway in the offices. This program helps reduce energy consumption and in 2021, saved the equivalent of around 11% of the Real Estate expenditure (10% in 2020 and 11% in 2019).

In 2021, the global energy consumption in the offices was 165,334 MWh (-5.1% vs 2020) (174,193 MWh in 2020, -24% vs 2019).

The global Real Estate/Logistic and Housing Policy promotes strict guidelines and processes for real estate management, which all Business Units must apply. The policy promotes energy-efficiency criteria for the selection of new locations and for the extension and rationalization projects. Criteria such as smart design and low-energy building techniques, "efficiency-label" certifications and standards (LEED[1] ; BREEAM[2] ; HPE[3] ; THPE[4] ; DGNB[5]) as well as highly energy-efficient appliances or public transport availability are considered.

Over the years, in the sites leased by Atos, many actions have been carried out in terms of energy optimization: heating, air conditioning, insulation, lighting, and space optimization. E.g., In Fürth (Germany) the office benefits from the datacenter warm air transfer system. The results of these actions can be observed in the reduction of Atos environmental footprint during the years.

All Atos's large office sites also benefit from the ISO 14001 certification program and closely monitor their energy consumption. In 2020, actions for which the specific contribution to the reduction of energy consumption could be isolated and accurately measured, have helped reduce Atos's energy consumption in its offices by 3.403 MWh, amounting to an overall cost savings of around €336 thousand.

In addition, the Atos Workplace concept promotes open spaces, desk-sharing, activity-based working spaces, digital tools, home, mobile anywhere and co-working. These ways of working, enhanced and accelerated by Covid-19 times, contribute to reducing the environmental footprint of the offices and employees.

Energy optimization in the Datacenters

[GRI 302-5], [SASB TC-SI-130a.3]

Since 2014, a global consolidation and optimization program has been underway in the datacenters. Regional Business Units consider "energy-efficiency", location-based environmental factors, environmental regulations and standards as prioritized criteria in the decision-making process when selecting new locations or in extensions and rationalization projects. This program is focused on optimizing the number of datacenters for Atos's business. By reducing the number of sites required, with focus on using core datacenters for further expansion, Atos reduces its embedded carbon footprint and energy use. [SASB TC-SI-130a.3]

In 2021, the global energy consumption in the datacenters was 354,466 MWh (-12.5% vs 2020) (404,974 MWh in 2020, -15% vs 2019).

To increase the energy efficiency of the Group datacenters, Atos continuously invests in technologies and best practices which reduce the power consumption and optimize the energy performance of computing hardware and other electrical installations. Global Operations DC&H[6] (previous IDM[7] Global Operations) guidelines and processes address energy consumption, energy efficiency and energy-saving initiatives. Over the years, numerous actions have been taken. The best practices introduced include: rationalization of electrical installations; containment of rack-corridors to create cold air zones; installation of blanking panels and cable brush plates in racks preventing cold air mixing with warm air, raise in supply air temperature; ability to use fresh air or water for cooling; use adiabatic cooling; optimization of the fan speed in real time; introduction of pumped refrigerant economizer system, updating of the cooling systems and UPS[8] to be more energy efficient in each hardware refresh situation; reuse of waste heat; use of management tools for regular measurement of PUE; adoption of green IT solutions to optimize hardware and its usage (consolidation, virtualization, cloud) and installation of solar panels on the roofs to generate renewable electricity and increase local autonomy.

All core datacenters operated by Atos also benefit from the ISO 14001 certification program and closely monitor their energy consumption.

Atos strategic core datacenters within Europe are also either registered or undergoing registration under the European Code of Conduct on Data Centre Energy Efficiency, demonstrating that best practice is implemented across all infrastructure and practices: Undergoing registration (Les Clayes, De Hurk) and already registered (Fürth, Andover, Birmingham and Longbridge).

5

1 *Leadership in Energy and Environmental Design*
2 *Building Research Establishment Environmental Assessment Methodology*
3 *Haute Performance Énergétique*
4 *Très Haute Performance Énergétique*
5 *Deustche Gesellschaft für Nachhaltiges Bauen*
6 *Datacenter and Hosting*
7 *Infrastructure Data Management*
8 *Uninterruptible Power Source*

The energy efficiency of the datacenters is measured through the long-term evolution of the PUE[1]. At the end of 2021, the average PUE was estimated at 1.65 (1.70 in 2020, 1.72 in 2019) for all Atos's datacenters and at 1.41 (1.48 in 2020, 1.52 in 2019) when considering only the core datacenters operated by Atos. In 2021, the energy saved thanks to the improvement of the PUE in the datacenters was estimated at over 10.5 million kWh (3.5 in 2020, 13 million in 2019).

The PUE new target for 2023 is to be 1.32 (previously 1.45) for Atos main datacenters and 1.52 (previously 1.63) for all datacenters. (Scope: Datacenters Hosting).

To exemplify this, since 2017, Atos's most energy-efficient datacenter is Longbridge near Birmingham, with a theoretical PUE of 1.12 (very close to the theoretical minimum of "1") obtained by indirect free air cooling.

In Atos's UK datacenters of Andover, Birmingham and Livingston all 67 air handling units were replaced in 2020 by an eco-efficient technology (pumped refrigerant economizer system) that saves 85% energy consumption compared to the previous situation. On an annual basis, the reduction in power consumption is estimated at over 5 million kWh and the PUE reduced by 0.3 to 0.4 points.

Also, since 2020, in other strategic datacenter in Fürth in the Bavaria region of Germany, Atos installed innovative waste heat reutilization equipment, which help reduce the facility's consumption of energy. Based on the principles of heat exchange, the technology dissipates the heat produced by the operations of the datacenter by transferring heat from the air into a liquid. In a second stage, the hot fluid from the heat exchanger is used to heat the offices. As well as providing heating when needed, by taking out warm air from the facility the system also helps to reduce the power consumption of the air-conditioning units in the computer room. In 2021, the Fürth system produced a total of 320 kW heating. Excluding the indirect savings in air conditioning, it is estimated that the new equipment will generate total annual savings of 374 tCO_2e.

New 2021 examples and best practices: An airflow optimization based on Siemens product WSCO[2] installed in 2021 will save around 1.600 MWh in Trélazé, France from next year on; A sole UPS reconfiguration led to significant a power supply loss reduction of 1,300 MWh in Blythewood, USA; LED[3] lights installation including motion control sensors in five datacenters led to a reduction in energy consumption of 840,000 kWh per year; In several other datacenters, new or extended cold aisle containments were implemented and are a prerequisite for further airflow optimization and increase of cold-water supply setpoints in the cooling production.

Further optimization projects are already planned for 2022 such as: new speed-controlled cooling machine and hybrid re-cooler in Germany providing saving estimated at 1,400 MWh; new UPS and airflow optimization in the United States providing saving respectively estimated at 1,200 and 1,000 MWh; new groundwater cooling capacities in the Netherlands providing potential saving estimated at 2,400 MWh.

Atos provides Evidian SafeKit, which ensures high availability of services hosted within the cloud, through real-time replication. With this kind of solutions, there is no more need for shared disks, replicated SAN[4], storage, load balancers. The solution is hardware independent and runs on the clients' existing physical servers, or in virtual machines, or in the cloud. While traditional high availability solutions are focused on hardware clustering, SafeKit has chosen to focus on software clustering with automatic failover of critical applications)[5].

In addition, in 2021, Atos joined the Climate Neutral Data Centre Pact, a Self-Regulatory Initiative to make datacenters in Europe climate neutral by 2030 which has been developed in co-operation with the European Commission. Companies joining the Pact represent the most significant industry players in cloud infrastructure and datacenters in Europe[6].

Atos is also a member of The Green Grid, which provides insights into emerging best practice that can be adopted in datacenters[7]. For renewable energy and electricity self-generation in datacenters, see the dedicated section above.

1 *Power Usage Effectiveness (PUE)*
2 *White Space Cooling Optimization*
3 *Light Emitting Diode*
4 *Storage Area Network*
5 *For more information: https://www.evidian.com/pdf/high-availability-overview.pdf*
6 *(For more information see Press release -January 21, 2021).*
7 *For more information: https://www.thegreengrid.org/en/about-us/members*

5.2.5.4 Reduction of travel Impact

[GRI 302-2], [GRI 305-5]

Atos aims to limit the environmental footprint linked to travel through a range of initiatives, which comprises:

- **new ways of working**, including the use of remote digital collaboration tools, to enable employees to reduce their environmental footprint and gain flexibility;
- **Atos IT Digital Workplace** ensures that Atos production, communication, cooperation, financial and human resources systems are available without facing any collapse, anticipating potential bottlenecks, as more and more people worked from home;
- **global and local policies** or instructions to limit travel or to favor less polluting and less greenhouse gas emitting means of transportation (e.g. favor trains over cars or planes for business trips);
- **action plans** to maximize the number of electric and hybrid vehicles. A global action plan is being rolled out to gradually replace Atos's entire fleet of vehicles (around 5,110 vehicles) with electric (or hybrid) vehicles. In alignment with its commitment to an all-electric company car fleet by 2024, at the end of 2021, 27% of Atos car fleet was electric when the year started at 14%. The move to electric cars occurs at the end of the leasing contract for all internal combustion engine cars. At the end of 2021, the average emission of the total fleet was 75 gCO_2e/km[1] (101 g in 2020, 106 in 2019);
- **in many countries** (France, India, Italy, the UK…) Atos has installed **new charging stations** at its offices and datacenters. In France or Italy, the "MyCar" electric fleet has been available for employees' business travel since 2012. Thanks to these shared electric cars Atos teams can visit clients without generating any carbon emissions;
- **additionally, best practices** are in place in some countries to encourage the use of bicycles thanks to financial support, bike leasing and the implementation of bicycle shelters (e.g., in Germany, France, Belgium and the UK); to encourage car sharing (e.g., since 2017, in France, a dedicated app, mainly used for commuting, is available for all employees and in some locations, carpooling park slots have been introduced. Financial incentives are also included in some places, through expenses rates for both the driver and passengers); and to encourage multimodal mobility allowances as an alternative to all-car solutions.

At the end of 2021, the global travel intensity was 1,155 km per year per employee (1,480 km in 2020, 4,066 in 2019). From a travel perspective, 2021 and 2020 were very special years due to the impact of Covid-19.

5.2.5.5 Decarbonization of Atos's supply chain

As shown in sections 5.2.5.1, in 2021 the categories 1 and 2 of Scope 3 (all emission sources from purchased goods and services and capital goods) represented 62% of Scope 3 emissions. These emissions are linked to Atos supply chain.

Carbon reduction activities within or linked to Atos's supply chain include: Ongoing work with existing suppliers and negotiation of specific progress plans; New supplier selection criteria include an increased weight of CSR risk and environmental topics and objectives (including well-below 2°C and 1.5°C Science-based targets); A reinforcement of the energy consumption and CO_2 emissions as key purchasing criteria for goods and services; The inclusion of the cost of energy and of the internal carbon price into business cases and Total Cost of Ownership (TCO) calculations; The internal carbon price supporting spend with green suppliers (tCO_2 emission reduction rapid progress) and avoiding suppliers with no environmental commitments; Ongoing improvements regarding actionable KPIs (e.g. data from life cycle assessments) to track the effective progress over the years.

As mentioned above, Atos has implemented an internal carbon price (more information in section 5.2.1.3) to drive behaviour change on multiple topics, one of them being suppliers selected by Atos to work with. For this purpose, suppliers are classified as green or red suppliers depending on their carbon maturity. Depending on the supplier's classification, Atos stakeholders are either encouraged or discouraged (credited or charged) to work with them. The primary source for the classification is the supplier's EcoVadis assessment but another alternative CSR rating including carbon criteria are used. If a supplier is classified as a red supplier, it means that it has no sufficient carbon reduction program actions in place. For a red supplier, the ultimate objective is to support their improvement towards becoming green. More information in section 5.4.6 Suppliers CSR performance.

1 Numbers shared by the OEMs according to the Group fleet

5.2.6 Decarbonized digital solutions (green IT)

5.2.6.1 Eco-designed supercomputers

Thanks to a steady stream of green innovations, each new generation of servers, supercomputers and communication hardware is more energy-efficient than the previous one:

Hardware Power consumption challenges

Hardware Power consumption challenges imply constant progress in design, substances, power supply and batteries, packaging, disassembly, recycling as well as specific innovations to improve energy efficiency such as the patented Direct Liquid Cooling (DLC) solution to minimize energy consumption, the "Active and Passive Cold Door" cooling solutions, the ultra-capacitor in Atos supercomputers to reduce power consumption or container-based datacenters, which use less energy than conventional datacenters. Atos BDS[1] promotes product lifespan that takes the form of innovations facilitating maintenance (i.e. plug & play functions) and promoting products' scalability.

As an example, the patented Enhanced Direct Liquid Cooling system contributes to placing Atos's supercomputers among the most energy-efficient machines with an efficiency index of 1.01 to 1.02. This means that they consume only 1 to 2% of their energy for cooling, compared to 10 to 20% with traditional air-cooling systems.

Highest energy-efficiency

Atos has also developed over the last 10 years the Sequana supercomputer product line, reaching a power efficiency of 1.02, meaning that for a 1MW machine only 20 kW are needed to cool it, the best in the world by far. Atos has been the first to envision a decarbonized future and implement a roadmap for the most "energy hungry" machines.

Atos's HPC[2] Software Suites for managing the Atos supercomputers has been specifically developed to provide energy efficiency features.[3]

With respect to competition Bull Sequana XH2000 is quite unique. The Direct Liquid Cooling makes for the most efficient HPC platform. As water is taken up to 40°C at the inlet, this is providing for free cooling as there is no need for chillers any more. The main competition requires inlet to be 32°C at most which does require using chillers. Similarly, other systems with partial Liquid Cooling (CPUs only) require use of chillers. So Sequana XH2000 provides an advantage for the CAPEX (no chillers) and OPEX (lower power consumption). Depending on the local climate condition, this can represent a saving of up-to 40% on electricity consumption.

These same concepts are being expanded as Atos develops the next generation of HPC Exascale systems. For many years, Atos's supercomputers have been listed in the world Green 500 list[4], which grades the most energy-efficient supercomputers in the world. Their energy efficiency has also clearly been attested by results (Megaflops/W) on the Linpack test, used to rank supercomputers. At the end of 2021, 18 of the Top 100 most energy efficient supercomputers worldwide were Atos supercomputers (15 at the end of 2020).

In November 2021, Atos and NVIDIA announced the Excellence AI Lab (EXAIL), which brings together scientists and researchers to help advance European computing technologies, education and research. The lab's first research projects will focus on five key areas enabled by advances in high performance computing and AI: climate research, healthcare and genomics, hybridization with quantum computing, edge AI/computer vision and cybersecurity. In an effort to more accurately predict climate change, researchers from Atos and NVIDIA will run new AI and deep learning models on Europe's fastest supercomputer at the Jülich Supercomputing Center. Such giant-scale models can be used to predict the evolution of extreme weather events and their changing behaviour due to global warming, and they will benefit greatly from exascale-class computing. The JUWELS Booster system, based on Atos's BullSequana XH2000 platform, will help provide deeper understanding of climate change and more accurate long-term predictions of events, such as hurricanes, extreme precipitation, heat waves and cold snaps. In 2021, JUWELS, the fastest supercomputing system in Europe with a sustained peak performance of 44.1 HPL petaflops was also ranked #7 on the GREEN500 List.

Since 2020, Atos and Hydrogène de France (HDF) develop end-to-end solutions from totally renewable energy production to datacenter combining HDF hydrogen-based fuel cells and Atos BDS technologies like supercomputers. The new solution by Atos and HDF will be the first available on the market for datacenters with heavy power consuming workloads, with the aim to demonstrate, in 2023, a first full production center operated using green hydrogen.

Edge computing: This new type of servers enables data processing close to data sources by analyzing data in near real time and running models. In edge computing, the data from sensors and devices is processed at the edge, where data is being generated. The data never has to leave the network to provide insights. This approach reduces latency and puts far less strain on network bandwidth, speeding up time to react proactively, and lowering energy consumption and CO_2 emissions.

Quantum computing, on the other hand, enables calculations that would otherwise require enormous amounts of energy. Some processes modelled by Quantum relate to nature-based solutions and how to model the natural processes that capture CO2 today - natural processes that Atos is not able to simulate with HPC.

1 *Big Data & Cybersecurity*
2 *High Performance Computing (HPC)*
3 *https://atos.net/en/2020/press-release_2020_11_19/new-hpc-software-suites*
4 *See Green500 site: https://www.top500.org/green500/lists*

5.2.6.2 BDS and UCC hardware other environmental challenges

Over the years, in terms of eco-design, numerous actions have been taken to incorporate the evolution of the environmental regulatory obligations and of client expectations with respect to product functions, delivery, quality, service and end of life management.

As hardware providers (products, servers, phones…), Atos Big Data & Cybersecurity (BDS) and Atos Global Unified Communications and Collaboration (UCC[1]) face several specific environmental challenges: to comply with the specific laws, regulations or best standards; to limit the impact of products manufactured thanks to eco-design practices; to pay attention to the origin of raw materials while minimizing their usage, particularly conflict and critical minerals; to consider circular economy challenges and best practices; to implement quality, safety and environment (QSE) practices and lean manufacturing in plants; to minimize risks on the supply chain through regular suppliers' assessments; to favor eco-friendly transport and freight to mitigate the footprint of logistics; and to monitor the end of life of electrical equipment (in line with the European Waste Electrical and Electronic Equipment Directive - WEEE).

The ECMA 370 standard is being implemented by BDS at the design phase, to stimulate products' environmental improvements. By using accurate and verifiable environmental self-declarations, this standard specifies environmental attributes and measurement methods according to known regulations, standards, guidelines and currently accepted practices. Over the years, in terms of eco-design, numerous actions have been taken to incorporate the evolution of the environmental regulatory obligations and of client expectations with respect to product functions, delivery, quality, service and end of life management.

Since early 2013, the Group has 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 any impact on Bull computers & UCC products.

The design process integrates European directives such as: the CE[2] standard; the REACH[3] Directive on eliminating pollutants; the RoHS[4] Directive on eliminating hazardous substances; the Biocidal Products Regulation; and for BDS the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) standards on maximum temperature and humidity for server functionality.

Since January 2021, in accordance with Article 33 of REACH regulations, Companies are responsible for collecting information on the properties and uses of the substances they manufacture or import above one ton per year. They also must assess the hazards and potential risks presented by the substance. The reporting of substances of concerns in the downstream supply chain is based on the list of declarable substances as defined by BOMcheck. This information is communicated to ECHA[5] through a registration dossier (SCIP[6] declaration in the ECHA SCIP data base according to the EU waste framework directive) containing the hazard information and where relevant an assessment of the risks that the use of the substance may pose and how these risks should be controlled.

Atos BDS and UCC are also working on compliance with the future marking UKCA[7] which will replace current CE marking on the UK market on January 2023. Atos considers these specific challenges to be monitored. Their potential impact is also marginal compared to the overall activity of the Group.

In relation to the challenges set out above, during the 2021 fiscal year there were no fines, administrative, judicial or arbitration proceedings (including any proceedings of which the Group is aware and may be threatened by) for non-compliance with laws and regulations concerning the provision and use of BDS and UCC products that had, or might have had, significant effects on the financial position or profitability of the Group [GRI 419-1].

UCC low consumption communication hardware

Atos Global Operation UCC provides digital workplace communication and collaboration solutions. Since 1993, UCC has developed products with low energy consumption in mind and has kept an eye on sustainable, resources-paring use of raw materials and environmentally friendly production in compliance with ISO 14001.

To demonstrate the achievements in regard of energy efficiency and CO_2 reductions of UCC products during the use phase, UCC has engaged with eco-label programs. The UCC phone products awarded with the US ENERGY STAR eco label demonstrate best in class performance in regard of its energy consumption. With the implementation of an active power management in its IP phones providing a low power mode according to the German Blue Angel eco label requirement specification RAL UZ 150 UCC could achieve a reduction of 43,000 tons of CO_2 for its entire IP phone portfolio shipped to the market from 2011 till 2021. This calculation of the CO_2 reduction is based on the accumulated shipped volume of 3.5 million phones, devices in low power mode 79% of the use phase according to RAL[8] UZ 150; $kgCO_2/kWh$ equivalent based on an index of 0.5.

1 *Unified Communications and Collaboration (UCC)*
2 *European Compliance*
3 *Registration, Evaluation, Authorisation and Restriction of Chemicals*
4 *Restriction of Hazardous Substances*
5 *European Chemicals Agency*
6 *Substances of Concern in articles as such or in complex objects (Products)*
7 *United Kingdom Conformity Assessed*
8 *Reichs-Ausschuß für Lieferbedingungen und Gütesicherung*

UCC also complies with national and international industry standards such as: ISO 14021 standards for environmental product declarations (EPD); ISO 14040 (Life Cycle Assessment – General Principles and Practices); ISO 11469 (Generic identification and marking of plastic products); IEC[1] Guide 109 (Environmental Aspects – Inclusion in Electro-technical Product Standards).

Optimized manufacturing and computing Test Lab

Since 2019, Atos has operated a new global high-performance computing Test Lab in Angers, France. The lab's infrastructure is equipped with an energy-efficient cooling system, which uses low-GWP (Global Warming Potential) refrigerant fluid and 'free-cooling', which can result in energy savings of up to 75%. It has an energy recovery system, which reuses the energy generated by the operation of the lab to heat or cool the offices, operating at an energy-efficient COP[2] of 6, twice as efficient as a standard system. The site is also equipped with a 'green' roof, electric vehicle charging terminals and photovoltaic panels.

Big Data & Cybersecurity's main manufacturing site is one of the top 100 companies in France to have developed an integrated QSE quality management system. Within this certification framework, the site monitors regulations to ensure that its activities comply with the environmental, technical and legal provisions. Since 2018, the site has also offset its CO_2e emissions including the inbound and outbound freight.

World-first carbon neutral detection and response cybersecurity services

In October 2021, as part of its global "Cyber Day", Atos announced that its Managed Detection and Response (MDR) service, a cloud-native cybersecurity offering that offers next-generation threat defence to organizations, was now 100% carbon neutral, making this a major step in Atos's Digital Security NetZero journey. Atos cloud based MDR Service already benefits from an eco-design and Eco architecture that is low carbon by design. Atos took its commitment a step further by ensuring that it is 100% carbon neutral across the entire carbon footprint lifecycle: supply chain, transportation, operations, end of life. By completing the decarbonization of one of its key cybersecurity offerings, Atos once again set the highest standard for the industry. In line with its solid strategic ambition to accelerate the fight against climate change, the Group strives to decrease the carbon footprint of all its solutions – and cybersecurity is no exception.

Green hosting solutions and datacenters, circular economy, recycling activities and remanufacturing

Atos Global Operations function DC&H[3] provides datacenter hosting services. As explained in detail in section 5.2.5.3 (Energy optimization in the Datacenters), DC&H core datacenters are supplied by 95% of decarbonized energy and 100% of the residual CO_2e emissions of all Atos datacenters worldwide are offset.

Circular economy, recycling and remanufacturing activities are detailed in the following section.

5.2.7 Other environmental challenges

At Group level, during the materiality and impact analyses carried out by external experts, other challenges have been identified, albeit as less "material" or less significant at the scale of the full Group or due to the nature of Atos's core activities and business. Nevertheless, these challenges are important in terms of environmental impact or potential consequences and are therefore receive attention from Atos and are covered in this section.

5.2.7.1 Waste and e-waste, circular economy and recycling activities [A19]

Waste and e-waste

As part of the ISO 14001 certification process, Atos provides environmental training for all employees. One of the primary reasons for conducting this training is the environmental awareness about the waste generated at Atos and how it is monitored. Atos's aim is to reduce waste and waste impact, ensure maximum reuse and recycling, favor circular economy and practices.

Atos's office waste mainly consists of cardboard, paper, cups, plastic bottles or other tertiary sector waste. Atos's Real Estate policy favors the rent of office spaces and frequently the offices are shared among multiple tenants. Office waste is managed globally by the landlord or external subcontractors according to the local legal obligations.

Several initiatives are ongoing at RBU level to reduce or eliminate the use of plastic (such as plastic bottles, single-use plastics, disposable dishes, straws, stirrers, packaging) in Atos canteens and offices. These initiatives also consider if and how the plastic waste is processed to favor recycling, reuse or revalorization.

1 *International Electrotechnical Commission*
2 *COP: coefficient of performance ratio of heating/cooling provided to work*
3 *Datacenter and Hosting*

Information and recommendations are regularly sent to employees to reduce waste and maximize waste sorting. Local initiatives are frequently put in place to reduce waste such as awareness days, special zero waste days, collection of old phones, special trash cans for the recycling of cigarette butts. In 2021, based on publicly available estimations of waste per employee in the tertiary sector, Atos's global office waste worldwide was estimated at around 46,612 (45,253 in 2020, 47,080 in 2019) metric tons for all employees calculated and rebaselined following the latest ADEME methodology available. Concerning e-waste, through the leasing practice now globally implemented within the Group and in compliance with local laws, suppliers remain responsible for the end of life of their IT equipment, as required through the signature of the Business Partners' commitment to Integrity Charter.

Circular economy/recycling activities/remanufacturing:

Drawing attention to another important concept, Atos understands the major role of IT solutions for the circular economy. Favoring circular economy can contribute to reduce the environmental footprints of the economic activities. It limits the pressure on natural resources and reduces waste. Based on 7 concepts (eco-design, usage versus ownership, resource optimization, reuse, repair, recycle), circular economy allows the decouple of economic growth from the use of natural resources and ecosystems. Atos can help its clients towards a more circular economy model by delivering its experience and expertise in digital innovations supporting an economic system of closed loops in which the use of raw materials is minimized (especially non-renewables), in which components and products lose their value as little as possible and in which renewable energy sources are used.

To favor the circular economy and in compliance with the European Waste Electrical and Electronic Equipment Directive (WEEE Directive 2012/19/EU), since July 2013, Atos's Big Data & Cybersecurity Global Operation in France has joined EcoLogic, a collective system certified by the French Ministry of the Environment. For Atos's own needs, non-Atos products are mainly leased and returned to lessors at the end of the lease period and Atos products follow the processes described above for BDS and also applied by global data center practices. Atos's ambition is to reach 100% recycling potential for the equipment it designs and sells to its clients by 2024.

In the ISO 14001 certified datacenters and office sites the volume of waste, e-waste, batteries and accumulators is tracked through dedicated indicators. In 2021, 145,986 kg of WEEE (176,006 kg in 2020) was collected and 95% professionally disposed in Atos ISO 14001 sites. Employee instructions, work practices and operational process to recycle toners and ink cartridges and to manage IT waste and optimize recycling (laptops, desktop, printers, monitors) are in place.

In 2021, Atos continued this awarded partnership with AfB (Work for people with disabilities) in Austria. In this partnership, established in 2016, Atos's devices are delivered to AfB. After data deletion, hardware tests, spare parts procurement, repair, upgrading and cleaning by the AfB, these devices can be remarketed, helping to save raw materials and thus, contributing for a circular economy.

In November 2021, Atos announced a global partnership with Circular Computing, a member of its Scaler accelerator program for start-ups and SMEs and the world's premium remanufacturer of carbon neutral laptop products as well as the world's first BSI[1] Kitemark™ certified laptop remanufacturer. Circular Computing produces at-scale, pre-used HP, Dell and Lenovo laptops that are equal to or better than new. This partnership will enable Atos to expand its Net Zero Transformation portfolio with carbon neutral remanufactured laptops to support its clients lowering their emissions and reach their sustainability goals.

5.2.7.2 Plastic and packaging

For an IT service provider, the use of plastic is extremely low and Atos globally does not consider plastics and packaging as a material topic. However, for specific divisions and activities, the Group has been developing new approaches to promote plastic reduction in different business areas.

Specially for Atos manufacturing plants under BDS, where supercomputers and hardware business are conducted, plastics and packaging are always considered important aspects in Atos environmental footprint. Thus, reducing the use of plastics in Atos packaging is one of the environmental challenges tackled by the BDS supply chain team.

Currently, Atos has been investigating solutions to substitute the plastic usage for packaging. More specifically in this area, there are two main projects targeting the reduction in the use of plastic. The first one is related to the plastic used in the packaging. Here, the first dry run to identify industrial solutions to substitute the chemical polymers for organic alternatives such as corn-based and seaweed is under progress. Cardboard application to replace plastic wrapping was found as a possible alternative to reduce plastic use, which is linked to packaging supplier innovation roadmap of Atos. The second initiative is focused on the reduction of plastic films used when the goods are transported in the pallets by 40%. The reduction is already a reality. Alternatives were found such as a new plastic film generation that can be over strapped, thus reducing the quantity of plastics used per pallet.

1 *British Standards Institution*

In addition to the previously mentioned eco-design initiatives conducted by the R&D departments to produce as little waste as possible during the design phase, waste avoidance and recycling is also key in the other steps of the production chain. At this stage, waste and transportation are responsible for 96% of the carbon emissions associated with the supply chain activities in Atos manufacturing plants. From the generated waste, more than 85% is recycled or reused, while the remaining 15% is thermally recycled (used in waste-to-energy facilities).

5.2.7.3 Water and food

[SASB TC-SI-130a.2]

In offices, Atos's water consumption is that of the tertiary sector. Information and recommendations are regularly sent to employees to reduce water consumption. In the ISO 14001 certified datacenters and office sites, the volume of water is tracked. In 2021, using current Atos UK data based on metered sanitary consumption per employee, and consistent with estimation based on global water spend at the Atos Group, Atos's water consumption worldwide was estimated at around 0.401 million m^3 for all employees (0.389 in 2020, 0.405 in 2019).

Catering providers working at Atos facilities are required to optimize the use of resources (water, electricity…), combat food waste and wherever possible implement recovery practices and waste recycling.

Established in 2019, a working group reinforced how the main recommendations from the World Health Organization (WHO) and the IPCC are implemented in Atos cafeterias. The Atos Group recommends following WHO advice on healthy eating, complying with IPCC recommendations to reduce food-related environmental impacts and minimizing associated carbon emissions. These recommendations also include new clear guidance regarding packaging, food waste and animal abuse/animal welfare. In many locations, vegetarian meals are available and food supply and traceability is carefully considered (MSC[1] certified fish, labels, organic and local food…).

The "new ways of working" promoted by Atos intensively use digital collaboration tools. These tools progressively reduce the use of paper within the Group. Furthermore, the printing policy, the shared printers and the "follow me printing" solution give everyone a sense of responsibility in reducing paper consumption. In major Atos Business Units such as France, paper comes primarily from renewable or sustainably managed sources. In 2021, based on publicly available estimations of paper consumption per employee in the tertiary sector, Atos's global consumption was estimated at around 34,961 metric tons for all employees (33,940 in 2020, 35,310 in 2019).

Regarding water usage for product manufacturing and datacenters: Atos Big Data & Cybersecurity and specific hardware technologies, although the operations include engineering activities (R&D, design and component assembly), the Global Operation does not manufacture or only marginally manufactures components. The main sources of water use are to be found upstream with the manufacturers of electronic cards and processors. In datacenters, water is mainly necessary for cooling servers, but the water used for this purpose flows in a specific closed water loop sealed circuits. During heat waves, water can also be used to supply some datacenters' cooling units as water spray, as evaporation at these times reduces the cooling units power consumption.

5.2.7.4 Biodiversity and land use, air emissions and pollution

[GRI 305-6], [GRI 305-7]

As with the other environmental challenges mentioned above in section 5.2.7, impacts from the business operations on biodiversity have been analyzed and determined through materiality assessments as being of low significance relative to other environmental impacts. Nevertheless, Atos's action plans regarding emissions, energy consumption and travel, the diffusion of environmentally friendly practices, the ISO 14001 certification and the Environmental Management System have positive repercussions for all ecosystems. For instance, in the ISO 14001 certified sites, the use of decontamination kits limits the potential for spoilage of soils and groundwater from spills and the consequential damaging effects on biodiversity. Atos, because of its activities and because of the continuous optimization program of its sites (More information in section 5.2.1), contributes as little as possible to the use of land surfaces. Similarly, during the materiality analysis, ozone-depleting substances (ODS), sulfur oxides (SO_x) and nitrogen oxides (NO_x) were not identified as significant given the main activities of the Group. In addition, Atos does not produce any biogenic CO_2 emissions.

However, regarding biodiversity several local initiatives have been taken up worldwide. These include: beehives on sites' rooftops to fight against the dramatic drop in bees' population and wild bees' and insects' hotels; "Bee-Days" to promote environmental awareness; collaborative gardens for employees to grow vegetables; and financial support to scientific research on wildlife; climate change and preservation of the oceans. In addition, since 2019 Atos's carbon-offset program, which includes protection of primary forests, also promotes the protection of biodiversity (more information in section 5.2.5.2).

1 *Marine Stewardship Council*

Since 2021, Atos is participating in a project to preserve seagrass beds contributing to carbon neutrality and biodiversity. This project aims to establish the first certification methodology for conservation and preservation measures for seagrass beds within the framework of the low-carbon label, with a first pilot site within the Calanques National Park in the Mediterranean.

The Atos Green Network community also regularly host webinars with experts from universities, research bodies, green businesses and policy makers to better inform employees about the natural world, and how business and personal behaviours can improve the environment that all employees share. Following the webinars, in 2021, the Atos Green Network also organized events connected with environmental causes such as the Beach Clean done with the Marine Conservation Society in the UK, involving Atos employees to support different ecosystems.

5.2.8 Environmental non-financial performance indicators

[GRI 103-3 Energy], [GRI 103-3 Emissions], [GRI 103-3 Atos specific indicators], [302-1], [302-2], [302-3], [302-4], [302-5], [305-1], [305-2], [305-3], [305-4], [305-5], [A14], [A19], [A20], [A7]

The following table provides issues and indicators relevant to the Company business in the environmental dimension, aligned to the disclosures from the GRI Sustainability Reporting Standards, and aligned to the Sustainability Accounting Standards Board (SASB) standards for the "Software & IT Services" industry.

The code of the standards intends to help Atos stakeholders to locate indicators of interest across Atos monitoring performance. It does not represent a complete overview of Atos reporting or practices.

Environmental Dimension

		2021	2020	2019	2021 Perimeter *(%)*		2020 PERIMETER *(%)*	
Standard code	**Indicator name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 302-1	**Energy consumption within the organization (all energy sources)**							
GRI 302-1_E_c1, SASB TC-SI-130a.1 (1)	Total direct and indirect energy consumption *(in MWh)*	519,800	579,140	702,398	-	99.2%	-	99.6%
GRI 302-1_A	Total Direct Energy Consumption in Datacenters & Offices *(in MWh)*	23,774	27,364	36,439	-	99.2%	-	99.6%
GRI 302-1_A_b1	Diesel consumption *(in MWh)*	3,353	4,501	Not disclosed	-	99.2%	-	99.6%
GRI 302-1_A_b2, G. Q71	Fuel oil consumption *(in MWh)*	1,114	1,557	Not disclosed	-	99.2%	-	99.6%
GRI 302-1_A_b3, G. Q72	Gas consumption *(in MWh)*	19,307	21,306	Not disclosed	-	99.2%	-	99.6%
GRI 302-1_A-Off	Direct energy consumption in Offices *(in MWh)*	18,996	20,222	29,851	-	99.2%	-	99.6%
GRI 302-1_A-DC	Direct energy consumption in Datacenters *(in MWh)*	4,778	7,142	6,588	-	99.2%	-	99.6%
GRI 302-1_C	Total Indirect Energy Consumption in Datacenters & Offices *(in MWh)*	496,025	551,776	665,959	-	99.2%	-	99.6%
GRI 302-1_C_b1, G. Q56	Electricity consumption *(in MWh)*	482,086	539,082	Not disclosed	-	99.2%	-	99.6%
GRI 302-1_C_b2	District heating consumption *(in MWh)*	13,939	12,694	Not disclosed	-	99.2%	-	99.6%
SASB TC-SI-130a.1 (2)	Percentage of grid electricity (excluding RECs) *(in %)*	42%	45%	Not disclosed	-	99.2%	-	99.6%
SASB TC-SI-130a.1 (2)	Percentage of grid electricity (including RECs) *(in %)*	33%	54%	Not disclosed	-	99.2%	-	99.6%
SASB TC-SI-130a.1 (3)	Percentage of renewable electricity excluding RECs *(in %)*	58%	46%	Not disclosed	-	99.2%	-	99.6%
SASB TC-SI-130a.1 (3)	Percentage of renewable electricity including RECs *(in %)*	67%	46%	Not disclosed	-	99.2%	-	99.6%
GRI 302-1_C-Off	Indirect Energy Consumption in Offices *(in MWh)*	146,337	153,971	197,955	-	99.2%	-	99.6%

Standard code	Indicator name	2021 Group	2020 Group	2019 Group	2021 Perimeter (%) Per employee	2021 Perimeter (%) Per revenue	2020 PERIMETER (%) Per employee	2020 PERIMETER (%) Per revenue
GRI 302-1_C-DC	Indirect Energy Consumption in Datacenters *(in MWh)*	349,688	397,806	468,004	-	99.2%	-	99.6%
GRI 302-1_C1_c10.1	Total electricity consumption from renewable sources excluding RECs *(in MWh)*	279,723	248,840	210,416	-	99.2%	-	99.6%
GRI 302-1_C1_c10.2	Total electricity consumption from renewable sources including RECs *(in MWh)*	321,707	248,840	210,416	-	99.2%		99.6%
GRI 302-1_C1_c8 ; SASB TC-SI-130a. 1(3)	Share of electricity supplied by renewable sources in Atos's core Datacenters (co-location excluded) *(in %)*	95%	77%	70%	-	100%	-	100%
GRI 302-1_C1_c1	Share of electricity supplied by decarbonized sources in all Atos Datacenters excluding RECs *(in %)*	59%	59%	35%	-	100%	-	100%
GRI 302-1_C1_c2	Share of electricity supplied by renewable sources in all Atos Datacenters including RECs *(in %)*	71%	49%	35%	-	100%	-	100%
GRI 302-2	**Energy consumption outside of the organization (Travel)**							
	Travel intensity							
GRI 302-2_c1	Total Km travelled per Employee *(in Km/Employee)*	1,155	1,480	4,066	99%	-	99%	-
GRI 302-2_c2	Total km travelled per Revenue *(in Km/€ million)*	11,500	13,576	37,497	-	99%	-	99%
	Distances travelled							
GRI 302-2_A6_c93	Total Km travelled by Car *(in Km)*	89,632,293	79,036,399	151,804,816	99%	-	99%	-
GRI 302-2_A6_c50	Total Km travelled by Train *(in Km)*	6,610,325	10,689,239	32,027,201	99%	-	99%	-
GRI 302-2_A6_c57	Total Km travelled by Taxi *(in Km)*	1,088,132	1,053,383	2,733,073	99%	-	99%	-
GRI 302-2_A6_c92	Total Km travelled by Plane *(in Km)*	25,474,210	60,076,638	244,180,946	99%	-	99%	-
	GHG emissions for company cars							
GRI 302-2_A6_b70	Number of company cars	5,110	5,646	6,536	-	100%	-	100%
GRI 302-2_A6_b71	Number of cars below 120g CO_2/km	4,488	5,036	5,792	-	100%	-	100%
GRI 302-2_A6_c1	Percentage of company cars below 120 gr CO_2/km	88%	89%	89%	-	100%	-	100%
GRI 302-2_A6_b82	Average of emissions in company fleet cars (gr CO_2/km)	75	101	106	-	100%	-	100%
GRI 302-3	**Energy Intensity**							
GRI 302-3_A_c1	Intensity by Revenue - Total direct and indirect energy *(in MWh/€ million)*	48.32	51.80	61.36	-	99%	-	100%
GRI 302-3_A_c2	Intensity by Employee - Total direct and indirect energy *(in MWh/Employee)*	4.86	5.68	6.53	99%	-	99.3%	-
GRI 302-4	**Energy Saving Initiatives**							
GRI 302-4_A_c1	Estimated Energy savings in Datacenters - dedicated activities only *(in MWh)*	4,150	3,703	3,718	-	56%	-	61%
GRI 302-4_A_c5	Estimated Energy savings in Offices - dedicated activities only *(in MWh)*	3,403	35,892	8,001	-	56%	-	61%

		2021	2020	2019	2021 Perimeter (%)		2020 PERIMETER (%)	
Standard code	**Indicator name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 302-4_A_c14	Cost savings due to energy savings in Offices and Datacenters *(in € thousand)*	747	3,100	872	-	56%	-	61%
GRI 302-5	**Reductions in energy requirements of products and services**							
GRI 302-5_A	Etimated average PUE for core Datacenters	1.41	1.45	1.52	-	100%	-	100%
GRI 305-1	**Greenhouse gas emissions Scope 1**							
GRI 305-1_A_c2	GHG emissions Scope 1 *(in tCO_2e)*	26,955	25,711	35,489	-	99.3%	-	99.6%
GRI 305-2	**Greenhouse gas emissions Scope 2**							
GRI 305-2_A_c1	GHG emissions Scope 2 *(in tCO_2e)*	70,964	123,759	178,120	-	99.3%	-	99.6%
GRI 305-3	**Greenhouse gas emissions Scope 3**							
GRI 305-3_A_c1	GHG emissions Scope 3 *(in million tCO_2e)*	2.308	2.664	3.100	-	100%	-	100%
GRI 305-1, GRI 305-2, GRI 305-3	**Total greenhouse gas emissions Scopes 1, 2, 3**							
GRI 305-3_B_c4	All GHG emissions - Scopes 1, 2, 3 *(in million tCO_2e)*	2.406	2.803	3.303	-	100%	-	99.6%
GRI 305	**Greenhouse gas emissions sub-perimeters**							
GRI 305_B_c1	Atos Carbon Operational Perimeter (Scopes 1, 2 and 3 Categories 6) *(in tCO_2e)*	103,493	160,862	250,209	-	99.3%	-	99.6%
GRI 305_B_c3	Atos Carbon Operational Perimeter excluding refrigerants *(in tCO_2e)*	92,214	149,583	238,930	-	99.3%	-	99.6%
GRI 305-2_B_c1.1	GHG emissions in Datacenters *(in tCO_2e)*	38,702	80,961	110,994	-	99.3%	-	99.6%
GRI 305-2_B_c1.2	GHG emissions in Offices *(in tCO_2e)*	36,891	48,235	73,804	-	99.3%	-	99.6%
GRI 305-3_B_c1.3	GHG emissions in Travel (Scope 3 Cat 6 Business travel) *(in tCO_2e)*	5,574	8,996	16,934	-	99.3%	-	99.6%
GRI 305-3_B_c1.4	GHG emissions in Travel (Atos car fleet) *(in tCO2e)*	11,047	11,391	37,198	-	99.3%	-	99.6%
GRI 305-4	**Greenhouse gas emissions intensity**							
GRI 305-4_A_c2.1	Intensity by Revenue - All GHG emissions (Scopes 1, 2, 3) *(in tCO_2e/€ million)*	222.00	250.69	285.78	-	100%	-	99.6%
GRI 305-4_A_c1.1	Intensity by Revenue - Atos Carbon Operational Perimeter *(in tCO_2e/€ million)*	9.61	14.45	21.74	-	99.3%	-	99.6%
GRI 305-4_A_c2.2	Intensity by Employee - All GHG emissions (Scopes 1, 2, 3) *(in tCO_2e/employee)*	22.37	27.29	30.70	-	100%	-	99.6%
GRI 305-4_A_c1.2	Intensity by Employee - Atos Carbon Operational Perimeter *(in tCO_2e/employee)*	0.97	1.58	2.36	99.5%		99.3%	-
GRI 305-5	**Reduction of greenhouse gas (GHG) emissions**							
GRI 305-5_A_c1	GHG reductions - Operational Perimeter (Scopes 1, 2 and 3 Categories 6) *(in tCO_2e)*	-57,369	-89,347	Not applicable	-	99.3%	-	99.6%
GRI 305-5_A_c2	GHG reductions - Scopes 1, 2, 3 *(in million tCO_2e)*	-0.397	-0.500	Not applicable	-	100%	-	100%

		2021	2020	2019	2021 Perimeter *(%)*		2020 PERIMETER *(%)*	
Standard code	**Indicator name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 305-5	**Emissions Offset**							
GRI 305-5_A_c1	Offsetting of Atos Carbon Operational Perimeter *(in %)*	100%	100%	100%	-	100%	-	100%
GRI 305-5_A_c3	Offsetting of Datacenters GHG emissions *(in %)*	100%	100%	100%	-	100%	-	100%
GRI 305-5_A_c4	Offsetting of Offices GHG emissions *(in %)*	100%	100%	100%	-	100%	-	100%
GRI 305-5_A_c5	Offsetting of Travel GHG emissions *(in %)*	100%	100%	100%	-	100%	-	99%
A14	**ISO 14001 certification of Atos main sites (offices and DCs)**							
A14_c5	Number of Offices and Datacenters ISO14001 certified	99	99	103	100%	-	-	100%
A14_c6	Percentage of main Offices and core Datacenters ISO14001 certified or in the process of being certified	90%	89%	89%	100%	-	-	100%
A19	**Waste Electrical and Electronic Equipment (WEEE)**							
A19_A9_b3	WEEE collected or recovered *(in Kg)*	145,986	176,006	366,398	-	61%	-	61%
A19_A2_b3	WEEE professionally disposed *(in Kg)*	138,765	160,115	366,398	-	61%	-	61%
GRI 201-2	**Financial implications and other risks and opportunities due to climate change**							
GRI 201-2_A.iv_c1	Internal carbon price *(in €/tCO_2e)*	80	80	Not disclosed	-	100%	-	100%
A20	**Natural disasters**							
A20_A	Percentage of the core Datacenters that have synchronous data replication capacities *(in %)*	100%	100%	100%	-	100%	-	100%
SASB TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Qualitative	Qualitative	Not disclosed	-	100%	-	100%
GRI 419-1	**Significant fines for non-compliance concerning the provision and use of products and services**							
GRI 419-1_A	Significant fines for non-compliance concerning the provision and use of products and services	0	0	0	-	100%	-	100%
A7	**Green technologies and solutions**							
A7_A_c1	Decarbonization revenue *(in € million)*	76.6	47.5	Not disclosed	-	100%	-	100%

All environmental indicators exclude Algeria, Andorra, Belorussia, Bosnia and Herzegovina, Chile, Gabon, Guatemala, Israel, Ivory Coast, Kindom-Saudi Arabia, Lebanon, Lithuania, Madagascar, Mali, New Zealand, Peru, Puerto Rico, Qatar, South Africa, Syntel Australia, Syntel Canada, Syntel Germany, Syntel Netherlands, Syntel Singapore, Tunisia and Venezuela.

GRI 302-1, GRI 302-3, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4 Perimeter for Offices and Data Centers include Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Colombia, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, France, French Polynesia, Germany, Greece, Hong Kong, Hungary India, Ireland, Italy, Japan, Korea, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, New Caledonia, Philippines, Poland, Portugal, Romania, Russia, Senegal, Serbia, Singapore, Slovakia, Spain, Sweden, Switzerland, Syntel India, Syntel Philippines, Syntel Poland, Syntel United Kingdom, Syntel United States, Taiwan, Thailand, Turkey, United Arab Emirates, United Kingdom, United States and Uruguay

GRI 302-1_C1_c8: Approximated values. Strategic Datacenters managed by Atos in the Global Operation Practice Data Centers & Hosting (GO DC&H) scope.

GRI 302-1, GRI 302-3: direct energy: gas, fuel, diesel, coal…

GRI 302-1, GRI 302-3: indirect energy: electricity and heating energy consumption

GRI 302-2, GRI 305-1, GRI 305-3, GRI 305-4: perimeter for Travels include Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Colombia, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Ireland, Italy, Japan, Luxembourg, Malaysia, Mexico, Morocco, the Netherlands, Philippines, Poland, Portugal, Romania, Russia, Senegal, Serbia, Slovakia, Spain, Sweden, Switzerland, Syntel Germany, Syntel India, Syntel Netherlands, Syntel Philippines, Syntel United Kingdom, Syntel United States, Taiwan, Turkey, United Arab Emirates, the United Kingdom, the United States and Uruguay.
GRI 302-2 the Travel Intensity includes the travel´s scope of countries. The employees included in that scope of countries are 106,364. The revenue applicable for that scope of countries are €10,678.58 million.
GRI 302-3 the Energy Intensity includes the office's and Datacenter's scope of countries. The employees included in that scope of countries are 106,980. The revenue applicable for that scope of countries are 10,757.54 million of Euros.
GRI 302-5: 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 Datacenter [GRI 302-5_C]. The scope of this indicator is the core datacenters. Those core datacenters are strategically selected with stricter requirements to the design and operation.
GRI 305-1, GRI 305-2, GRI 305-3: tCO_2e: tons of CO_2 equivalent [GRI 305-4_D]
GRI 305: "Atos Carbon Operational perimeter" includes the same emission categories as in 2019 and 2020.
GRI 305-4 The greenhouse gas emissions intensity for the operational scope includes offices, data centers and business travel. The employees included in this country scope are 107,019. The applicable turnover for this country scope is 10,764.20 million euros (GRI 305-4_B).
GRI 305-4, GRI 305-5: Atos "Carbon Operational Perimeter" includes emissions under control or direct influence. All emissions from Scope 1 (fossil fuel, Atos car fleet and refrigerants), all emissions from Scope 2 (electricity and district heating) and emissions from Scope 3 category 6 (business travel) [GRI 305-4_C]. An external audit covers the full Atos' Carbon Operational Perimeter with a quantitative validation on scopes 1, 2 and 3A.
A14: A site has formally entered the "certification process" when a budget has been allocated or the manager of the Environmental Management System has been appointed.

5.3 Social

5.3.1 Social non-financial performance

Atos recognizes that its principal asset and competitive advantage is its employees. In an environment of strong competition for talent, Atos is reinforcing its key programs in talent attraction & retention and skills management, to make it an employer of choice, and a place where employees can have control of their careers and develop in an inclusive, creative, responsible and collaborative workplace. These fundamentals are supported by strong change programs (notably culture and workplace), high attention to people care, and diversity and inclusion.

Talent attraction and retention:

Atos seeks to bring the right skills to foster development, passion, and innovation. The programs to support this include ensuring development of the employees by prioritizing internal movement, supporting an Industry lead organization securing both internal and external Industry talent, targeting 95% retention of key people, attracting and retaining digital natives through passion and innovation in decarbonization, and embracing the opportunities offered by new ways of working. In line with its strong commitment to playing a key part in the education of the future of young professionals, Atos has developed strong institutional partnerships with 188 universities on a worldwide basis. In 2021 the Group offered 2,391 students the opportunity to enhance their education via internships or apprenticeships. Working closely with future young professionals is crucial for Atos so that when the time comes for them to choose a new employer, Atos can offer them a project that matches their profiles and professional interests, and indeed employed over 7,313 graduates in 2021[1] .

During 2021 Atos hired 25,281 employees to support the growth of the Group and prioritized diversified hiring, achieving 36% women hired. The programs to support this include the employee referral program, working with LinkedIn Influencers, Video job descriptions, Red carpet Onboarding, and Boomerang (Atos Alumni) Program.

Skills management and development

People and digital skills development are a key priority for Atos and a cornerstone of the Group Strategy. In this respect, the Group has further expanded the "Be Digital" program with the objective to further increase the digital skills along three key areas: Industry Expertise, Digital Ways of Working and Digital Technologies. In a business-as-usual mode, a vast number of certified learning paths are made available to all employees. In the year 2021 the total number of digital certifications was 100,026 (13,011 in Cloud, 7,858 in Security, 22,191 in Digital app platforms, 24,052 in Digital accelerators, 12,049 in Digital workplace and 20,865 in Digital way of working). In addition to that a special program called Cloud Boost has helped train more than 2,400 of the client-facing teams on the fundamentals of Cloud.

Employee Health and Safety

The Covid-19 pandemic has highlighted Atos's strong culture of social responsibility as exemplified through effective crisis management guided by people care, and health and safety. In the GPTW survey held in Autumn 2021, 87% (vs 86% in 2020) of respondents answered that 'my company adapted well to the lockdown', and 90% (equalling 2020's score) that 'my manager has trusted me during lockdown'.

Culture and Employee experience

The pace of innovation means that products and business models face the constant threat of being replicated – the ultimate competitive advantage is a healthy culture that adapts to find new ways to succeed. Atos's culture refresh program, **Leap,** will be different to other, more classic programs in that it is a journey, a co-creation, and focusses on culture, perceptions, behaviours, thoughts and feelings. More information in the Employee Engagement section (5.3.7).

"We Are Atos" programs offer Atos employees a workplace where they can grow and flourish (professionally and personally) thanks to an ad hoc working environment, and to the reassurance that all situations are managed with fairness and in accordance with prevailing rules around ethics and human rights. Atos has also worked on its 'Sense of purpose', developing a renewed and deepened commitment. One of the key innovations are proposals to transversalize some of the key social concepts within different initiatives such as diversity & inclusion and decarbonization, which will have the effect of further engraining these concepts in Atos's DNA.

Following the success of the worldwide 2020 "We are Atos- We are Together" campaign run by The We are Atos program, this year it ran **GAGE** – The Great Atos Global Expedition which followed an Olympics theme and saw teams of Atos colleagues challenged to fulfill a virtual route of 2021 kilometers 'across Japan'. Over 40 different physical activities (including wheelchair activity or walking the dog) could contribute to kilometers along the journey. It was an excellent opportunity to participate in team bonding in a fun event focused on improvement mental and physical wellbeing during the daily routine of employees following a challenging period in lockdown. It supported Social Value initiatives and local charity programs and brand engagement with the Olympics. 564 teams and 5,244 employees took part, with 363 teams crossing the finishing line with 1.5 months. Some 900,000 km were covered in total.

1 *A graduate is a new joiner who graduated in current or prior year*

Through the global program "**Bamboo**", Atos strives to redefine and improve the working environment of its employees, learning from their working successes during the crisis. The focus will be on the health and safety of Atos employees and communities. By creating a seamless online and onsite experience, all employees are empowered and can work autonomously to perform their tasks and responsibilities from the place where they are most effective.

Atos is committed to creating a diverse and inclusive working environment, with a particular focus on enhancing team collaboration, embracing client centricity, and leading with trust and accountability. In this way, Atos cares for its employees by:

- enabling its employees to work from anywhere with safe and secure remote, online, everywhere access, optimizing digital possibilities including video, accessibility features and assistive technologies;
- facilitating healthy working conditions wherever Atos employees work;
- ensuring its employees to maintain a healthy work-life balance as well as a sense of belonging and community within Atos, whether working online or in-person;
- offering the opportunity to reduce commuting time and, as such, be an actor of the Atos's decarbonization strategy.

Employee engagement

Atos reward focus is growth, and the main compensation accelerator is Industry and digital skills. Atos also runs extensive reward programs to ensure that part of the value created by the Company with its clients is distributed to employees in a mid- to long- term perspective. In addition to monetary rewards, like the "Accolade" program, Atos also prides itself in acknowledging that the Group is first and foremost a community of people and that each employee should be in a position to thank colleagues for their commitment, dedication, and contribution. In 2019, Atos launched a digital App named "Spot award" so that employees can show their appreciation to other colleagues in connection with a specific action, task, or contribution.

Since 2010 Atos has committed to surveying employees through the annual Great Place to Work® Survey. In 2021 the survey was conducted in 83 entities in 63 different countries. In total 95,777 employees were invited to take part in the survey and the final response rate was 68.07% reflecting the voice of 65,200 employees.

There are two key measures out of the Great Place to Work survey:

The **Trust Index**, which measures the perception of the workplace and is based on the outcome of a majority of the questions. In 2021 Atos saw an increase of +1% to 66% to further consolidate the improvements made during 2020. The Trust Index score demonstrates the commitment and involvement of employees to share their views and to help build a great working environment together.

The **One Question**, which refers to the question "Taking everything into account, I would say this is a great place to work." Here Atos is consolidating the 2020 score of 63%.

Diversity

Diversity and Inclusion programs aim to accelerate the inclusion of all in work teams and to overcome any bias (including unconscious bias) that may occur in decision-making around recruitment or promotion. To achieve these goals Atos has already made great strides in the gender diversification of the executive group, moving to 31.5% by the end of 2021 and the Group has also prioritized gender diversity in hiring during 2021 achieving 36% following the implementation of diversity hiring boards across all Industries and RBUs. The gender diversity of Atos people is progressing to 24% for Key people, 32% for the Executive group and Scientific Community, and between 33 and 53% for its talent programs. Ambitious targets and programs to support have also been built to render the employee culture more innovative, creative, and inclusive.

Digital Inclusion

A structured and human centric approach to technology is at the heart of the digital inclusion initiatives of the Group. Atos' transversal program addresses issues for employees and clients alike. In order to accelerate the work on access and inclusion through digital technology Atos adopted the same approach as it has for decarbonization. The Group is treating exclusion like pollution, recognizing that it can make progress through cumulative improvements across all areas of the business.

Thanks to these comprehensive programs, Atos has grown as an internationally renowned key player, with an unwavering commitment to:

- promoting human rights: by adhering fully to international labor standards by applying the principles of the International Labor Organization Conventions and adhering to the Global Compact of the United Nations;
- enhancing diversity: by sponsoring all diversity initiatives within the Group in the framework of the Diversity program;
- offering career perspectives and sustainable employability to each of its employees through programs such as Internal First, the Expert Community, and numerous other up-skilling programs endorsed by the Centers of Expertise.

5.3.2 Talent attraction and retention

[GRI 103-1 Employment], [GRI 103-2 Employment], [GRI 103-3 Employment], [GRI 103-1 Training and education], [GRI 103-2 Training and education], [GRI 401-1]

5.3.2.1 Recruitment

During 2021, Atos hired 25,281 employees to support the growth of the Group, of which 12,777 were Juniors.

The Group Recruitment strategy encompassed a global deployment of several programs focused on top talent attraction. These were aimed at clearly voicing Atos employer value proposition, strengthening Atos' employer brand and its visibility, to accelerate candidate attraction:

- the **Employee Referral Program** that has been part of Atos' Recruitment toolbox was given a new drive in 2021 with a Global re-launch. It capitalized on the synergies of Atos culture shift and has started to yield excellent results in attracting the right candidates, fitting Atos' culture and values;
- Atos Recruitment Team started working with **LinkedIn Influencers**, both internal and external, to increase Atos' visibility and strengthen the employer brand. This will remain in the 2022 strategy in alignment with Group marketing and communication;
- **video job descriptions** were launched for critical roles in 2021 and received excellent intake from candidates, while contributing to internal employee engagement;
- targeting top talent was also combined with Atos' **Red Carpet Onboarding** initiatives for critical and strategic roles to enhance candidate experience. This approach encompasses a multi-layer bonding with candidates, to address doubts, career aspiration and apprehension and keep candidates engaged from their first encounter with Atos throughout their application journey. The Group intends to use such elements of e2e Candidate experience more broadly in 2022 in its efforts to position itself, as an employer of choice for top candidates.
- **Boomerang (Atos Alumni) Program** is a channel that will be explored further in 2022 to leverage the existing Atos Global network, as a source of re-hiring former employees and as a way to convert alumni engagement into culture-fit referral initiatives.

2021 brought an increased focus on critical Recruitment KPIs and Atos' overall **Global Recruitment Simplification** actions have significantly improved Recruitment performance. These inter alia included:

- the **two-step approval process** and **stagewise interview governance**, which helped reduce the overall Recruitment timelines by 40%;
- the use of Tools and People Analytics across the length and breadth of the recruitment process, such as:
  - **Database Sweepstakes** that allowed recruitment teams worldwide to search on key skills thus increasing sourcing quality and time-to-hire,
  - **BOT** to measure time to recruit, time to onboard and time to hire,
  - **Hiretual** for CV aggregation that supports quality and speed of sourcing,
  - **Gartner Talent Neuron & LinkedIn Insight** for Market Analysis from multi-faceted perspectives, including yet not limited to skill, technology, salary, diversity, locations, etc,
  - **Success Factor Advance Analytics** and **bespoke Excel-based dashboards** to track and improve critical KPIs, including yet not limited to candidate pipelining, conversion ratios, time to recruit, to drive strategic recruitment programs (Internal First, Diversity and Graduate hiring,
  - **Textio** used for drafting "unbiased" job descriptions and support Atos equal opportunity employer brand.

The Covid crisis accelerated employee turnover in 2021, and all above programs, initiatives, actions and tools enabled the Group in 2021 to reach the highest number of hires in 4 years at 25,281, whilst at the same time keeping the diversity hiring at the top of Atos' priorities with 36% of hires being women in 2021.

In its drive to increase the excellence of the services delivered to its clients, the Group continued its **tier-one university program** and added partner universities (recognized worldwide and locally) with the full sponsorship and monitoring of Group general management Committee. This approach has resulted in an increase of over 300% since 2016 in the hiring of graduates coming from this selected pool of tier-one and partner universities, with 7,313 recent graduates joining the Group in 2021.

As part of Atos's commitment to offer career opportunities to recent graduates, Atos partners with 188 universities worldwide, focusing on key skills and expertise. In addition, Atos collaborates with and supports international student associations such as the Franco-German university and the Board of European Students of technology (BEST) - an international organization of universities for higher education and research - to share knowledge and interact with best-in-class students globally.

The trust Atos displays in opening internships and apprenticeships to individuals who are yet to graduate is greatly appreciated by students. The positive outcomes of these efforts can be monitored in the "Happy Trainees Label" awarded for many consecutive years to GBU France, also in 2021 as well as the steady increase of the Junior Hire versus total Hires. In 2021 the Group offers 2,391 students the opportunity to enhance their education via internships or apprenticeships.

Keen to offer to its staff career perspectives, in 2016 Atos launched its "Internal First" program. The purpose of the program is to promote internal mobility when filling any vacant position - it consists of a range of activities including internal careers fairs, "job cafés", video testimonials from employees, and much more. The goal is to give employees the opportunity to develop their experience, skills and employability within new career paths and through mobility. In 2021 Atos filled 66% of its permanent positions with internal employees.

In 2021 Atos Campus Management launched several initiatives with students, graduates and young professionals to offer them the opportunity to deepen their understanding of Atos and help them prepare their entry into the working world. The key initiatives were for example:

- **Atos IT Challenge**, the first international student competition dedicated to technological innovation;
- **Atos Virtual Inhouse Day**, for a worldwide student and graduate audience. Pilot done in 2021 with 820 registrations and 530 profiles provided after the event;
- **group and local initiatives to boost women graduate hiring** such as:
  - workshop Meet and Play with Technology from FUEL group, to provide awareness of opportunities, and confidence to young women, to pursue a career path in technology,
  - Women in Africa, 35 girls in a coding program in Senegal (Growing Markets),
  - Women in Cyb-her (initially for Southern Europe, the program will be expanded to more RBU´s due to success),
  - Virtual Girls Day (Central Europe),
  - Bright Networks (Northern Europe),
  - Code first girls (Northern Europe).

NUMBER AND RATE OF PEOPLE ENTERING THE COMPANY PER GENDER AND AGE IN 2021
[GRI 401-1]

	Female	% total employees Female	Male	% total employees Male	Female and Male	% total employees
<=30	6,122	24.2%	9,314	26.9%	15,436	61.1%
30><=50	2,609	10.3%	6,245	24.7%	8,854	35.0%
>50	305	1.2%	686	2.7%	991	3.9%
TOTAL	**9,036**	**35.7%**	**16,245**	**64.3%**	**25,281**	**100%**

NUMBER AND RATE OF PEOPLE LEAVING THE COMPANY PER GENDER AND AGE IN 2021
[GRI 401-1]

	Female	% total employees Female	Male	% total employees Male	Female and Male	% total employees
<=30	4,430	19.7%	6,030	26.9%	10,460	46.6%
30><=50	2,490	11.1%	7,300	32.5%	9,790	43.6%
>50	662	2.9%	1,535	6.8%	2,197	9.8%
TOTAL	**7,587**	**33.8%**	**14,865**	**66.2%**	**22,447**	**100%**

5.3.2.2 Talent Development

The sustainable and long-term employability of staff is the cornerstone of Atos's Talent Development & Training policies. Atos has developed its own Talent Academy with a suite of global talent programs, designed to nurture talent's skills and passion to drive change and accelerate their growth within the Company.

Each of these programs is directly sponsored by an Executive Management member to ensure a strong link between talent development and growth strategies.

These programs include:

LAUNCH for future leaders

Part of Atos's talent management, LAUNCH is a global initiative, based on a worldwide framework, and delivered in a growing number of local and regional settings.

LAUNCH focuses on the local environment helping participants related to the bigger picture of a Regional Business Unit. Participants are identified talents who are early in their career. It is self-organized and regional in set up, with core standards being set at a Group level. The mission of the LAUNCH program is to develop at Regional level the best individual potential of its members through a combination of personal development sessions, networking opportunities with top management and international colleagues, as well as working on innovative projects that contribute to Atos's business performance.

FUEL for emerging leaders

The FUEL program is a formal global program for early career talents running in cooperation with the Institute for Manufacturing (IfM Engage) of Cambridge University. Participants also join the Franklin Covey leadership and personal development online sessions and are invited to engage in personal coaching sessions and to benefit from a global mentor throughout the year. In 2021, over 100 FUEL participants completed the program. To date, 300 employees have become FUEL alumni.

GOLD for Business Leaders

Nominated by the Atos executive and top management annually, 80 members of the Group's identified talents are invited to take part in the prestigious GOLD for Business Leaders program. In cooperation with HEC Paris, Europe's leading business school, GOLD for Business Leaders aims to develop the future leaders of the Company and create ambassadors for the Company's values.

The global Atos GOLD for Business Leaders program consists of the best development experience for all participants using a hybrid approach combining online and on-site teaching. The program was recognized with an award by the European Foundation for Management Development (EFMD) in the Talent Development category in 2013. In 2021 the program moved to a fully remote delivery in response to the travel restrictions in place due to the pandemic. In 2021 the 76 employees who completed the program will receive career support and reconnect sessions throughout 2022. The GOLD for Business Leaders alumni is over 500 employees.

GOLD for Technology Leaders

The GOLD for Technology Leaders program was launched in 2013 in cooperation with the Institute for Manufacturing Education and (IfM Engage) of Cambridge University in the United Kingdom, and the Software Innovation Campus Paderborn (SICP) of the Paderborn University in Germany. The goal is to give to Atos talents with Expert profiles the vision and capability to define innovative end-to-end solutions, helping clients to gain competitive advantage. In 2021 Atos was delighted to increase the intake from 60 to over 72 talents from across the world. The program is delivered over the course of the year with two physical sessions in the United Kingdom and in Germany, and several additional virtual program elements. For 2021, Atos successfully moved the program to a fully virtual offering in response to the pandemic. In 2018 the program received an award from the European Foundation for Management Development (EFMD) in the Talent Development category. The GOLD for Technology Leaders alumni is over 300 employees.

VALUE for Executive Leaders

The VALUE program was launched in 2018 and developed in partnership with INSEAD, a leading European business school, aimed specifically at the Group Executives population. VALUE is designed around three core modules (two modules delivered via a digital platform, and one classroom-based module), and seeks to deepen the Executive's understanding of digital transformation as well as enable faster and smarter decision making. Over 280 Executives have already graduated the program, with another 80 to graduate in Q1 2022 and further cohort of similar size to start the program in H2 2022.

In 2021, a fourth stand-alone module was introduced called 'CANVAS', delivered virtually by the faculty at INSEAD, focusing on business modelling and client value creation. To date, 177 Atos Executives have completed this module, principally client facing Managers.

In total 1,195 employees had enrolled in the Global Talent programs (including 2021 participants). Identification of nominations for the programs is continuously under development with targets for year-on-year improvement for Diversity. 2021 saw an increase in terms of women enrolled. In 2021, the percentage of women who participated in the different programs are: 53% women in FUEL, 33% in GOLD for Technology Leaders and 45% in GOLD for Business Leaders. The target is 50% gender diversity in all talent programs by end of 2024.

Project Management Academy and digital ways of working

In 2021, Atos continued to place key emphasis on Project Management and Agile training and certification. The objective was to effectively train Atos Project Managers and Program Directors in Project Management and Agile Methodologies, Digital ways of collaboration, Lean, Design Thinking as well as updated Atos internal processes and tools. In total more than 200+ Project Managers participated in the different programs and training courses. The well-established training programs "Project Management Academy" and "Agile Academy" have been updated with the latest content and further improved in delivery methodology.

In 2021, 200+ Atos employees increased their skills and knowledge in a PM / SPM training programs, PRM Masterclass and SAFe Agile training and certification program, which were delivered in partnership with ESCP, Cranfield University School of Management and Internal trainers.

SDM Academy

In 2021, Atos continued to deliver the Service Delivery Management Academy in cooperation with the ESCP[1] Business School. This strategic training program focused on all aspects of Service Delivery and Client Management. More than 210 participants from all RBUs participated in this program during the year.

Expert Career Path & Community

Launched in 2017 with the ambition to be a driving force for collaboration, ideation, innovative research and development, the Atos Expert Community gathers today 2,600 technology experts worldwide. The community aims to steer business strategy, contribute to Atos technology roadmap and boost innovation by anticipating market needs.

In an operational way, this community responds to the objectives of Business and Expertise Excellence. In Business terms, it is about Ensuring Atos Group's positioning as a technology leader and guaranteeing the best innovative and accurate technology response to its clients. Shaped on 8 strategic technology domains those experts regularly interact to go beyond the technology frontiers, boost innovation and support clients to take the right decisions on their digital transformation journey.

As Expertise Excellence induces and conditions the achievement of the business objective, the Group pays attention to develop the technological career of Atos experts, create synergies between functions to broaden the field of competencies and increase the level of influence and attract talents. These experts are identified during dedicated yearly application campaigns, where they can apply to one of the four levels of the career path - from Expert to Senior Expert, Distinguished Expert and Fellow.

Candidate files are reviewed internally by validation bodies composed of technical attendees (experts of the highest levels), Chief Technology Officer (CTO), R&D Head, RBU Management and Human Resources. Experts are selected for two years after which they are asked to reapply to continue to be part of the community at the same or higher level in the career path, based on their contributions to the Expert Community, to the business and to Atos overall. This process is monitored by the Group CTO Office.

Atos is leveraging experience and knowledge sharing, to facilitate an international collective expertise. Thus, it is imperative to support experts in their development, both in terms of skills and leadership. Beyond knowledge, there is obviously desire and motivation, key vectors of success, which is why Atos' program includes a specific career path. Atos Expert Community is the driving force in terms of innovation and Technology expertise is at the heart of the Atos value proposition.

Key People program

Key People and Talents Retention is key to the success of Atos. In 2019 the Key People program was relaunched, focusing on Atos's most senior level Experts, Scientific Community members, Top Talents and Key employees. An operational HR team with representatives from each business area actively manages the retention of the 2,200 identified key people, working closely with business managers to address development, career progression, remuneration and mobility ensuring individual care for the career and development of each key person, with the support of the Key People digital application implemented in 2021.

The program is fully operational, and this active management aims to retain 95% of Key People & Talents, a target that was consistently met in 2019 and 2020. In 2021, despite "the high attrition" the market was facing, Atos managed to retain 94% of its Key People. The success of this program is due to the engagement of the Senior Leadership teams who actively support the retention and career of Atos's key employees.

There were also multiple retention measures implemented and followed up on, to retain Talents in the organization. "Talking Talents" calls were held quarterly, to highlight the Talent retention aspects to the managers. Similarly to previous years Talent Reviews sessions with succession planning were run to enhance on the Talent visibility and their further development. There were also a various Career Management offerings available to all Talents in the organization focusing on two main aspects: mobility and development. From Mobility perspective it is worth to mention Global Hands Up program supported by digital application Evolve, 10 virtual Job Fairs with almost 2,000 participants and weekly published Hot Jobs (important open positions). Development areas were covered by My Future At Atos dedicated space, Career Advisory sessions followed up by Career Conversation, career webinars on development topics and other ad hoc initiatives.

1 *École Supérieure de Commerce de Paris*

5.3.3 Skills management and development

[GRI 103-1 Training and education], [GRI 103-2 Training and education], [GRI 103-3 Training and education], [GRI 404-1], [GRI 404-2], [GRI 404-3]

In a business-as-usual mode, a vast number of certified learning paths are made available to all employees. These certified learning programs are specific to the needs of the various target groups within the Company: Industry Experts, Technologists, Project & Delivery Managers, as well as Leadership and Support Functions. These learning programs are often offered online and/or virtually, by academic institutions or by educational technology companies.

In the year 2021 the total number of digital certifications was 100,026. In addition, a special program called Cloud Boost has helped train more than 2,400 of Atos client-facing employees on the fundamentals of Cloud.

Certificates are typically earned by completing college or college-like courses, often with lectures, assignments and exams. The level, involvement and duration vary, based on the objectives and the content of the program.

In alignment to the "Be Digital" program, to generate a detailed and professional understanding of their role and the respective requirements of their job in the digital age, employees have access to various Atos corporate University Academy programs:

	Key 2021 Academies	Employees trained on in 2021
Business Growth	SAP Academy*	1,367
	Automation Academy*	1,724
	Cloud Academy*	4,300
	Cyber Security Academy*	6,456
	Contract Management Academy	96
	Sales Academy	477
Leadership Growth	HR Academy	380
	Leadership Academy	9,966
	Language Academy	13,476
TOTAL		**38,242**

* *Represents "digital" academies. These Academies offer different learning programs and curricula as well as certifications. This is often done in partnership with leading universities and business schools.*

Overall, in 2021 the Atos workforce benefited from an average 52.01 hours of formal and informal training per employee [GRI 404-1].

Furthermore, because employees spend much more time learning informally on-the-job, in a digital environment or collaboratively in coaching or peer communities, Atos is planning to report such learning based on the hours of education recorded in the ESS time-sheeting tool. In 2021, Atos estimated the number of hours of informal training at 23 hours per employee. Accordingly, there were more than 5 million hours of education reported for 2021 (4.56 million in 2020). The Company plans to capture this effort even more effectively in line with the clear path to digitization.

Industry Capabilities

The focus for 2021 was on creation of Portfolio programs for industries. A total of 117 new portfolio trainings were created in the year 2021:

- addressing a Business Need:
  - spring Rollout revisiting Atos's core offerings across Industries and Practices,
  - awareness around key portfolios to enable client facing teams share insights with clients;
- make learning engaging, informative and easier to complete Training solution:
  - 5 Person Months of collaborated development including members of Industry, Practice, Sales & L&D,
  - digital learning offering with assessments to gauge overall understanding of modules,
  - all in-scope offerings represented in record time.

In total 58,206 courses completed by 5,751 unique learners on the topics of Portfolio training.

Service Delivery Capabilities

To equip its workforce with digital solutions design and delivery capabilities, Atos invests heavily in training and certification programs focusing on key technologies and skills required for Digital Transformation (e.g. virtualization, Internet of Things, big data, hybrid cloud, high performance computing). This effort is also supported by Atos's eco-system of technology partners (e.g. EMC² Federation, Microsoft, SAP) and strategic alliances (e.g. Siemens or Google Cloud). In 2021, in addition to the "Be Digital", Atos also launched a special initiative "Cloud Boost" to train the Service Delivery Managers and the Client facing executives on Cloud Technologies. This program is designed and executed in collaboration with Microsoft (Azure), AWS and Goole Cloud as its strategic partners.

Leading in the Digital Age (LIDA)

Atos has been in a collaborative working partnership with Harvard Business Publishing since 2018. The initial purpose was to be able to create a world-class leadership development program for Atos Senior Managers. The outcome was the Leading in the Digital Age (LIDA) program. Atos successfully completed 7 Cohorts with about 1,116 program graduates; the 8th Cohort is in progress. Atos is planning to launch the 9th Cohort in early 2022 for this ever-growing target population.

LIDA equips its participants with the right mindset, knowledge and business models to drive the Company's ambition. It is a highly participative blended virtual program including case studies, faculty lectures with Harvard Professors, pre-reading, podcasts, videos and application exercises.

There are 3 principle modules of around 6 weeks duration and post the successful completion the participants are awarded the prestigious Harvard Certificate.

Careers within Atos

In Atos, Career Development is a fundamental key for the success of all Employees and for the Organization. The goal is to provide for each employee a unique opportunity to learn and grow with developing next career steps. Atos Group Career Management has implemented a holistic approach to Career Management for its employees. Bringing together four key elements to support career planning and development in the career wheel structures the four categories of career management.

- Your Opportunities - through the Global Hands Up Program, Group Career Management in partnership with recruitment, share hot jobs and host virtual job fairs, providing Atos employees, who have registered an interest in a career move, with access to exciting opportunities in the organization. Access to opportunities is enabled through The Evolve application, launched in 2019, where employees can access opportunities and apply for open positions. The Group Career Virtual Fairs offer dedicated sessions with Atos Senior Leaders to help employees explore new business career direction, followed up with dedicated sessions with recruiters.
- Your Development - Fully aligned with Atos Group branding #TheFutureIsOurChoice, Atos Group Career Management runs monthly webinars dedicated to the career development of Atos's employees. In collaboration with Learning & Development and the performance team, these webinars offer employees an opportunity to reflect on their career and skills and understand the support and training available to them, empowering employees to be the CEO of their Career. In 2021 Career Advisory sessions were implemented to support employees with the queries regarding their career and development.
- The Organization - Ensuring employees are connected with Atos and understand the strategy is important to their overall career planning. Employees are kept connected to developments that may create career opportunities through dedicated Yammer space and via newsletters and webinars.
- Your skills - Providing employees with information on the wealth of training and development available at Atos through Atos corporate University, internal and external certifications and a range of training offerings via My Learning, webinars and newsletters.

Continuous support is offered to all employees via Atos on-line community Yammer space MY FUTURE AT ATOS. With over 23,000 members, this space shares role opportunities, learning and development and support employees with applying for their next role. In addition, Atos dedicated quarterly newsletter shares news and developments to support their career enhancement. Atos webinar offerings (training, Job fairs and career webinars) have welcomed over 3,000 employees in 2021. All of these offerings are structured in alignment with the career wheel.

Career focus: talent & key people[1]

Group Career Management places special attention on the careers and growth of Atos' talents and key people by offering a dedicated 1:1 career coaching session for those who are interested in career mobility. Focusing on their individual career aspirations Group Career Management explores how their network can be expanded, considers their brand, their aspirations and develops a common career plan. Proactively working with the business to share profiles, support succession planning and access new opportunities, over 250 individual career and talent conversations took place with Atos' talents and key people in 2021.

1 *Key People are the employees identified as being key to the organization. Atos defines two tracks: Expert Track with high-end Experts and Scientific Community members and Strategic Skills holders, and Leadership Track: Top Talents and Talent Programs Alumni, Key Contributors, and Successors to Executives.*

Key people support has been reinforced with a digital application to enhance on communication and actions tracking. Dedicated sessions are also being held with managers of talents and key people to increase their awareness and to support them with their talent development actions. In 2021 a key people managerial training curriculum was introduced to support managers with the tools and knowledge to develop and support Atos talents and key people more extensively.

Career Development

In Atos, having open, honest and timely conversations around performance is a strong driver. Through regular connections with its employees, Atos provides clear expectations, timely and fair feedback to support development goals and ensures its employees are assessed in a fair and transparent manner. So, every Atos employee is entitled to an Individual Development Plan, as part of their regular career and performance-related conversations with management. 77% of Atos employees created their Individual Development Plan in 2021, which is encouraging given the very high number of new joiners. Atos reinforces systematic and consistent semester-based objectives setting and appraisal reviews, supported by policies and tools. 87% of employees received performance and development reviews in the last 12 months same than in 2020 [GRI 404-3]. 100% of the Atos key people population had a review in 2021, similarly to 2020.

This not only secures a solid basis for further development of Atos employees; it also helps with the alignment of people objectives across the organization, increases clarity and transparency in workforce capabilities, and helps to identify potential gaps. Those gaps are then intended to be filled primarily with internal candidates, to further enhance the development opportunities for Atos's employees. In 2021, 66% of all resource requests were filled in internally.

Global Mobility

International Mobility is increasingly considered as a key lever for talent development and retention, and in particular to support international skills deployment in markets where gaps and opportunities are present. During 2021, Atos has also accompanied the transition from traditional mobility to a more bespoke model demonstrating agility in a market driven by a more flexible workplace and also constrained by the pandemic. Compliance and employee safety have remained the cardinal principles in the face of the challenges thrown up by the health crisis.

The quality of internal services and user experience remain an absolute priority in order to manage risk for Atos and render the experience transparent and smooth for the employee. In 2021 the Company made strides in its global governance model (ensuring harmonized policies, streamlined delivery model, and adapted e-learning), in its tooling integration (both internal travel tool integration and external integration with vendor tooling), and in its communication (with improved awareness and engagement).

2021 has been a challenging year for Atos employees with the stress and uncertainty caused by the pandemic. Atos mobility has supported its mobile employees with a quality service, mitigating both the stress of moving and changing environment/culture and the health and security risks which were unfortunately all too present. In 2021, International Mobility managed around 2,450 cases of expatriation plus over a thousand international hires.

5.3.4 Employee Health and Safety

[103-1 Occupational Health and Safety], [103-2 Occupational Health and Safety], [GRI 103-3 Employee Health and Safety], [GRI 403-1], [GRI 403-2], [GRI 403-3], [GRI 403-4], [GRI 403-5], [GRI 403-6], [GRI 403-7], [GRI 403-8], [GRI 403-9], [GRI 403-10]

Atos has always been and is very committed to maintaining and promoting the health, safety, and wellbeing of its employees, never more so than in the current climate with Covid-19 pandemic. Putting people first is the foundation of the Atos way of working. This is why Atos's Health & Safety programs not only accommodate legal requirements, but consider the needs and expectations of interested parties, assess and manage risks, report and investigate incidents, formalize framework and objectives, provide and track training, and consult employees, creating a positive health & safety culture.

5.3.4.1 Crisis Management

Covid

In 2021, the Covid-19 crisis has maintained employee health at the heart of Atos management focus.

The global and local governance structures created at the start of the pandemic have evolved. As it became evident that the pandemic was here to stay, the Group focus became resiliency, and the instance became the Group Resiliency and Monitoring Committee (RMC). This committee, sponsored at the highest level by Executive leadership in HR and including senior leadership in HR, Security, Communications, Quality, Logistics, IT, ERM[1] & Internal Control, Compliance, and Insurance as well as representation of all Operations and Industries, sat throughout 2021 at a frequency ranging from weekly to monthly depending on status and risk outlook. This committee was supplemented by inputs from different specialists (data protection, medical, logistics etc), as well as other relevant programs:

- **Bamboo:** Creating a diverse and inclusive working environment, with a particular focus on enhancing team collaboration and learning from their successes during the crisis. Focus on the health and safety of Atos's employees and communities by creating a seamless online and onsite experience, and empowering employees to work autonomously to perform their tasks and responsibilities from the place where they are most effective. During 2021, an average of 89% of Atos employees were working from home (ranging from 83 to 92%);
- **We are Atos:** Ensuring that each employee had access to companionship across the Atos family as well as resources necessary to adapt in the new Covid world. Initiatives varied from virtual coffee meetings and other online fun activities for all employees and their family members to inspiring webinars and e-learnings on maintaining physical and mental health.

The Group guidance was cascaded locally for adaptation to local regulations, culture, and constraints. The principal measures agreed by the Group Resiliency and Monitoring Committee were:

- facilitation of homeworking and flexible working;
- facilitation of track and trace for protection and prevention;
- applications deployed for site presence management;
- adaptation of IT capacity;
- adaptation of business continuity plans in alignment with clients;
- office protocols: reduction of site capacity, barrier and distancing measures, cleansing facilities, communications;
- individualized support for employees who may have tested positive, need medical attention, have symptoms or simply feel safer in quarantine (because of vulnerability or exposure);
- global communication, local communication with varying supports: mailing, posters, flyers, videos;
- certain work from home reimbursements and set up assistance;
- revised processes to adapt to new distance working reality: onboarding, meetings, trainings;
- specific e-learning training modules created around Covid-19 related issues;
- local mental health initiatives and employee support networks;

Local deployment example in UK & Ireland:

- regular communication;
- facilitation of homeworking and procurement and provision of laptops;
- governance: Weekly Covid Exec Working Group consisting of members from Health and Safety, Business Continuity, Communications, Facilities, Security, and operation business representatives, as required;
- risks and mitigations have been managed by a series of policies, procedures, guidance, FAQ's and risk assessments, all coordinated via the Covid Exec Working and all in line with guidance produced by the 4 devolved nations of the United Kingdom;

1 *Enterprise Risk Management*

- consultation: Before any roll out of significant policy documentation (including risk assessments, safe systems of work etc.) these are put to the unions for consultation and any feedback is then applied if it is agreed necessary;
- monitoring: Atos UK&I HSE team carried out over 130 Covid Secure Site audits and continue to do so, ensuring that the latest guidance/controls remain in place;
- on-site lateral flow testing has been implemented in Atos 'operational' sites;
- temperature checking devices are installed at sites with increased occupancy levels;
- all locations have also been provided with CO_2 monitors to measure the effectiveness of the ventilation, which is an important factor is reducing the spread of the virus;
- cleaning protocols: the UK&I Facilities Management Team manage a strict set of cleaning protocols which are both proactive and reactive;
- response team: The Covid Exec Working Group, also known as the 'Silver Team', mobilize a response to a possible/confirmed case of Covid-19.

The Covid-19 pandemic has highlighted Atos strong culture of social responsibility as exemplified through effective crisis management guided by people care, and health and safety. In the GPTW survey held in November 2021, 87% (up on 2020) of respondents answered that 'my company adapted well to the lockdown' and 85% (up on 2020) that 'my manager is available and a good listener since the introduction of Covid-19 related measures'.

Atos IT ensured that Atos production, communication, cooperation, financial and human resources systems were available without facing any collapse, anticipating potential bottlenecks, as more and more people worked from home. At the beginning of the pandemic, Atos upgraded the number of licences, the network bandwidth and provided notebooks to Atos employees who used desktops, even delivering them to their home addresses in many countries, not to jeopardize business continuity. In Atos Digital Workplace (CHESS 2), the employee workplace rely on Internet connectivity to remain up to date, secure and deliver many services like mail or collaborative platforms. All the Internet activity is protected through anti-malware filtering, and access to specific service is delivered through distributed worldwide VPN platforms (URA).

All Atos employees also benefit from virtual offices and interactive meeting rooms (Microsoft Teams & Circuit) where they can talk, see and collaborate from home as they would from the office.

Multiple mobile apps have helped to transform some of the in-person activity while working from home, like the Atos Welcome app, where newcomers are guided in the discovery of their new company or the Atos SafeOffice app which smoothed the progressive return to the office.

Atos employees reported an excellent satisfaction rating of 7.6 (on a scale of 1 to 10) in an IT End User Survey conducted in October 2021.

Atos cares for its employees by:

- enabling its employees to work from anywhere with safe and secure remote, online, everywhere access, optimizing digital possibilities including video, accessibility features and assistive technologies;
- facilitating healthy working conditions wherever Atos employees work;
- ensuring its employees to maintain a healthy work-life balance as well as a sense of belonging and community within Atos, whether working online or in-person;
- offering the opportunity to reduce commuting time and, as such, be an actor of the Atos's decarbonization strategy.

SERT

With its global reach, Atos Safety Emergency Response Tool has been helping to keep employees safe around the world since 2016. Indeed, Atos developed its own Safety and Emergency Response Tool (SERT) that is activated by local management in areas where a natural disaster or major incident has occurred which could put Atos employees' safety at risk. In the event of a natural disaster, terrorist attack or any kind of emergency, the employees identified in a geographical danger radius – based on information provided in its HRIS on a voluntary basis - receive an email and an SMS from this tool. In 2021, a global project team was created to improve awareness of the tool (through communication), user readiness (through training), and process effectiveness (through testing and continuous improvement).

Through this online tool accessible to all employees 7/7, 24/24, employees can report their status, and the status of a colleague(s) and request assistance. In 2021 SERT was effectively activated in the United States, New Caledonia, New Zealand, Colombia, Israel, Bengal, Greece, Philippines and India.

5.3.4.2 Health & Safety

The Standard ISO 45001:2018 sets the minimum requirements of occupational health and safety practice to protect employees worldwide. In that context, many of the Atos local sites located in the Czech Republic, United Kingdom, Portugal, Spain, Italy, France, Romania and Austria have an Occupational Health and Safety Management certification according to OHSAS 18001:2007 or ISO 45001:2018. In 2021, Atos has 34 sites certified in Health and Safety systems according to ISO 45001 [GRI 403-8].

Health and Safety is managed locally and governed by each Atos Country or Country grouping in recognition of the different legislation, norms and standards applicable. Then, the level at which each formal joint management-worker health and safety committee typically operates within the organization is country based [GRI 403-1]. The formal local agreements with trade unions cover health and safety topics [GRI 403-4]. The musculo-skeletal disorders are considered the highly incident occupational disease between Atos employees [GRI 403-2], [GRI 403-10].

As a large and representative country cluster, the example of UK&I hereafter illustrates the Atos's approach:

- objectives: Occupational Health and Safety Objectives for UK&I in 2021 were related to the extension of Certification (ISO 45001 2018), emergency preparedness for Covid-19 (business continuity, implementing a new on-line tool for driver risk management, plus migrating to an updated platform for recording and investigation unwanted events (accidents/incidents etc.) and the management of Internal Audits/inspections/risk assessments, completion levels of mandatory Health, Safety and Environment (HSE) learning courses, and reducing number of employees with outstanding high/medium - display screen equipment (DSE) health risks;
- risk assessment: Risk assessments are carried out on an online system, AIRSWEB and there is also an online register called Legal Watch. Once a year, Atos runs Enterprise risk management workshops which turns into specific operational objectives and plans shared with associated owners;
- training: SHINE is an online platform which hosts six mandatory e-learning HSE courses: Office Safety, Fire Safety, Display Screen Equipment (DSE), Home Working Safety, Managing Safety (Managers only), and Driver Safety Awareness. HSE Coordinators are required to attain the Institute of Occupational Safety and Health (IOSH) Managing Safety Certificate, renewable every 3 years. Fire Safety Managers and First Aiders attend an externally provided and verified courses renewable every 3 years;
- consultation: Health & safety consultation is a legal requirement and a collaborative approach to worker consultation has developed a positive health and safety culture allowing it to become embedded in the organization. Employees who feel valued and involved in decision-making play a big part in a high-performing workplace. It brings about improvements in overall efficiency due to a positive health and safety culture, greater awareness of workplace risks and better control of workplace risks;
- communication: The UK&I Health and Safety Policy, the OHS Occupational Health and Safety Management Manual and associated procedures which make up Atos OHS-Management System (OHS-MS) are hosted on 'SharePoint'. Atos issues a weekly UK&I Bulletin which has been used to help promote and communicate HSE information and campaigns across the business. The UK&I Bulletin has also been used to publicize the Company's strategy and procedures around Covid-19. A monthly HSE report is produced and distributed to Senior Management to communicate information on performance against objectives, targets and risks;
- recognition: Atos aspires to excellence. Through external verification, Atos UK&I achieved the Royal Society for the Prevention of Accidents (RoSPA) President's Award. This is awarded to organizations who have achieved 10-14 consecutive Gold Awards. As of 2021, Atos UK&I has achieved 12 consecutive Gold Awards for Occupational Health and Safety. Atos is also proud of its record of attaining 4 Gold Fleet Safety Awards.

5.3.4.3 Wellbeing

Atos is committed to providing an inclusive and supportive working environment for all employees and has an extensive wellbeing program. Illustration with the UK&I:

The Employee Assistance Program (EAP) provided by PAM Assist, provides advice and support to employees with health problems that are work related and non-work related. They also provide advice on rehabilitation programs, disability adjustments and the management of existing work-related health problems. Atos is committed to providing an inclusive and supportive working environment for all employees.

Mental wellbeing has also been considered. Atos has trained Mental Health First Aiders across the UK&I that provide support and assistance to staff and managers. By helping the staff feel happy, they can then perform at their best, ensuring the Group provides its best services to its clients.

Atos understands the importance of a safe working environment and healthy workforce which in turn enables Atos to be able to provide the services required by its clients.

Examples of initiatives:

- **stress management:** An Individual Stress Risk Assessment is conducted by the Line Manager who completes the assessment with the employee. Employees are also encouraged to use the EAP when stress is identified or the Stronger Minds helpline available through AXA Private Medical if the employee is eligible;
- **accessibility:** Atos has a dedicated Accessibility Team. Atos recognizes the importance of making information, services, and job opportunities accessible to all. Atos strives to uphold the principles and best practices of the internationally recognized accessibility standards (WCAG, BS8878 & EN301549);
- **menopause:** The changing age of the UK's workforce means that a large and increasing proportion of employees will be working through and well beyond the menopause. The menopause affects all women as well as some transgender, intersex and non-binary individuals. Atos has both PAM and OH engaged to support any member of staff who may be affected, and any individual can request assistance or request a referral through their Manager. This is also supported via a dedicated Menopause policy document.

5.3.5 Diversity

Atos's ambition is to be an inclusive, diverse and ethical employer of choice and for its employee experience to be truly best in class. It strives to create an environment in which difference and individuality is valued and celebrated, in order to realize its full potential. Diversity, equity and inclusion is a foundational principle. It is a culture that Atos creates, celebrates and owns. It is an embedded part of Atos's DNA in which Atos empowers its people to be their authentic self.

Diversity and Inclusion is embedded as one of the key elements of the Group We are Atos strategy, helping to create the best employee experience and make Atos a fantastic place to work. It is also a core principle within Atos cultural refresh program LEAP, embodied within one of its five values: We are Inclusive.

We respect each other and encourage difference. We create a safe, diverse, equitable and open environment built on wellbeing. We lead with care, understanding and humility.

Atos's global workforce of 107,000 business technologists across 70 countries representing 149 nationalities truly demonstrates it strength of true diversity of background, experience, race and culture.

Throughout 2021 Atos's Diversity Program continued to focus on four main dimensions: Gender, Cultural Diversity, Accessibility, and Generations. The Program is sponsored by a Global Steering Committee with Group general management Committee members.

The program has targeted training, initiatives, interventions and engagements across these four dimensions, including the following:

Gender	Cultural Diversity
• Launched Gender Diversity Hiring Boards across the organization, focused on increasing gender diversity in the applicant pool for senior positions • Expanded the Global Women's Executive Mentoring Program, added 260 mentees during 2021 to take the program to 480 • Continued partnership with Textio to ensure gender neutrality, ranked among the top 5% of Textio partners for highest share of users to earn their Inclusive Recruiting Certification in 2021, resulting in being nominated for the "Textio Growth Mindset Award" • Running key engagement and celebration events such as a series of webinars and the #ChooseToChallenge essay collection promoting women's equality as part of International Women's Day 2021 • Named as The Times Top 50 Employer for Women for 3rd year in the row[1] • Women in IT Finalist as Employer of the Year	• Ran McKinsey's Black Employee Executive Leadership and Management Accelerator programs, taking cohorts throughout 2021 • Launched focused education sessions such as The Culture Club or Talking Circles series focused on exploring culture, norms, behaviours and developing a shared understanding • Celebrated key events showcasing the stories of Atos people during Black History Month or Hispanic Heritage Month • Strengthen relationships with UN, AARP, Valuable 500, Stonewall and L'Autre Cercle • Launched the NA Latin American AGNA Women of Color program, focused on development of African-American, Latina, Asian and India Asian women
Accessibility	**Generations**
• Held Atos's 7th Global Accessibility Awareness Day, a virtual event livestreamed across multiple social media platforms, live captioned and with sign language interpretation • Key partner in the launch of #WeThe15 movement • Participation as a Microsoft Accessibility Partner to promote accessibility/disability awareness	• Involvement in the French government's initiative #1Jeune1Solution, including participating in a video conference with President Macron on March 1, 2021 • Launched the Bridging the Generational Skills Gap program to support employees through reskilling and upskilling • Expansion of university engagement programs to provide career guidance to students preparing to enter the professional realm, including global campuses such as Tec de Monterrey, National Technical Institute for the Deaf, State University College of New York at Geneseo or the Virtual Girls Day ran by Atos Germany

1 *https://atos.net/en-gb/2021/awards-en-gb_2021_04_29/atos-named-a-times-top-50-employer-for-women-for-third-year*

DIVERSITY TABLE
[SASB TC-SI-330A.3] [GRI 405-1]

Category	Definition	Employees	Nationalities	% Female	% Male
Entire organization	All employees	107,572	149	31.5%	68.5%
Composed of [1]:					
Top Management (excl support functions)	GCM 7+	5,486	64	14.4%	85.6%
Top Management (support functions)	GCM 7+	2,287	56	25.4%	74.6%
Junior Management	GCM 5/6	28,296	111	26.3%	73.7%
Technical staff (excl support functions)	GCM 0 to 4	58,573	136	36.3%	63.7%
Other (support functions)	GCM 0 to 4	3,194	64	55.5%	44.5%
TOTAL		97,836			
Independent sub-category focus					
GMC [2]	Sub-category of Top Management	19	7	15.8%	84.2%
Executive Group [3]	Sub-category of Top Management	474	28	31.6%	68.4%

1 *Germany and new acquisitions are excluded in GCM level relevant categories*
2 *Group Management Committee (GMC): Atos Top Management team leading group vision and defining strategy. Made up of the most senior managers in the organization.*
3 *Executive Group: A wider senior management network, holders of management positions and talents. Responsible for implementing strategy and delivering operational performance.*

Diversity Networks

Across the organization the Group is working to build a stronger sense of community, drive understanding and awareness, and create an environment of unity and belonging. It has nine affinity networks in place that each drive actions, initiatives and programs centered on their remit.

Aspire Network
Armed Forces Network
Return to Work Network
Together Network
10+ Network
Pride Network
Aeon Network
Millennials Network
Adapt Network

In 2021 in partnership with the networks Atos:

- launched an Armed Forces Network Mentorship program;
- re-signed the Armed Forces Covenant, renewing its Gold status in the Ministry of Defense Employer Recognition Scheme. This reinforces Atos commitment to the defense and armed forces community;
- celebrated Black History Month partnering with the Together Network and the NA African-American Affinity Group on a session with special guest Elin Karlmark. Elin is s a Diversity and Inclusion professional residing in the Netherlands. She joined the webinar to share her very personal story as the daughter of one of The Little Rock Nine;
- received UK Disability Confident Leader certificate, recognizing the work particularly supported by the Adapt Network to educate employees on disabilities including accessibility, update induction materials, provide dedicated HR community training and development of a number of recruitment paths that are dedicated to supporting the employment of people with disabilities;
- celebrated International Women's Day with a collection of essays on the #ChoosetoChallenge theme from women across the organization, including those within the Inspire Network;
- took part in the Stride for Pride charity initiative. Employees, as well as their friends and family, join setting themselves a personal fitness goal whilst raising awareness and funds for MindOut;
- celebrated Non-Binary Awareness Week reminding employees of the support available to them, including information on non-binary identities and how to be a better ally, and share the experiences of non-binary role models from within the organization.

Across 2022 Atos will continue to expand its networks and the community of ambassadors they contain to drive progressive development, actions and focus.

Promoting gender
[GRI 405-1]

Atos continues to actively address the gender challenge present in its industry. Atos is committed to increase the number of women employed at Atos, specifically in senior level positions. Central to this is the "Women who succeed" program which facilitates targeted conversations with the Group general management Committee and senior level women to provide networking, educational and career development opportunities to position them for promotion. Alongside this Atos has expanded the Women's Executive Mentoring program, now supporting 480 mentees through webinars and mentorship sessions, widening exposure and launching development conversations to how focus on long-term career goals.

In addition, during the year 2021 the Board of Directors of Atos SE was composed of 46% women directors[1]. Also, the Company is complying with the 40% rate of women directors set forth by the French law n°2011-103 dated January 27, 2011. The Atos Executive Group (previously Group Executive Management), which is an Atos Senior management network, including management position holders and talents, in charge of implementing Atos strategies and delivering Atos operational performance, is continuously monitored and reviewed. It contained 474 top managers as at December 31, 2021. Criteria for selection is based on performance, entrepreneurship, innovation and fellowship, and membership is reviewed on an annual basis. In 2021 there continued to be a focus on gender balance for this group in alignment with Group gender diversity. 31.6% of the Atos Executive group are women, where it was only c. 13% in 2019.

There is continued focus across the recruitment practices to drive gender balance in the applicant pool. Atos has continued its partnership with Textio to ensure gender neutrality in its recruitment materials, and it has engaged with outside partners such as The Mus[2] e to drive engagement and promotion of its opportunities to women. Internally, Atos has undertaken education and training sessions with its recruiters and hiring managers to highlight the importance of diversity and identify actions to support the Group's ambition. A key action Atos launched in 2021 was the establishment of Gender Diversity Hiring Boards. These are focused on ensuring that there is a gender balance in the applicant pool for its senior positions so as it can increase the number of women in senior positions. For 2022 Atos has set itself a target of 40% of candidates hired to be female; continuing to drive this focus and agenda across its business.

Atos adheres to the legal frameworks related to diversity and which abolish discrimination. 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".

Gender-pay-gap
[GRI 405-2]

Some differences of salary between females and males still exist, but the gap is narrowing thanks to steps taken by the Group. Indeed, on a reporting scope covering 88% of Atos employees, the salary gap between women and men is less than 7% concerning Annual Basic Salary, and less than 7.5% concerning Total target Remuneration. In France pursuant to an agreement with unions, a special reserve is set aside every year to come on top of the traditional salary review exercise so that the relative difference in average income per category between men and women is reduced.

1 *40% (4 out of 10) pursuant to the legal ratio. In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors.*
2 *The Muse, a content based recruitment site for the next gen workforce to research companies and careers. https://www.themuse.com/profiles/atos*

The French government requires each company of a certain size to publish the professional gender equality index (index de l'égalité professionnelle entre les femmes et les hommes[1]) based on the gender salary gap, the spread of individual increases, the number of increases following a return to work after maternity, parity amongst the 10 highest earners, and spread of promotions. A minimal rating of 75 out of a maximum 100 is required. In 2021 Atos France's score[2] progressed by one point to 88, covering 97% of the headcount of all Atos France entities.

Though many factors can account for an apparent salary gap between male and female (seniority in the position, total years of seniorities, etc.) the Company is addressing any systematic bias that may have survived through process and adapted benchmarks. Atos has a specific budget for gender-pay-gap reduction.

Atos Pride
[GRI 405-1]

Atos understands that people perform better when they can be themselves. The Atos Pride network exists to bring together and support all lesbian, gay, bi and trans (LGBT+) employees in the workplace. The principles of the network are to support Atos in becoming a truly LGBT+ inclusive workplace, enhance the performance potential of LGBT+ employees, develop a diverse culture Atos is proud of and engage its clients and partners on its journey. As a Stonewall Diversity Champion the Group has also access to best-practice approaches and utilizes the Workplace Equality Index benchmarking tool to assess its progress on LGBT+ inclusion. The Group acts as a source of advice; hosts awareness raising events and provides strategic advice to its organizations on issues impacting LGBT+ employees. Key achievements include:

- named #40 in the Stonewall Top 100 Employers list for 2020/21 and being acknowledged by Stonewall as being a highly commended LGBT+ employee network[3];
- created the Pride In Tech forum with other Stonewall Top 100 members in the tech industry;
- implementing the option to use Mx as a title option within systems;
- launch of a gender transition policy.

As part of celebrating Pride Month Atos ran webinars that included topics such as:

- our focus on ensuring that HR policies use inclusive language;
- how the pandemic has impacted the LGBTQ+ community;
- external guest speaker Sophie Delannoy from L' Autre Cercle sharing information on Atos's involvement in Odyssey for Equality and Copenhagen 2021;
- intersectionality of the AANHPI and LGBTQ+ Communities;
- Lunch and Learn – Disney Pixar's Luca;
- deep dive on the AtosPride Book Club selection for September 2021: Parents Who Lead by Stewart Friedman.

5.3.6 Accessibility and Digital Inclusion

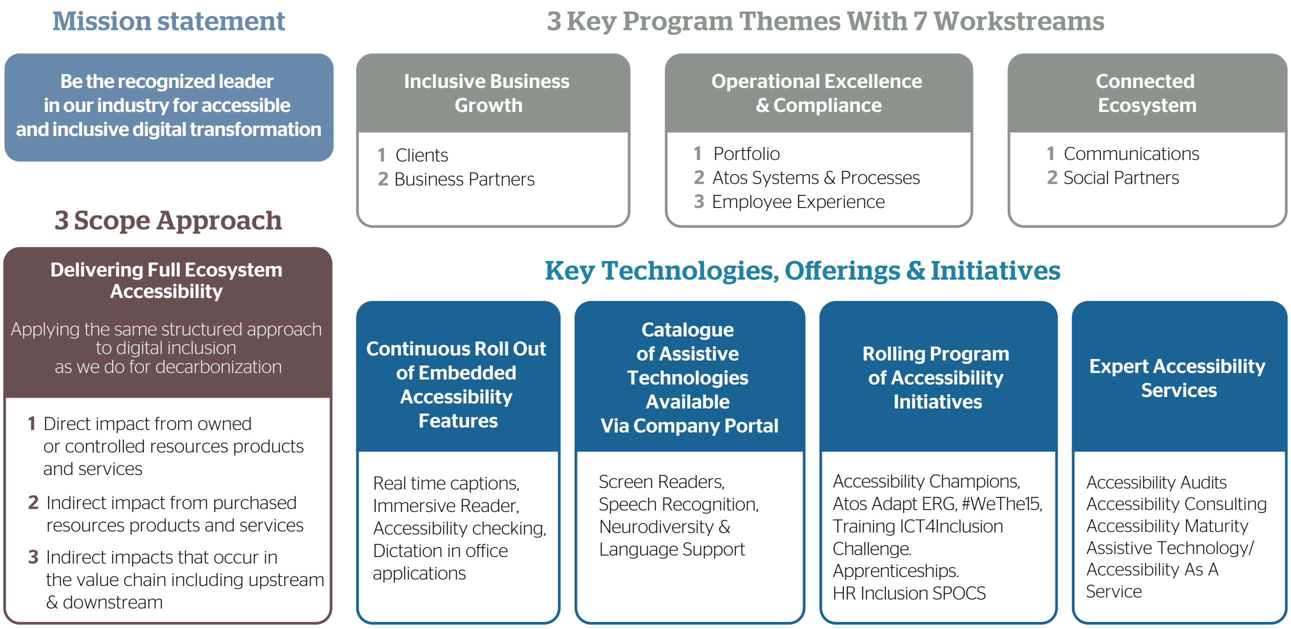
Atos has continued to build upon the work done in previous years to deliver accessibility and disability inclusion for its employees and its clients, delivering an Inclusive Organization and Accessible & Inclusive Services via a structured Accessibility & Digital Inclusion Program and Accessibility Practice.

Accessibility and Digital Inclusion are part of Atos values, embedded in its statement of purpose by which Atos aims to enable people "to live, work and develop sustainably and confidently in the information technology space". Ensuring that digital technologies and services are accessible and inclusive, is crucial to support that everyone is offered appropriate support and the opportunity to reach their full potential, especially since remote and home working have become more frequent.

1 *Loi pour la liberté de choisir son avenir professionnel; applied through the implementing decree: Décret n° 2019-15 du 8 janvier 2019 portant application des dispositions visant à supprimer les écarts de rémunération entre les femmes et les hommes dans l'entreprise et relatives à la lutte contre les violences sexuelles et les agissements sexistes au travail*
2 *This index score includes all Atos France entities except Atos International France*
3 *https://atos.net/en-gb/2020/press-release-en-gb_2020_01_30/stonewall-names-atos-one-of-britains-top-100-lgbt-inclusive-employers*

5.3.6.1 Global Accessibility & Digital Inclusion Governance Program

In 2021 Atos initiated a Global Accessibility Governance Program with a dedicated Program Manager to bring to life the Accessibility and Digital Inclusion Policy, signed first in 2019 when Atos also joined the Valuable 500 Policy and updated in 2021.



The global program, is articulated around 3 key program themes with 7 main work streams:

- **inclusive Business Growth** addressing Atos's Clients and Business Partners;
- **operational Excellence and compliance** regarding Atos's Portfolio, Atos's systems and processes like Atos IT, Reporting, Compliance and Procurement as well as the Human Resources work stream for an inclusive employee experience looking at the topics of Culture Change, Workplace Adjustments, Recruitment, Progression and Retention as well as Learning and Development;
- a **Connected Ecosystem**, encompassing external and internal communications and branding as well as the work with social partners like the Valuable 500 and the Business Disability Forum.

In order to maximize the impact, Atos has chosen a holistic approach to benefit as many people as possible aiming to improve experiences for everyone and thus beyond the estimated 15% of people with disabilities[1]. The approach therefore is to **deliver Full Ecosystem Accessibility** by applying the same structured approach to digital inclusion as done for decarbonization. The 3-scopes encompass:

- direct impact from owned or controlled resources products and services;
- indirect impact from purchased resources products and services;
- indirect impact that occur in the value chain including upstream & downstream.

The program is two-fold, addressing the Group's own transformation to be an inclusive company on a global level as well as delivering technologies and services to its Clients fostering their inclusive digital transformations. The accessibility services and solutions have been consolidated into a unified global dedicated portfolio delivered by or with support of the Company's accessibility practice with expertise and specialist knowledge. To underline the importance of the Accessibility and Digital Inclusion Governance, the Book of Internal controls includes new controls linked to the policy and program implementation.

1 *https://www.who.int/teams/noncommunicable-diseases/sensory-functions-disability-and-rehabilitation/world-report-on-disability*

5.3.6.2 Capacity Building

For the governance, a dedicated Program Manager was appointed. The Accessibility Practice[1] continued in its development as part of the Spring organizational evolution, with the recruitment of regional Heads of Accessibility situated in Spain, India and France.

5.3.6.3 Highlights of 2021

2021 has been an important year for the program with the release of concrete tools and features in the Digital Workplace Practice. The objective for Atos digital workplace is to offer assistive technologies for all employees and external resources needing them, regardless of their role or location, and to continuously improve compatibility with other applications. Additionally, Atos is leveraging Microsoft O365 assistive technologies in several areas such as speech recognition, text to speech, accessible colour themes, accessibility compliance controls including numerous concrete features that got deployed on:

- Microsoft Teams like Speech recognition products; Dictation; Real time Captions, Translation to 90+ languages; Background noise suppression, High contrast mode, User Support Hub: Chatbot e.g., beneficial for people with auditory or speech impairments but still being fully optimized on accessibility features;
- Microsoft O365 like the Dark / High Contrast mode, use of screen readers, Accessibility Checker (for creating content) and Immersive reader to support neurodivergent conditions and non-native speakers of languages.

Since 2021, Assistive technologies can be requested by impaired employees and accessibility support (testing, auditing, consulting) can be requested internally via PISA (Platform for Internal Services @ Atos). For applications, an inventory of around 160 global applications has been established and triage for accessibility was conducted based on existing documentations (VPATs, accessibility conformity statements). For these applications, a priority for further auditing and rework has been determined along two dimensions. Firstly, regarding the number of application users and its business criticality. Secondly, on how much control Atos has on the way to improve the application's accessibility via in house developments, customizations, and configurations versus "Out of the box" e.g., that is to say the one to be corrected by vendors or partners and applications that are scheduled to be decommissioned. Main improvement areas identified by past reports have been alternative texts, contrast ratios, keyboard navigation within and between pages, alternatives to audio contents, resizing compatibility and distinct focus on active element.

Accessibility was addressed in the new corporate Eco-Branding[2] with dark mode and colors designed to meet requirements for color contrast as well as improved font legibility. Communications were improved to have closed captions for promotional animations and interviews published on social media.

Two patents have been submitted so far by Atos; one for Accessibility as a Service (AaaS)[3] helping clients ensure service continuity, interoperability and minimize disruption from the introduction of new tooling, updates, services and the other for clients within Public Safety sector to deliver more accessible first response services which help to adapt to the upcoming stricter European legislation[4] .

Atos continues to engage key stakeholders and contributors on its key pillars to **reach a next level of excellence** for its employees and clients, for example, the launch of the HR Disability Inclusion Country Ambassadors Network as part of the Employee experience work stream. One aim of this Network is to exchange on and collaborate on best practices between countries like e.g. to learn from the Atos Group in France, which reached an employment rate of 4.89% in 2020, which made Atos one of the French digital services providers (French: "ESN") with the highest employment rates of people with disabilities within its professional sector in France, the average being around 2% in after the most recent stud[5] y". 2021 was also a special year **because of th**e Covid-19 Pandemic, in this context Atos addressed **the key challenges that people face going digita**l, in terms of accessibility (the ability to connect to the Internet and use services, connectivity – fixed line broadband & mobile, accessibility & interoperability with assistive technologies), skills (digital literacy be able to use applications & the Internet, knowledge of assistive technologies that help disabled people) and motivation and trust (knowing the reasons why using digital technology is a good thing and feeling confident in using it).

1 *https://atos.net/en/lp/accessibility-and-assistive-technology-iux*
2 *https://atos.net/fr/a-propos-d-atos/atos-ecobranding*
3 *"Tracker for classifying information and a planning system", European patent application n° 21152989.6, Filing date: January 22,2021*
4 *Method and system for automated personalized messages and personalized evacuation guidelines indoors or outdoorsµµµEuropean Patent Application No. 21,198,274.9, Filing date: September 22, 2021*
5 *L'Adesatt (Association d'étude et de suivi de l'aménagement du temps de travail) created by the French industry federations Syntec and CICF did an industry specific disability inclusion study for the branch of technical design offices, consulting engineering firms, consulting companies with actéhis and Thomas Legrand Consultants called "Etude Handicap" mentioning the 2% occupation level of persons with disabilities in the industry Atos belongs to and 3.8% on national level in France (non-industry specific). Link to extract of the study: https://www.cinov.fr/etudes-et-publications/adesatt/le-handicap-dans-la-branche-des-bureaux-detudes-techniques-cabinets*

5.3.6.4 Building & Sharing Knowledge and Professionalization

Knowledge sharing and training on disability and accessibility has been a key topic for 2021. The Group has deployed its first curriculum with assessment for All-Employees on Accessibility and Disability Awareness as well as reviewing and preparing role specific trainings to be deployed in 2022. The FUEL program for future leaders engaged and created an accessibility champions program in collaboration with the Accessibility team and external partners. Atos holds a monthly accessibility round table meeting with guest speakers from around the world including accessibility leaders and continues to attract new people. Other wide-ranging open online events for key days in the disability calendar are also being held, such as Global Accessibility Awareness Day (GAAD)[1] in May and International Day for Persons with Disabilities[2] and Purple Light Up[3] in December where employees, partners and the public are welcome to join in celebrating the talents of disabled people and to discover Innovation in Disability Inclusion. Local participations and offers, e.g., in France did exist for Duo Day during the European Disability Employment Week, the 18th November.

Atos has been actively engaged as a group in professionalization initiatives for accessibility:

- the work started in 2019 on the Digital Accessibility Specialist Apprenticeship Standard[4] which was fully approved with a funding band agreed by the UK department for Education with courses set to go live in early 2022. Atos had chaired the trailblazer group;
- Atos has also pursued its Accessibility Academy scheme often taking on a cohort of apprentices on a two-year cycle, with the latest being enrolled in 2020. The graduated alumni of the scheme continue to work in accessibility as recognized experts in Atos and across the sector;
- contribution to the work with the International Association of Accessibility Professionals to create a certification for "Strategic Leadership in Accessibility";[5]
- active advice to several organizations on accessibility organizational maturity and programs.

5.3.6.5 Fostering Entrepreneurship and Innovation in Disability Inclusion

From May to December 2021, Atos successfully held its first ever virtual development partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) as collaboration of the MakeIT Alliance (an initiative with the German Federal Ministry for Economic Cooperation and Development, BMZ), the ICT 4 Inclusion Challenge – Africa Edition 2021. The challenge aimed to "Shaping inclusive education for people with disabilities in Africa"[6] via the proposed solutions from over 400 participants organized in 202 teams from 37 countries, resulting in 3 winning teams that will be accompanied by tailored mentorship in 2022.[7] In France, the 11th edition of Handi-Entrepreneurs[8] coordinated by the Mission Emploi Handicap[9] supported the innovation process and the entrepreneurial spirit of people with disabilities.

5.3.6.6 Working with Strategic Partners and Disability Organizations

The Group has continued to develop and deepen its relationship with different business and supplier partners on the topic of accessibility, such as SAP, Salesforce and Google. Atos has further improved the joint partner offering for Accessibility as a Service (AaaS) with Microsoft[10] and has hold regular meetings as part of its joint Centre of Excellence to deliver more inclusive experiences in this partnership.

1 https://atos.net/en/events/gaad-2021-at-atos
2 https://atos.net/en/events/ict4ic-2021
3 https://atos.net/en/blog/purplelightup-2021
4 https://www.instituteforapprenticeships.org/apprenticeship-standards/digital-accessibility-specialist-v1-0
5 https://www.accessibilityassociation.org/s/strategic-leader-accessibility
6 https://ict4inclusionchallenge.net
7 https://atos.net/en/2021/press-release_2021_12_03/winners-of-first-ict-4-inclusion-challenge-in-africa-announced
8 https://atos.net/fr/2021/communiques-de-presse_2021_02_01/atos-devoile-les-laureats-de-la-onzieme-edition-de-son-concours-handi-entrepreneurs#
9 https://atos.net/fr/carrieres/mission-handicap
10 https://appsource.microsoft.com/fr-fr/marketplace/consulting-services/atosinternationalsas.atos_accessibility_as_a_service_1

Atos has continued its commitment to work with Business Disability Forum, International Labor Organization Global Business Disability Network, International Association of Accessibility Professionals (IAAP), W3C and The Valuable 500, the last with an active contribution through Atos Employees, sitting e.g. in the advisory board[1] and participations of Caroline Casey during major events like Global Disability Awareness Day (GAAD)[2] and Innovation in Disability Inclusion[3]. In France there are local initiatives with Atos being a signatory of "Manifeste pour l'inclusion des personnes handicapées dans la vie économique"[4] to collaborate on 10 commitments fostering disability inclusion.

5.3.6.7 Employee Initiatives

The Atos employee disability network "Adapt network"[5] supports employees with physical or mental disabilities or health conditions to manage their impairment whilst contributing at work holds regular events. In 2021 "Atos Adapt" started the rollout of the network to other countries and run events and campaigns[6] for the WeThe15 human rights movement created by the International Paralympic committee to support culture change aligned with the Group Policy and Program aims. "Atos Adapt" was successfully working with the UK Diversity and Inclusion Lead on gaining the final level 3 of Disability Confident.

In a voluntary capacity, Atos employees contribute to many inclusion initiatives including:

- World Institute on Disability[7];
- Neurodiversity Initiatives with neurodiversity internships in Atos UK[8];
- awareness training for managers and HR on Neurodiversity provided by Genius Within CIC to support neurodivergent individuals access placements via the UK "KickStart Scheme"[9];
- support of researchers with disabilities and research on disability via trainings, conferences, and blogs with Marie Curie Alumni Association[10] and la fédé 100% Handinamique[11];
- AXSChat online accessibility community[12]

5.3.6.8 Awards and recognitions

End of 2020, Atos has been recognized by Springboard Consulting as an expert in main streaming disability in the global workforce, workplace, and marketplace, with two awards, one in the "Workplace" category recognizing the quality of Atos's internal accessibility policy and the second in the "Marketplace" category, for the comprehensiveness of its offering to help companies to incorporate accessibilit[13]y. Atos became recognized as a "Disability Confident Leader" by the UK Governmen[14]t. Atos was also awarded in December 2021 by Fundación GoodJob in Spain for their project #include for the recruitment in cybersecurity in June 2021 of 10 employees with disabilities after a period of 10 months labor introduction in Atos through a Special Employment Center[15].

On December 3, 2021, it was announced that Atos will be a Zero Project Awardee 2022[16] for its impact of the Atos Accessibility and Digital Inclusion Policy and Program.[17]

1 https://www.thevaluable500.com/about/advisory-board
2 https://atos.net/en/events/gaad-2021-at-atos
3 https://atos.net/en/events/ict4ic-2021
4 https://handicap.gouv.fr/sites/handicap/files/files-spip/pdf/27052021_-_cp_-_la_securite_sociale_le_groupe_crit_csoec_et_cncc_rejoignent_le_manifeste_pour_l_inclusion_des_personnes_handicapees_dans_la_vie_economique.pdf
5 https://atos.net/en-gb/united-kingdom/we-are-atos/adapt-uk
6 https://atos.net/en/wethe15
7 https://wid.org/about/team/
8 https://atos.net/en-gb/2021/we-are-atos_2021_09_27/embracing-neurodiversity-in-the-workplace
9 https://www.geniuswithin.org/about-us/products-and-services/kickstart/
10 https://medium.com/@Mariecurie_alum/international-day-of-persons-with-disabilities-research-in-history-about-children-with-b14e04f5ecd0
11 https://www.handinamique.org/duoday-handimmersion/
12 www.axschat.com
13 https://atos.net/en/2021/press-release_2021_01_13/atos-recognized-twice-by-springboard-consulting-for-its-excellence-in-disability-inclusion
14 https://atos.net/en-gb/2021/news-en-gb_2021_06_25/atos-receives-uk-disability-confident-leader-certificate
15 https://www.linkedin.com/feed/update/urn:li:activity:6872072635036114944/
16 https://zeroproject.org/awardees2022/
17 https://atos.net/en/2021/news_2021_12_06/atos-accessibility-digital-inclusion-program-selected-for-zero-project-2022-award
https://zeroproject.org/streaming/video/1641
https://zeroproject.org/fileadmin/root_zeroproject/Downloads/Publications/2022-Zero-Project-Report-Accessibility-accessible.pdf
https://zeroproject.org/zerocon22/photo-wall?paginate%5Bgallery-688%5D%5Bpage%5D=5&cHash=225c61f29b38361a503481767fb1dcaa#c688&gid=lightbox-group-688&pid=13
https://www.youtube.com/watch?v=qFF2eKTqQh8

5.3.7 Employee Engagement

5.3.7.1 Culture and Employee experience

After an intense period of transforming its business, operating model, and strategy for the last 18 months, Atos recognized the need to focus attention on refreshing its culture, giving clarity to the culture it strives for and determining a path to get there. In 2021, Atos launched its culture refresh program **Leap**:

- it is a journey: The end goal is evolving, so progress will be non-linear, and after each phase Atos will pause, reflect, refine & take the next step;
- it is a co-creation: Culture cannot be a top-down initiative & will require all employees to be actively involved & to embrace the change;
- it focuses on culture, which is focused on people's perceptions, behaviours, thoughts & feelings of how an organization is – for this reason it is difficult to attribute hard measures to the journey.

The Group has defined 4 priority areas to focus on:

- identity – New values have been co-created and now need adoption:
  - inclusive: This is about respect and difference, creating a safe, diverse, equitable and open environment built on wellbeing, and leading with care, understanding and humility;
  - curious: This is about passion to learn, thirst for new knowledge and experiences to help create value for clients, and using new skills to grow as individuals, to grow client relationships and grow the Company;
  - audacious: This is about looking for innovative solutions to problems, understanding that failure is an opportunity for success, and creating change in the world;
  - responsible: This is about creating sustainable partnerships built on trust and ethics, transforming clients' businesses, society & the planet through technology, and balancing future needs with present needs;
  - united: This is about collaboration, enabling accountable decision-making at every level, and knowing that unity is better and more fun;
- leapership – Leaders will play a key role in exemplifying Atos's new values and leading their teams during this culture change;
- environment – Environmental blockers will be identified and removed to allow the new culture to thrive;
- movement – Mobilizing and motivating 107K employees to live the new culture. In 2021, over 100 live events, meetings and workshops were held, involving over 13,000 employees, and over 700 leapers[1] have been registered. In 2022, this movement will be amplified and the resulting culture perception change will be measured through pulse surveys in order to reflect and refine.

5.3.7.2 Recognition and Loyalty

Minimum wage comparison

In all countries where the Group operates, Atos entry level wage (lowest wage in Atos paid to a permanent full-time employee) is above the local minimum wage. This is aligned with the Atos commitment to a fair or living wage for all employees.

Atos is operating in 70 geographies and 90% of these countries have minimum wages dictated by law: where a minimum wage is dictated by law, Atos pays more than this level of wage [GRI 202-1].

Health care coverage, death and disability benefits

Health care is offered to 94% of permanent employees and disability benefits are offered to 92% of permanent employees [GRI 401-2]. 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 97% of permanent employees [GRI 401-2]. 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 sometimes doubled for a death as a result of an accident (China, Japan, Thailand, Poland, Spain, Brazil, Chile, Mexico, and UAE).

Coverage of the organization's defined benefit plan obligations [GRI 201-3]

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.

1 *A Leaper is an ambassador, change agent who takes an active role in the Leap process*

Atos Group Compensation Policy Principles

Atos Group Compensation Policy is designed to reinforce its position as a tier-one company for IT services and referenced as a Wellbeing@work company.

The compensation policy is based on Atos's human resources values and aims to:

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

To ensure that Atos continuously reaches these objectives, the compensation policy is regularly reviewed and deployed in all countries where Atos operates according to local specificities and regulations. All acquired companies are transitioned to Atos's compensation policy. The Group conducts an annual benchmarking exercise with Atos competitors in the ICT[1] market to ensure 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 all Atos employees that are eligible for bonus policy, variable compensation is determined on a semester basis. This approach fosters ambitious objectives setting and contributes to the alignment of business and strategic goals with missions assigned to employees.

Since 2020, the variable compensation schemes have been simplified to address different group of eligible employees:

- top and middle management:
  - business roles and Sales: their variable compensation is based on financial objectives, cascading Group budget at the relevant employee's scope (mainly External Revenue, Order Entry, Margin and Cash objectives – Free Cash Flow or Billing objective,
  - global Delivery: their variable compensation is based on financial objectives, cascading Group budget, and on key operational delivery KPIs,
  - global Functions:
    - operating at Group level: in addition to financial objectives (Group results and budget of the function), their variable compensation is based as well on one objective in line with the strategy for the function,
    - operating at Global Business and/or at Regional Business Unit levels: their variable compensation is based on the same structure, objectives and scope as the Global Business and/or Regional Business Units. Only exception is for the Finance teams, whose financial objectives are partly based on Group scope;
- other bonus eligible employees having lower level of responsibility in the organization (middle managers and their teams): their variable compensation is based on their individual performance, as assessed by the direct manager based on their individual objectives set up at the beginning of the semester.

Each semester, the Group General Management Committee reviews the Global Variable Compensation Policy to make sure that it is aligned with the Group's operational strategy. The Group General Management Committee ensures that the Variable Compensation Policy encourages the Group's employees to deliver the best performance.

As part of the Atos Global Decarbonization strategy, an **Internal Carbon Pricing mechanism** is in place since H2 2020. As mentioned in previous sections, this mechanism encompassed three main objectives: to reduce emissions generated from business operations (datacenters, offices, travel, IT devices), to guide purchasing activities and spend towards the greenest suppliers and finally, to increase the volume of decarbonization business projects with clients. The final results from the three areas cited below will impact positively or negatively the Operating Margin results, which are used in the bonus payout calculation of the top managers of the Group. These areas considered in the Internal Carbon Pricing calculation are:

- the charging of 80€/tCO_2e, based on emissions related to business travel, offices, devices & datacenter activities;
- the charging or credit based on supplier spend, supporting spend with green suppliers (credits with the percentual increase of spend with green suppliers and or percentual decrease of spend with red suppliers; charge with the percentual increase of spend with red suppliers and or percentual decrease of spend with green suppliers), avoiding suppliers with no environmental commitments;
- the credit for decarbonization business growth, supporting decarbonized business delivered to clients (credits for delivery of decarbonization projects supporting the decarbonization of the value chain).

In addition to the variable compensation, in France and in the Netherlands, Atos set up local collective profit-sharing schemes, mainly based on the financial performance of the entity.

1 *Information and Communication Technology*

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 "We Are Atos" initiative, such as:

- "accolade" which empowers employees to nominate their colleagues and gives managers the possibility to instantaneously reward their teams according to three levels (Bronze, Silver and Gold) for exceptional performance. In 2021, over 16,000 accolades were awarded in individual or group ceremonies (more than doubling the 7,000 accolades awarded in 2020);
- in 2019, the "Spot awards" were launched in the We are Atos program and implemented globally for all employees to use. Spot Awards is an online module in MyAtos and also available on mobile phones. It is aimed at creating a culture of appreciation across the organization, which helps employees to acknowledge their colleagues' exceptional efforts and instantly share their appreciation through this recognition award. It aims at timely recognition and there are no approvals required. In 2021, 11,998 SPOT awards were sent, recognizing 10,539 individual achievements and 1,459 colleagues as part of a team success.

These awards do not follow a hierarchy and can be given out across levels/functions and geographies.

The focus is on recognition, and it is a non-monetary award.

Remuneration analysis

Atos ensures its competitiveness in the market. In 2021, 66% of the Atos population was working in a country where the ratio between the highest On Target Earning (OTE) and the median one is below 10 [GRI 102-38], [GRI 102-39].

Ratio between the highest OTE and the median OTE	% of the Headcount
Under 10	66%
10<X<20	30%
More than 20	4%
TOTAL	**100%**

Employee stock ownership plans

Atos regularly propose Employee Stock Ownership plans to its employees, covering more than 98% of Atos employees worldwide. New employees coming from recently acquired companies are also eligible the soonest as possible. In September 2021, Atos launched a new plan, in the continuity of the 2020 plan:

- a discount of 25% vs the Atos share price, similarly to 2020, being among the best-in-class companies using the new legal opportunity to propose a discount above 20%;
- several payment options proposed, including advance payment by Atos with deferred payroll deduction and new payment by credit card where possible;
- one completely innovative feature by offering one additional "loyalty" matching share in the next Employee Stock Ownership plan for employees subscribing to 2 consecutive Atos plans (i.e., Share2021 and the following plan);

One step further to link Employee Stock Ownership plan with Atos ambition in terms of decarbonization by contributing to 3 reforestation projects in India, Brazil and Guinea, up to the choice of the subscriber. As in 2020, one tree will be planted by Atos for each subscriber to the plan Share2021.

The last 3 Atos Employee Stock Ownership plans, in 2018, 2020 and 2021, demonstrated a confirmed trend as regards Atos employee shareholding. In 2021, ca 12,500 Atos employees subscribed to the plan, increasing the percentage of Atos share capital hold by employees at 3% at the end of 2021.

Atos's ambition is to continue to offer such successful Employee Stock Ownership programs on an annual basis in the future to strengthen employee shareholding.

Management long-term incentive plans

Atos is strongly committed to associating its management and key employees with the long-term performance and results of the Group, notably through long-term incentive plans.

In a perspective of recognition and retention, Atos granted performance shares on July 27, 2021 to ca 1,000 employees. Roughly half of the beneficiaries are Executives, as long-term incentives structurally part of their total compensation package, and the other half based on key selected employees among talents and experts.

The vesting of shares under performance share plans is fully subject to the achievement of performance conditions.

Among these performance conditions, a portion of the grant (20% of the total grant) is subject to the achievement of Corporate Social Responsibility (CSR) conditions, as following:

- 10% of the grant are subject to an external CSR condition, linked to the Atos DJSI score positioning vs peers:
  - average of the yearly DJSI scores (World or Europe) of Atos compared to the average of the other companies over the 3-year period,
  - 10% of the grant are subject to an internal CSR condition, based on the reduction of the Group's carbon emissions, in line with Atos net-zero ambition.

For details, please refer to section 4.3 "Compensation and stock ownership of Company officers".

Smart working conditions
[GRI 102-8]

Atos provides permanent, full-time working relationships with its employees: 98% of the total workforce is on permanent employment contracts and 95% is full-time. Atos accepts part-time work when an employee considers it is better for his or her work-life balance; part-time is at the initiative of the employee, not of the Company.

Atos operates in a collaborative mode, which allows remote working and provides employees with more flexibility to find a work-life balance. All the initiatives to promote a smart and healthy work environment have helped to reduce the Company's absenteeism rate.

The absenteeism percentage regarding the direct operational workforce in 2021 was 1.93% **[A16]**. In addition, there was a total of 64 work-related accidents.

5.3.7.3 Employee Experience Program: We are Atos

We are Atos is the Employee Experience program of Atos which is a key Group transformation program for the continuous improvement of the Atos's way of working together. The program has grown and become a recognizable and constant part of the Atos culture, building on the success of the Atos Wellbeing@work program which was operational from 2010. The program looks at a wide scope of employee experience, providing guidance and support for local initiatives in all Atos geographies. It accounts for the constantly changing expectations of current and future employees and is aligned with client priorities and mutual objectives, improving client experience at the same time.

The program is driven by a network of people from all parts of the organization with local leaders covering every part of the organizational matrix. This network approach supports the local priorities, local context and shares best practices from across the Company.

To strengthen the program in Atos, the Group Management Committee (GMC) member in charge of this topic oversees the plans and activities to achieve the ambition and objectives of the five essential tracks: Diversity & Inclusion, Social Value, Wellbeing, Life@work and Employee Experience with the clients.

5.3.7.4 Social collaboration

Atos has made social collaboration one of its main levers to ensure that its clients are served to the optimum of its collective capabilities:

- the Group launched 2 global collaborative initiatives under the banner of "Atos Collective Intelligence":
  - Atos Portfolio: a collaboration platform for all Business Units and Client Executive Partners. It fully documents Atos' portfolio on an innovative platform to better position Atos with its clients,
  - Atos Client Academy: a collaboration platform for delivery units and Client Partners for a Global Account. It fully caters to current and future client's needs in a fully orchestrated manner.

Both platforms instill a true global collaboration, greater transparency and ability for experts to contribute, and create innovation opportunity in Atos' accounts:

- Atos's campus concept deployed in the different offices and structured around open spaces combined with desk sharing;
- the extensive use by the employees of the company social network ESN[1] which enables to share the Atos way of working and its values, as well as the different expert communities.

All the above are key to foster the spirit of cooperation that the employees expect, and that the Company promotes, to ensure that the staff, the clients and the Company benefit from the Atos best-in-class digital workplace.

5.3.7.5 Awareness and involving employees

Atos believes that employees are the key driver to deliver value and are the most valuable asset of Atos. A fair, frank and trustful relationship between the management, the employees and their representatives is fundamental for the success of Atos.

Atos ensures full compliance with international labor standards, by applying principles of the International Labor Organization Conventions, as it is required through its adherence 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 freedom of association, Atos has built a concrete organization for social dialogue.

Communication and social dialogue are constructive, positive and can be illustrated by effective social discussions at European and country levels.

A culture of permanent social dialogue

The European Company Council (SEC) is a forum between Atos and its employee representatives at European level. This ensures a constructive social dialog in which Atos employees - through their elected representatives - can raise their opinions before relevant decisions are taken. Atos underpins its commitment to generate value for shareholders, employees, clients, and society at large.

1 *Enterprise Software Networks*

The SEC (Societas Europaea Council) represents more than 50,000 people across Europe in 25 different countries and is deeply involved in events concerning the Atos Group.

Social dialogue at local level

Beyond the discussions with the SEC on European and multinational issues in many countries, regular consultations take place, where relevant, with local employee representatives in work councils and/or unions. This information and/or consultation discussions are rolled out at the local level of every country impacted by a new project, would this project be a transnational or only local one. The information/consultation of the SEC does not replace the local information/consultation.

Apart from the regulatory and legally required obligations, Atos also values this social dialogue as an important means to ensure that employees are informed and involved in the development of the Company. The local implementation of acquisitions are important elements of this. Local organization structures and working conditions are topics in these consultations and negotiations.

The following graph illustrates some examples of social dialogue deployed at the local level during the previous years.

France

- Gender equality
- Home working
- Employment of disabled employees
- Mobility
- SPRING Day 3
- Legal simplification (Project "Matisse")
- New code of ethics and "devoir de vigilance" (Law Sapin 2)
- IT Charter
- HR Transformation

Austria

- Remote working
- Performance Management
- Location access control
- Covid-19 measures

Germany

- Agreements with the negotiations bodies on the restructuring of IDM-Business (project Jupiter)
- Sanitary Plan (Covid-19 measures)
- Talent Management

Italy

- Covid-19 measures especially around new ways of working
- Covid Protocol aligned with the internal unions to manage the pandemic emergency
- LEAP program
- Welfare program hypothesis
- Funded education program (negotiation running)

Switzerland

- Work time model (AZM) to safeguard against economic factors
- Rules regarding duty of confidentiality / penalty for breach of contract

Poland

- Community allowance as Covid-19 measures (commuting allowance, Home Office allowance)
- R&D legal entity launch and people movement process design
- Office 2.0 plans
- Medical provider change & implementation

Iberia

- Temporary employment suspension
- Remote working agreement
- Training plan 2021
- Click and Clock system
- Health and safety bonus investments
- Backpacks for onboarding
- Iberia Career path

On a local level, Atos employees can freely contact their representatives using the usual communication channels of the Company, to contact their representatives and ask them to raise some topics on their behalf.

Moreover, Atos Employees have constant access to dedicated SharePoint spaces where all agreements and minutes from the local meetings are accessible at all times. In addition, some information calls are organized to help Atos Employees understand important negotiated topics or main changes that could impact them. Management and Human Resources teams – with the support of Social Relations teams – are in charge of these communication actions.

Collective bargaining agreements

Atos realizes 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. 42% of employees are covered by collective bargaining agreements [GRI 102-41].

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

Atos's collective agreements cover health and safety matters, [GRI 403-4] length of maternity/paternity leave, working time, wages, notice periods, vacation time (usual and exceptional such as wedding, birth, house moving, etc.) or training.

The progress over the past 11 years:

Taking into account employees' expectations
[A2], [SASB TC-SI-330a.2]

Beyond the collaboration with employee representatives, since 2010 Atos has committed to survey employees through the annual Great Place to Work® Survey. This global survey, managed by the Great Place to Work Institute® (GPTW), helps Atos to determine employees' expectations and focused areas for improvement.

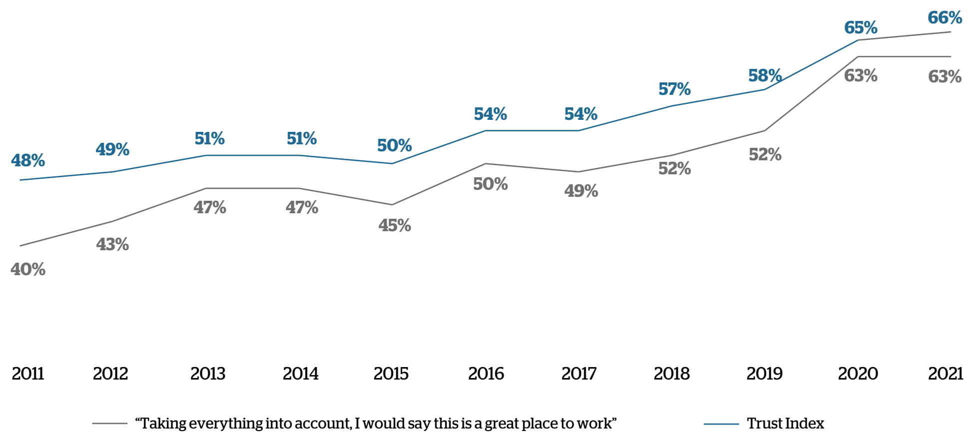
The survey is structured around five dimensions: Credibility, Respect, Fairness, Pride and Camaraderie.

In 2021 the survey was conducted in 83 entities in 63 different countries. In total 95,777 employees were invited to take part in the survey and the final response rate was 68.07% reflecting the voice of 65,200 employees.

There are two key measures out of the Great Place to Work survey:

The Trust Index, which measures the perception of the workplace and is based on the outcome of a majority of the questions. In 2021 Atos saw an increase of +1% to 66% to further consolidate the improvements made during 2020. The Trust Index score demonstrates the commitment and involvement of employees to share their views and to help build a great working environment together. [A2], [SASB TC-SI-330a.2]

The One Question, which refers to the question "Taking everything into account, I would say this is a great place to work." Here Atos is equaling the score of 2020 with 63%.



Compared to 2020, Atos has either maintained or improved results in all areas:

GPTW DIMENSIONS	2021 RATE	IMPROVEMENT RATIO
Credibility	66%	+2%
Respect	66%	+2%
Fairness	66%	+3%
Pride	67%	same
Camaraderie	68%	+1%

The Company is targeting scores of 70% for both the Trust Index, and the "Taking everything into account, I would say this is a great place to work" question by 2024.

The internal "We are Atos" program has identified dedicated actions in each participating geography, to improve employee experience and therefore, the GPTW results in 2021. Vs 2020, the number of people who told they were personally informed about the results and related improvement plans increased from 66% to 71%.

Next to the 61 closed questions Atos adds some extra questions every year. In the 2021 edition the Group decided to include further 47 extra questions to both meeting employee expectations and explore further and more relevant topics. Seven of them were related to employees' support during the Covid-19 pandemic and one was focused on the decarbonization strategy of Atos.

87% (vs 86%) in 2021 felt Atos adapted well to the Covid-19 lockdown situation.

One of the questions was directly related to net-zero: 65% of the respondents answered that they "have observed concrete actions to enhance decarbonization within Atos" (e.g. strong decarbonization commitments, green portfolio offerings, green technology, Atos Green app, etc.), an increase of 5% vs 2020.

The importance of CSR to Atos employees continues to be high. On the question: "It is important for me to work for a company that embraces social and environment responsibility as a core value". With 84% of positive answers, the score of this year remains the same as the one of 2020, which was already high.

Further strong performance and improvement were identified in other questions. Employees were more likely (66% vs 64% in 2020 answering positively) to say they had been offered training or development to further themselves professionally. Similarly, the positive answers to "My manager has conducted at least one discussion about my career development and performance in the last six months" have increased from 70% to 72%. The positive answers to "I have observed actions to enhance my personal digital experience at Atos" have also increased from 59% to 60%.

There was also sustained improvement on the questions about Diversity and Inclusion, where the score was already high in the previous years.

	2021	2020	Increased
People here are treated fairly regardless of their age.	78%	76%	2%
People here are treated fairly regardless of their race or ethnic origin.	87%	85%	2%
People here are treated fairly regardless of their sex.	85%	84%	1%
People here are treated fairly regardless of their sexual orientation.	87%	86%	1%
People here are treated fairly regardless of disability.	87%	86%	1%

5.3.8 Community investments (economic value distributed)

[GRI 201-1], [GRI 203-2]

Atos, through its corporate citizenship program, fulfils a social function by participating in social projects to serve the community and so contributes to the Sustainable Development Goals (SDG).

Aligned with its CSR Strategy, Atos voluntary engagement of the citizenship program is focused on its core competencies and strengths, and is shared at all levels of the organization, encouraging its employees to get involved through volunteering and other activities and inspiring partners, clients and society. As social programs and activities are aligned with the Company's business drivers, this will allow th

e Company to leverage its strengths, its brand and its employees to have the maximum impact on beneficiaries.

Atos social activities are bundled in 4 main topics addressed which supports activities outside the Company:

- **Digital Science & Education:** Contributions to schools, universities or other organizations or projects that promote, sustain and increase individual and collective knowledge and understanding of specific areas of study, skills and expertise;
- **Digital Diversity & inclusion:** Promoting empowerment, inclusion & employability in digital technology by encouraging women, youth, seniors, disabled persons and other disadvantaged persons and groups to access and acquire the skills to use Information and Communication Technologies (ICT) and therefore be able to participate in and benefit from world's growing knowledge and information society;
- **Digital Health & Safety and Emergency Relief:** Contributions to hospitals, health trust and other health related organizations that prevent or relieve sickness, disease or human suffering, as well as promoting health and healthy lifestyles. Additionally, the contributions to disaster relief efforts;
- **Environment:** Contribution which supports environmental activities outside the Company: Contribution to projects or organizations that advance environmental protection or conservation e.g. through conservation of flora and fauna or through engaging people in activities such as recycling or other aspects of a sustainable lifestyle.

The Atos approach is based on a shared global vision with local actions **prioritizing the construction of long-term and strategic partnerships with universities and local NGOs**. That global vision helps to have a group-wide strategy with clear direction and focus guiding local citizenship and philanthropic activities through some priority themes mentioned above. Those priorities of the citizenship strategy are aligned with the UN Sustainable Development Goals and with company's business drivers such as employee attraction and retention. As conclusion those priorities are: Education, Digital Inclusion, Health and Environmental protection.

Currently. Atos 'priorities support SDG 4 (Quality Education), SDG 10 (Reduced Inequalities) and SDG 3 (Good Health and Well-being). Furthermore, as local teams are the most aware of the needs of their community, they have the opportunity to invest in activities that support other SDGs. In this context some local actions support SDG 1 (No poverty) and SDG 5 (Gender Equality).

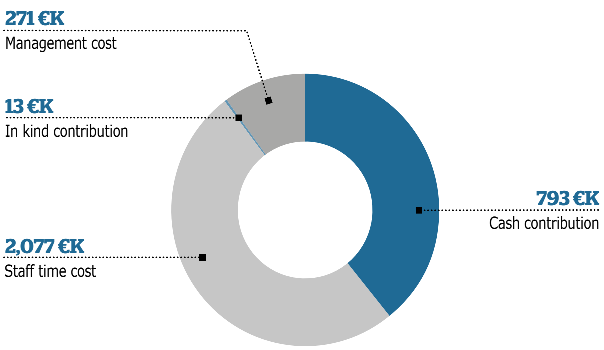
In 2021, more than 1,700 employees took part in several citizenship projects worldwide. These initiatives ranged from providing free IT teaching, to volunteering in schools in deprived areas, delivering ICT projects, and organizing sporting activities that helped raise funds for social initiatives.

Atos uses the Business for Societal Impact (B4SI) model as a framework for monitoring the social initiatives of the corporate citizenship programme internally. By using a globally recognized methodology to articulate and measure Atos' positive impact in the world, it also helps to disclose here relevant information to Atos stakeholders.

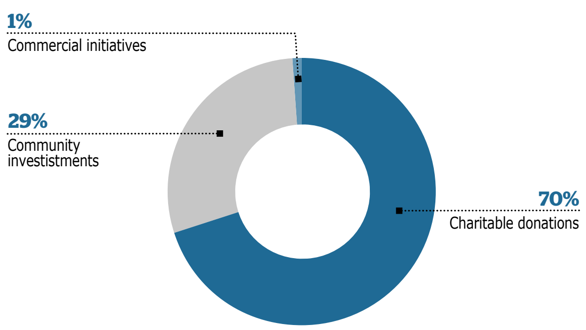
The following charts present how Atos has contributed to this positive impact, disclosing the percentage of Atos contribution to corporate citizenship in each category. The estimated monetary value (at cost) of each type of contribution is also presented.

HOW ATOS CONTRIBUTED IN 2021

(€ thousand)



TYPE OF ATOS CONTRIBUTION IN 2021 ***(in %)***



Here are some examples of initiatives that have characterized the year 2021:

Atos WIA Mentor Program[1]

Women In Africa and Atos have joined forces to support the development of WIA code, a training program in coding and New Information and Communication Technologies (NTIC), for young Senegalese Women.

By training girls in information and communication technology programs, WIA and Atos want to strengthen the role of African women in the digital transformation of the continent. In 2021, 34 young girls were involved in the WIA code project and benefited from Atos mentoring program.

Extraordinary Solidarity Operation in India

The Covid-19 pandemic disrupted the world in 2020 by spreading at unprecedented rates and causing tens of thousands of fatalities within a few months. In India, where Atos counts around 30,000 employees, Atos started an extraordinary Solidarity Operation to respond to the emergency but also to significantly boost the capacity of Indian hospitals over the long term to treat patients and fight the pandemic:

- Atos, together with the Rotary Club Bombay Charities Trust No. 3 provided 20 ventilators to hospitals in Mumbai during the peak time of pandemic crisis;
- joining hands with the French government in collaboration with IFCCI[2] through CARE India, Atos and Atos Syntel have contributed with INR 18,000,000 (more than €200,000) towards the purchase of Oxygen generators for the Tata Memorial Centre, in Varanasi[3]. This is a long-term contribution that will serve for several years to support a few hundred beds in a hospital, thus contributing to the strengthening of the overall health infrastructure in the country;
- the Atos support for treatment of cancer patients in partnership with Tata Memorial Center reached +320 patients for Leukemia & Lymphoma since 2019, with an agreed contribution of INR 30,000,000 (more than €350,000) for three years. The 2021 contribution of Atos was INR 9,500,000 (more than € 100,000).

Atos ANTZ Mentor Program

In 2021 the Atos ANTZ Mentor Program features in the Institute of Collaborative Working's annual publication 'The Partner'[4] as an exemplar of collaboration in a global pandemic. Atos partners with ANTZ and its network of charities to deliver mentoring to prison leavers and those hard to reach in the community. The program is a collaboration of employees, clients and suppliers, unified by a shared goal to change people's lives by providing skills and support towards employability. During the pandemic the program has adapted to ensure communities continue to receive the support they need. It has delivered over £1.4 million in savings to society since it started in 2015.

1 *https://wia-initiative.com/?s=atos*
2 *Indo French Chamber of Commerce and Industry*
3 *https://www.diplomatie.gouv.fr/fr/dossiers-pays/inde/evenements/article/inde-operation-de-solidarite-de-la-france-face-a-la-pandemie-de-Covid-19-26-04*
4 *https://instituteforcollaborativeworking.com/Research-and-Knowledge/Resource-Library/The-Partner*

Partnership with TechFest and HopeTech in North America

Through its sponsorship, Atos supports two programs focused on Empowerment for youth and senior adults, providing digital literacy training and other skills to guarantee the access to professional environment and digital inclusion of the most technological disadvantaged communities in America. These two programs are based on Atos employees expertise:

HopeTech provides educational **life empowerment programs through technology**, with special focus on reaching communities that are underserved by technology currently (with focus on senior adults)

TechFest has the goal to **help promote the Science Technology Engineering ART Mathematics curriculum** (S.T.E.A.M.) and help generate more interest in the respective fields. Atos will leverage the decade's worth of learnings to develop an Atos TechFest program that would not only expand the event to other cities across the US (TechFest in-a-box), but also create a full engagement lifecycle with the future pipeline of IT leaders and innovators, from high school to recruitment.

Partnership with The Princes Trust through Million Makers program in UK[1]

Team Elevate are Atos's 11th team to compete in the Million Makers competition. Their aim in 2021 was to break the collective milestone of two million pounds being raised by Atos Million Makers Teams. Team Elevate are committed to raising money for The Prince's Trust by delivering exciting and innovative events that reconnect communities. Therefore, this year's fundraising has seen a mix of in-person and virtual events to increase inclusivity and navigate the events landscape during a pandemic. The team have hosted legacy events, such as the annual Golf Day, Regatta and Gala Dinner, as well as a new virtual comedy event, wine tasting tour, painting masterclass and much more. The team aim to finish with a fundraising total over £ 300K.

For other examples of actions taken at the local level which reflect corporate citizenship at Atos, please refer to the social initiatives described in the integrated report 2021.

In total, the Atos' economic value distributed through citizenship activities was €3.15 million in 2021. This amount includes donations to charities and social communities, plus commercial initiatives and community investments as defined in the Business for Societal Impact (B4SI) a reference framework used by Atos to report on its corporate citizenship contribution [GRI 203-1].

5.3.9 Social non-financial performance indicators

[GRI 103-3 Employment], [GRI 103-3 Occupational Health and Safety], [GRI 103-3 Training and Education], [GRI 103-3 Atos specific indicators], [401-1], [401-2], [401-3], [403-9], [403-10], [404-1], [404-2], [404-3], [A2], [A16]

The following table provides issues and indicators relevant to the Company business in the social dimension, aligned to the disclosures from the GRI Sustainability Reporting Standards, and aligned to the Sustainability Accounting Standards Board (SASB) standards for the "Software & IT Services" industry.

The code of the standards intends to help Atos stakeholders to locate indicators of interest across Atos monitoring performance. It does not represent a complete overview of Atos reporting or practices.

Social Dimension

		2021	2020	2019	2021 Perimeter (%)		2020 Perimeter (%)	
Standard code	Indicator name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
GRI 404-1	**Average training hours per employee**							
GRI 404-1_c1	Average hours of formal training per employee	28.24	29.67	21.70	97%	-	81%	-
GRI 404-1_c2	Average hours of formal training per male employee	26.16	26.10	20.24	97%	-	81%	-
GRI 404-1_c3	Average hours of formal training per female employee	32.81	37.62	25.03	97%	-	81%	-
GRI 404-1_c5	Average hours of training per employee	52.01	46.68	38.76	98%	-	89%	-
GRI 404-1_c6	Average hours of training per male employee	48.85	41.04	41.41	98%	-	89%	-
GRI 404-1_c7	Average hours of training per female employee	59.32	53.87	34.21	98%	-	89%	-
GRI 404-1_c4	Number of internships	2,391	1,807	3,737	100%	-	100%	-

1 *https://atos.net/en-gb/united-kingdom/we-are-atos/princes-trust*

		2021	2020	2019	2021 Perimeter (%)		2020 Perimeter (%)	
Standard code	**Indicator name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
GRI 404-2	**Programs for upgrading employee skills**							
GRI 404-2_A_c1	Number of digital certifications registered	276,967	197,180	177,110	100%	-	100%	-
GRI 404-2_A_b0	Number of digital certifications obtained per year	100,026	85,216	51,736	100%	-	100%	-
GRI 404-2_A_b2	Total number of certifications registered	360,756	268,694	264,654	100%	-	100%	-
GRI 404-2_A_c3	Number of certifications obtained per year	130,799	133,164	64,019	100%	-	100%	-
A6_c10	Employee perception of its employability: Percentage of positive responses to "I am offered training or development to further myself professionally"	66%	64%	57%	61%	-	66%	-
GRI 404-3	**Career development monitoring**							
GRI 404-3_A_c1	Percentage of employees receiving performance appraisal in the last 12 months	87%	88%	87%	74%	-	68%	-
GRI 404-3_A_a1	Percentage of female who received a regular performance and career development review during the reporting period.	86%	91%	86%	74%	-	68%	-
GRI 404-3_A_a2	Percentage of male who received a regular performance and career development review during the reporting period.	88%	90%	88%	74%	-	68%	-
GRI 404-3_A_c2	Percentage of employees with an Individual Development Plan	77%	85%	85%	58%	-	64%	-
GRI 404-3_A_c3	Percentage of Internal Fulfilment (Internal promotion of employees)	66%	84%	81%	100%	-	100%	-
GRI 401-1	**Organizational workforce in headcount and Employee Turnover**							
GRI 401-1_A_c2	Number of employees at the end of the reporting period (Legal staff)	107,572	102,708	107,602	100%	-	100%	-
GRI 401-1_A_b1	Females at the end of the reporting period (Legal staff)	33,885	31,771	33,273	100%	-	100%	-
GRI 401-1_A_b2	Males at the end of the reporting period (Legal staff)	73,687	70,937	74,329	100%	-	100%	-
	Employees by geographical breakdown							
LFR.50	Employees in France (%)	10.6%	10.6%	Not disclosed	100%	-	100%	-
LFR.51	Employees in Europe (excl. France) (%)	40.5%	41.6%	Not disclosed	100%	-	100%	-
LFR.52	Employees in North America (%)	8.5%	8.7%	Not disclosed	100%	-	100%	-
LFR.53	Employees in South America (%)	2.8%	2.7%	Not disclosed	100%	-	100%	-
LFR.54	Employees in Asia/Pacific (%)	34.5%	32.9%	Not disclosed	100%	-	100%	-
LFR.55	Employees in the Middle East/Africa (%)	3.1%	3.4%	Not disclosed	100%	-	100%	-
A24.1	Number of employees in India	32,073	29,249	Not disclosed	100%	-	100%	-
A24.2	Number of employees in United States	7,510	7,584	Not disclosed	100%	-	100%	-
A24.3	Number of employees in Europe	54,962	53,696	Not disclosed	100%	-	100%	-
	Employee Turnover							
GRI 401-1_B_c1	Number of employees leaving employment during the reporting period	22,447	13,035	13,043	100%	-	100%	-
GRI 401-1_B_b1	Males leaving employment during the reporting period	14,864	8,691	8,933	100%	-	100%	-
GRI 401-1_B_b2	Females leaving employment during the reporting period	7,583	4,344	4,110	100%	-	100%	-

Standard code	Indicator name	2021 Group	2020 Group	2019 Group	2021 Perimeter (%) Per employee	2021 Perimeter (%) Per revenue	2020 Perimeter (%) Per employee	2020 Perimeter (%) Per revenue
GRI 401-1 _B_c3	Total employee turnover rate	20.87	12.69	15.64	100%	-	100%	-
GRI 401-1_B_c2	Percentage of voluntary attrition	17.92%	9.98%	12.90%	100%	-	100%	-
M.22.1	Retention rate among key people *(%)*	94%	95%	Not disclosed	100%	-	100%	-
GRI 102-8	**Number of employees**							
GRI 102-8	Total employees plus supervised workers (including: interims + interns + subcos)	121,216	121,280	127,827	100%	-	100%	-
GRI 102-8_A_c1	Percentage of employees with a permanent contract	98%	99%	99%	100%	-	100%	-
GRI 102-8_A1	Males with a permanent contract	72,587	70,313	73,625	100%	-	100%	-
GRI 102-8_A3	Females with a permanent contract	33,335	31,518	32,942	100%	-	100%	-
GRI 102-8_A_c2	Percentage of employees with a temporary contract	1.53%	0.85%	0.96%	100%	-	100%	-
GRI 102-8_A2	Males with a temporary contract	1,100	624	704	100%	-	100%	-
GRI 102-8_A4	Females with a temporary contract	550	253	331	100%	-	100%	-
GRI 102-8_A_c3	Percentage of employees in Full Time working	95%	92%	93%	100%	-	100%	-
GRI 102-8_B2	Number of male in full time employment	71,357	67,692	70,772	100%	-	100%	-
GRI 102-8_B4	Number of female in full time employment	30,988	28,193	29,085	100%	-	100%	-
GRI 102-8_A_c4	Percentage of employees in Part Time working	5%	8%	7%	100%	-	100%	-
GRI 102-8_B1	Number of male in part-time employment	2,330	3,578	3,557	100%	-	100%	-
GRI 102-8_B3	Number of female in part-time employment	2,897	3,245	4,188	100%	-	100%	-
GRI 405-1	**Diversity and Equal Opportunity**							
GRI 405-1_B_c3 ; SASB TC-SI-330a.3	Number of nationalities within Atos	149	139	134	100%	-	77%	-
GRI 405-1_B_c5 ; SASB TC-SI-330a.3	Number of nationalities representing more than 5% of the Atos population	6	7	Not disclosed	100%	-	77%	-
GRI 405-1_B_c4 ; SASB TC-SI-330a.3	Percentage of females within Atos	31.50%	30.93%	30.92%	100%	-	100%	-
GRI 405-1_B_b1 ; SASB TC-SI-330a.3	Disabled employees	1,459	1,425	1,379	99.52%	-	99%	-
GRI 405-1_B_c1 ; SASB TC-SI-330a.3	Percentage of disabled people	1.36%	1.39%	1.70%	99.52%	-	99%	-
GRI 405-1_c15 ; SASB TC-SI-330a.3(1)	Female ratio within the group executive management (top 450)	32%	30%	13%	100%	-	100%	-
GRI 405-1_c14	Percentage of women identified in talents pool	29.88%	29.84%	28.18%	56%	-	60%	-
GRI 405-1_c15	Percentage of women recruited	35.74%	36.76%	33.50%	100%	-	100%	-
A25	Percentage of women in Atos' scientific community	32%	21%	Not disclosed	100%	-	-	-
GRI 405-2	**Salary rate between men and women**							
GRI 405-2_A_c3	Overall salary rate between women and men in Annual Basic Salary	0.93	0.93	Not disclosed	88%	-	68%	-
GRI 405-2_A_c3	Overall salary rate between women and men in Total Remuneration	0.93	0.92	Not disclosed	88%	-	68%	-
A6	**Diversity Perception (GPTW)**							
A6_c4	People here are treated fairly regardless of their age	78%	76%	71%	61%	-	66%	-
A6_c5	People here are treated fairly regardless of their sex	85%	84%	80%	61%	-	66%	-
A6_c6	People here are treated fairly regardless of their race or ethnicity	87%	85%	82%	61%	-	66%	-
A6_c7	People here are treated fairly regardless of their sexual orientation	87%	86%	82%	61%	-	66%	-

		2021	2020	2019	2021 Perimeter (%)		2020 Perimeter (%)	
Standard code	**Indicator name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
A6_c9	Average on Diversity Perception (GPTW survey questions)	84%	83%	80%	61%	-	66%	-
A16	**Health and safety**							
GRI 403-9	Global absenteeism rate *(%)*	1.9%	1.8%	2.4%	57%	-	58%	-
GRI 403-9_a.i, GRI 403-10_a.ii	Number of staff seriously injured work related	64	58	174	100%	-	99%	-
GRI 403-9_a.iii, GRI 403-10_a.i	Number of Atos staff's dead work related	3	0	0	100%	-	99%	-
G. Q50	Accident frequency rate (number of lost time accidents x 1,000,000 / number of hours worked)	0.59	0.50	Not disclosed	100%	-	99%	-
	Covid-19 pandemic management							
A16_C_c1	Average percentage of employees working from home during the pandemic	89%	94%	Not disclosed	100%	-	100%	-
A2	**Employee Satisfaction**							
A2_B	Percentage of Responses to Great Place to Work surveys (Average of Response rate)	68%	69%	66%	61%	-	66%	-
A2_C	Percentage of positive responses to "Taking everything into account, I would say this is a great place to work"	63%	63%	54%	61%	-	66%	-
A2_D ; SASB TC-SI-330a.2	Atos Trust Index® informed by Great Place to Work (GPTW)	66%	65%	58%	61%	-	66%	-
GRI 401-2	**Benefits to employees**							
GRI 401-2_A_C15	Percentage of Permanent employees participating in Death Benefits	97%	84%	93%	90%	-	67%	-
GRI 401-2_A_C16	Percentage of Temporary employees participating in Death Benefits	88%	75%	77%	90%	-	67%	-
GRI 401-2_A_C17	Percentage of Permanent employees participating in Disability benefits	92%	77%	86%	90%	-	67%	-
GRI 401-2_A_C18	Percentage of Temporary employees participating in Disability benefits	33%	33%	31%	90%	-	67%	-
GRI 401-2_A_C19	Percentage of Permanent employees participating in Health Care	94%	80%	95%	90%	-	67%	-
GRI 401-2_A_C20	Percentage of Temporary employees participating in Health Care	87%	69%	70%	90%	-	67%	-
GRI 401-3	**Return to work and retention rates after parental leave**							
GRI 401-3_B	Total number of employees that took parental leave	355	325	327	11%	-	11%	-
GRI 401-3_C	Total number of employees who returned to work after parental leave ended	40	30	24	11%	-	11%	-
GRI 401-3_D	Percentage of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	95%	93%	91%	11%	-	11%	-
GRI 102-41	**Collective bargaining coverage**							
GRI 102-41_A_c2	Percentage of employees covered by collective bargaining agreements	42%	46%	59%	97%	-	99%	-
GRI 401-1	**Employee Hiring**							
GRI 401-1_A_c1	New employees hired during the Reporting Period	25,281	11,495	12,051	100%	-	100%	-
GRI 401-1_A_a1	Males hires during the Reporting Period	16,245	7,269	8,014	100%	-	100%	-
GRI 401-1_A_a2	Females hires during the Reporting Period	9,036	4,226	4,037	100%	-	100%	-

		2021	2020	2019	2021 Perimeter (%)		2020 Perimeter (%)	
Standard code	Indicator name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
GRI 401-1_A_a5	New employees hired in developing countries during the Reporting period	16,029	5,796	Not disclosed	100%	-	91%	-
GRI 401-1_A_a3	Number of juniors recruited	12,777	5,433	5,046	92%	-	91%	-
GRI 401-1_A_a4	Percentage of juniors recruited	50.96%	47.90%	42.93%	92%	-	91%	-
GRI 202-2	**Proportion of senior management hired from the local community**							
GRI 202-2_A_b1	Number of national senior managers	7,041	2,184	2,299	91%	-	77%	-
GRI 202-2_A_b2	Total number of senior managers	7,763	2,358	2,474	91%	-	77%	-
GRI 202-2_A_c1	Percentage of national senior managers	90.7%	92.6%	92.9%	91%	-	77%	-
GRI 202-2_A_b3	Number of national employee	99,768	74,274	70,202	100%	-	77%	-
GRI 202-2_A_b4	Total number of employees	107,572	78,728	74,102	100%	-	77%	-
GRI 202-2_A_c2	Percentage of national employees	92.7%	94.3%	94.7%	100%	-	77%	-
GRI 202-2_A_b5	Number of national employees recruited	23,157	7,474	10,674	100%	-	72%	-
GRI 202-2_A_b6	Total number of employees recruited (Excluding acquisitions)	25,281	8,231	12,051	100%	-	72%	-
GRI 202-2_A_c3	Percentage of national employees recruited (Excluding acquisitions)	91.6%	90.8%	90.8%	100%	-	72%	-
GRI 201-1	**Community investments (Economic value distributed)**							
GRI 201-1_A6_c1	Total community investments *(€ thousand)*	3,154	2,766	2,543	-	84%	-	87%
GRI 201-1_A6_c3	Donations to Charity *(€ thousand)*	2,223	1,472	686	-	84%	-	87%
GRI 201-1_A6_c4	Contribution to Commercial initiatives for good causes *(€ thousand)*	26	45	125	-	84%	-	87%
GRI 201-1_A6_c8	Contribution to Universities and similar *(€ thousand)*	752	1 086	1 600	-	84%	-	87%
GRI 201-1_A6_c9	Contribution to Responsible IT Projects *(€ thousand)*	152	163	132	-	84%	-	87%
GRI 201-1_A6_c2	Total number of employees involved in the main social initiatives	1,709	2,193	1,476	53%	-	58%	-
GRI 201-1_A6_b1	Cash contribution *(€ thousand)*	793	1,088	1,550	-	84%	-	87%
GRI 201-1_A6_b2	Staff time cost *(€ thousand)*	2,077	1,398	655	-	84%	-	87%
GRI 201-1_A6_b3	In-kind contribution *(€ thousand)*	13	11	165	-	84%	-	87%
GRI 201-1_A6_b4	Management Cost of Social initiatives *(€ thousand)*	271	269	173	-	84%	-	87%

GRI 404-1: The calculation of the average training by employee is done using the average headcount in three moments of time (on the 31/12/2020, 30/06/2021 and 31/12/2021). This includes the hours registered in the Atos formal training tools and also the hours registered as informal training (self-directed training not accessed through the Atos´ learning management system).

GRI 404-1: Indirect employees/Subco/Externals excluded.

GRI 401-1: The turnover is calculated as the total leaving excluding outsourcing divided by total headcount at the end of the year.

GRI 405-1_c15, SASB TC-SI-330a.3(1): The executive group (GEM, group executive management) refers to a wider senior management network, holders of management positions and talents. Responsible for implementing strategy and delivering operational performance.

GRI 405-2: The calculation approach was adapted in 2020 to disclose a more realistic gender gap.

GRI 401-1_A_a3, GRI 401-1_A_a3: In 2021, "juniors" hired are disclosed instead of "graduates" who were disclosed in previous years. The concept of "junior" refers to the employee category GCM 0-3 and less than 30 years old, while the concept of "graduate" refers to new joiner who graduated in current or prior year.

GRI 401-3: includes only France.

5.4 Governance

5.4.1 Governance non-financial performance

Atos is fully committed to enhance trust towards the era of digital transformation. The Group strives to be recognized as a trustworthy digital company, by (i) behaving as an ethical and fair player within its sphere of influence, and (ii) creating value for its clients through the provision of innovative and secured solutions.

An ethical and fair player within it sphere of influence

- Corporate governance

Atos is fully committed to best-in-class corporate governance. The Group was the first IT company to transcribe its raison d'être into its by-laws in 2019. It has implemented a strong corporate governance structure with the separation of offices between the Chairman and the Chief Executive Officer and the creation of four Board committees, including a CSR Committee. It refers to the frame of reference of the AFEP-MEDEF code of corporate governance and complies with all its recommendations. In 2021, it further enhanced its risk monitoring practices following the rollout of the remediation and prevention plan in 2021 in North America and all regions.

The Group's corporate governance is described in section 4 of this URD.

- Ethics and Compliance

Atos has put in place a robust Ethics & Compliance program in line with the highest ethical standards and best practices to ensure (i) compliance with laws and regulations applicable to the Group and (ii) behaving as an ethical fair player. The Ethics & Compliance program is supported by the Group Management which sets the right tone, including notably Atos's zero tolerance policy towards corruption. The Group launched in 2021 a new version of the Code of Ethics, reflecting Atos's raison d'être and including a comprehensive anticorruption Code of Conduct. As from 2021, the mandatory employee training on the Code of Ethics will have to be taken every year, as a reminder that each employee has a role to play. The Group also reinforced its expectations towards third parties by revising the Atos's Partners Commitment to Integrity Charter and strengthening due diligence process on third parties. These strong foundations have led to Atos being awarded in 2021 a "Platinum" certificate by EcoVadis.

- Vigilance plan and Human rights

As per French law, Atos is required to implement a Vigilance Plan focusing on risks related to (i) human rights and fundamental freedoms, (ii) health and safety of individuals and (iii) the environment, resulting from Atos's activities, and the activities of its supply chain. In 2021, the framework of the Legal Risk Mapping has been reviewed with the objective to address the requirement under the French Duty of Vigilance law. In accordance with the French Duty of Vigilance law, the Group has also pursued concertation with the unions and launched the project of revision of the Group Ethics Alert System.

- EU Taxonomy

Following the entry into force of the Taxonomy Regulation (Regulation (EU) 2020/852), which requires companies to identify and report the degree to which the activities in which they are engaged are considered sustainable, and in the context of this first year of reporting where no reporting standard has been identified, Atos has developed a comprehensive methodology to report its Taxonomy alignment by mapping its portfolio onto the 17 well-established Sustainable Development Goals. With this approach, the Group will be prepared for future reporting obligations.

Creating value through innovative and secured solutions

- Client satisfaction and delivery capability

Client satisfaction is a major objective for the Group. In 2021, the two indicators tracked by Atos to measure improving client experience and associated satisfaction, the Net Promoter Score and the Overall Client Satisfaction reached respectively 65% (same score as in 2020) and 8.61 (improving 0.11 points over last year results).

- Research and innovation

Atos develops an Open Innovation approach to deliver high value-added services to its clients enabling them to drive their digital transformation. This approach is key during the Group's R&D process. Atos collaborates with leading-edge technology partners and research & development institutions and academia to foster the Group's technology ambitions. The Group conducts Client Innovation Workshops to help its clients shape their vision through technology and business trends. It also runs Atos Scaler, a program aimed at industry specialized start-ups to accelerate open innovation in domains such as secure and sustainable IT disposal, anti-fraud software platforms, IoT[1] based solutions to improve employee health and safety, driving data insights.

1 *Internet of Things*

- Security & ethical management of data

As a partner of the International Olympic Committee, ensuring the cyber security of the Olympic Games, and as a leader and pioneer in digital security, security of data is of the utmost importance for Atos. Policies, processes, tools and measures are designed and implemented to ensure safety and security/cybersecurity of information. The Group has taken part in several initiatives to strengthen and standardize the management of data, including the Charter of Trust and ETAMI initiatives, is a founding and Board of Directors member of GAIA-X, and launched Atos One Cloud Sovereignty Shield, a new offering to support digital sovereignty needs of industries and government worldwide. At the start of 2022, Atos also unveiled BullSequana XH3000, a new exascale-class supercomputer, to provide its clients with the means to exercise greater control over the data they produce and exchange.

The Group's various initiatives to enhance trust from a governance perspective are further presented and detailed in this section.

5.4.2 Clients satisfaction and delivery capability

5.4.2.1 Permanent improvement of client satisfaction

Client satisfaction is a major Atos objective, just as supporting long-term growth is one of Atos business goals. Associated governance includes regular review by the Group General Management Committee to focus on achieving processes, objectives and results. Atos commits to the highest levels of service quality, reliability and availability for all services provided to its clients.

Improving client experience and associated satisfaction is the n°1 objective of Atos quality policy and the primary focus of the Atos Quality Steering Committee, which is chaired by the Chief Group Quality Officer / Chief Group Client Satisfaction Officer. In addition, each Atos Group General Management Committee member personally supports Top (GIA, GA, LSA) clients relationships.

As part of Atos current 3-year plan the Group tracks KPIs at the global level:

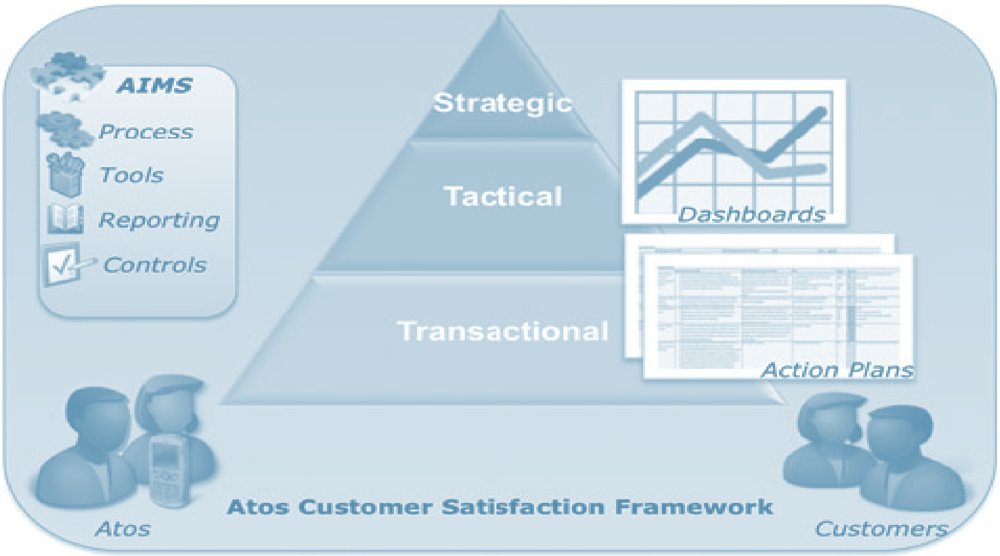
- NPS: Net Promoter Score;
- OCS: Overall Client Satisfaction;
- Innovation Score.

Standard Code	Indicator Name	Group (FY 2021)
GRI 102-43, GRI 102-44	Group Overall Customer Satisfaction (all clients part of strategic survey)	8.61
GRI 102-43, GRI 102-44	Net Promoter Score for top clients	57%
GRI 102-43, GRI 102-44	Net Promoter Score for all clients	65%
A10_c2.1	Clients perception to the innovation of Atos people in the customer satisfaction surveys (average score from 1 to 10)	8.08
A10_c2.2	Clients perception to the Atos innovation in the customer satisfaction surveys (average score from 1 to 10)	8.05

Further information on the above KPIs is available in section 5.4.13.

A comprehensive improvement loop is built from three layers of survey engine client feedback to drive action plans, accordingly, as described below. It links strategic, tactical, and transactional client engagement, experience and satisfaction feedback with cascading action plans to continuously improve and maintain high levels of client experience and satisfaction. This works from the strategic level, with actions such as innovation workshops or innovative proofs of concept, to tactical actions for quality and productivity improvement or client journey mapping to improve client interactions. It also works to ensure the continuous improvement on the "shop floor" transactional operations.

Atos three-layered satisfaction survey process and the improvement framework are represented as follows:



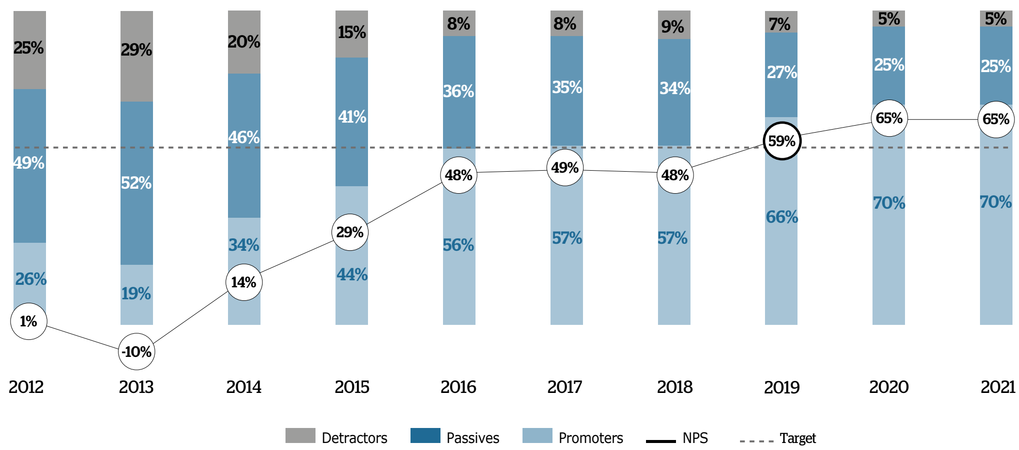
Strategic surveys are handled by Atos executive representatives (management / sales) and encompass Atos top accounts through face-to-face interviews.

Tactical surveys are driven by the Operations and obtain feedback at contract level from the client teams related to Atos services, project deliverables, and overall performance.

Transactional surveys, for large accounts serviced by Atos, provide immediate feedback solicited from the end-users at the end of a service request or other transaction. This allows monitoring of service performance perception, impacting daily operations.

The overall improvement loops, associated tools, specific workshops and cookbooks on repetitive situations are described in Atos's global client experience framework. The program is driven by Group Quality in conjunction with sales operations and client executives. It is driven within the Operations' quality client experience team for the tactical surveys and associated improvement loops. Progress and feedback tracking are part of account quarterly reviews and of monthly reviews in the Operations.

At the strategic level, Atos 3-year plan aims to reach and sustain an overall Net Promoter Score (NPS) above 50% for all its clients (larger scope). The NPS target for 2021 was set at 57% and the achievement for all clients reached 65% for the full year.



The number of accounts responding in 2021 was increasing again; unfortunately it is still quite difficult to perform the interviews during the times of lockdown related to Covid-19 and in the overall pandemic situation. In 2021 Atos could manage to sustain the ratings.

5.4.2.2 Client delivery capability

The goal of Atos is for its Operations to deliver its clients the same experience, whatever the organization working on the projects, services or solutions across the world. The global Operations secure the deployment of standardized processes across all geographies.

This commitment is at the heart of the clients' trust in Atos capabilities and is implemented via the *Atos Integrated Management System* (AIMS) and assessed through:

- Atos ISO Multisite Certification Program (ISO MSC) covering a vast majority of Atos activities and most of the locations worldwide for ISO 9001 (Quality Management System), ISO 27001 (Information Security Management System), ISO 20000-1 (IT Service Management System) and ISO 14001 (Environmental Management System);
- ISO Multisite Certification guidance states that all Atos units with more than 500 internal employees, shall be ISO 9001 and ISO 27001 certified or in progress to achieve ISO MSC certification. Furthermore, ISO 14001 MSC certification is mandatory for all offices with more than 500 internal employees and all core data centers (excluding co-locations), while ISO 20000-1 MSC certification is under the decision of local / global management (depending on specific business need or requirement; for details, see: ISO Multisite Certification Process);
- Atos Controls' continual assessment program ensures that process control points are systematically implemented.

5.4.3 Research and Innovation

A dedicated section on Innovation and Ecosystem is included in the "Sales and Delivery" section of this document, as core for the digital transformation to accomplish clients' and stakeholders' expectations.

Core domain	Specific section	Covered in section:
Innovation	Scientific and technological Expertise Scientific and Expert Community	2.4.1
Research & Development	Research & Development Research & Development roadmap governance	2.4.2
Technology	CTO Technology Vision	2.4.3
Co-Innovation & Open Innovation	Open Innovation with clients, partners, Scaler – Startup Accelerator	2.4.4

Atos thought leadership for sustainability

The Atos Scientific Community and Expert Communities are key agents for driving innovation and change both within Atos and for its clients. Sustainability, in its broadest sense, is a foundational theme that runs through all of their research and thought leadership. Their insights were a key part of the inspiration behind "My CO2 Compass" – a unique data platform for precisely tracking and cutting carbon footprints; and the topic of decarbonization is one of the most frequently explored themes in Client Innovation Workshops.

Atos has made significant R&D investments to develop the most powerful, yet most energy-efficient general purpose CPU supercomputer in Europe. Atos is using this capability in its Excellence AI Lab (in partnership with NVIDIA), to conduct research into areas such as climate research and healthcare. Not only is Atos seeking to ensure that digital technology is not a part of the sustainability problem, but that it is a key enabler of the solution.

With its long-standing commitment to offering green digital transformation that delivers benefits to people, society and economy, Atos is proud to be a founding member of the European Digital Green Coalition (EDGC), signed on the Digital Day, March 19, 2021. As a founding member and signatory of the EGDC, Atos commits to establishing science-based targets for reducing GHG emissions (see section 5.2.5.1 Reduction of carbon emissions). The members of the EGDC will work closely with the European Commission and other stakeholders relevant to deliver on these commitments and to report regularly on progress via established sustainability reporting frameworks.

Together with the 31 company signatories, Atos commits to contributing to the success of the green digital transformation of the EU and beyond with the following actions:

- to invest in the development and deployment of green digital solutions with significant energy and material efficiency that achieve a net positive impact in a wide range of sectors;

- to engage with relevant organizations to develop standardized, credible and comparable assessment methodologies for the net impact of green digital solutions on the environment and climate in priority sectors such as energy, transport, manufacturing, agriculture and the building sector;
- to promote cross-sectoral dialogue and to contribute to the development of guidelines and recommendations for the deployment of green digital solutions in different sectors, and to encourage workforce upskilling.

In the first half of 2021, Atos has been contributing together with 26 leading European industry players to the European industrial technology roadmap for the next generation cloud-edge offering[1] which has been presented to the European Commission in May 2021. This report outlines the technological priorities for strategic investment needed to enable the development and adoption of competitive, secure, trusted, and climate-neutral cloud and edge services across the EU and therefore strengthen Europe's leadership in cloud and edge. One focus of this report has been on developing high energy efficiency infrastructures, leveraging low consumption hardware and software, improving resource management, and enhancing data center energic mix & cooling performances, so the EU could lead the way in developing sustainable cloud and edge offerings.

As a result, the European Alliance for Industrial Data, Edge and Cloud has been launched, which Atos joined in December 2021 among the first wave of members to bring its technological expertise in cloud and edge, digital security and decarbonization.

Client Innovation Workshops (CIW) [A10]

The objectives of Client Innovation Workshops (CIW) are to demonstrate Atos thought leadership and position itself as a strategic innovation partner for its clients. Powered by The Atos Scientific Community[2] (SC) CIW support Atos Clients shaping their vision through technology and business trends. This positions Atos as a technology visionary and thought leader and emphasizes the role of Atos as Leader in Secured and Decarbonized Digital.

The CIW Program is delivered through the Global Innovation Network with the Atos Business Technology and Innovation Centers (BTICs) and Labs across the Globe, in-person, remotely or in an hybrid format. CIW are booked in a digital tool as an Innovation, a StratHack[3] or a Multi-Clients Workshop.

The CIW mandatory criteria are:

- Atos Client participation;
- participation of Scientific Community Member(s);
- innovation topics at the heart of the agenda.

Innovation topics are based on key client challenges and nurtured by the Atos Scientific Community publication, either the bi-annual thought leadership publication titled "Journey" or via the various Reports and Papers produced throughout the year. The vision embedded into the "Journey" publication is a topic in itself, inspiring clients and exploring the art of possible, identifying the next disruptions and influencing the digital agendas of clients. Other key innovation topics include but are not limited to:

- digital transformation;
- user experience & analytics;
- cybersecurity;
- cloud;
- sustainability;
- blockchain;
- industry Platforms;
- additive Manufacturing;
- business Platform Economy;
- ethical AI;
- future of work;
- smart grids 2.0;
- ecosystems of trust
- …

The BTICs is the place where clients can experience Atos's latest innovations and where their teams will meet its experts to design the proofs of concept (POCs) of the solutions fitting their needs.

Atos has a network of 9 BTICs worldwide.[4]

Artificial Intelligence (AI) Labs

The Atos and Google Cloud AI Lab brings together expertise in AI alongside private and public sector organizational capabilities to collaborate and unlock cross-enterprise opportunities. The Lab is available to both public and private-sector organizations across Europe and North America to utilize AI technologies and to define and design use cases relevant to their needs. The AI Lab aims to use AI technologies to solve problems with data in an innovative and collaborative environment.

Atos has a network of five AI Labs, with locations in:

- Bezons (France);
- Dallas (USA);
- Frankfurt (Germany);

1 *https://ec.europa.eu/newsroom/repository/document/2021-18/European_CloudEdge_Technology_Investment_Roadmap_for_publication_pMdz85DSw6nqPppq8hE9S9RbB8_76223.pdf*
2 *The Atos Scientific Community is a global network that comprises 175+ of the top scientists, engineers and forward thinkers from across the Group, with a rich mix of skills and backgrounds. Its members are involved in research activities that aim to demonstrate how technologies will influence the businesses of Atos current and future clients. They support, amongst others, patent creation and development of cutting-edge proofs of concept.*
3 *StraHacks (for Strategic Hackathons) are Innovation Workshops with Executive level participants.*
4 *Amsterdam (the Netherlands), Bangkok (Thailand), Bezons (France), Chennai (India), Dallas (USA), London (United Kingdom), Madrid (Spain), Munich (Germany), Vienna (Austria).*

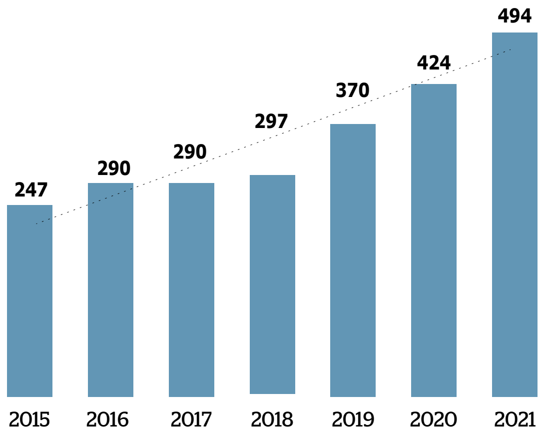
- London (UK);
- Munich (Germany).

In addition to these physical places, the client can benefit from Mobile BTIC sessions, that can be delivered off-site. Innovation Workshops, StratHacks and Multi-Client Events may be delivered at locations other than the Atos BTIC or AI Lab networks; at client premises for instance.

With the coronavirus crisis, remote sessions have emerged. Collaborative and interactive tools, like Circuit, Teams or Klaxoon, allow CIWs to be carried out remotely.

This year the Atos CIW on-line Dashboard, leveraging on the Book Workshop Tool (BWT) data, has been enhanced with more functionalities, so the full company can leverage on the knowledge and results from the CIWs.

Atos has conducted record high 494 CIW in 2021, most of them organized in a totally virtual way, far ahead of the 424, 370 and 297 held in 2020, 2019 and 2018 respectively. 130 of them were done on 40 Atos Global Integrated Accounts (GIA). The CIW evolution of the last years is presented in the next graphic.



Research and Development with Academia and Research Centers

During 2020 a new University Technology Partnerships function was established to provide additional focus on these activities. Atos has developed an academic engagement framework to measure and recognize the value of these activities.

Atos has also supported young people with educational activities such as PC-building exercises in Scottish schools and similar educational programs with the Big Bang science fair in the United Kingdom.

Atos's relationships with the academic world and research institutes help to drive its R&D and business. Atos has developed a framework for engagement, including the following activities:

- organize joint R&D aligned on major technological axes (quantum computing, high-performance computing, cybersecurity, Artificial Intelligence, decarbonization, climatology) as well as specific developments for industries (precision medicine, industry 4.0…). In 2021, 2 strategic partnerships have been signed with Inria[1] and CEA[2], and others are being developed in France, Germany, India, and the United States;
- integrate PhD students into Atos teams to put their research topics into practice, in particular around quantum computing, high performance computing and artificial intelligence;
- teaching and other curriculum-related activities. Many Atos engineers teach at universities in their countries;
- setting up university chairs with joint client funding (e.g., industrial chair with CEA, co-funded by the French National Research Agency (ANR), with the aim of developing research and innovation in quantum information).

In addition to enhancing Atos's reputation in the market, these partnerships add value in three areas:

- accelerated **research power**, on anticipation of leading strategic technologies through world-class academic R&D commitments;
- increasing revenues through the development of **differentiating capabilities and products**;
- strengthening skills and expertise through the **recruitment of talented new employees** within the Group.

The innovation at the heart of Atos's corporate culture is also encouraging to broaden the scope of actions with students. For example, the **Atos IT Challenge**, an international competition dedicated to technological innovation, was created in 2010 to encourage the next generation of digital talent from universities around the world to think and submit their ideas to develop new digital solutions on forward-looking topics. For this 2021 edition, 144 teams from 123 universities from 29 countries, proposed their ideas on the theme of *"How can digital decarbonize the non-digital?"* In the final round, 14 teams stood out including the winner, Tire2Tire, from the Polytechnic University of Bucharest, with its project to monitor the condition of tires using computer vision technologies.

Environmental topics cover a large part of the research work undertaken with research institutes, in particular **decarbonization and climatology**, for example with:

- the CEA, with whom, in decarbonization, Atos carries out research in applied mathematics for the modelling of emissions of greenhouse gases, and in particular carbon, with the ambition of contributing to the creation or improvement of digital systems for forecasting and locating emissions and carbon sinks;
- INRIA, in climatology, to contribute to the improvement of numerical forecasting systems through the modelling of oceanic and atmospheric flows.

During 2022, the program will continue to develop the academic ecosystem and CSR topics shall remain a core component of Atos's research focus.

1 *Institut National de Recherche en Sciences et Technologies du Numérique*
2 *Commissariat à l'Énergie Atomique et aux énergies*

Atos Intellectual Property (IP)

Under the leadership of the Atos IP Steering Group, the Group continues its efforts towards its R&D teams to recognize their efforts to protect all Atos's innovation with the 128 inventors around the world receiving a trophy for a patent application filed in 2020. In addition, the Group decided to introduce the Inventors' Awards to celebrate its best inventors and to identify breakthrough innovations in line with the Group's and its clients priorities. For its first edition, a jury composed of Atos experts and led by Atos's Group CTO, carefully analysed and evaluated the Group's best innovations. The decision was based upon three criteria: technological adequacy, level of innovation and client impact. Amongst the variety of R&D innovations, 6 were awarded within 5 categories: Newcomers: Cloud Security engine / Technology: Exit Legacy and ID as a service / Client: Machine Learning-driven method for malevolent-free and projection-friendly CB-SMS[1] handling in the ESInet / Decarbonization: Cognitive datacenter / Special Prize: Quantum – Shuttling Schedule Compiler, Lazy Synthesis, Natural orbitalization. More details about all such innovation and their inventors can be found in the Group's webpage dedicated to them: https://atos.net/en/about-us/innovation-and-research/inventors-awards.

With the Group's shift towards Industries and decarbonization, Atos also dedicated efforts to protect its innovation directly related to specific industry innovation with 11 patent applications filed in 2021 and also those related to its decarbonization innovation with 15 patent applications filed in 2021.

In 2021, Atos filed a total number of 86 patent applications, with a strong push on cybersecurity (+67%) and a continued effort on AI representing more than 30% of its new filings.

Accelerate open innovation with start-ups

One of Atos's strengths is its ability to leverage the worldwide start-up economy to design unique solutions for its clients. For the past few years, involving start-ups has become an essential part of Atos's approach to inspiring large corporates in achieving their objectives to stay ahead of the pace of innovation. In addition, collaborating with young entrepreneurs is a stimulating and constructive experience for Atos employees, helping them explore new and pioneering solutions for their clients.

In 2020, Atos launched a new program for start-ups and SMEs: Scaler, the Accelerator. Scaler accelerates a fruitful collaboration between Atos experts and a start-up's entrepreneurs. It's a win-win relationship. The start-ups win through accelerated development, access to Group clients and partners, and brand power and visibility. Scaler wins through a spirit of innovation that inspires agility, creativity and disruption; adds sweet-spot solutions to Atos portfolio and generates new client engagements.

Underpinning the industry-by-design, business execution and sustainable decarbonization programs, Atos Scaler is committed to unleashing the value of innovation from concept to industry application with accelerated time to market.

Every year, more than 15 start-ups develop their projects according to specific client interests and will contribute to enriching Atos offerings. Scaler is a key asset supporting development of the Company and enriching key clients' innovation.

In 2021, Scaler on-boarded 8 new start-ups, in addition to the start-ups already on the program. These start-ups complement Atos's industry-centric portfolio and boost its go-to-market, with a specific focus on decarbonization and digital security. Since its launch, Atos Scaler has fostered open innovation projects that are ever closer to clients' business needs.

Scaler is the latest in a history of innovations that make Atos the trusted and decarbonized digital leader.

Scaler is industry by design

Concrete industry use cases and vertical applications are at the heart of Atos Scaler. Scaler start-ups add value to Atos client journey:

- they answer client challenges, with concrete industry-specific use-cases;
- clients already confirmed their interest for their solutions;
- they integrate with Atos industry offerings and are ready to sell.

With the start-ups already on-boarded, Atos brought to market innovative solutions with very specific use cases for each industry. Atos is addressing such as energy platform management, a computer vision platform for manufacturing, smart video thumbnails for a TV channel, patient clinician's digital platform for hospitals, sustainable finance, decarbonization of processes, or eco-design applications, etc. Scaler start-ups reinforced close to 20 industry-focused solutions in Atos Portfolio in 2021.

Scaler is growing the start-ups' business and it helps them go international

Atos gives the start-ups access to its clients and partners ecosystem and helps them sign new business contracts by extending its support beyond mere coaching for the go to market phase. All start-ups take part in account planning in all regions and meet up with Atos's clients. Start-ups also participate in demos in BTICs and are on the agendas of client innovation sessions.

Over the last few months, more than 50 client meetings involving Scaler's start-ups have been held across the world, pro-actively addressing co-innovation with clients on their digital transformation agenda and opening new business opportunities in various industries such as energy & utilities, manufacturing, healthcare, media, finance or the public sectors. Start-ups and Atos jointly submitted +30 innovative proposals to key clients and won 10 deals already.

1 Cell Broadcast – Short Message Service

Toward decarbonization

Scaler supports the Group commitment to leadership in decarbonized digital transformation. One of the selection criteria for the candidates is how they contribute to a decarbonized digital world. Together with Scaler start-ups, they develop new solutions that make decarbonization a competitive advantage.

Today more than 50% of Scaler members support Atos's leadership in decarbonized digital transformation.

Scaler ecosystem on decarbonization includes:

- **Greenspector** solutions enable digital teams to measure and analyze mobile and web applications consumptions in terms of energy and resources, whether during build or maintenance phase, for consumers or business services. Improved performance, better user experience, and longer battery life in the field go hand-in-hand with reducing the environmental impact of digital services;
- Atos used Greenspector's services in its own transformation, with its eco-branding approach[1] and to improve the eco-efficiency of the Atos Green application which provides the users with resources to ensure the lowest possible environmental impact at their fingertips, in a gamified way[2] ;
- Atos announced during COP26 a global partnership with **Circular Computing**, a member of Scaler and the world's premium remanufacturer of carbon neutral laptop products as well as the world's first BSI Kitemark certified laptop remanufacturer. The newly formed partnership will enable Atos to expand its Net Zero Transformation portfolio with carbon neutral remanufactured laptops to support its clients to reach their sustainability goals.

  Circular Computing produces at-scale, pre-used HP, Dell and Lenovo laptops that are 'equal to or better than new in cosmetic and function, with an equal to or better than new warranty' and certified to deliver an 'as new' experience for its clients. Atos initially rolled out the product across its own business to support its net-zero ambition, make sure it had a thorough understanding of the client experience, and is now broadened this out to its clients, as part of a digital workplace offering related to lowering emissions;
- **DreamQuark** and Atos have launched an asset management joint solution offering that helps insurers and banks identify investors that are interested in sustainable finance and then recommends assets and investments aligned with their personal values;
- **CarbonMinds** is a data analytics company focused on environmental sustainability in the chemical industry. With its environmental life-cycle data and established model of the global chemical industry, Carbon Minds goes a layer deeper than national level data on environmental impacts. Its data represents individual chemical production facilities, so Carbon Minds can provide not only national average data, but also supplier-specific environmental impacts for more than 2,000 chemical producers;
- **Woop** has a direct impact on decarbonization, as it optimizes the last mile delivery. Indeed, the SaaS platform, is a one stop shop orchestrating all delivery offers in a single-entry point. Woop has designed a technology platform that identifies and optimizes all solutions to bring brands closer to consumers wherever they are and will put resellers in touch with an eco-delivery system. Their technological platform orchestrates all the delivery solutions to boost experience for the consumers and the operational efficiency for the brands by offering new local services (delivery service, shared drive, click and collect, etc.). Together, Atos and Woop offer resellers solutions to make last mile delivery more efficient.

Enhancing Digital Security

Our partnership approach keeps the Group innovating with global leaders and start-ups alike — with constant focus on digital security. Atos protects end users, IoT networks and data by anticipating and preventing threats. Atos secures the connected world, from smart cities and transport to Industry 4.0. It secures mission-critical aerospace-and-defence systems. And with solutions like sovereign cloud, data portability and blockchain traceability, Atos provides overall economic security for citizens.

Examples of Innovation related to Social Responsibility

Atos supercomputer to help unlock secrets of the Universe

Atos collaborates with the University of Edinburgh delivering its most energy-efficient supercomputing system on the market, the BullSequana XH2000. This is the largest system dedicated to performant graphic chip (GPU) computing deployed at a client site in the UK.

The new BullSequana XH2000 will be able to use simultaneously HPC simulations, Artificial Intelligence and Deep Learning on one single system, to overcome the limits of traditional computing simulation and explore new applications and innovation.

With cutting-edge networking standards and the latest processing components, it provides extreme power, speed and accuracy. BullSequana XH2000 has a fan-less design and a unique Direct Liquid Cooling (DLC) technology that uses warm water up to 40°C to cool all critical components within the cabinet (compute blades, interconnect and management switches, and PSUs). Thus, due to this patented solution, Atos supercomputer consumes less energy than current systems, proving to be a sustainable long-term investment.

The University of Edinburgh uses the Atos technology to pursue cutting-edge research in the fields of particle physics, astronomy, cosmology and nuclear physics.

1 *https://atos.net/en/about-us/atos-ecobranding*
2 *https://atos.net/en/insights-and-innovation/digital-transformation/application-ecosytem/atos-green*

Improving healthcare and research with innovative remote monitoring technologies

Atos and Huma, the digital health innovator, has a strategic global partnership to shift healthcare and clinical trials from hospital to home. The partnership will focus on Huma's modular platform which can power digital 'hospitals at home' up to national scale, as well as support pharmaceutical and research industries to run complex global decentralized clinical trials. The platform is already used in the United States and across Europe for illnesses ranging from atrial fibrillation to diabetes to Covid-19.

Atos will use its experience in implementing and scaling complex transformation projects to accelerate adoption of Huma's technology. This will include investment by Atos worth up to €20 million split across R&D and go-to-market resources, including dedicated consulting and sales personnel. The investment in R&D will fast-track the integration of the Huma platform with other leading clinical platforms, as well as develop a dedicated video module.

Innovation is needed to improve both patient care and the overall efficiency of the care chain. Atos and Huma's approach means patients are monitored outside of hospital and given timely, proactive clinical intervention ahead of need, ultimately optimizing the use of resources, improving patient outcomes and reducing long-term healthcare costs. Early-stage evidence has shown Huma's service, which has already been operating nationally across Germany, England and the UAE, can almost double hospital capacity.

Terra² App for net-zero

In October 2021, Atos launched Terra²[1] mobile app to provide the most comprehensive satellite images of Earth. Terra² offers a unique level of insight to inform policy-making, shape and measure decarbonization initiatives, influence stakeholders and other governments in their race to net-zero, and drive citizen behavioural change for a safer, more sustainable future.

Terra² offers users tracking option such as **Air Pollutants, Pollutant Evolution from COP21 to COP26 and Carbon Monitoring**, and the ability to track them across a region or city of their choice.

Terra² is unique thanks to strong partnerships with the European Space Agency, leading international laboratories and research institutes, and the Mundi Consortium, which helps organizations to benefit from Copernicus, the largest-ever earth observation program, plus thousands of land, air and marine-based sensors and systems.

As a forerunner in accelerating decarbonization, this new application is the perfect illustration of Atos's commitment in transforming the way digital technologies are designed, developed, and used.

Urban Data Platform

At its annual "Atos Technology Days" event, Atos presented its solution framework named "Atos Urban Data Platform", which aims to make smart cities a reality by supporting governments in their mission to deliver smart integrated services to their citizens, visitors, and economic partners. This state-of-the-art platform enables a city to benefit from the combination of all data generated by a wide ecosystem of smart city services, applications, and intelligent devices. It manages and publishes data across the city's operational areas – providing a single secure access point and monitoring dashboards for all data-driven services.

The Atos Urban Data Platform can be used as follows:

- air quality and mobility – Capture data on current traffic situations, parking availability and alternative transport options and present them in a single, easily accessible view to enable citizens to make better-informed choices to adapt their travel plans in real time. This collaborative approach can reduce traffic flow, facilitate parking, and improve overall air quality;
- energy transition – Enable a city to support the local energy transition by creating more awareness and support citizens to extend privately-owned photovoltaic systems. This includes the deployment of such systems on rooftops of public buildings. By distributing the surplus energy to the citizens who participate, interest to invest in private photovoltaic systems will increase.

The Atos Urban Data Platform can be used for many other use cases such as care services or security and public safety.

Innovative digital solutions to facilitate the optimal and dynamic operation of the energy distribution grid[2]

Atos together with 30 partners has generated a scalable cross-functional framework to optimize operation of the distribution grid. Co-ordinated by Atos, the European-funded project inteGRIDy has successfully carried out 10 pilot tests in real-life scenarios across 8 European countries to assess and validate the performance of technologies developed to connect existing energy networks with diverse operators and consumers. InteGRIDy has demonstrated the technical and business viability of highly complex digital frameworks made up of multiple and different data recovery tools including novel collaborative distributed storage schemes within an increasing share of renewable energies.

Key results of the project are a cross-modular functional platform integrating 30 different software tools to provide intelligent capabilities to the distribution network, a InteGRIDy solution space and a business modelling and replicability tool for automated business model identification for energy solutions that analyses the scalability and scores of various technologies in different countries and provides, through the use of predictive algorithms, a personalized, data-driven analysis to meet each user requirements.

The project, which began in January 2017, received funding from the European Union's H2020 research and innovation program within the framework of grant agreement No. 731268.

1 *https://atos.net/en/industries/public-sector-defence/decarbonized-digital/terra2*
2 *https://atos.net/en/2021/press-release_2021_12_21/atos-announces-success-of-eu-project-integridy-with-effective-energy-solutions-to-support-transition-to-green-energy*

Alignment with EU Taxonomy

For several years, Atos has been estimating the size of its sustainability offering based on a selected set of offerings assessed as having a higher impact on sustainability. That approach assessed the impact on four dimensions of sustainability (Economic, Social, Environmental and Governance) measured in terms of the percentage of revenues for six selected offerings: "Cloud Enterprise Solutions", "Digital Workplace" (DWP), "SAP", "Internet of Things" (IoT), "Digital Transformation Consulting" (DTC) and "Automation, RPA, Analytics and AI" (ARAA). Since 2021 Atos is instead working in alignment with the EU Taxonomy, using a more exacting approach based on the international framework of the United Nations Sustainable Development Goals (SDGs). Atos understands that its notion of "sustainability" needs to be aligned with a universally accepted understanding of the concept, which according to the Atos Group is embodied by the UN SDGs: a shared blueprint for peace and prosperity for people and the planet, now and into the future.

In this context, instead of using the earlier approach for a limited set of practices and offerings, whereby Atos addressed the Economic, Social, Environmental and Governance impacts, it is more precise to assess the entire Atos portfolio and link it to an international framework such as the SDGs. Currently, the assessment focuses on the impact on SDG 13 (Climate Action) as a first step for a future analysis of the full impact of the portfolio on the 17 SDGs. Going forward, this measurement of the full portfolio impact will provide a more accurate estimation of the impact of Atos products and services on sustainability, while simultaneously identifying Atos offerings that align with the objectives defined in the EU Taxonomy.

5.4.4 Security and data protection

[SABS TC-SI-230a.2]

Raison d'être

The Group Security function spans all countries and entities within Atos with a direct reporting line into the Atos Executive Management.

Its mission is to lead the organization's effort to manage internal security and safety risks by anticipating adverse effects of security and safety events to the organization.

Its key activities are to:

- provide assurance to the Group Management Committee on security and safety risks;
- create and maintain information security and safety policies and set implementation goals;
- monitor the threat, regulatory landscapes and identify the top security and safety risks;
- invest in advanced capabilities to protect against and detect cyber-attacks on the organization;
- facilitate, monitor the implementation, and maintain security controls across the organization.

The key Frameworks used across the enterprise are ISO 27001, Control Objectives for Information & Related Technology, Information Technology Infrastructure Library and National Institute of Standards & Technology.

Atos has established and enforced Binding Corporate Rules (BCR) to the entire Group and has implemented GDPR recommendations throughout the Company from an independent data protection team fully cooperating with Group Security and reporting to an Atos senior manager.

During the integration of mergers and acquisitions, Atos ensures improvements in cost efficiencies, gap analysis and risk management. It also leverages best practices from those entities to enrich Atos's risk posture.

Atos delivers excellence in security with minimum security risk appetite by:

- independent security organization (budget/resources);
- threat intelligence service;
- dedicated Red team / Blue team (ethical hackers);
- best of Breed anti-malware protection strategy;
- advanced vulnerability scans;
- external security assessment by major players;
- close cooperation with governments agencies;
- advanced data analytics displayed in security dashboard.

These are complemented by a portfolio of projects to:

- combat the evolving threat landscape;
- gain more benefits from existing security investments.

Governance

The Head of Big Data & Cybersecurity, a member of the Executive Board and as Executive in charge of Group Security function, oversees the cybersecurity strategy in the Cybersecurity / Information Security Committee which is responsible for cybersecurity strategy at Atos. He advises the Executive Board on trends, company activities and approach with regards to cybersecurity.

The Group Security organization is led by the Head of Group Security and Group CSO who in turn reports to the Head of Big Data & Cybersecurity and is responsible for implementing, managing, and keeping the Atos Information Security Management System (ISMS) state of the art. The Head of Group Security and Group CSO has, at minimum, a weekly meeting with the Head of Big Data and cybersecurity.

Since its inception in 2001, the Atos Information Security Management System (ISMS), which is mandated across all Atos legal entities, has continued to mature as a result of Plan-Do-Check-Act (PDCA) cycle. The Security organization manages the continuous improvement cycle required by the ISO 27001 certification.

The Head of Group Security is supported by five Regional Business Unit Security Directors, a Global Chief Information Security Officer, a Head of Group Safety and three Global Business Security Directors. Each Regional Business Unit has one or more Chief Security Officer(s) by Country Cluster. In total, Group Security comprises of some 80 full time staff, regrouped into a support function, and deployed around the globe.

Group Security is aligned with changes to Group organization structure.

Every week the Head of Group Security has several meetings with Group Security staff:

- management team meetings, aimed at providing direction and priorities to the Group Security Program;
- team meetings with all Group Security staff, to update staff on ongoing projects and initiatives;
- security Operation Reviews with Group Security participants from all regions, to review all opened security incidents for progress and potential closure, and to reduce potential impact of any security incidents, as well as identify and share good security practices.

The Group's main certifications regarding security include ISO 27001, ISAE 3402 and PCI/DSS for a selection of Atos datacenters, which house client payment systems.

Cyber Essentials

Cyber Essentials is a UK government backed scheme to help protect organizations against a whole range of the most common cyber-attacks. Cyber Essentials Plus retains the Cyber Essentials trademark simplicity of approach and requires the same levels of protection to have been implemented but requires a hands-on technical verification to be undertaken.

Atos has a Cyber Essentials Certificate of Assurance (certificate number IASME-CEP-006272) with a scope of all Atos corporate managed devices and a Cyber Essentials Plus Certificate of Assurance (certificate number IASME-CE-032212) with a scope of the UK secure private cloud platform environment.

A comprehensive approach to the protection of assets

Atos Group security organization has a comprehensive set of Global Security and Safety policies, standards, and guidelines. The Atos Group Security policies are mandatory and binding for all Atos entities and employees worldwide, in order to guarantee the safety and the security of Atos internal and external (i.e., "client related") business processes.

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).

GS library change/enhancement in 2021:

Atos Group Security continues to enhance its extensive set of security polices and supporting collateral and has improved its efficiency by digital transformation. Intellectual property of assets and confidential information, including, but not limited to, the use of confidentiality agreements, encryption and logical and physical protection of information are also covered within these set of policies. These documents are stored within a SharePoint library and are available to all Atos employees. This document set is routinely audited as part of the ISO 27001 certification process.

To ensure that appropriate provisions are included in Atos contracts with clients and suppliers, and that confidential matters are appropriately dealt with in compliance with applicable laws, Atos Legal, Compliance and Contract Management department advises on all commercial transactions.

Atos monitors and governs sanctioned and unsanctioned Cloud services via web proxy services and integrated security tooling, allowing Atos to protect its information in the Cloud.

New / Enhanced security policies published in 2021:

- Atos Security aide-mémoire (major update);
- Atos Security aide-memoire for Internet Facing Infra, Servers, Apps & Services (new);
- Password Policy (major update);
- Vulnerability Management Policy (new);
- Atos security risk management policy (major update);
- Management of Physical Access Control Systems (new).

Atos Cybersecurity Awareness:

- an information security/cybersecurity policy is internally available to all employees;
- Atos cybersecurity and Safety Awareness Training (Mandatory training) was enhanced in Oct-2020 to add new training topics based on latest security risks and threats. The training is now available in 7 languages. During 2021, 94% of employees successfully passed the course assessment;

- in addition to the mandatory training, complementary training curriculums are published on the Learning Portal;
- a clear escalation process is available to all employees which can be easily followed in the event they notice something suspicious is in place;
- it is the responsibility of all members of staff to adhere to the Atos Security Policies and related standards, procedures, and guidelines. Breach of these documents may result in disciplinary action, up to and including termination of employment;
- during 2021, 22 global communications covering security awareness were published and made available to all Atos staff worldwide.

Complementary Awareness (cybersecurity Month)

Cybersecurity Month was celebrated in Atos during October. The objective was to raise awareness across the organization about the importance of cybersecurity to Atos and its clients and encouraging people to do their part in protecting cyberspace, stressing individual accountability, and taking proactive steps to enhance cybersecurity. Various global and local events (quizzes, campaigns, webinars, competitions etc…) were conducted during this month to promote importance of cybersecurity.

Other security measurements in place:

Phishing Campaign

Atos conducted 7 Phishing campaigns during 2021. Over 400,000 Phishing emails were delivered to targeted employees, using a number of different templates requesting them to click on an embedded link and enter their credentials in a fake login page. Employees who did enter their credentials were identified and required to undergo a Phishing Awareness training program. This exercise reduced the number of employees requiring training by 76% comparing the results of the first campaign with them from the last campaign in November.

- Within the Atos Outlook application, a Suspicious Mail Reporting button has been enhanced in 2021 to provide mobile support. This enables employees to report suspicious looking incoming mails to Atos SOC for analysis and feedback to the reporting employee.
- All emails from a non-Atos address now generate a header message warning the recipient that this is an external email and of the need to be extra vigilant before opening attachments or clicking on an embedded link.

Additional controls have been defined and implemented to improve email security while at the same time, the email infrastructure gateways have been upgraded to improve email filtering.

Multi Factor Authentication (MFA)

Atos has now extended its MFA service on its authentication portal to permit MFA with mobile phones using a third-party application. This MFA protocol is in addition to PKI card authentication, One Time Password authentication and PKI card calculators, allowing Atos to offer MFA to all its employees and sub-contrators/third-parties. It ensures that MFA is applied to all Atos critical applications authentication. 94% of active physical and functional user accounts have MFA enforced.

Atos MDR (Manage Detect and Respond)

Through the acquisition of Paladion in 2020, Atos has procured AIsaac, a dedicated EU based cloud MDR (Managed Detection and Response) infrastructure. Atos is in the process of transitioning to the AIsaac service.

This new Atos AIsaac platform provides Big Data SIEM (Security Information and Event Management) capabilities with threat intelligence, advanced threat detection, faster incident mitigation, and collaborative breach response 24x7. The MDR solution will monitor servers, network devices and other Atos security tools to provide better detection of malicious activities and faster incident response.

By replacing the existing MDR with the new Paladion AIsaac MDR platform, Atos now has a scalable platform to develop in-house to improve the protection from sophisticated attacks. Through the on-going development with Big Data SIEM, and Artificial Intelligence Atos can continuously analyze and protect the organization’s data to detect attacks in real-time and near real-time. Once a threat is detected, AIsaac accelerates and fully orchestrates fast, accurate, and effective response to remediate threats faster.

Secure Coding

Good practices demand that security is embedded into the system architecture and system development practices. This is essential given that the threat actors often exploit vulnerable applications. Atos has prioritized the need to ensure that applications are developed eliminating all inherent vulnerabilities. The Atos Information Security Management System (ISMS) provides the necessary direction and guidance for the implementation of securely designed and developed application systems. Training modules have been implemented for those in the relevant roles. Atos has also invested in tools to evaluate the security posture of applications.

Security Incident Management

The Atos Security Incident Management Policy has been defined and implemented. The collaboration between the Atos Group Security Officers and the Computer Security Incident Response Team (CSIRT) ensures its effectiveness.

To capture all Group security events and Group security incidents, Atos relies on a network of more than 80 Atos Group Security Officers worldwide. These security events and security incidents are reviewed in the weekly Security Operations Review, which is chaired by the Atos Group Chief Security Officer (Atos Group CSO). All security incidents and events relating to data protection are also reviewed.

In 2021, a dedicated team of major Security Incident Managers was set up to improve the process for high priority cybersecurity incidents, and the cooperation between CSIRT, Technical teams, Chief Security Officers and other stakeholders. Further improvement steps have been taken to centralize the management of security incidents and events in Atos. This includes the definition of a Security Communication and Escalation matrix, and the implementation of a new ticketing tool. The list of security incident types and categories has been extended to improve security incident reporting, and to provide a more complete overview about security incidents in Atos.

In H2 2021 Group Security has started to link security incidents with security problem tickets to follow up on longer lasting activities. It tracks remediation actions, which are aimed to prevent similar security incidents in the future.

A Major security incident with a priority of either P1 or P2 can be designated as a crisis after approval by the Atos Chief Security Officer and is then managed in compliance with the Crisis Management Policy.

In addition to a Crisis Management Policy, Atos has an established Cyber Emergency Policy to ensure a consistent methodology is applied in addressing any declared cyber emergency event.

Business Continuity Management

To ensure that the Atos infrastructure continues to deliver IT services, line managers responsible for components of the infrastructure must maintain a business continuity plan to implement, if a disaster prevents the normal delivery of service. Business continuity plans must be capable of delivering the contracted availability requirements to clients and they must be tested. Business continuity planning should be discussed and agreed with clients and described in the contracts and Service Level Agreements.

Responding to the Covid-19 pandemic, following the Group Security Crisis Management methodology, Group Security brought together the senior management, and have coordinated the various teams' responses. The Crisis team continues to define, monitor, and coordinate mitigation actions to protect Atos employees and to ensure business continuity. It included:

- establishing a pandemic plan;
- activating business continuity plans;
- coordinating suppliers and clients;
- introducing a remote on-boarding process for new joiners and reinforcing security rules.

During the last semester 2021, Group Security led a group crisis exercise in order to review how the Group crisis team members work together under crisis conditions. Approximately 25 people from Operations and Shared Functions worked in a simulated case to test the business continuity management methodology and address the requirements of internal and external stakeholders.

External Security Benchmarking

Atos continues to use an industry-recognized security scorecard comparison supplier to benchmark its suppliers and its own (including Atos subsidiaries) performance against key competitors. This enables Atos to provide feedback to the suppliers on their security posture, and to launch actions to improve Atos's own cybersecurity. This demonstrates that Atos is consistently outperforming its main competitors. Should the security scorecard show a reduction in score, Atos uses this as a key indicator for the initiation of change to improve Atos's suppliers and Atos's own security positions in the market.

Group Cyber Security Dashboard

The Group Cyber Security Dashboard is a visual display of the automated feeds, without any human intervention, to indicate with high reliability at any given point its security posture. The dashboard has been structured using the National Institute of Standards and Technology cyber security framework categories: identify, protect, detect, respond, and recover. In conjunction with the use of RAG indicators, it assists in enabling prioritization of where focus is to be given in near real-time on an ongoing basis. This is seen as a critical tool for the security community and other stakeholders within Atos to facilitate rapid management of evolving threat actors.

The dashboard provides various layers of visualization and data, from the holistic view of the entire group estate right down to users' specific area of responsibility. Generation of reports to the Group Security Management Committee and other key stakeholders are provided, which gives the status at the most current point. Each KPI target is reviewed twice yearly to aid in improving the security culture and the maturity level.

Whilst this tool is predominately used to visualize key performance indicators, it also contains operational information. Examples include the ability to search by IP or host name and understand where it is located and its current security posture at an asset level.

Further categories have been integrated into the dashboard to strengthen the ability to identify the constantly changing threat environment. In 2021 these included KPI's on Threat Intelligence, Critical Applications security risk assessment, Percentage avoidance of Phishing attempt, Asset Search Tool, Advanced Threat Protection Compliancy, and Encryption technology.

Security key performance indicators (KPIs) and reporting

Security KPIs have been improved by better definition, delivering more meaningful information to the relevant support functions, and enhancing the capability to demonstrate the value of security. For example, percentage calculation of successful completion of security & safety awareness e-learning, security incidents open/closed and compliance to malicious code prevention.

From a security performance management perspective, Atos monitors the deployment of ISO 27001 at all Atos in-scope sites. The Atos Integrated Management System (AIMS) Headquarter Audit of ISO multisite certification was successfully completed in June 2021 by Ernst and Young (the authorized accreditation body). Zero non-compliances were reported for Group Security team.

During 2021 Atos did not experience any security incident on its perimeter which resulted in it having to pay penalties or suffered revenue losses. Security events are rapidly identified, and prompt action is taken by security staff following established processes. As such, security incidents had only limited impacts on Atos and/or its business. No security incident exposed Atos to the application of penalties or claims as such (other than incidents covered within the application of SLAs in the normal course of business). No other costs were incurred by these security incidents.

A3 KPI Results:

A3	Data Security Incidents	KPI Performance
A3_c2	Percentage of open security incidents open v/s closed (%)	3%
A3_c3	Percentage of employees who successfully performed the Safety & Security E-learning	95%
A3_c4	Percentage of employees who successfully completed the Data Protection E-learning	88%
A3_c5	Percentage of compliance to malicious code prevention	100%
A3_c9	Percentage of coverage of ISO27001 certification	98%

2021 OBJECTIVES PERFORMANCE

Objectives	Descriptions	Results / extent to which they have been met
Increase compliance to aide-mémoire to reduce threat surface to Atos.	Demonstrate compliance to the 18 basic principles of security mandated across the whole of Atos	Significant decrease of remaining Critical vulnerabilities 2FA enforcement compliance at 94% Chess 2 Microsoft Defender Advanced Threat Compliancy 100%)
Phishing Tests	7% or less of staff to have been identified of being Phished.	93% of staff have avoided being phished
E-Learning	90% of staff to have completed new cybersecurity & Safety training	95% completed training
Olympics	Marathon Project	Delivered with no major security incidents

Security Risk Assessment

Atos follows a comprehensive Enterprise risk management Framework, aiming at managing the uncertainties that may impair the achievement of business objectives. Within this framework, Security risk management follows specific processes embedded in its Information Security Management System, in alignment with ISO27001 standard.

Those processes all include the following steps: risk identification (determine what could happen), risk analysis and evaluation (quantitative and/or qualitative, to assess the level of risk), and risk treatment (acceptance or management of treatment/remediation plans). These are complemented by communication to relevant stakeholders and monitoring / review cycles.

These risk management activities allow Atos to:

- enhance its understanding of security risks and their management;
- identify and manage residual risks;
- drive continuous improvement of security.

In 2021, Group security performed a global security risk assessment, starting from key unwanted scenarios (intrusion in a production system, theft of confidential data…) and leading to the identification and evaluation of operational risks.

Ransomware infection was one of the key scenarios considered, including the capability to prevent, detect and remediate such issues. As noted under Business Continuity above, a crisis simulation exercise was conducted across a number of regions based on ransomware attack scenario to test and validate crisis management procedures at operational and management levels.

Security improvement plans have been aligned to address the results of those risk assessments.

Security Transformation & Tokyo 2020 Olympic Games

The key driver for Security Transformation in 2021 was to ensure that Atos (as the IT Integrator) contributed to the cyber security of the Tokyo 2020 Olympics. The Group Security function delivered a transformation program during 2021 by:

- mobilizing all Atos staff to be extra vigilant in the run-up to and during the Olympic Games. They formed an active front-line protection in its security defenses. This was enabled via mandatory Security and Safety Awareness training, internally-orchestrated Phishing campaigns, and a focused set of security related communications to Atos staff;
- extending coverage of Endpoint Detection and Response, and Vulnerabilities Scanning tools;
- running Red Team ethical hacking projects;
- starting a "Bug Bounty" program for the Atos Internet facing perimeter, involving external ethical hackers;
- performing Supply Chain risk assessments;
- using a mature security risk assessment methodology, the Group Security function enabled security risks to be communicated to the Mergers & Acquisition team for the mergers and acquisitions in 2021;
- for Tokyo Olympics, Atos engaged security experts in support from three newly acquired security companies (digital.security, SEC Consult and In Fidem).

By the successful delivery of this program, and via the partnership with the International Olympic Committee and national authorities, there was **zero** security impact to the Tokyo 2020 Olympic Games.

Charter of Trust

Atos is one of the founding members of the Charter of Trust, which was formally launched at the Munich Security Conference (MSC) in February 2018. As part of this worldwide agreement, the MSC and the globally active companies defined important principles for a secure digital world. They are committed to contributing to the value and the further development of the Charter for Greater cybersecurity.

Atos Group Security created a Charter of Trust (CoT) team who act externally in the different CoT Task Forces as active Taskforce leader or member. This team ensures Atos internally maintains compliance with CoT principles and security requirements.

Following on from the Charter of Trust Principle 2 working group whose aim is "securing the digital supply chain", Atos has identified 17 "baseline requirements" that allow the Company to update its "security requirements for suppliers". This document has been cascaded to Atos's suppliers with newly issued purchase orders and a request for acknowledgement by Atos TOP 250 vendors, allowing Atos to strengthen its security approach towards its supply chain.

Enhancements during 2021 include:

	Principle	Enhancement
2	Responsibility throughout the digital supply chain	Published "Common risk-based approach for the Digital Supply Chain" report
3	Security by default	Finalized Explanatory Document for Phase 1 Baseline Requirements (Products, Functionalities, Technologies)
6	Education	Strengthening community driven learning by exploring platform solutions (TrustNet)
7	Certification for critical infrastructure and solutions	Drafted Explanatory Document outlining a common approach, best practices, and created Chain of Trust models for certification standards
8	Transparency and response	Established Charter of Trust policy for threat information sharing, commenced human to human network and launched the proof of concept for threat intelligence platform

Supply Chain Assurance

In addition to the supply chain assurance activities undertaken under the CoT area, and the use of external security scorecards to routinely monitor the cyber security posture of its key suppliers, Atos has been strengthening their supplier cyber security management framework. Cybersecurity has been integrated within the full E2E process from initial selection through to ongoing regular supplier assurance activities and offboarding.

2021 Goals

While Group Security continue to see Cyber threats increasing, the new goal for 2022 will be to succeed to maintain as good security as in the previous years, avoid impact of security events and incidents to the organization and to the clients.

To succeed the challenge, Group Security will:

- continue the automation of the controls to capture how security measures are being implemented successfully across the full scope of the organization (and newly acquired companies). Atos will rely for that on the Group Security Dashboard and standard best-in-class solutions;

- go further in the Managed Detection and Response Paladion deployment (in addition to the EDR solutions) with full scope coverage of all Atos critical assets before end of H1 2022;
- leverage on new cyber security services (e.g. Group Security Bug Bounty program);
- partnership with Atos IT and business entities for improving the security maturity of their infrastructure, products, and services;
- Last, Group Security will push further the investments in the control of the supply chain and Cloud security.

Data protection

The Atos Group Data Protection Policy applies to the entire operations across the whole Atos Group. Moreover, Atos has Atos Binding Corporate Rules to protect data transfers within the Atos Group and apply a consistent level of good data protection practice within the Group.

Regarding suppliers, the Privacy Policy of Atos provides key principles that are applied to suppliers through contractual clauses and commitments that frame their mandatory obligations regarding privacy, and this includes the Privacy Policy principles.

Atos suppliers and partners are:

- selected through processes that include the privacy policy principles and an assessment of the personal data processing through a Compliance Assessment of Data Processing (CADP) tool, which is composed of formal check lists of questions and tabs related to the supplier;
- bound by Atos Procurement agreement including a Data Protection Addendum considering the privacy policy principles.

In addition, Atos has a Vendor Evaluation Questionnaire (VEQ) which can be used assessing suppliers.

There is a permanent working party on 'Data Protection Awareness Procurement' which includes the Atos Procurement team, Atos Legal Procurement team and the Atos Group Data Protection Office. This working party improves process and in 2021 delivered specific training sessions for Procurement managers and senior buyers. This working party also supported the alignment with the revised EU Standard Contractual Clauses (SCC) and associated Data Transfer Impact Assessments.

Regarding Clients, the Privacy Policy of Atos applies as a baseline to any bid Atos is identifying where personal data are collected/processed by Atos on behalf of the Client, this includes:

- an assessment of the personal data processing through a Compliance Assessment of Data Processing (CADP) tool composed of formal check lists of questions and tabs related to the Atos proposal is used, following the bid process and the delivery process (proposal stage, contract stage, project delivery stage, project closing stage);
- signed Agreements and Data Protection Addenda considering the privacy policy principles.

The Processor roles and responsibilities within Atos were formally documented in 2021 within a process and RACI[1] which are both published in a dedicated internal Portal.

5.4.5 Ethical and trustworthy management of data

[GRI 103-2 Customer privacy], [GRI 103-3 Customer privacy], [GRI 418-1], [SASB TC-SI-220a.1], [SASB TC-SI-230]

5.4.5.1 Clients information

As an IT services company, Atos processes only limited end-client information for its own purposes. Accordingly, while Atos processes extremely large amounts of data, including end-client data, in most cases it only does so as a Processor on behalf of its own clients, rather than as a Controller. However, Atos does assist and support its clients in the assessment of data processing and the resulting impact on privacy, both for the client and their final own clients (end users).

Accordingly, with regards to the end user information it may receive, Atos will comply with the explicit instructions of its clients that the Atos's Compliance Assessment of Data Processing tool (CADP) contributes to track, formalize and document.

Therefore, to ensure that Atos clients comply with the highest level of compliance with data protection rules, Atos systematically proposes to its clients:

- to amend former agreements in place to consider the General Data Protection Regulation (GDPR);
- to implement a reviewed data protection set of clauses including GDPR principles ("Atos - Standard data protection clause") in which Atos requires its clients to guarantee that they have provided adequate information in relation to data protection, so their data subjects benefit from the principles of Data Protection by Design;

1 *Responsible, Accountable, Consulted and Informed.*

- to assess any processing of personal data of final clients by a tool designed and developed by Atos and called the "Compliance Assessment of Data Processing" (CADP) that shall be completed progressively as part of the bidding and contracting process by the relevant members of the bidding, solution and sales team as well as, where relevant, Subcontractors, with the support of or based on the information provided by clients. The CADP, being part of the contractual documentation with clients, documents the necessary information regarding the way in which personal data is processed and ensures that clients have the necessary information to inform their own clients. All relevant documentation including the CADP-P are gathered in the Atos's Account Client Management System (ACM).

Concerning the policies and practices relating to behavioral advertising and user privacy [SASB TC-SI-220a.1], there is a list of policies, procedures and practices for personal data protection relating to behavioral advertising and user privacy". The main Atos policies or procedures relating to personal data protection are as follows:

- AP17 Atos Personal Data Policy;
- AP21 Atos Personal Data Breach Policy;
- AP22 Atos Binding Corporate Rules;
- AP82 Policy for Access to Atos IT Network User Data;
- AP58 Atos Security requirements for Partners and Suppliers.

Atos implemented the policies, rules and requirements mentioned above into its operations and continues to enforce them. This approach was initiated through the GDPR program launched in 2017. As Atos top management considers Data Protection to be an ongoing endeavor that has to be put into practice by everyone, it continues to support it both at global and at local levels.

Acting as a Controller and Processor, Atos does not use any client data for secondary purposes. [SASB TC-SI-220a.2]

Atos uses client information in a B2B context, i.e., for marketing purposes or when performing contracts with the companies that the individuals represent, strictly in line with local Data Protection obligations. Atos uses at least Opt-Out mechanism if applicable, and use (single) Opt-In or Double Opt-In mechanisms in jurisdictions that require these. A data subject's consent always supersedes any other mechanism, hence once consent has been withdrawn Atos does not seek alternative mechanisms to circumvent the data subjects clearly expressed will not to receive Marketing Information.

Acting as Processor, Atos provides support to its Clients in order to answer data subjects' requests, including access, portability, correction and deletion requests; Atos informs website visitors regarding Data Privacy[1] .

Atos inform its clients on the following privacy protection issues:

- nature of information captured;
- use of the collected information;
- possibility for clients to decide how private data is collected, used, retained and processed:
  - opt-out option is available,
  - opt-in consent is required,
  - request access to data held by the Company,
  - request their data be transferred to other service providers,
  - request their data be corrected,
  - request their data be deleted;
- how long the information is kept on corporate files;
- how the information is protected.

5.4.5.2 Protecting personal data in a data driven world

In a digital world driven by data, the main concern to build the necessary trust for digital business is based on protecting data and especially personal data by reducing the risks of incidents and breaches of client privacy and losses. Atos has for many years positioned itself as a pioneer in the market with regard to its approach to the protection of personal data. Based on its comprehensive security organization, strong and enforced policies, interdisciplinary collaboration, and the intensive cooperation of the data protection experts within the Company, Atos follows the strictest data protection standards.

The Atos data protection policies encompass the protection of all personal data collected or held in custody by Atos (acting as a Controller or acting as a Processor) with a focus, in 2020, on the sharing of personal data (internally by the Atos Binding Corporate Rules (BCR) rollout and externally by the Atos Security requirements for Partners and Suppliers that include data protection requirements), followed, in 2021, with a focus on Data Protection Addendums (DPA), the impact of Schrems II and following the EU EDPB[2] recommendations.

1 *https://atos.net/en/privacy*
2 *European Data Protection Board*

In addition, in September 2021, the new Standards Contractual Clauses (SCC) were integrated into the DPA, besides an Atos tooling for conducting the Transfer Impact Assessments (Atos Data TIA record). For the Technical and Organizational Measures, Atos standardized the lists of TOMs (acting as Processor and acting as Controller), to better cascade the instructions given by Clients across the supply chain.

Atos requires all its suppliers to comply with the same high data protection standards that it has set for itself via its above-mentioned policies or based on applicable data protection legislation.

Atos IT, which is in charge of the Atos internal applications supporting most of the internal data processing activities of Atos as Data Controller around employees, clients, suppliers or partners as data subjects, has revised its Enterprise Application Policy (ASM-GIT-0006) and Enterprise Data Policy (ASM-GIT-0007) to translate in IT terms the requirements of personal data protection.

To ensure awareness among the Atos IT staff, specific training modules have been elaborated around those revised policies, stressing the personal data protection aspects: identified ownership, documented data acquisition and propagation flows, explicit life cycle definition, consistency rules and quality indicators, special attention to backups, log files and archives (retention period, authorized access, protected storage). In addition, regular programs are executed to expand the coverage of the data policy to all the organization through improved awareness training of the Data-owners and constant update of the enterprise data inventory.

Our revised Data Protection E-Learning strived to uphold the principles and best practices of internationally recognized accessibility standards (WCAG[1] , BS8878 & EN301549).

The continuous improvement of these tools and processes allowed Atos to further integrate the "accountability principle" in a stringent way. Based on a Data Protection Management platform, Atos modernized and automized in 2020 its assessment process for activities performed in the role of the Data Controller. At the same time the assessment process for activities performed in the role of the Processor went through the half-yearly regular improvement process and is now working on migrating this process in turn to the managed platform. By these means Atos has strengthened its register of processing activities as well as its privacy by design approach in the creation and implementation of its systems and services.

Furthermore, and from an operational perspective in 2021, Atos did not receive any significant complaints regarding breaches of **client privacy**. [GRI 418-1], [SASB TC-SI-220a.3]

Data sovereignty and trust

The potential of the economy of data relies on trust and confidence in Data Management. The set-up of a data and infrastructure ecosystem according to shared European values fully resonates with Atos "raison d'être". To achieve such ambition, Atos has taken an Industry leadership, as founding member of Gaia-X elected in its Board of Directors in June 2021, and contributing to set-up a data and infrastructure ecosystem according to European values and standards, such as data protection, digital sovereignty, interoperability, portability and security.

Gaia-X is a non-profit organization with more than 300 members from business, politics, academics and Science from Europe and around the world with the objective to create a federated and secure data infrastructure ecosystem, bringing innovation through digital sovereignty and boosting the creation of new common data spaces to create digital economy. In 2021, Gaia-X has released its Policy rules, Architecture of Standards and Architecture documents as well as introduces the concept of the Gaia-X Compliance and Labelling framework to ensure that defined policy and technology requirements are met, hence increasing trust in Gaia-X labelled services. Atos is active in the technical and labelling committees of Gaia-X, deeply engaged in Gaia-X country hub activities and contributing to various industry dataspaces platform business, such as in Finance, Energy, Automotive, Tourism, etc.

Atos is also a member of the Charter of Trust as well as ETAMI[2] European initiative, which develops standards and best practices for the robust and secure application of AI.

In addition, Atos is actively engaged in shaping the European ecosystem around cloud and data through board memberships at IDSA[3] , BDVA[4] and Fireware as well as strongly contributing to building Cloud Edge ecosystem through membership in the European Alliance of Industrial Data, Edge and Cloud and European projects such as IPCEI[5] , Horizon Europe and European Defence fund, leveraging on its leadership in secured, decarbonized digital.

1 *Web Content Accessibility Guidelines*
2 *Ethical Trustworthy Artificial and Machine Intelligence*
3 *International Data Space Association*
4 *Big Data Value Association*
5 *Important Projects of Common European Interests*

In this respect Atos announced in November 2021 the launch of Atos OneCloud Sovereign Shield[1], a set of solutions, methodologies, and operational cloud services that is unique on the market, enabling clients across the world to meet the challenges of managing their data in the edge to cloud continuum, in line with the highest jurisdictional data governance requirements. Part of the Atos's OneCloud initiative, Atos OneCloud Sovereign Shield is a comprehensive edge to cloud platform ecosystem and highly secure service that improves the level of control clients have over the data they produce and exchange, helping them regain control and effectively deal with legal dependencies. Rather than a binary vision of digital sovereignty, Atos creates a range of risk controls, supporting industries and governments in deploying hybrid and multi cloud strategies in terms of data segregation, infrastructure, applications, security, and operations. Atos offers a customized version of the solution depending on the sensitivity of client data.

5.4.6 Suppliers CSR performance

5.4.6.1 Monitoring of CSR risk in the supply chain [A17]

To ensure ethical and compliant activities, Atos focuses a significant portion of its spend on large Tier-One suppliers that take the same compelling approach towards sustainability as Atos.

Atos Procurement's objective is to strengthen the relationship with its:

- top 250 suppliers by spend which represent circa 70% of total Atos Group spend;
- strategic suppliers which are selected based on the level of spend, the category risk level and the geographic risk where the supplier operates. Some strategic suppliers are part of the top 250.

The Atos Partners' Commitment to Integrity[2]

Atos's suppliers must accept and comply with the Atos Partners' Commitment to Integrity.

The Atos Partners' Commitment to Integrity is included in all requests for proposals sent to suppliers and its key clauses are incorporated in Atos's contracts. The Atos Partners' Commitment to Integrity's objective is to capture principles and actions for Corporate and Social Responsibility (CSR) undertaken by the Atos's Procurement department. It advises Atos's suppliers to follow the principles of the UN Global Compact in the areas of human rights, labor, environment, anti-corruption and the related non-compliance clause throughout the whole contract lifecycle with Atos. If a supplier does not agree to adhere to the Atos Partners' Commitment to Integrity because they have their own charter in place, Atos expects their charter to be at the same level in terms of principles as the Atos one. In the context of Request for Proposals, suppliers are also informed that they should respect and accept these principles as a prerequisite to be able to work with Atos. Also, they should be prepared to be assessed in depth by EcoVadis on their corporate responsibility performance at any time during their contract with Atos.

Anti-corruption

All Atos employees who perform purchasing-related activities on behalf of Atos or who have regular contacts with suppliers are required to sign the Atos Code of Conduct, which establishes the elementary rules each employee must respect in the performance of his or her work, including rules and guidance on anti-corruption issues.

Additionally, every year, all Atos employees have to complete the mandatory training course "Code of Ethics" which trains the employee to have a thorough understanding of Atos's ethical standards covering all themes of the Code of Ethics and to promote fair practices in daily business activities.

The top 250 Atos's suppliers by spend are screened on compliance, including anti-corruption checks, on a yearly basis. Each supplier has its compliance risk assigned and follow-up actions are defined to mitigate risks.

As part of the vendor onboarding process, every supplier is screened for international sanctions and suppliers are requested to declare current and/or past corruption records in Atos's vendor onboarding questionnaire. For any identified case of corruption, Atos's Group Compliance evaluation and approval is required.

If, during the vendor onboarding process, Atos identifies risk factors, such as suppliers owned by public sector officials located in a high or very high-risk country, or a country without Atos's presence, the Procurement Compliance Officer reviews and approves the vendor and, if required, may also consult Group Compliance.

Atos is starting a project to implement an additional enhanced compliance screening tool to screen and monitor suppliers with risk factors that will provide a more comprehensive assessment and include further anti-corruption checks.

In 2022, additional anti-corruption training will be provided to the Procurement Community to present the improved process to bring more awareness on corruption.

1 *https://atos.net/en/2021/press-release_2021_11_18/atos-launches-atos-onecloud-sovereign-shield-to-support-digital-sovereignty-needs-of-industries-and-governments-worldwide*
2 *https://atos.net/wp-content/uploads/2021/07/atos-commitment-integrity-2021.pdf*

EcoVadis and alternative assessments

Atos works with the expert third party EcoVadis to gain an insight into the Group's suppliers' activities. Because of the thorough analysis conducted in the dimensions of Environment, Labor and Human Rights, Ethics and Sustainable Procurement, Atos selected EcoVadis to be the standard reviewer of its suppliers. The key Atos Procurement KPIs are related to the spend covered by suppliers that have been recently assessed by EcoVadis. Thanks to the detailed analysis, Atos has a valuable overview of its top and strategic suppliers' CSR approach, including their strengths, weaknesses and any unethical behavior reported in the media or by NGOs. This helps Atos Procurement to identify possible risks and mitigate them case-by-case within the supply chain.

Atos Procurement's objective is to strengthen the relationship with its top and strategic suppliers and have all of them assessed by EcoVadis on their corporate responsibility performance. Atos also encourages suppliers to hold an assessment no older than 36 months during the Atos-supplier contract period. Suppliers are asked to respond to a detailed questionnaire about their engagement in corporate responsibility and to provide documents as proof in support of their answers. After filling in the survey, a team of EcoVadis CSR experts analyzes the answers and documents in detail, in order to give a global score (out of 100) and a score per dimension, as well as detailed comments including improvement schemes.

If a supplier does not have a valid EcoVadis scorecard, Atos can accept an alternative rating by another third-party expert CSR rating company. All alternative ratings are reviewed and accepted on a case-by-case basis. In 2021:

- 68% of total Atos Group spends were with suppliers assessed by EcoVadis and alternative assessments [A17];
- 395 suppliers were scored or reassessed by EcoVadis, representing 62.5% of the total Atos Group spend;
- 149/243 of Atos's strategic suppliers were scored or reassessed by EcoVadis representing 61% of its strategic suppliers [A17], [GRI 205-1].

The overall average score of the 395 Atos suppliers assessed by EcoVadis is 57 (out of 100) 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.

As a matter of comparison, the overall average score of all suppliers assessed by EcoVadis in its entire worldwide database is 43.8, while the overall average score of all suppliers assessed by EcoVadis in the Atos sector (Computer programming, consultancy and related activities) is 45.8.

In 2021, Atos's suppliers improved their score per topic compared to 2020, based on the 3-year validity scorecard. The average scores were as follows:

- environment: 59 (vs. 56 in 2020);
- labor and Human Rights: 58 (vs. 56 in 2020);
- ethics: 57 (vs. 54 in 2020);
- sustainable procurement: 50 (vs. 48 in 2020).

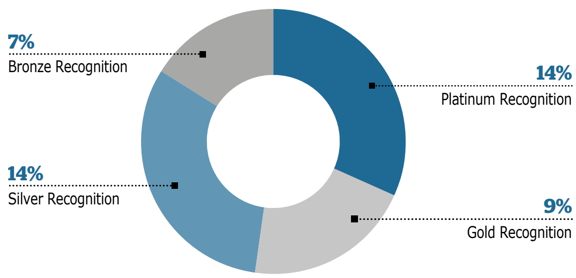
Suppliers with insufficient scores (EcoVadis overall score below 40/100):

In 2021, 21 of Atos top and strategic suppliers assessed by EcoVadis had an overall score below 40, generally due to a lack of understanding of the EcoVadis assessment process and platform.

In 2022, Atos will provide specific post-assessment communication to these suppliers to encourage them to implement corrective action plans. Progress will be tracked, and suppliers will be encouraged to be reassessed in the next 12 months. Our approach is to work with each supplier that has a score of below 40 in order to support them in improving their score.

Atos suppliers with a special EcoVadis recognition

44% of Atos spend is with suppliers that have received a special EcoVadis recognition as presented in the chart below:



Atos itself was reassessed by EcoVadis in 2021 (with an overall score of 80/100 and 90/100 in the Environmental category) and has been awarded the EcoVadis Platinum Award for its performance in Corporate Social Responsibility. Atos thus confirms its position in the top 1% of companies assessed by EcoVadis in its Industry (Computer programming, consultancy and related activities).

Additional decarbonization rating conducted by Atos for strategic suppliers:

To broaden the spend coverage, Atos has implemented its internal Decarbonization rating methodology to establish supplier's decarbonization maturity.

Once a year, Atos runs a performance review of its strategic suppliers (the "Supplier Performance Management QCDIMS[1]"). In this performance review, the following topics are rated with the corresponding weight of the total score: Quality (20%), Cost (20%), Delivery (15%), Innovation (10%), Management (15%), and Sustainability (20%). The weight of Sustainability topic increased from 5% in 2020 to 20% in 2021.

To assess the Sustainability topic, two sections were established, both equally considered:

- CSR assessment (EcoVadis or Alternative assessment): 10%;
- Decarbonization: 10%.

Regarding Decarbonization, the following criteria are assessed:

- measuring and reporting CO_2e emissions;
- having a CO_2e emission reduction strategy;
- offsetting unavoidable emissions;
- having ISO 14001 certifications (Environmental Management System);
- having ISO 50001 certifications (Energy Management System);
- disclosing to CDP (Carbon Disclosure Project);
- committed to a Science Based Target.

Suppliers have to provide evidence for the above points, such as, for example, an externally published CR/CSR/sustainability report or an integrated report/annual report.

Based on their score, suppliers get a Green or Red status.

In 2021, 29% of Atos suppliers above 2 million spend have committed to SBTi.

Green/red classification of suppliers

Based on the EcoVadis Environment theme score, alternative assessments or the Atos internal Decarbonization rating, top and strategic suppliers are classified green or red. In 2021, 100% of top and strategic suppliers above €2 million spend have been assessed.

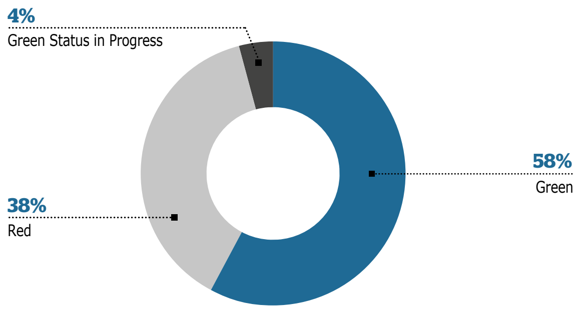
Green suppliers are mature from an environmental strategy perspective, while red suppliers require improvement in the area. Atos stakeholders are encouraged to spend more with green suppliers and spend less with red suppliers through the internal carbon price (ICP) mechanism.

Red suppliers are also addressed by Procurement, supplier management and the Procurement Sustainability Team about their red classification. Atos offers them support to improve their carbon performance through:

- regular meetings to demonstrate any new sustainability commitments and/or continuous improvements;
- expert support from EcoAct (Atos climate advisory company) to develop an improvement program.

The objective is not to terminate red suppliers' agreements, but to help them improve and become green.

In 2021, 68% of total Atos Group spend has been assessed. Below you will find the distribution of the assessed spend:



The percentage of spend with green suppliers increased by 16%, and the percentage of spend with red suppliers decreased by 11%. These improvements were directly reflected in Atos's positive Internal Carbon Price (ICP) results and also in Atos value chain emissions shared in the section (5.2.5.5).

Decarbonization of the supply chain

Atos has committed to net-zero carbon emissions to contribute to limiting the global warming of the planet to 1.5 °C. In this respect, Atos's near-term target is to reduce the CO_2 emissions of its supply chain by 50% by 2025. The aim is therefore to work with suppliers who can support Atos on the journey to achieve this decarbonization ambition.

An Atos Decarbonization Clause is proposed in all new and renegotiated/renewed contracts of 3 years and more, as well as to all TOP 250 suppliers and strategic suppliers.

By signing this clause Atos asks its supplier to commit to the Science Based Target Initiative and set an objective of reducing their overall carbon footprint (GHG Scopes 1, 2 and 3) aligned with the SBTi targets.

There are two versions of the clause:

- one for green suppliers: The supplier is expected to disclose its carbon emissions annually to Atos, demonstrating the reduction of emissions in line with the SBTi 1.5-degree Celsius trajectory. This means a linear reduction of the carbon footprint by a minimum of 4.2% on an annual basis (compared to the baseline), with the first emission reduction achieved within a 1.5-year period (or earlier) from the Effective Date of the agreement;

1 *Quality, Cost, Delivery, Innovation, Management and Sustainability*

- one standard version for other suppliers (red, non-assessed, new suppliers): The supplier is expected to disclose its carbon emissions annually to Atos, demonstrating that emissions reduction is achieved in line with a well-below 2-degrees Celsius trajectory. This means to reduce the carbon footprint by a minimum of 2.5% per year (compared to the previous year), with the first emission reduction achieved within a 2-year period (or earlier) from the Effective Date of the agreement.

On each anniversary of the Agreement, the supplier should demonstrate to Atos the decrease of its carbon emissions, documented by appropriate evidence (for example external audits of its carbon emissions).

Labor and human rights

Following the EcoVadis assessment, improvement actions are proposed to Atos suppliers such as, for example:

- implement labor and human rights policies;
- implement formalized process to assess risks related to employee health and safety;
- implement measures on career management & training;
- implement measures on diversity, discrimination, and harassment;
- implement measures to prevent child labor, forced labour and human trafficking.

On-site audits

For a closer monitoring and control, on-site audits can be performed with the top suppliers located in countries at risk.

5.4.6.2 Atos spend 2021 by country and by category

Local spending
[GRI 102-9]

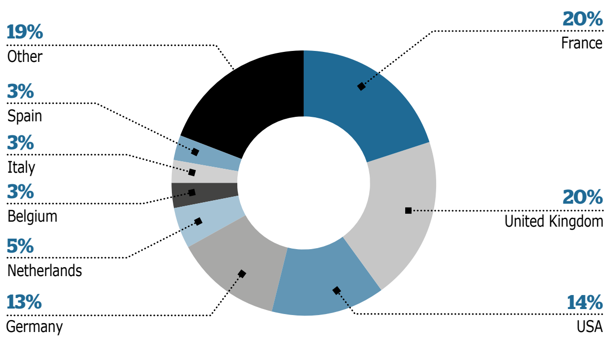
Through the permanent dialogue with suppliers Atos monitors the percentage of the Procurement budget used for significant locations of operation that is spent with local suppliers for that operation (such as percentage of products and services purchased locally).

This KPI covers Atos entities integrated in the main ERP (Enterprise Resource Planning) system.

% of local spending:

In the 67 countries where Atos Procurement is operating, six countries (France, Germany, the United States, the United Kingdom, the Netherlands and Belgium) represent 76% of the spend. The eight largest countries representing 81% of Atos spend are under control in terms of sustainability and are all located in Europe and North America.

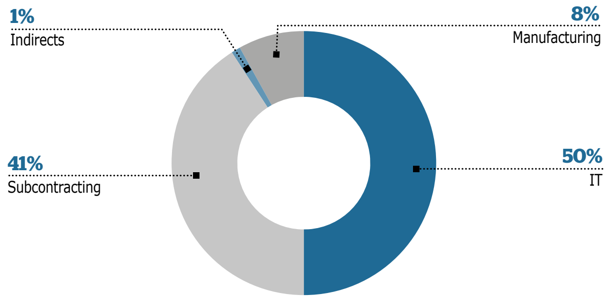
ATOS SPEND 2021 BY COUNTRY
[GRI 102-9], [GRI 203-2], [GRI 204-1]



Since Atos is a service company, a large part of its purchases is concentrated on people-related categories. Indeed, 41% of Atos total spend is dedicated to Services, including staffing & subcontracting, facility management and professional services. These categories indirectly generate employment in countries where strong labor laws are in place. On the other hand, IT spend represents 50% of Atos total spend and is sourced from the largest IT tier-one suppliers, which are all fully in line with Atos sustainability objectives.

Manufacturing in Atos now represents 8% of spend and is mainly sourced from ECMs[1] and/or tier-one suppliers, though a small proportion of spend is sourced from a supply chain in the Asia-Pacific region.

ATOS'S SPEND 2021 BY CATEGORY
[GRI 102-9], [GRI 204-1]



Global Procurement aims to centralize spend and sign global agreements with significant suppliers. However, many of these suppliers are present in the countries where the Group operates in and as such, 79% of the delivery of goods and services are done at local level, reducing Atos's impact on the environment. This is also explained by the use of vendors located in numerous countries and the use of distributors for IT materials [GRI 204-1].

1 *Electronic Contracts Manufacturing*

5.4.7 Ethics and Compliance

Inherently, Ethics and Compliance logic are part of the non-financial performance challenges that Atos is committed to meeting (section 5.4.7.1) and are encapsulated in a dedicated program (section 5.4.7.2).

5.4.7.1 Ethics and Compliance non-financial performance challenges

[GRI 103-2 Anti-corruption], [GRI 103-3 Anti-corruption], [GRI 103-2 Socioeconomic Compliance]

Ethics and Compliance approach

Atos's *raison d'être* is structured around the notion of the "information technology space" or digital, and Atos's contribution to making it safe, accessible to all and sustainable, therefore contributing to the common interest. Atos's commitment to integrity and its strong foundations of Ethics and Compliance enable the confidence of the Group's employees, clients, and society at large, which is key to the digital space to which Atos contributes.

In 2021, EcoVadis awarded Atos a "Platinum" certificate and recognized its efforts in terms of Ethics with a score of 80/100.

In order to achieve this ambition, Atos has developed an Ethics & Compliance program encompassing its key stakeholders and integrating them within its business model.

In meeting the challenges of an increasingly complex and constantly evolving business and regulatory environment, Atos targets the highest ethical standards and promotes them as a competitive advantage, bringing value to the business.

Atos's approach to Ethics and Compliance is to develop and monitor a coordinated program to prevent and detect risks in the following regulatory areas: (i) anti-corruption, (ii) trade regulations and export control, (iii) antitrust, and (iv) the Duty of Vigilance.

Ethics and Compliance governance

In order to ensure the effectiveness of its compliance program, Atos has set up a multi-layered governance combining a global and local approach from the highest level of the organization to the heart of the operations.

- **Tone from the top: Board of Directors, Ethics Advisory Body and Executive Board**

The Board of Directors oversees the development of the compliance program, notably through the reporting of the Group General Secretary and Chief Compliance Officer, and endorses the key elements of the program, such as the Code of Ethics.

The Board of Directors has appointed an Ethics Advisory Body ("*Collège des déontologues*") composed of independent and highly expert external professionals to advise the Group management on complex, sensitive and/or strategic compliance issues for the Group. The Ethics Advisory Body meets as often as necessary, generally once or twice a year. In 2021, the Ethics Advisory Body met to discuss the project to revise the Group Ethics Alert System notably in light of the Directive (EU) 2019/1937 on the protection of whistleblowers.

To ensure compliance is fully embedded in Atos's culture, the Executive Board determines the direction and priorities for compliance, on the basis of the quarterly reporting of the Group General Secretary and Chief Compliance Officer.

- **Compliance community: Group Compliance, Compliance Officers and General Counsels**

The Compliance program is developed at global level, to ensure consistency and therefore improve effectiveness throughout the Group.

The Group Compliance Team conducts legal watch to ensure increasingly frequent changes in laws and regulations applicable to the Group are well anticipated and managed. In order to adapt the Compliance program, when local laws so require, the Group Compliance Team relies on the Compliance Officers and General Counsels to adapt the compliance initiatives locally, in order to ensure that Atos complies with applicable laws in all countries where it operates business. This is why the close cooperation and two-way communication between Group Compliance and Compliance Officers and General Counsels is so important to the effectiveness of the program.

On a day-to-day basis, the compliance activity is led by the Group Compliance Team which (i) defines the compliance strategy in line with the direction set by the Executive Board, (ii) advises Senior Managers on the compliance guidance, policies and tools to be implemented locally, (iii) supports Compliance Officers within the RBUs and Global Functions, (iv) undertakes the Group Corruption Risk Mapping, develops and follows up the related mitigation plans, (v) launches, leads and supports global internal investigations.

To ensure its independence, the Group Compliance Team reports directly to the Group General Secretary and Chief Compliance Officer.

Compliance Officers within the RBUs and Global Functions are key in the compliance organization. They work in close cooperation with the General Counsels, who bring the legal support needed. They all meet as a virtual community with Group Compliance at least once a month to share best practice and ensure full alignment on compliance initiatives. Compliance Officers are in charge of supporting Senior Managers notably to promote a culture of compliance and integrity in their organization, to monitor the implementation of compliance initiatives, provide compliance training, collect and investigate local alerts and compliance issues raised to their attention.

- **Senior managers**

Senior Managers are responsible for the effective implementation of the compliance program within their organization. Thus, they are responsible for:

  - structuring the compliance function within their organization: they approve the appointment of the Compliance Officer on the proposal of the General Counsel, before validation by the Group Compliance Team,
  - ensuring the effective implementation within their organization of all compliance directives, policies, training and tools developed by the Group Compliance Team,
  - ensuring of employees in their organization are well aware, do understand and comply with the Code of Ethics and the Global Ethics & Compliance Policy.

Ethics and Compliance program and key initiatives

To ensure the effectiveness of its compliance program, Atos relies on a four-stage risk management cycle, consisting of risk identification and assessment, prevention, detection and monitoring, thus enabling a continuous improvement cycle.

In 2021, key compliance initiatives focused on:

- the launch of the revised Code of Ethics which reflects the Atos's Purpose ("*raison d'être*"), includes a comprehensive anticorruption Code of Conduct in line with the latest version of the Corruption Risk Mapping;
- the roll out of the updated Code of Ethics mandatory training, and the launch of the Financial Integrity training in North America;
- the further strengthening of the due diligence process on third parties and further improvement in tooling to reach a higher level of control on key operational processes;
- the revision of the Atos Partner' Commitment to Integrity Charter to reinforce the enforceability of Atos's ethical commitments towards third parties, notably as concerns human rights;
- the setting up of an export control global network to reinforce controls over these topics in the organization;
- the development of antitrust compliance guidelines on a range of subjects, including competitively sensitive information and vertical relationships;
- the follow-up of the Corruption Risk Mapping action plans;
- the conduct of a new Legal Risk Mapping exercise, based on a framework covering the risks relation to human rights, health and safety of individuals, and the environment within the Group and throughout the supply chain, in accordance with the French Duty of Vigilance Law.

5.4.7.2 Ethics and Compliance Program

Atos has put in place a robust compliance program, in line with highest ethical standards and best practice. Adopting a risk management approach, the program consists in identification and assessment measures (5.4.7.2.1), preventative measures (5.4.7.2.2), detective measures (5.4.7.2.3) and monitoring measures (5.4.7.2.4).

5.4.7.2.1 Ethics and Compliance Identification and Assessment Measures [GRI 102-16], [GRI 102-17]

Corruption Risk Mapping

In 2020, Atos revised the methodology used to build its corruption risk mapping, in line with the methodology used for the Enterprise risk management methodology (ERM). The exercise covered all RBUs, Industries and Global Functions in the Group.

The development process unfolded in four steps: (i) a survey combining a top-down and bottom-up approach, sent to more than 180 managers across the Group, and interviews conducted with the Group Chief Executive Officer and GMC members, (ii) workshops organized with managers from the RBUs, Industries and Global Functions with the objective to check the consistency of the answers and discuss the need of any risk repositioning, (iii) the issue of both the inherent and the residual risk mapping and the development of the mitigation plan in cooperation with the action owners.

For each key process identified in the Book of Internal Control (BIC) as posing a risk of corruption, the managers invited to participate to the survey had to assess the impact, the likelihood and the mitigation effectiveness of the controls in place to mitigate such risks.

The outcome of the Corruption Risk Mapping, including the mitigation plan, was presented to the GMC and to the Audit Committee in 2020. The progress made in the action plan is reported to the GMC on a semesterly basis and to the Audit Committee on a yearly basis. The next Corruption Risk Mapping exercise will be conducted in 2022.

Legal Risk Mapping

Every second year, Atos conducts a Legal risk management (LRM) process, which is fully integrated into the Enterprise risk management (ERM) process. The aim of this exercise is to focus on the legal risks to provide a finer assessment than what is achieved through the ERM. In 2021, the framework of the LRM has been reviewed with the objective to address the requirement under the French Duty of Vigilance law to identify and prevent the risks of serious adverse impacts on human rights, health and safety of individuals and the environment resulting from the Group's own activities, as well as from its supply chain. For further information, please refer to Section 5.4.8 "Vigilance Plan" below.

5.4.7.2.2 Ethics and Compliance Preventative Measures

Code of Ethics
[GRI 102-16], [GRI 102-17]

The Code of Ethics introduces Atos's commitment to comply with the highest standards of business integrity and ethics, as well as applicable laws and regulations in all countries.

It is a key preventative measure, as it covers a wide range of compliance topics and guides employees for ethical decision-making. It is supplemented by the Atos Partners' Commitment to Integrity which sets the ethical commitments expected from third parties contracting with Atos.

The Code of Ethics was initially adopted in 2003 and has been regularly reviewed since then to adjust to the changes in the regulatory environment and to reflect Atos's ethical ambition.

In 2021, a revised version of the Code of Ethics has been adopted and implemented in the whole Group (excluding Germany, where the consultation process with employees' representatives is still pending). This new version includes a foreword from the Chairman of the Board and the Group Chief Executive Officer setting the tone from the top, its links the ethical commitments to Atos's purpose ("*raison d'être*"), covers a wider range of topics like inclusion in the workplace, human rights, data protection and the environment, and provides for a comprehensive anticorruption Code of Conduct in line with the latest version of the Corruption Risk Mapping. As such, the new version of the Code of Ethics formalizes the Atos's zero-tolerance policy towards corruption. It has been endorsed by the Board of Directors.

In order to ensure full awareness and understanding of the Code of Ethics by all employees: (i) the new version of the Code of Ethics has been promoted through a global communication campaign cascaded from the Senior Managers to the employees, and (ii) the mandatory training on the Code of Ethics has been updated accordingly. In most RBUs, the Code of Ethics is specifically referred to in employment contracts and associated documentation in order to ensure full awareness by employees end effective enforcement of the Code of Ethics. In addition, KPIs have been established in relation to employees' training on the Code of Ethics. For further information, please refer to the paragraph dedicated to the "Communication and training strategy" below.

Global Ethics & Compliance Policy and other internal policies

The Global Ethics & Compliance Policy, together with the compliance related procedures, guidelines and materials supplement the Code of Ethics and form the framework of the Atos Compliance Management System which is designed to ensure that Atos operates in an ethical manner.

Such procedures and guidelines include, among others: the AP38 Business Partner Policy, the Group Alert System Policy, the Antitrust Compliance Guidelines, the Export Control Guidelines and the Gifts & Invitations Guide. Those are maintained by Group Compliance to ensure they are up to the highest and most up-to-date ethical standards.

Communication and training strategy
[GRI 102-16]

Communication campaigns and training sessions are key to ensure that policies, tools and other resources are known and understood by employees across the Group, which is the condition of their effectiveness.

- Communication

The Group Compliance Team as developed an annual communication plan including both: (i) regular communications such as newsletters and campaigns to celebrate external events like the UN Anticorruption Day, and (ii) messages based around internal news and events, to best capture employees' attention and ensure that remain aware.

Each month, the Group Compliance Team sends a communication to approximately 1,000 managers, including all CEOs, Senior Managers, Compliance Officers and General Counsels worldwide to share: (i) internal news and best practice for Senior Managers to be aware of and communicate in their organization, and (ii) highlights of the latest external developments in compliance globally and the lessons learnt for Atos.

On December 9, 2021, as part of the UN International Anti-corruption Day celebration, the Group Compliance Team, supported by all Compliance Officers, organized a worldwide week-long campaign where each day focused on a specific compliance subject and which was closed by a video message from the Group General Secretary and Chief Compliance Officer to all employees.

- Trainings

Code of Ethics

The training on the Code of Ethics is mandatory for all employees in the Group without exception. It shall be completed by all new hires within the three (3) months of their arrival and, from 2021, will have to be taken every year. This requirement is to ensure that all employees have an up-to-date knowledge of the principles set in the Code of Ethics.

Consequently, the calculation of the completion rate this year has been adjusted to consider only employees having completed the Code of Ethics training in 2021 (and not employees who had completed the training in the preceding years).

In 2021, 88% of employees completed the e-learning on the Code of Ethics [GRI 205-2].

The training was updated in 2021, to follow the developments of the new Code of Ethics and reflect an interactive approach combining lessons and actual scenarios with a final quiz. It covers all themes of the Code of Ethics, including the prevention of discrimination and harassment in the workplace, the prevention and fight against of corruption and bribery, compliance with competition law, or the management of conflicts of interest.

As concerns managers, the completion of the training is considered for their performance review, so that non-completion may have an impact on their bonus.

To complement the mandatory training on the Code of Ethics, ETO²S ("Ethics in Tier One Organization School") virtual training sessions are organized throughout the Group targeting managers, in order to train them specifically on how lead by example and set the right tone within their organization. [GRI 205-2]. This ETO²S training was also updated in 2021 to follow the developments of the new Code of Ethics.

Doing Business Without Bribery

In order to ensure a deeper understanding of the corruption risks by the most exposed employees, Atos uses the e-learning module "Doing Business Without Bribery" developed by Transparency International. It provides a very practical approach in an operational context and is made available to all employees internally.

Compliance Officers' Induction Program

Once appointed, each Compliance Officer is trained by the Group Compliance Team about key the compliance measures and their role as a member of the Compliance Officer network. The program cover topics such as anti-corruption, conflict of interest, antitrust, international sanctions, third party due diligence and the assessment of compliance risks.

Export Control trainings

In 2021, the Group Compliance Team has increased awareness of international sanctions and export controls through a range of department-specific trainings. Targeted audience included the Legal, Compliance and Contract Management department, Bid Managers, Sales and Procurement teams.

Financial Integrity training

As part of the comprehensive action plan announced in April 2021 to enhance its preventive controls and processes, Atos rolled out an e-learning dedicated to financial integrity to all employees in North America. The objective was to educate them on all aspects of financial integrity, teaching them how to identify red flags in order to ensure the right behaviour at all levels of the organization. The completion rate reached 100% on an audience of approximately 9,000 employees. Plans are in place to roll out this training across the rest of the Group in 2022.

Due diligence on third parties

Due diligences are key to prevent compliance risks associated with third parties, as they allow to conduct a proper risk assessment and adopt appropriate measures to mitigate the risks prior to entering into contract.

- Business partners

Business partners are subject to a precontractual due diligence process formalized in the AP38 Business Partner Policy and supported by a dedicated tool. The Business Partner Tool (BPT) automates the collection of data from business partners, the run of the compliance screenings, the assessment of the compliance risk and the approval workflows. The AP38 Business Partner Policy applies to all business partners in all RBUs and Industries with no exception.

In 2021, the Atos Business Partner Policy has been revised further to a consultation with key stakeholders in order to (i) cover the end-to-end process with business partners, from the pre-contractual due diligence process to the monitoring phase, (ii) improve the evaluation process and reflect new developments in the Business Partner Tool designed to improve the effectiveness of the process, and (iii) improve the Business Partner Tool usage and monitoring.

Other third parties: Clients and prospects, suppliers

In 2021, the Atos Partners' Commitment to Integrity Charter, which is the document setting out Atos's ethical commitments and expectations towards third parties, has been deeply revised. It covers a wider range of ethical commitments including human rights, health and safety of individuals, business integrity and the environment. For further information, please refer to the "Suppliers" section in Section 5.4.8 "Vigilance Plan" below.

The compliance checking and approval process in place was further strengthened in 2021 by a joint project between Group Compliance, Global Sales, and Global Procurement reviewing and improving the due diligence processes relating to the onboarding of suppliers, clients and prospects. The operational processes have been reviewed, which will embed a new screening tool selected in order to further automate the risk assessment, checking and approval process and therefore facilitate the efficiency and reliability of the due diligence process.

5.4.7.2.3 Ethics & Compliance Detective measures

Group Ethics Alert System
[GRI 102-17]

Atos has a Group Ethics Alert System in place to enable employees across the Group, as well as third parties, to report any matter of concern in relation to potential breaches of the Code of Ethics, or applicable laws or regulations.

In accordance with the Group Alert System Policy, the first step upon receipt of any compliance alert is the analysis of its admissibility and decision as to whether an internal investigation should be launched. [GRI 102-33]. Anonymous alerts are considered, unless prohibited by local laws. Atos guarantees the protection of the confidentiality of all information exchanged as part of the processing of the alert, including the identity of the whistleblower and of any other person involved. Precautionary measures are also taken to prevent any conflict of interest, and therefore ensure impartiality in the conduct of the investigation. For further information about the Group Ethics Alert System, please refer to Section 5.4.8.5 "Alert mechanism" in the Vigilance Plan section below.

Compliance Officers report annually to the Group Compliance Team statistics and key data on the alerts raised and investigated locally.

In 2021, 73 compliance alerts were reported and monitored within the Group [GRI 102-34].

Accounting measures

An inter-department task force led by Group Finance was set up in 2020, to review, assess and enhance the existing accounting controls in the Book of Internal Control (BIC).

In 2021, the task force has implemented additional accounting controls as a result of the Corruption Risk Mapping action plan, including a strengthening of the approval workflows of the General Ledger Month End Closing portal leading to an improvement of preventive accounting controls.

The task force has also initiated a project with Atos IT to select a tool which will facilitate the automation of the new control processes.

5.4.7.2.4 Ethics and Compliance program monitoring [GRI 103-3 Socio-economic Compliance]

The monitoring of the compliance program is managed in cooperation by Group Compliance and Group Internal Control & ERM.

The Book of Internal Control (BIC) identifies the key controls to be executed by the 1st line of defence as well as the control procedures for the 2nd line of defence within each Atos Key Transversal Process, and Key Transversal Activity.

1st line of defence

The purpose of the controls executed by the 1st line of defence is to ensure that processes are performed in compliance with the Group internal policies. They are performed by key executors as part of their daily activities.

2nd line of defence

The purpose of the controls executed by the 2nd line of defence is to ensure that the 1st line controls have been properly carried out. Hence, the control performed by Group Compliance on the basis of the semesterly reporting from the Compliance Officers is a control executed by the 2nd line of defence.

The effectiveness of these controls is regularly assessed through self-assessment questionnaires and testing campaigns organized by the Group Internal Control & ERM Team.

3rd line of defence

The purpose of the third line of defence is to ensure that the control system complies with the Group requirements and is implemented effectively. It is performed by Group Internal Audit, through entity reviews and process reviews, as per the approved annual audit plan.

All entity reviews conducted by Group Internal Audit contain checkpoints related to compliance risks. Process reviews may also contain checkpoints on compliance matters, depending on the subject matter of the review.

In 2021, no significant fine for non-compliance with laws and regulations was levied against the Group [GRI 419-1]. No client or supplier claim related to Atos legal compliance fields was levied against the Group [GRI 205-3].

5.4.8 Vigilance Plan

In 2017, the Duty of Vigilance law came into force in France and introduced a new legal framework by which French authorities could hold corporations accountable for serious impacts on Human Rights and fundamental freedoms, on the Health and Safety of individuals and on the Environment, resulting from the activities of Atos, its subsidiaries and the subcontractors and suppliers with whom they have an established business relationship.

As an eligible company, Atos is required to implement a vigilance plan and report on the actions taken in accordance. The vigilance plan discloses key features of the management systems in place in terms of vigilance, which include, but are not limited to, risk mapping, evaluation procedures, mitigation actions, alert mechanisms, and monitoring systems on the effective and efficient implementation of measures.

Atos's vigilance plan (the "**Vigilance Plan**") is structured around: (i) the scope (5.4.8.1) and the governance (5.4.8.2) of the plan, (ii) the measures relating to the risk mapping, the evaluation procedures and mitigation actions for Atos's own activities (5.4.8.3) and its supply chain (5.4.8.4), (iii) the alert mechanism (5.4.8.5) and the monitoring system in place to evaluate the performance of the plan (5.4.8.6). The plan also displays a cross-reference table to better link the vigilance plan with the other parts of the Universal Registration Document (5.4.8.7).

5.4.8.1 Scope

Group & Subsidiaries

The scope of the Vigilance Plan covers all Atos's Group entities, with the exception new entities acquired in 2021. The integration of these entities in the Vigilance Plan relies on the pre-acquisition assessment of their exposure to risks related to Human Rights and fundamental freedoms, Health & Safety and the Environment and their current responses, and requires onboarding to ensure an alignment with Atos's requirements and practices in the short and medium term.

Supply Chain

The scope of the Vigilance Plan covers suppliers and subcontractors with whom Atos has an established business relationship. In 2021, it is limited to Atos's Tier-one (direct) suppliers.

Atos's Procurement approach is presented in Section 5.4.6 "Suppliers CSR performance", along with the spend by category and by country.

5.4.8.2 Governance

General presentation of the governance of the Vigilance Plan

The Group General Secretary and Chief Compliance Officer is responsible for the development of the Vigilance Plan, as well as the publication of its results.

The Group Compliance Team, placed under his supervision, monitors the effective implementation of the Vigilance Plan, relying on the contributions of the following key stakeholders:

- Group Corporate Social Responsibility Team;
- Group Human Resources Team, Global Corporate Expertise, Employee Experience, Diversity Team;
- Group Safety & Security Team;
- Group Procurement Team.

The Group Compliance Team also relied on the UK teams involved in Atos's response to the UK Modern Slavery Act to leverage on areas of convergence, especially regarding the management of Human Rights risks.

In 2022, Atos will work further to set up a dedicated governance for the Vigilance Plan, assessing how to best allocate resources to effectively assess and monitor the measures implemented and the effectiveness of the Vigilance Plan.

Presentation of the Vigilance Plan

The progress made on the actions are reported to the Executive Board annually.

5.4.8.3 Own Activities

Risk Mapping

- **Human Rights**

Atos acts to prevent infringements on internationally recognized Human Rights as expressed in the International Bill of Human Rights, and on the principles set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. The Group aligns its prevention with the United Nations' Guiding Principles on Business and Human Rights and refers to the United Nations Global Compact principles on Human Rights, Labor, Environment and Anti-corruption.

Atos's risks relating to Human Rights are identified and assessed through the Legal Risk Mapping (LRM), which is conducted every second year with a methodology similar to the one used for the Enterprise risk management exercise, detailed in Section 7.1.1 "Enterprise risk management (ERM)". Further information on the LRM is provided in Section 5.4.7.2.1 "Ethics and Compliance Identification and Assessment Measures".

- **The Environment**

Atos's risks related to the Environment are identified by internal experts with the support of external experts using a combination of analysis, tools and processes, including the Enterprise Risk Management (ERM) which covers main environmental matters. The identification and assessment of risks' methodology is detailed in Section 5.2.3 "Risks and opportunities related to Environment".

- **Health and Safety**

Atos's risks related to employee safety are identified and assessed through the LRM process which covers the risks of harming people's health from a psychological, chemical or physical standpoint. In addition, Atos has developed a robust risk assessment methodology in order to assess the inherent site-risks based on 4 assets: people, hardware, software and the site itself. The risk mapping is updated annually and performed on each new site entering the scope. The methodology is in line with the ISO 27005 and ISO 27001 standards, which is monitored as well as its implementation by an external auditor as part of the Group's certification to the ISO 27001 standard.

Evaluation procedures

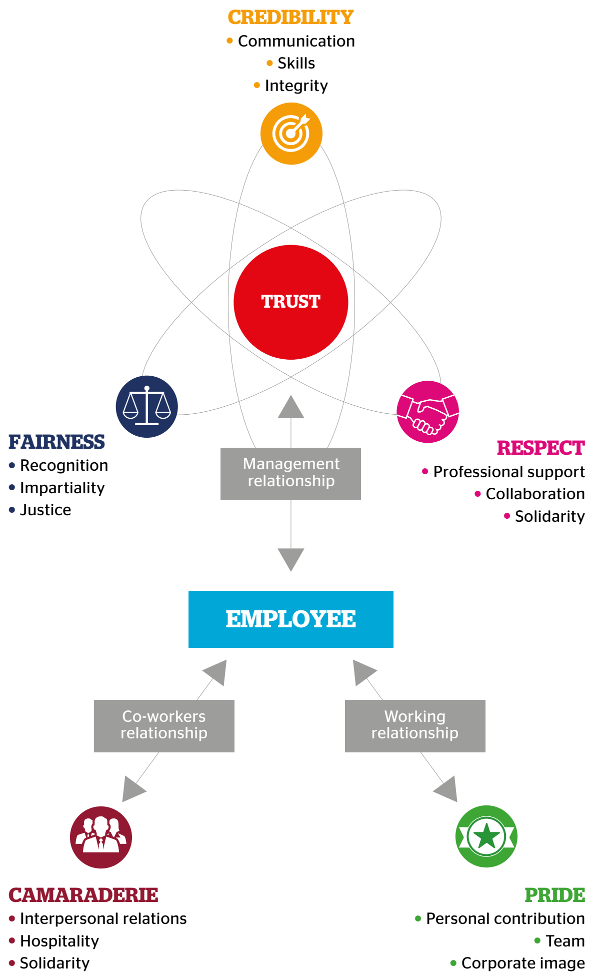
Atos is subject to an annual assessment conducted by EcoVadis regarding its policies, actions, and performance disclosure. This assessment focuses on four areas: the Environment, Labor and Human Rights, Sustainable Procurement, and Ethics. It allows to identify Atos's strengths and potential areas for improvement in each of these areas.

In 2020 and 2021, Atos was awarded with the highest distinction, which is the "Platinum" level 1. In 2021, Atos's efforts in the Environment area have been particularly recognized with a score of 90/100.

- **Human Rights**

The "We are Atos" program includes wellbeing, diversity and inclusion, social value, life@work and employee experience with clients. Atos is in a continuous improvement mode regarding the working conditions of its employees.

This program is assessed every year since 2010 through the Great Place to Work® Survey.



This global survey, managed by the Great Place to Work Institute® (GPTW), helps Atos to determine employees' expectations. It is structured around five dimensions: Credibility, Respect, Fairness, Pride and Camaraderie. For more details, please refer to Section 5.3.7 "Employee Engagement".

- **The Environment**

Evaluation procedures related to the Environment are summed up in the Section 5.2.3.1 "Requests regarding climate change disclosures", and further detailed across in Section 5.2 "Environment".

- **Health and Safety**

Health and Safety is managed locally and governed by each Country Cluster or Country in line with the local legislation, norms and standards applicable such as the OHSAS 18001:2007 or ISO 45001:2018 standards. For more details, please refer to Section 5.3.4 "Employee Health and Safety".

A network of Country Safety and Security Officers (CSSO) ensures the deployment of actions plans at country level working closely with Site Security Advisors (SSA) in charge of applying policies at site level. In case of non-conformity, SSA must report to CSSO to put measures in place and support site managers on continuous improvement plans.

Mitigation Actions

In order to prevent serious impacts on Human Rights, Health & Safety of the individuals and the Environment, Atos has implemented tailored prevention and mitigation measures. The table below associates for each risk category, the mitigation measures taken by Atos and displays for each of them their nature (policy, statement, program, certification or tool) and a short description with a reference to the section in this Universal Registration Document where further details can be found, when applicable.

In 2021, the Covid-19 pandemic highlighted Atos's strong culture of social responsibility guided by people care as well as health and safety. From the beginning of the pandemic till date, the Group has enabled its workforce to work safely and efficiently from home and supported remote collaboration. For further information in this respect, please refer to health and safety indicators in the Section 5.3.9 "Social Non-Financial Performance Indicators".

Nature of risks	Major Risks		Mitigation Actions
			This list focuses on global policies pertaining to human rights. They are not exclusive of other local policies as applicable.
	Human Rights	Policy	• Code of Ethics, which encompasses Atos principles of ethical responsibility and promotes a culture of ethics and integrity, please see Section 5.4.7.2.2 "Ethics & Compliance Preventive Measures". A revised version of the Code of Ethics was launched in 2021. • Atos's Partners Commitment to Integrity, which sets out Atos's ethical commitments and expectations towards third parties, please see Section 5.4.7.2.2 "Ethics & Compliance Preventative Measures". • Global Ethics and Compliance Policy, which supplements the Code of Ethics as part of the framework of the Atos Compliance Management System, designed to provide guidance and ensure that Atos operates in an ethical manner, please see Section 5.4.7.2.2 "Ethics & Compliance Preventive Measures". • Atos Dignity at Work and Prevention of Sexual Harassment Policy, which provides guidance as to matters related to dignity at work and harassment, so that employees are aware of the support available. • Group Data Protection Policy, please see Section 5.4.4 "Security and Data Protection". • Atos Security Incident Management Policy according to ISO27001 certification, which establishes the organizational structure for event or incident response, please see Section 5.4.5 "Ethical and Trustworthy Management of Data".
		Statement	• Conflict Minerals Statement, which outlines the measures implemented by Atos to reduce the risks associated with "Conflict Minerals" throughout its supply chain; please see Section 5.2.6.1 "Eco-Designed supercomputers". • Atos Human Rights Policy Statement, which sets up Atos's commitment to protect Human Rights in all its sphere of influence; please see Section 5.4.9 "Human Rights". • Atos UK Modern Slavery Act Statement, which sets the measures taken by Atos UK entities to ensure that slavery and human trafficking are not taking place in their supply chains and in any parts of their business; please see online version https://atos.net/en-gb/united-kingdom/we-are-atos/key-regulatory-documents.
		Program	• "We are Atos" Program, please see Section 5.3.7 "Employee Engagement". • Atos Gender Equity Program, which aims at attaining gender balance and advancement of women into senior positions; please see Section 5.3.5 "Diversity". • Diversity and Inclusion at Atos, which focuses on the 4 pillars: gender, generations, accessibility, and culture; please see Section 5.3.5 "Diversity". • Code of Ethics mandatory training and ETO²S virtual classroom training for managers, please see Section 5.4.7.2.2 "Ethics & Compliance Preventive Measures".
		Tool	• Conflict Minerals – Due diligence supporting tool Silicon Expert • Business Partner Tool – Business Partners' due diligence supporting tool • Code of Ethics e-learning platform
	Health of employees	Certification	• Certification according to the OHSAS 18001:2007 or ISO 45001:2018, please see Section 5.3.4 "Employee Health and Safety".

Nature of risks	Major Risks		Mitigation Actions
	Safety of the workplace	Policy	• Atos Safety Policy, which covers all internal/external and human/natural threats which can impact Atos staffs, sub-contractors, clients and visitors anytime and anywhere. • Atos Physical & Environmental Security Policy, which defines the minimum security requirements for all Atos sites based on ISO 27001. • Atos Security Incident Management Policy.
		Program	• Review of country evacuation plan for high-risk countries and development of specific ones when necessary.
		Tool	• Country-risk mapping indicating the level of risk based on seven criteria: terrorism, geopolitics, socio-political considerations, criminality, travelling security, sanitary aspects and disasters, and the Covid-19 threat which was included in 2020. • Travel safety measures for all sites: including a list of countries with related risks and emergency contacts, 38 e-learning modules, a "Human Resources Approval Process" and a Code of Conduct. • Alert mechanism based on safety risks: International SOS, external tool for travelers; Safety and Emergency Response Tool (SERT), internal tool for all employees; Emergency numbers.
		Certification	• ISO 27001:2018 certification (Atos Group Level)
	The Environment	Policy	• Environmental Management System, please see Section 5.2.2.3 "Environmental Management System and ISO 14001 Certification". • Environmental Policy, which provides high-level principles over the short and long term, applicable to all Atos's entities and operations, all office sites and data centers regardless of their location and regarding the Group's main environmental challenges. • For further details see Section 5.2.3.2 "Main climate-related risks".
		Program	• Environmental Program action plans. • Book of environmental guidelines per challenge. • Decarbonization program. • For further details see Section 5.2.3.2 "Main climate-related risks".
		Tool	• CSR Materiality and risks assessments including the Enterprise Risk Management which covers the main environment risks. • CSR Data collection and KPIs tracking. • Decarbonization dedicated trainings. • For further details see Section 5.2 "Environment".
		Certification	• ISO 14001:2015 certification (Atos main sites), please see Section 5.2.2.3 "Environmental Management System and ISO 14001 Certification".

5.4.8.4 Suppliers

The largest countries representing 81% of Atos spend are under control in terms of sustainability and are all located in Europe and North America. For more information, please see section 5.4.6 "Suppliers CSR performance".

Risk Mapping

In 2021, the Group Procurement department, supported by EcoVadis, conducted a risk mapping for all its purchasing categories, covering the full international perimeter. The risk mapping addresses all risks related to Environment, Labor and Human Rights, Ethics and Sustainable Procurement areas. These four risk categories are further detailed below.

Environment

Operations
- Energy consumption & GHGs
- Water
- Biodiversity
- Local & Accidental Pollution
- Materials, Chemicals & Waste

Products
- Product Use
- Product End-of-Life
- Customer Health & Safety
- Environmental Services & Advocacy

Labor & Human Rights

Human Resources
- Employee Health & Safety
- Working Conditions
- Social Dialogue
- Career Management & Training

Human Rights
- Child Labor, Forced Labor & Human Trafficking
- Diversity, Discrimination & Harassment
- External Stakeholder Human Rights

Ethics

- Corruption
- Anticompetitive Practices
- Responsible Information Management

Sustainable procurement

- Supplier Environmental Practices
- Supplier Social Practices

The risk analysis includes procurement risk and global CSR Risk. Global CSR Risks consider sector and country risk levels (the latest based on Environment, Health and Safety, Corruption, Governance and Human Rights dimensions).

Overall, 42% of the total spend has been identified as exposed to Labor and Human Rights risks and 90% of the total spend identified as being sourced from non-risky countries.

Atos works closely with EcoVadis to identify potential conflict minerals risks in the supply chain. Atos is mostly indirectly exposed to these risks but some purchasing categories such as storage, personal computers and peripherals, network and security and products and servers imply a high sourcing risk if they are purchased from high-risk countries.

Evaluation procedures

To ensure ethical and compliant activities, Atos focuses a significant portion of its spend on large Tier-One (direct) suppliers and have them assessed by EcoVadis on their corporate responsibility performance. In 2021, 68% of total Atos Group spends are with suppliers assessed by EcoVadis and alternative assessments. For more information, please see Section 5.4.6 "Suppliers CSR performance".

Objective #1	Objective #2	Objective #3
70.5% of total Atos Group spend assessed by Ecovadis or Alternative assessments by the end of 2022	47% of spend with green/amber suppliers	Supports suppliers to reach EcoVadis min overall score 40

To fulfil its decarbonization ambition, Atos started to combine in 2021 the EcoVadis assessment Environmental results with their internal decarbonization rating methodology to gain further insight on their suppliers' environmental practices, especially their level of maturity regarding carbon management. Based on the EcoVadis Environment theme score or the Atos internal decarbonization rating, suppliers are classified green or red.

Over the lifetime of the contract, Atos's Top 250 suppliers are assessed as part of the "Supplier Performance Management QCDIMS" evaluation procedure that considers quality, cost, delivery, innovation, management and sustainability dimensions. The sustainability dimension includes EcoVadis score and decarbonization score. The sustainability dimension weighs 20% in the final score to drive sourcing decision-making process. Each of the Top 250 suppliers has a scorecard and low performance scoring can lead to specific actions to be taken.

Atos has also procedures in place to assess the security policies of its suppliers working on its sites and ensure they are aligned with Atos's Physical and Environmental Security Safety Policy requirements. As part of these assessment measures, suppliers are asked to take the "HSE Management System – Contractor Pre-Qualification Questionnaire". This pre-contractual evaluation provides information on the structure, the insurance, the certifications (BS 5750, ISO 9001, ISO14001, ISO 18001 / ISO 45001) of Atos sites, along with the governance in place and trainings delivered around Health & Safety or the latest statistics on work incidents over the last three years.

Atos proposed suppliers and subcontractors in the context of answer to clients' bids are subject to a pre-contractual due diligence and validation process. Integrity checks are carried out on the proposed suppliers and subcontractors before any commitment, using a dedicated tool. In case the integrity checks reveal any risk regarding the proposed partner, an in-depth assessment is carried out to assess the nature of the risk and its consequences.

See below how Atos uses the EcoVadis scorecards as part of its Sustainable Procurement strategy.

Risk assessment	Supplier performance management - QCDIMS	Bid support	Client sustainability dashboards	ISO 14001

In the future, Atos aims to go beyond the assessment of its Top 250 suppliers and look at smaller suppliers that may have a potential high-risk profile.

For more information, please see Section 5.4.6.1 "Monitoring of CSR risk in the supply chain".

Mitigation Actions

In addition to the mandatory training on the Code of Ethics, Atos buyers are trained every year on the Procurement Code of Conduct and risk assessment specifically on decarbonization.

To ensure that Atos's suppliers follow a similar approach to Atos's towards sustainability, they are expected to commit along with the principles set forth in the Atos Partners' Commitment to Integrity, which has been deeply revised in 2021.

Under the Atos Partners' Commitment to Integrity, Atos's suppliers:

- commit to follow the ten principles of the UN Global Compact; and
- acknowledge that they are expected to inform and encourage their direct business partners to follow the same principles.

They further acknowledge that:

- their commitment thereunder is an essential part of their contract with Atos, so that non-compliance will constitute a contractual breach;
- their commitment will be considered for the purpose of the CSR risk assessment conducted by Atos in relation with its supply chain and that they may be requested to be assessed by EcoVadis at least every second year in the areas of Environment, Labor and Human rights, Ethics and Sustainable Procurement.

In addition, Atos's standard terms and conditions for Procurement have been updated in 2021. They contain a comprehensive clause whereby Atos's suppliers:

- commit to comply with all applicable laws and standards regarding Human Rights, Health/Safety, Environmental and Labor Requirements;
- undertake to avoid causing or contributing to adverse impacts as concerns Human Rights, Health/Safety, Environmental and Labor Requirements under the contract, and to notify Atos and address such impacts, should they occur;
- acknowledge that any breach of that clause will be a material breach, which shall entitle Atos to terminate the contract.

For more information, please see Section 5.4.6.1 "Monitoring of CSR risk in the supply chain".

The decarbonization of the supply chain is an important challenge for Atos which has recently increased the monitoring of its suppliers' carbon maturity. For more information, please see Section 5.2.5.5 "Decarbonization of Atos's supply chain".

Atos's contractors working on Atos's sites must also comply with the Atos's Physical and Environmental Security Policy. The purpose of this policy is to protect Atos's employees, subcontractors' employees and clients' assets and information from all threats, whether internal or external, deliberate or accidental. It is imperative to implement and control adequate physical and environmental security measures, from basic security measures (Logistics & Housing) to security perimeters (welcome zone to high protected zone).

Going further, Atos sets some expectations in its Conflict Minerals Statement and enforces its partners to put in place all necessary compliance processes to ensure that their products are responsibly manufactured and do not contain conflict minerals. Furthermore, Atos manufacturing activity uses the Silicon Expert as a tool to conduct its Conflict Mineral due diligence. Silicon expert delivers an environmental compliance management system and database providing information on over 300 million parts from over 15,000 manufacturers.

5.4.8.5 Alert mechanism

The Group Ethics Alert System enables both internal and external users to report any matter of concern in relation to potential breaches of the Code of Ethics, or applicable laws or regulations, including relating to Human Rights, Health and Safety and the Environment. For further information about the Group Ethics Alert System, please see Section 5.4.7.2.3 "Ethics and Compliance Detective Measures".

In 2021, Atos has coordinated a concertation process with the unions on the Group Ethics Alert System, in accordance with the French Duty of Vigilance law. The purpose of the process was to (i) collect the suggestions from the unions on how to improve the existing system notably in terms of accessibility, efficiency and transparency, and (ii) share views and reflect on which suggestions could be retained in the project of revision of the System.

Further to this concertation process, Group Compliance launched the project of revision of the Group Ethics Alert System, and started to work jointly with Group Data Protection and Global HR to (i) revise the Group Alert System Policy, and (ii) design the new whistleblowing platform sourced from an external expert provider.

5.4.8.6 Monitoring system

Methodology

The Group Compliance Team oversees the reporting and monitoring of the compliance alerts. Compliance Officers report annually to the Group Compliance Team statistics and key data on the alerts raised and investigated locally. Such data, which are consolidated and processed on a no name basis provide valuable information about potential patterns and are a key part of the Group's continuous improvement cycle. Please see the "Group Alert System" paragraph in Section 5.4.7.2.3 "Ethics & Compliance Detective Measures" for more details.

The Group CSR Procurement Team has developed an indicator to monitor the supply chain related to the spend covered by suppliers that have been recently assessed by EcoVadis. EcoVadis Suppliers Evaluations are monitored on a monthly basis, please see Section 5.4.6 "Suppliers CSR performance".

Results

The data resulting from the monitoring of the compliance alerts are reported to the Board of Directors through the presentation of the Annual Compliance Review, available online on https://atos.net/en/about-us/corporate-responsibility-and-sustainability/ethics.

In 2021, 73 alerts were reported to local Compliance Officers or through the Alert System, at local or global level.

Since 2020, in addition to compliance alerts, specific KPIs are followed to monitor Atos's duty of vigilance response.

KPI	Nature	Monitoring tool	N-1	N°	Evolution N-1/N	URD Reference
% of employees trained on the Code of Ethics		Success Factor	98%	88%	-10%	5.4.7.2.2
% of employees trained on the Diversity & Inclusion learning programs		Success Factor	8%	8.6%	0.6%	N.A
Percentage of offices and data centers ISO 14001 certified		Across	89%	90%	+1%	5.2.2.3
Number of sites certified with a recognized Health and Safety management system		Internal platform	27	28	+1	N.A
Number of suppliers with corrective action initiation requested by Atos (for suppliers with an EcoVadis score < 40).		EcoVadis	41	47	+6	N.A

5.4.8.7 Cross-reference table

The cross-reference table below identifies the information constituting Atos's Vigilance Plan and its implementation as required by article L.225-102-4 of the French Commercial Code.

	Human Rights	Health & Safety	The Environment
Vigilance measures	URD Reference	URD Reference	URD Reference
Risk Mapping	7.2.5.1	7.2.1.4	7.2.5.2
Evaluation Procedures	5.3.1 5.3.5 5.3.4.3 5.3.7.5 5.4.6 5.3.9	5.3.4.2	5.2 5.2.3.1
Mitigations Actions	5.3.1 5.3.5 5.3.7.3 5.4.6 5.4.9, 5.4.4 (Section on Security & Data protection) 5.4.5	5.3.4	5.2.2.3 5.2.3.1
Alert Mechanism	5.4.7.2.3	5.4.7.2.3	5.4.7.2.3
Monitoring System	5.4.7.2.4	5.3.4	5.2.3.1

5.4.9 Human Rights

In 2021, the Group has improved the measures adopted as part of its Vigilance plan, including, but not limited to, risk mapping, evaluation procedures, mitigation actions, alert mechanisms, and monitoring systems. The measures in place to prevent human rights potential infringements are implemented to cover Atos own activities and its supply chain. For further information about these measures, please refer to Section 5.4.8 "Vigilance Plan".

5.4.10 EU Taxonomy

As of 2022, the new EU Taxonomy for sustainable activities, or 'EU Green Taxonomy', has come into effect, with the goal of directing investments towards sustainable projects and activities. To this end, companies and investors must report the degree to which the activities in which they are engaged are in alignment with the EU Taxonomy. This offers Atos the opportunity to build on experience it has gathered in recent years measuring and reporting the amount of sustainable business derived from its operations.

The EU Taxonomy defines a large number of specific economic activities that affect climate change mitigation and climate change adaptation. This list of activities covers a broad range of different industries, and two have been identified as being relevant for the IT industry, and in particular for a company such as Atos which specializes in decarbonized digital solutions:

- **Data processing, hosting and related activities**, and
- **Data-driven solutions for GHG emissions reductions**.

To comply with the Taxonomy regulation, Atos follows the requirements stipulated in the EU Taxonomy Delegated Act[1]. In the coming years the Taxonomy will be expanded to include additional economic activities, and it is likely that Atos's reporting obligations will expand as well.

1 *https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0852&from=EN*

5.4.10.1 Data processing, hosting and related activities – Identifying eligible and aligned revenues and CAPEX

For the revenues produced by an Atos product offering to be Taxonomy-eligible for this Taxonomy-defined economic activity, that Atos product offering must meet the following definition described in the Annex to the EU Taxonomy Delegated Act: "Storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centers, including edge computing."[1]

For the revenues produced by an Atos product offering to be additionally Taxonomy-aligned for this Taxonomy-defined economic activity, an Atos product offering must meet the Technical Screening Criteria, Do No Significant Harm criteria[2] and Minimum Safeguards described in the Annex to the EU Taxonomy Delegated Act.

Based on its analysis, Atos identifies 1.4% of its FY2021 total Group revenue to be both Taxonomy-eligible and Taxonomy-aligned for the Taxonomy activity **Data processing, hosting and related activities**.

In 2021 there was continued investment to further improve the energy efficiency of the products offered by the Data Centers and Hosting practice. For the Taxonomy activity **Data processing, hosting and related activities** Atos identifies 3.3% of its FY2021 total group CAPEX to be both Taxonomy-eligible and Taxonomy-aligned.

5.4.10.2 Data-driven solutions for GHG emissions reductions – Identifying eligible and aligned revenues and CAPEX

For the revenues produced by an Atos product offering to be Taxonomy-eligible for this Taxonomy-defined economic activity, that Atos product offering must meet the following definition described in the Annex to the EU Taxonomy Delegated Act:

"Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions."[3]

As a provider of decarbonized digital solutions, the majority of Atos' products utilize data in various ways, with the goal of increasing energy efficiency, which inherently entails greenhouse gas emission reductions. Nevertheless, the aforementioned definition is open to multiple interpretations and therefore presents a challenge when assessing the broad and varied range of Atos's digital solutions. Atos has therefore developed a structured portfolio-analysis methodology to identify Taxonomy-eligible and Taxonomy-aligned revenues and CAPEX for **Data-driven solutions for GHG emissions reductions**.

5.4.10.2.1 Determining Taxonomy-eligible revenue

In this first year of EU Taxonomy reporting, no best practices or standardized reporting methods have yet materialized. To nevertheless be able to proceed in a methodical and reproducible manner using universally accepted concepts and criteria, a portfolio-analysis methodology utilizing the well-established Sustainable Development Goals (SDGs) has been developed. This flexible approach, which maps Atos's portfolio onto the 17 Sustainable Development Goals (SDGs), allows Atos to report not only on its alignment to the Taxonomy, even as the Taxonomy itself continues to evolve, but also to a wide array of similarly evolving sustainability ratings via a method that is based on universally accepted criteria.

Based on a methodical analysis of its portfolio, Atos identifies 3.0% of its FY2021 total Group revenue to be Taxonomy-eligible for the Taxonomy activity **Data-driven solutions for GHG emissions reductions**.

5.4.10.2.2 Determining Taxonomy-aligned revenue

For the revenues produced by an Atos product offering to be additionally Taxonomy-aligned for this Taxonomy-defined economic activity, an Atos product offering must meet the Technical Screening Criteria, Do No Significant Harm criteria[4] and Minimum Safeguards described in the Annex to the EU Taxonomy Delegated Act. The decarbonized digital solutions which Atos provides to its clients are always bespoke; therefore, no alternative solution as specified in the Technical Screening Criteria can be identified on the market.

Based on its analysis, Atos concludes that a number of its products demonstrably meet all the necessary criteria, and it identifies 3.0% of its FY2021 total Group revenue to be Taxonomy-aligned for Taxonomy activity **Data-driven solutions for GHG emissions reductions**.

1 *EU Taxonomy Delegated Act - ANNEX 1 pp. 179–181*
2 *EU Taxonomy Delegated Act - ANNEX 1 pp. 179–181*
3 *EU Taxonomy Delegated Act - ANNEX 1 pp. 181–182*
4 *EU Taxonomy Delegated Act - ANNEX 1 pp. 181–182*

5.4.10.2.3 Determining Taxonomy-aligned CAPEX

In 2021 Atos made continued investments to further improve the energy efficiency of numerous products considered to be Taxonomy-eligible for the Taxonomy activity **Data-driven solutions for GHG emissions reductions**. In particular, the Group identifies investments in product offerings classified as "High-Performance Computing" and "Decarbonization Solutions" to contribute to aligned CAPEX.

Based on its analysis, Atos identifies 3.5% of its FY2021 total group CAPEX to be both Taxonomy-eligible and Taxonomy-aligned for the Taxonomy activity **Data-driven solutions for GHG emissions reductions**.

5.4.10.3 FY2021 results

Combining Atos's results for both Taxonomy-defined economic activities relevant for the IT industry, **Data processing, hosting and related activities** and **Data-driven solutions for GHG emissions reductions**, the Group concludes the following:

- 4.4% of the FY2021 total Group revenue to be both Taxonomy-eligible and Taxonomy-aligned:

Economic activities	NACE Code(s)	Absolute revenue *(in € million)*	Proportion of revenue *(%)*
Environmentally sustainable activities (Taxonomy-Eligible: meets Taxonomy definition)			
8.1 Data processing, hosting and related activities	J63.11	**155.0**	**1.4%**
DCH - Data Centers and Hosting	J63.11	155.0	1.4%
8.2 Data-driven solutions for GHG emission reductions	J61, J62, J63.11	**320.7**	**3.0%**
Decarbonization solutions (NTZ practice)	J62	42.3	0.4%
BDS - HPC High-Performance Computing	J62	278.4	2.6%
Revenue of environmentally sustainable activities (Taxonomy-Eligible)		**475.7**	**4.4%**
Total Group revenue FY'2021		10,839	100%

Economic activities	NACE Code(s)	Absolute revenue *(in € million)*	Proportion of revenue *(%)*
Environmentally sustainable activities (Taxonomy-Aligned: meets Taxonomy definition and additional criteria)			
8.1 Data processing, hosting and related activities	J63.11	**155.0**	**1.4%**
DCH - Data Centers and Hosting	J63.11	155.0	1.4%
8.2 Data-driven solutions for GHG emission reductions	J61, J62, J63.11	**320.7**	**3.0%**
Decarbonization solutions (NTZ practice)	J62	42.3	0.4%
BDS - HPC High-Performance Computing	J62	278.4	2.6%
Revenue of environmentally sustainable activities (Taxonomy-Aligned)		**475.7**	**4.4%**
Total Group revenue FY'2021		10,839	100%

- 6.8% of the FY2021 total Group CAPEX to be both Taxonomy-eligible and Taxonomy-aligned. The denominator includes all CAPEX as defined in the taxonomy regulation (including increase of the right-of-use). Within the numerator only CAPEX associated with taxonomy eligible and aligned economic activities were included: no CAPEX (especially no increase of the right-of-use) associated with individual measures that lead to greenhouse gas reductions, notably in buildings, were taken into account:

Economic activities	NACE Code(s)	Absolute CAPEX *(in € million)*	Proportion of CAPEX *(%)*
Environmentally sustainable activities (Taxonomy-Eligible: meets Taxonomy definition)			
8.1 Data processing, hosting and related activities	J63.11	**29.0**	**3.3%**
DCH Practice – Data Centers & Hosting	J63.11	29.0	3.3%
8.2 Data-driven solutions for GHG emission reductions	J61, J62, J63.11	**29.9**	**3.5%**
BDS - HPC High-Performance Computing	J62	29.9	3.5%
CAPEX for environmentally sustainable activities (Taxonomy-Eligible)		**58.9**	6.8**%**
Total Group CAPEX FY'2021		864.7	100%

Economic activities	NACE Code(s)	Absolute CAPEX *(in € million)*	Proportion of CAPEX *(%)*
Environmentally sustainable activities (Taxonomy-Aligned: meets Taxonomy definition and additional criteria)			
8.1 Data processing, hosting and related activities	J63.11	**29.0**	**3.3%**
DCH Practice – Data Centers & Hosting	J63.11	29.0	3.3%
8.2 Data-driven solutions for GHG emission reductions	J61, J62, J63.11	**29.9**	**3.5%**
BDS - HPC High-Performance Computing	J62	29.9	3.5%
CAPEX for environmentally sustainable activities (Taxonomy-Aligned)		**58.9**	6.8**%**
Total Group CAPEX FY'2021		864.7	100%

The EU Taxonomy additionally requires the reporting of Taxonomy-aligned OPEX if it is determined to be significant.

In 2021 the attribution of specific operating expenses to specific product offerings within Atos's financial systems has been limited, and no significant Taxonomy-eligible OPEX has been identified.

Atos is working to expand its tracking of OPEX per product offering, which will facilitate more comprehensive disclosure in the coming year.

5.4.11 Tax policy

Tax compliance

Atos is committed to full compliance with tax law and practice in countries where the Group operates. In this respect, Atos pays taxes in the jurisdictions where business activities generate profits and value is created. This responsible behavior is achieved in accordance with domestic and international rules and standards as well as applying the OECD[1] principles to transactions within the Group.

As a matter of principle, Atos does not encourage nor promote tax evasion and the Group does not engage in aggressive tax planning schemes aiming at evading taxes.

Tax risk management

Given its global presence and the international nature of its activities, the Group is exposed to tax risks relating mainly to the various, complex and constantly changing tax regulations to which it is subject.

Atos seeks to reduce the level of tax risk arising from its operations by ensuring that great care is applied in relation to all processes which could affect compliance with its tax obligations.

The Group has implemented internal processes to limit tax risks. Towards tax management, the Group takes benefits of available tax incentives, reliefs and exemptions in line with tax legislation and the business of the Group.

In the frame of its external growth transactions, Atos performs tax due diligences and, during the integration phase of the newly acquired entities, aligns their practices with the Group's tax policy when necessary.

1 *Organisation of Economic Cooperation and Development.*

Governance

The Tax Department, under the responsibility of the Chief Financial Officer, is made up of trained tax experts qualified by expertise (notably in transfer pricing, M&A and reporting) and situated either at Group headquarters or according to geography, who ensure the application of tax law and follow the development of tax standards. Whenever the complexity of given laws or situations requires it, Atos uses external advisors to ensure that the appropriate tax treatment is adopted.

In addition, the Tax Department maintains close relationships with the various internal stakeholders to ensure that tax issues are taken into account and that the applicable regulations are applied consistently.

Tax transparency

Atos encourages relationships with tax administrations based on exchange and mutual respect.

Where tax law is subject to interpretation, the Group may seek a written opinion from the relevant tax authority to support the decision-making process or may engage transparent discussions to secure alignment on interpretation of tax rules.

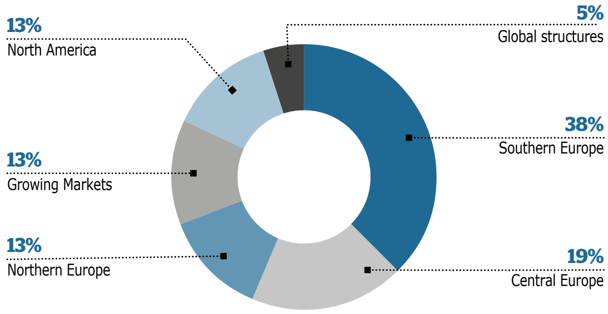
If, during tax audits, the Group's positions are challenged by an administration, Atos may have to defend its interest and conduct contentious proceedings.

The Group meets its obligation in respect of the "country-by-country reporting" (CbCR), transfer pricing documentation in view of the applicable law and OECD guidelines and monitors the rules relating to the mandatory disclosure requirements.

Allocation of taxes and social contributions [GRI 201-1]

In 2021 the Group expenses related to taxes and social contributions amount to €1,106 million.

The allocation by geography is detailed below:



Financial assistance received from government [GRI 201-4]

In 2021, Atos received a total amount of €86 million in financial assistance from governments, including:

i. tax relief and tax credits;

ii. subsidies;

iii. investment grants, research and development grants, and another relevant types of grant;

iv. awards;

v. royalty holidays; and

vi. other financial benefits received from any government for any operation.

5.4.12 Policy influence

Atos, as a corporate citizen, may have the opportunity to discuss with decision makers and legislators and participate in public policy matters. In all circumstances, Atos maintains transparency and integrity and complies with local laws, in particular with respect to disclosure and registration requirements aimed at ensuring transparency.

Atos is registered in the Transparency Register established by the European Parliament and the European Commission, to ensure transparency of the decision-making process relating to European policies by allowing for per scrutiny and ensuring that the EU institutions are accountable.

As registrant, Atos commits to abide by the principles of the Transparency Register's Code of Conduct[1] setting the standards of behavior to be adopted in all relations with the EU institutions.

Atos prohibits payments to political parties or organizations, as well as any indirect financing of political activities. All contributions made by Atos are part of its philanthropic activities and performed consistently with Atos's purpose ("raison d'être") and commitments to improve access to education and knowledge equality, increase the skills and employability of youth, and work to include disadvantaged communities into the digital world.

Details about 2021 Atos's philanthropic contributions are available in Section 5.3.8 "Community Investments".

1 *Transparency Register - Statistics for register (europa.eu)*

5.4.13 Governance non-financial Performance indicators

[GRI 103-3 Anti-corruption], [GRI 103-3 Customer Privacy], [GRI 103-3 Socioeconomic Compliance], [GRI 103-3 Atos specific indicators] [GRI 205-1] [GRI 205-2] [GRI 205-3], [GRI 102-43], [GRI 102-44], [GRI 418-1], [GRI 419-1], [A10], [A12], [A3], [A17]

The following table provides issues and indicators relevant to the Company business in the governance dimension, aligned to the disclosures from the GRI Sustainability Reporting Standards, and aligned to the Sustainability Accounting Standards Board (SASB) standards for the "Software & IT Services" industry.

The code of the standards intends to help Atos stakeholders to locate indicators of interest across Atos monitoring performance. It does not represent a complete overview of Atos reporting or practices.

Governance Dimension

		2021	2020	2019	2021 PERIMETER (%)		2020 PERIMETER (%)	
Standard code	Indicator name	Group	Group	Group	Per employee	Per revenue	Per employee	Per revenue
GRI 102-28	**Corporate Governance**							
LFR.149	Are the roles of Chairman and CEO separeted? (Y/N)	Y	Y	Y	-	100%	-	100%
GRI 102-28	Attendance rate at Board meetings (%)	96.76%	95.61%	85.12%	-	100%	-	100%
LFR.150	Number of members of the Board of Directors/Supervisory Board	13	13	12	-	100%	-	100%
LFR.150.1	Number of independent members of the Board of Directors	6	6	8	-	100%	-	100%
GRI 405-1	Percentage of female in Governance bodies (Board of Directors)	46%	46%	40%	-	100%	-	100%
G.Q11	Number of employee representatives among the Board	3	3	2	-	100%	-	100%
LFR.162	Number of Board members of different nationality than the company headquarters	7	6	6	-	100%	-	100%
LFR.197	Share capital held by members of the Management Board (%)	0.03%	0.1%	Not disclosed	-	100%	-	100%
G.Q116	Number of members within the Management Committee	20	20	Not disclosed	100%	-	100%	-
GRI 405-1_c16 ; SASB TC-SI-330a.3 ; G.Q605	Share of women in the Management Committee	15%	5%	Not disclosed	100%	-	100%	-
LFR.173	Does your Sustainable Policy rely on the UN 17 Sustainable Development Goals (Y/N)	Y	Y	Not disclosed	-	100%	-	100%
A26	Governance to implement the CSR strategy	Qualitative	Qualitative	Qualitative	-	100%	-	100%
G.Q643	Presence of the CSR manager at the executive committee (or management committee)	Qualitative	Qualitative	Qualitative	-	100%	-	100%
GRI 102-43, GRI 102-44	**Client satisfaction and delivery capability**							
GRI 102-43, GRI 102-44	Group Overall Customer Satisfaction (all clients part of strategic survey, in scale from 0 to 10)	8.61	8.50	8.40	-	54%	-	58%
GRI 102-43, GRI 102-44	Net Promoter Score for top clients	57%	60%	58%	-	73%	-	71%
GRI 102-43, GRI 102-44	Net Promoter Score for all clients	65%	65%	59%	-	59%	-	60%
A10	**Initiatives regarding innovative services / product developments**							
A10_c1	Client innovation workshops delivered	494	424	370	-	100%	-	100%
A27_A	Investment in Research and Development per year *(in € million)*	235	235	235	-	100%	-	100%
A27_B	Number of patents fulfilled during the reporting year	86	82	Not disclosed	-	100%	-	100%
A10_c2.1	Clients perception to the innovation of Atos people in the customer satisfaction surveys (average score from 1 to 10)	8.08	7.63	Not disclosed	-	49%	-	58%
A10_c2.2	Clients perception to the Atos innovation in the customer satisfaction surveys (average score from 1 to 10)	8.05	7.63	Not disclosed	-	47%	-	58%

		2021	2020	2019	2021 PERIMETER (%)		2020 PERIMETER (%)	
Standard code	**Indicator name**	**Group**	**Group**	**Group**	**Per employee**	**Per revenue**	**Per employee**	**Per revenue**
A12	**Business partners & ecosystem**							
A23	New business generated with partners *(%)*	67%	67%	62%	-	100%	-	100%
A12_A	Number of startups active during the reporting period	20	14	Not disclosed	-	100%	-	100%
A3	**Data Security Incidents**							
A3_c2	Percentage of Open Security Incidents open vs closed *(%)*	3.1%	3.8%	2.4%	100%		100%	-
A3_c3	Percentage of employees who successfully performed the Safety & Security E-learning	95%	97%	94%	97%		81%	-
A3_c4	Percentage of employees who successfully performed the Data Protection E-learning	88%	94%	88%	97%		81%	-
A3_c5 ; SASB TC-SI-230a.2	Percentage of compliance to malicious code prevention	100%	100%	98%	100%		100%	-
A3_c9 ; SASB TC-SI-230a.2	Percentage of coverage of ISO 27001 certifications	98%	100%	100%	100%		100%	-
SASB TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Qualitative	Qualitative	Not disclosed	-	100%	-	100%
SASB TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Qualitative	Qualitative	Not disclosed	-	100%	-	100%
GRI 418-1, SASB TC-SI-220	**Customer Privacy**							
SASB TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Qualitative	Qualitative	Not disclosed	-	100%	-	100%
SASB TC-SI-220a.2	Number of users whose information is used for secondary purposes	0	0	Not disclosed	-	100%	-	100%
GRI 418-1_A1, SASB TC-SI-220a.3	Alleged breaches of customer privacy such as unauthorized access to, collection, use or disclosure of personal information resulting in a formal claim above €300 thousand.	0	0	0	-	100%	-	100%
SASB TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	0	0	Not disclosed	-	100%	-	100%
A17, GRI 205-1, GRI 412	**Supplier Screening**							
A17_A_c0	Number of strategic suppliers assessed by EcoVadis	149	154	130	-	100%	-	100%
A17_A_c1	Percentage of strategic suppliers evaluated by EcoVadis	61%	62%	52%	-	100%	-	100%
A17_A_c2	Total spend evaluated by EcoVadis and alternative assessments *(in € million)*	3,592	3,420	2,927	-	100%	-	100%
A17_A_c3	Total percentage of spend assessed by EcoVadis and alternative assessments	68%	63%	56%	-	100%	-	100%
GRI 204-1	**Proportion of spending on local suppliers**							
GRI 204-1_A_c1	Percentage of local spending	79%	82%	84%	-	100%	-	100%
GRI 205-1	**Operations assessed for risks related to corruption**							
GRI 205-1_c1	Number of "alerts" reported through Whistle blowing systems	73	78	120	-	100%	-	100%
GRI 205-2	**Percentage of employees trained on the Code of Ethics**							
GRI 205-2_E_b1	Number of employees who successfully completed the web based Code of Ethics training	91,134	95,548	76,457	96%	-	95%	-

Standard code	Indicator name	2021 Group	2020 Group	2019 Group	2021 PERIMETER (%) Per employee	2021 PERIMETER (%) Per revenue	2020 PERIMETER (%) Per employee	2020 PERIMETER (%) Per revenue
GRI 205-2_E_c1	Percentage of employees who successfully completed the Code of Ethics´ elearning	88%	98%	95%	96%	-	95%	-
GRI 205-3	**Actions taken in response to incidents of corruption.**							
GRI 205-3_A1_c2	Number of claims with clients or suppliers related to corruption (higher than €300 thousand)	0	0	0	-	100%	-	100%
GRI 419-1	**Significant fines for non-compliance**							
GRI 419-1_A1_c1	Total value of significant fines exceeding €300 thousand paid by the company and resulting as the final and not appealable outcome of a legal proceedings	0	0	0	-	100%	-	100%
GRI 419-1_c3 ; SASB TC-SI-520a.1	Number of significant fines exceeding €300 thousand paid by the company and resulting as the final and not appealable outcome of a legal proceedings	0	0	0	-	100%	-	100%
SASB TC-SI-520a.1	**Competitive Behavior**							
SASB TC-SI-520a.1	Total amount of fines exceeding €300 thousand paid by the company and resulting as the final and not appealable outcome of a legal proceedings for breach of anti-competitive law or regulations	0	0	Not disclosed	-	100%	-	100%
SASB TC-SI-550a.2	**Systemic Risk Management**							
SASB TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Qualitative	Qualitative	Not disclosed	-	100%	-	100%
GRI 201-4	**Financial assistance from governments**							
GRI 201-4_A_c1	Financial assistance from governments *(in € million)*	86	106	75	-	100%	-	99%

Governance Dimension

GRI 102-43, GRI 102-44: “Net Promoter Score”: Percentage of "Promoters" minus Percentage of "Detractors". "Promoters" are ready to recommend Atos (score of 9 or 10 answering the recommendation question); "Detractors" are not likely to (score below or equal to 6).

A10_c2: In 2021 the Client Satisfaction surveys include two questions related the perception of innovation at Atos while in previous year there were an unique question for the topic.

A10: see the methodological note in "Scope of the report": Detailed information related to Client Innovation Workshops [A10]

A10_c2: In 2021 the Client Satisfaction surveys include two questions related the perception of innovation at Atos while in previous year there were an unique question for the topic.

GRI 405-1 regarding "Percentage of female in Governance bodies (Board of Directors)": 40% (4 out of 10) pursuant to the legal ratio. In accordance with art. L. 225-23 and L. 225-27-1 of the French Commercial Code, the Director representing the Employee shareholders and the Employee Directors are not taken into account to determine the ratio of gender diversity on the Board of Directors.

GRI 405-1_c16; SASB TC-SI-330a.3; G.Q605: The indicator for the share of women in the Management Committee use the Atos´ General Management Committee (GMC) which on Feb 1, 2021 is composed by 20 members of which three are women, increasing the percentage from 5% in 2020 to 15% in 2021. The General Management Committee (GMC) refers to Atos top management team leading group vision and defining strategy. Made up of the most senior managers in the organization.

A17, GRI 205-1: Information contains data provided by EcoVadis and alternative assessments similar to EcoVadis. This kind of assessents serve Atos to monitor the total number and percentage of operations assessed for risks related to corruption and identified significant risks. Those assessment are not only on corruption, but also on human rights and environment.

GRI 418-1_A1, SASB TC-SI-220a.3: The threshold to report the complaints is €300 thousand.

5.5 Non-Financial Performance Statement

Since 2010, Atos performs a yearly Materiality Assessment to identify main non-financial challenges for the Company taking into account stakeholders' expectations. From the materiality analysis, a set of non-financial risks and opportunities are identified and aligned with the overall risk identification process in Atos (Enterprise risk management detailed in section 7.1.1). The table below presents the Non-Financial Performance Statement, namely the references to easily find the Business Model of Atos, its non-financial risks and opportunities, the policies and mitigation actions to address them and the main Key Performance Indicators (KPIs) used to monitor its implementation. The overall approach follows up the principles of International Integrating Reporting Committee (IIRC) from the Company strategy setting into operations.

NFPS Themes	Descriptions	Related Section
Business Model	Based on the multi-capital IIRC model, Atos presents its value creation over time.	2021 Universal Registration Document, Group overview /Business model
Risks Assessment	With an integrated approach, Atos presents its overall set of Risks, including the non-financial ones.	2021 Universal Registration Document, 7 Risks analysis, 5.2.3, 5.4.6.1, 5.4.7.2, 5.4.8.3, 5.4.8.4

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
Environment	Natural disasters & extreme events	X	Resilience of sites and activities to host critical IT services	As a result of an exposure to the environmental disasters (flood, hurricanes, fires, extreme pollution, etc.) intensified by climate changes, the Company could be materially adversely affected if the organization is not effectively prepared to face/or recover from the effects of the disasters.	2021 Universal Registration Document 5.2.3.2 Main climate-related risks	A20 Natural disasters
	Energy & carbon emissions, Potential changes in regulations linked to Climate change	X	Operational efficiency & cost reduction, Attractiveness of eco-friendly offers and promotion of sustainable solutions	Committing to reduce energy consumption & carbon footprint and following the recent International Climate Agreements the Company could be materially adversely affected if it fails to rapidly scale up its reduction efforts.	2021 Universal Registration Document 5.2.3 Risks and opportunities related to environment	GRI 302 Energy, GRI 305 Emissions, GRI 201-2 Financial implications and other risks and opportunities due to climate change
	Circular economy	NFPS	Positive impact for the planet	The finitude of resources, especially the rare raw materials used in electrical components, constitute a challenge for the industry, which will have to adapt and develop new solutions linked with eco-design and management of end-of-life products.	2021 Universal Registration Document 5.2.7.1 Waste and e-waste, circular economy and recycling activities	A19 Waste Electrical and Electronic Equipment (WEEE)
	Animal welfare	NFPS	N/A			
	Responsible food	NFPS	N/A			
	Waste and food insecurity	NFPS	N/A			

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
Social	Key People retention & acquisition	X	People engagement	Within a highly competitive labor market and as most of the Group's value is based on Human capital, the Company could be materially adversely affected if it fails to: • acquire the Talents and digital experts; • retain and motivate essential qualified staff; • achieve up/reskilling of the employees; • meet the expectations regarding well-being at work, personal development, fair and attractive Company culture.	2021 Universal Registration Document 5.3.2 Talent attraction and retention	GRI 404-3 Career development monitoring, GRI 401-1 New employees hired during the Reporting Period, GRI 401-1 Percentage of juniors recruited
	Skills enhancement & performance	X	People's career development		2021 Universal Registration Document 5.3.3. Skills management and development	GRI 404-1 Average training hours per employee, GRI 404-2 Employability initiatives
	People Care & Health	X	Collaborative environment and being a responsible employer by leveraging well-being at work	Well-being at work allowing personal development and developing a fair and attractive Company culture remain important, especially when working conditions are modified with work from home becoming standard due to the pandemic.	2021 Universal Registration Document 5.3.4 Employee Health and Safety	A2 Employee satisfaction GRI 403-9 Global absenteeism rate
	Collective agreements their impacts on the Company's economic performance and the employees' working conditions	NFPS	Being a responsible employer	As a result of being internationally located, the Company could be materially adverserly affected if it fails to protect its employees.	2021 Universal Registration Document 5.3.7 Employee Engagement	GRI 102-41 Collective bargaining coverage
	Fight against discrimination and promote diversity	NFPS		Being exposed internationally with violations of human rights, the Company could be materially adversely affected if it fails to maintain the business integrity and ethical behavior.	2021 Universal Registration Document 5.3.5 Diversity, 5.3.6 Accessibility and Digital Inclusion	GRI 405-1 Disabled employees, GRI 405-2 Overall salary rate between women and men GRI 401-2 Percentage of employees participating in Disability benefits
	Social commitments in favor of sustainable development	NFPS		Committing to encourage sustainable actions, the Company could be materially adversely affected if it fails to rapidly scale up its reduction efforts.	2021 Universal Registration Document 5.1.4 Atos stakeholders' approach and engagement	LFR.173 rely on the UN 17 sustainable development Goals

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
Governance	Cyber attacks	X	Cyber and advanced security offering	As a result of the international exposure of the Group, the sensitivity of activities, and increasing sophistication of cyber-crime, the Company could be materially adversely affected if it fails to timely prevent and react to cyber-attacks, maintain availability or continuity in services for internal and external business activities.	2021 Universal Registration Document 7.2.2 Security risks: Cyber-attack, systems security and data protection	A3 Data security incidents
	Systems security (reliability & continuity)	X				A3 Data security incidents
	Client's data protection	X	Operational excellence / Reputation resilience / Legal & internal control mechanisms / Trust & compliance throughout the value chain	Controlling and processing data being the core of Atos business, the Company could be materially adversely affected if it fails to protect Client's data and therefore to comply with Data Protection requirements.	2021 Registration Document 5.4.4 Security and data protection, 5.4.5 Ethical and trustworthy management of data, 7.2.2.3 Data protection	GRI 418-1 Customer Privacy
	Client relationship, delivery quality	X	Qualitative delivery quality and competitive advantage	As a result of evolving client preferences and IT services being a critical element for the performance of clients' business development, the Company could be materially adversely affected if it fails to adequately deliver and manage client relationship	2021 Universal Registration Document 7.2.3 Operational and financial risks: Delivery quality, customer relationship, financial rating	GRI 102-43 /GRI 102-44 Client satisfaction survey
	Market environment	X	Powerful eco-system	The activity of the Group is depending on the demand fluctuation in the different markets of its clients. Volatile, negative, or uncertain economic conditions and patterns of economic growth in the markets Atos serves could adversely affect client demand for Atos's services and solutions.	2021 Universal Registration Document 5.4.3 Research and Innovation, 7.2.4 Go-to-Market risks: Market environment, innovation and customer digital transformation	A12 Business partners & Ecosystem
	Innovation & client digital transformation	X	Sustainable digital transformation and Business reinvention	As a result of the swift evolution of disruptive new and emerging technologies, the Company could be materially adversely affected if it fails to develop and innovate at the speed required to take advantage from innovations, digitalization, new patent creation and registration.	2021 Universal Registration Document 7.2.4.2 Innovation and Intellectual property, 7.2.4.3 Client digital transformation and business model disruption	A10 Initiatives regarding innovative services / Product developments

Atos Challenges	Non-Financial Risks	Relevant for Atos	Related Opportunities	Descriptions	Policies & Mitigation Actions	Main KPIs
Governance	Regulation and compliance	X	Operational excellence / Reputation resilience / Legal & internal control mechanisms / Trust & compliance throughout the value chain	As a result of regular local and global changes in laws and regulations in multiple areas, the Company could be materially adversely affected if it fails to timely comply with them.	2021 Universal Registration Document 5.4.7 Ethics and Compliance, 5.4.8 Vigilance Plan, 7.2.5.1 Regulation and compliance	GRI 419-1 Significant fines for non-compliance
	Bribery & corruption	X	Reputation resilience / Legal & internal control mechanisms / Trust & compliance throughout the value chain	Being exposed internationally with evolving regulations, the Company could be materially adversely affected if it fails to maintain the business integrity and ethical behavior.		GRI 205-1 Total number and percentage of operations assessed for risks related to corruption, GRI 205-3 Actions taken in response to incidents of corruption
	Human rights	NFPS		Being exposed internationally with violations of human rights, the Company could be materially adversely affected if it fails to maintain the business integrity and ethical behavior.	2021 Universal Registration Document 5.4.9 Human Rights	A17 Supplier Screening
	Tax evasion	NFPS	Reputation resilience / Legal & internal control mechanisms	As a transnational Group, the Company could be materially adversely affected if the organization is not effectively prepared.	2021 Universal Registration Document 5.4.11 Tax Policy	GRI 201-1 Allocation of taxes

X:Relevant risk for Atos.
NFPS:Compliant with French Non-Financial Performance Statement (DPEF – Déclaration Performance Extra Financière), but not identified as a main non-financial risk for Atos.
N/A:Not Applicable to Atos, not relevant for its activity.

5.6 Information about the report

5.6.1 Scope of the report

[GRI 102-10], [GRI 102-45], [GRI 102-48], [GRI 102-49], [GRI 102-51], [GRI 102-52], [GRI 102-56]

This section describes the scope of Atos 2021 Universal Registration Document 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. The external assurance is disclosed in section 5.6.2 [GRI 102-56].

5.6.1.1 French legal requirements related to the corporate responsibility reporting

[GRI 102-12]

With the *Déclaration Performance Extra Financière* (DPEF), French companies must report a greater amount of information related to corporate responsibility.

With the materiality methodology, Atos has defined objectively and according to the practices of reporting within IT sector the list of information which is "material" and needs 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.

5.6.1.2 Respect of the AA1000 standard

[GRI 102-12]

Atos uses the AA1000 SES (2015) standard as framework to structure its stakeholder dialogue, in alignment with the following principles:

Inclusivity

Collecting and integrating the opinions of Atos stakeholders is key in defining Atos materiality assessment and main challenges. To ensure the Atos corporate responsibility strategy meets the expectations of its stakeholders (employees, clients, partners, suppliers and shareholders), regular meetings, discussions, and surveys are organized to share views and receive input relating to different areas of concern. 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. The working meetings with the *Societas Europeas Council* (SEC) remains as an important component of the regular consultation process.

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 5.1.5. The materiality assessment is established based on Atos's stakeholders' expectations as well as Atos's internal prioritization which is developed based on objective criteria related to its markets, opportunities and actions.

Responsiveness

Since 2013 (2012 results) the Atos Registration Document contains the extra-financial KPIs that Atos monitors. In addition, a separate communication document, the Integrated Report, is produced annually highlighting the sustainability challenges and focusing on the material KPIs that Atos monitors as well as interviews and case studies. Since 2013, Atos has a steady commitment to adhere to integrated reporting international principles. Atos aims to have a constructive reporting environment to articulate its strategy in order to drive performance internally and better explain to investors the value creation over time.

Impact

Since 2018 (2017 results) Atos carries out an impact valuation assessment with the objective to measure the most relevant externalities. This analysis seeks to explain the most relevant impacts that Atos is monitoring, measuring and accountable for in terms of how their actions affect their broader ecosystems.

5.6.1.3 Alignment with GRI Sustainability Reporting Standards and Sustainability Accounting Standards Board (SASB)

[GRI 102-12], [GRI 103-1 Anti-Corruption], [GRI 103-1 Energy], [GRI 103-1 Emissions], [GRI 103-1 Employment], [GRI 103-1 Occupational Health and Safety], [GRI 103-1 Training and Education], [GRI 103-1 Customer Privacy], [GRI 103-1 Socioeconomic Compliance], [GRI 103-1 Atos specific indicators]

In 2020, Atos conducted a new material analysis with a third party and aligned with GRI Standards in order to confirm the prioritization of its sustainable issues.

The interviews conducted by the expert third party evaluated the importance of each topic in relation to its significance for Atos's business strategy, its relationship to existing regulations as well as its link with targets set by the Atos Group.

Material issues are validated by the members of the Corporate Social Responsibility Program and approved by the Group Management Committee.

The materiality matrix presented in section 5.1.5 emphasizes the prioritization of Atos's corporate responsibility matters and restructures the disclosed information into the ESG dimensions of Environment, Social and Governance.

Atos reports on the full general disclosures (GRI 102: General Disclosures), on the "management approach disclosures" for each material topic and on the reporting requirements of the GRI topic-specific disclosures that match with the material topic identified in the last materiality analysis. Additionally, other relevant Atos-specific indicators are also disclosed. Atos also use the industry-specific sustainability accounting standards for Software and IT services developed by SASB, for additionally identify a set of ESG issues most likely to impact the financial condition of the Company. With those main frameworks and other best practices, Atos aims to demonstrate that the non-financial performance disclosures are accurate and extensive in line with the requirements of the GRI Standards and SASB Standard.

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, 2021 to December 31, 2021 in a comparable period (one year) to the previous 2020 report [GRI 102-50].

5.6.1.4 Process for defining report content

The selection of the corporate responsibility topics and indicators is aligned with Atos's business strategy and based on a materiality assessment (See section 5.1.5). Atos's corporate responsibility strategy includes a prioritization of topics which is an essential requirement for the internal foundation of the Corporate Social Responsibility Program follow up. At the same time the Atos CSR experts align the reporting to the "Software & IT Services" industry standard of the Sustainability Accounting Standards Board (SASB), using the advantage that a sector-specific standard could provide to Atos stakeholders focusing on disclosures and sector-specific indicators.

The GRI Content Index table can be found in the integrated 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.

Reporting scope for the indicators resulting from the materiality study
[GRI 102-45]

The corporate responsibility perimeter (entities under scope) includes the same entities included in the consolidated financial scope on December 31, 2021.

Atos obtains its corporate responsibility data from internal measurement and from external sources (third parties).

For the year 2021, the Atos Group is organized as indicated in Note 18 "Consolidation scope as of December 31, 2021: main entities" [GRI 102-45].

On the basis of this context, the perimeter (countries under scope) of the indicators does not vary significantly from the 2020 reporting period. The table of indicators at the end of the Environmental, Social and Governance sections specify the perimeter associated to each indicator.

5.6.1.5 Methodological detailed information

[GRI 103-1 Energy], [GRI 103-2 Energy], [GRI 103-1 Emissions], [GRI 103-2 Emissions], [GRI 103-3 Emissions], [GRI 103-1 Training and Education] , [103-1 Atos specific indicators]

Detailed information related to the restatements of information

[GRI 102-48]

No restated information from last year, on Fiscal Year (FY) 2021 reporting.

Detailed information regarding GHG emissions reporting, Scopes and KPIs

[GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4], [GRI 305-5]

Atos is applying the GHG protocol methodology for all GHG Scopes (Scopes 1, 2, 3). The GHG, 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. [GRI 305-1_E, GRI 305-2_D, GRI 305-3_F, GRI 305-5_D]

The reporting period covers the calendar year (January 1 to December 31). [GRI 102-50]

The chosen consolidation approach for emissions is based on an operational control.

Considering the external growth of the Company, the Group overall perimeter can progressively change to include acquisitions and exclude divestitures or to include or exclude products/services and activities. As well the geographical perimeter can progressively change to include or exclude additional countries. [GRI 305-1_D]

As defined within the GHG Protocol, Atos emissions are sub-categorized between Scopes 1, 2 and 3.

The gases included in Scope 1 [GRI 305-1_A], in Scope 2 [GRI 305-2_B] and in Scope 3 [GRI 305-3_A, GRI 305-4_D, GRI 305-4_B] are CO_2e.

Atos is not producing any biogenic CO_2 emissions. [GRI 305-1_C, GRI 305-3_C]

The data collection related to the environmental indicators involves all the Regional Business Units. In 2021, with few exceptions, countries provided the necessary information to get a reliable estimation of their energy consumption and carbon footprint.

As indicated in footnoted to indicators GRI 305-4, the GHG emissions intensity for the Atos´s operational perimeter (Intensity of Atos Carbon Operational Perimeter), which is calculated with the data provided by a certain number of countries, the denominator used is 107,019 employees and 10,764.20 € million of revenue which represents a company´s coverage of 99% of the total employees and revenue. Dispide of this, the intensity of all GHG emissions, is calculated with the total number of employees (107,572) and the total revenue (10,839 € million) which represent a company´s coverage of 100% per employee and revenue.

The conversion factors have been adjusted to the type of fossil energy consumed (fuel oil, diesel, gas) and according to the countries for electricity and district heating.

Location based conversion factors are based on Defra and the International Energy Agency (IEA).

Market based conversion factors used for renewable energy and Renewable Energy Certificates (RECs) are set to zero.

In 2021, to clarify the reporting and to be better aligned with the GHG Protocol guidelines all emissions related to energy consumption previously reported in Scope 3 are now reported in Scope 1 (all fossil fuel emissions) and in Scope 2 (all electricity and district heating emissions). Previous years have been recalculated and reported accordingly.

As indicated in footnotes to indicators GRI 305-4, GRI 305-5, the Atos´s "Carbon Operational Perimeter" includes emissions under control or direct influence. All emissions from Scope 1 (fossil fuel regardless of whether it is paid by Atos or by the landlord, Atos car fleet and refrigerants), all emissions from Scope 2 (electricity and district heating regardless of whether it is paid by Atos or by the landlord) and emissions from Scope 3 category 6 (business travel). An external audit covers the full Atos´s Carbon Operational Perimeter with a quantitative validation on scopes 1, 2 and 3A.

Detailed information on the evolution of calculations carried out and methodologies used for GHG emission KPIs

The carbon accounting uncertainties are widely described by the GHG Protocol, the IPCC and by all carbon organizations and experts[1]. These uncertainties are linked to the existing accounting tools and methodologies, to the conversion rates from energy to carbon emissions or to the cascading estimations made along the subcontracting chains. For this reason, the results must be considered with the necessary hindsight and progress must be analyzed considering developments over several years. This state of affairs concerns all market players and is not specific to Atos.

Regularly, new methodologies are published by these organizations and carbon experts in order to be in-line with the latest science, advance carbon accounting, reduce uncertainties and improve the overall reliability of results. Atos is also taking an active part in these progresses, for example by developing carbon data platforms and in 2020, Atos acquired the specialist consulting firm EcoAct and has now in house some of the best carbon experts on the market.

1 *See GHP Protocol guidelines: "Corporate Value Chain (Scope 3) Accounting and Reporting Standard". See all occurrences of "uncertainty" in the document and see Section B. Uncertainty in Scope 3 Emissions Page 126.*

Concretely, the years to come will continue to bring more accurate methodologies, refined conversion factors, improved data sources and actual data from new carbon assessments and this will guarantee the best possible results both at the global and local level. For example, between 2019 and 2021, at Atos, Scope 3 calculations have already evolved, and will continue to improve in line with progress linked to a set of factors:

- the impact of crisis or specific events (e.g. Covid-19 having an impact on emissions related to homeworking and commuting);
- the geolocation of carbon emission factors (e.g. considering the places of purchase);
- the development of new specialized or sectorial databases or the updating of existing databases offering more precise emission factors;
- the progress made in carbon accounting methodologies to reduce uncertainty levels and improve the quality of carbon data;
- the use of smart proxies with more precise emission data to represent consistent categories;
- the use of the latest annual carbon data released by Atos suppliers (e.g. audited and published in their own annual reports);
- the level of precision for the emissions reported by many contributors to Atos Scope 3 emissions (clients, partners, suppliers…);
- the capacity of the suppliers to deliver specific data for the specific goods and services Atos purchases (e.g. following new CO_2 results of life cycle assessments);
- the gradual replacement of the products and services Atos uses by new products and services with lower carbon footprint;
- Atos's emissions can be impacted by the Group's acquisitions or divestitures. To compare different years on equivalent perimeters, it can be necessary to reintegrate or exclude the absolute emissions associated with these transformations.

As demonstrated through the progress made between 2019 and 2021, Atos makes its best effort in the accounting and reporting of its GHG emissions. Atos uses recognized data sources and conversion factors such as Ademe or IEA and strives to apply the best methodologies currently available.

The data sources, the methods used, and the calculations performed by Atos are shared and verified each year by an external auditor. To date, its calculations are considered at the level of the best players in the field, and the level of comfort provided for its carbon data is high.

Detailed information regarding Science-Based targets and KPI baselines realignment
[GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 305-4]

The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World-Wide Fund for Nature (WWF). The SBTi defines and promotes best practice in science-based target setting and independently assesses companies' targets.

Science-based targets are emissions reduction targets in line with what the latest climate science says is needed to meet the goals of the Paris Agreement - to limit global warming to well-below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C. Science-based targets are emissions reduction goals in line with what the latest climate science says is needed to prevent the worst impacts of climate change. Science-based targets show companies how much and how quickly they need to reduce their greenhouse gas emissions in order to be consistent with keeping warming below the most dangerous levels.

The rapid transformations ongoing in the Atos Group both internally and externally (acquisitions or divestitures) have a direct impact on its energy and carbon emissions. New changes in geographic areas (with specific local energy mix), in activities and production capacities or in intensity profiles (e.g. new industrial business versus services) must be considered. To accommodate these changes, stay in line with the reality of the Company and compare similar scopes, Atos can realign its absolute and intensity baselines. Concretely, to be able to compare the different years over an equivalent perimeter, it can be necessary to reintegrate or exclude the emissions associated with these transformations.

Detailed information regarding Atos 2021 Sustainability-Linked Instrument Framework amendments to the KPI-SPT Reference Base

As mentioned in the 2021 Sustainability-Linked Financing Framework, "We reserve ourselves the right to conduct amendments to the KPI-SPT Reference Base, in case of any M&A activities or changes to the calculation methodology for the KPI, which are appropriate in light of such activity or change and the nature of the KPI. The adjustment mechanism allows for a revision of the KPI-SPT Reference Base from which the SPT derives by an amount up to the ratio of the change in relative tCO_2e Atos records as a result of the acquisition, merger, divestment, significant changes in data due to better data accessibility and/or changes in the calculation methodology as detailed in Atos 2021 URD Section 5.2.5.1 (Reduction of carbon emissions). In addition, new products/services and activities may trigger a re-baselining. The purpose of this mechanism is to (i) ensure that a development of the Atos Group through M&A activity is not preventing Atos from achieving its set sustainability performance target, (ii) allow the inclusion of newly acquired businesses in the scope of Atos's ambitious reduction targets and (iii) cater for evolution in the principles and standards which govern the items which are included in the KPI and to ensure alignment of the monitoring of KPI and disclosure and reporting standards Atos is subject to. In case of changes to the Framework, the KPI and SPT set out in this Framework will remain applicable throughout the tenor of any Sustainability-Linked Instrument issued under this Framework in the form prevailing at the time of issuance of the respective Sustainability Linked Instrument, regardless of any subsequent changes to Atos's sustainability strategy or changes and future updates of the Framework, independent of whether they are driven by changes in the relevant principles or Atos's corporate decisions.

Atos 2021 Sustainability-Linked Financing Framework is available on Atos website[1] .

1 *https://atos.net/content/investors-documents/2021/atos-slf-framework.pdf*

Detailed information regarding energy indicators
[GRI 302-3]

For energy and travel emission source, site related data are collected at site level, and then consolidated with travel data collected at country level. The data is then consolidated at the level of the Regional Business Unit and then at the Global level.

Atos does not sell electricity, heating, cooling, or steam to third parties.

For the energy intensity ratios, the types of energy included are: electricity, gas, district heating, backup generator fuel (diesel and fuel oil).

The energy intensity ratio per employee is calculated by dividing the absolute energy consumption during the reporting year (the numerator) by the total headcounts registered at the end of the financial year (as on December 31) for all countries within the scope.

The energy intensity ratio per million-euro revenue is calculated by dividing the absolute energy consumption during the reporting year (the numerator) by the revenue metric expressed in million of euros (the denominator) produced by the organization, in the same reporting year. The Energy intensity expresses the energy required per unit of activity. The denominator for revenues is the complete organization, however, reporting is restricted to the list of countries included into the Office and Datacenter scope for 2021. Within that scope, the revenue is corresponding to the turnover generated by all countries under analysis during the year (reporting period: January 1 to December 31).

Detailed information related to Human Resources indicators
[GRI 103-1 Employment], [GRI 103-1 Training and education]

All the Human Resources indicators derived from the HR Information System (GRI 401-1, GRI 401-2, GRI 401-3, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 202-1, GRI 202-2, and A6) are based on an extraction made in January 2022. 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.

Detailed information related to ISO 27001 Audits
[A3], [103-1 Atos specific indicators]

The percentage coverage of ISO 27001 certifications demonstrates the number of applicable units that maintained ISO 27001certification (MSC[1]) or are currently in onboarding process for ISO27001 MSC in relation to the number of all Atos applicable units. A unit is a legal entity at particular location. An applicable unit is a unit with 500 of more employees or which has client or legal requirements to maintain ISO 27001 certification.

The objective is to ensure that the 75% of all applicable Atos's units maintain current ISO 27001 certification in the reporting year, which ensure compliance with the ISO Information Security Management Standard and demonstrates high level of security, data protection and client privacy approach at Atos.

Detailed information related to Client Innovation Workshops (CIW)
[A10], [103-1 Atos specific indicators]

The Client Innovation Workshop indicator requires two conditions:

- be an Innovation Workshop, a StratHack[2] or a Multi-Client Event[3] ;
- be delivered to clients with the support and involvement of the Atos Scientific Community[4] members. At least one Scientific Community member should be present in a given CIW.

1 *Multisite Certification or local certification*
2 *StraHacks (for Strategic Hackathons) are Innovation Workshops with C-level participants.*
3 *Multi-Client Events are Innovation Workshops with several clients.*
4 *The Atos Scientific Community is a global network that comprises 160+ of the top scientists, engineers and forward thinkers from across the Group, with a rich mix of skills and backgrounds. Its members are involved in research activities that aim to demonstrate how technologies will influence the business of clients in the near future. They support, amongst others, patent creation and development of cutting-edge proofs of concept.*

5.6.2 Report of one of the statutory auditors, appointed as independent third party, on the verification of the consolidated non-financial performance statement

Year ended December 31, 2021

This is a free English translation of the report by one of the Statutory Auditors 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' Meeting,

In our capacity as Statutory Auditor of ATOS S.E. (hereinafter the "Company"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee, COFRAC, under number 3-1048 (Cofrac Inspection Accreditation, no. 3-1048, scope available at www.cofrac.fr), we have conducted procedures to express a limited assurance conclusion on the historical information (observed or extrapolated) in the consolidated non-financial performance statement, prepared in accordance with the Company's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2021 (hereinafter the "Information" and the "Statement", respectively), presented in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

Conclusion

Based on our procedures as described in the section "Nature and scope of procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial performance statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Comment

Without qualifying the conclusion expressed above and in accordance with Article A. 225-3 of the French Commercial Code, we make the following comment: as mentioned in the methodological note of the statement ("Information about the report") and the main KPIs tables, the reporting perimeter is limited for some indicators (including absenteeism rate,% of employees with a development plan and % of female identified in talent pool).

Preparation of the Statement

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of the Information enables the use of different but acceptable measurement techniques that may impact comparability between entities and over time.

Accordingly, the Information must be read and interpreted with reference to the Guidelines, summarised in the Statement and available on the Company's website or on request from its headquarters.

Limits inherent in the preparation of the information relating to the Statement

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions and/or estimates used for its preparation and presented in the Statement.

Responsibility of the Company

The Board of Directors is responsible for:

- selecting or determining the appropriate criteria for the preparation of the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented with respect to these risks as well as the outcomes of these policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- implementing such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Company's Guidelines as referred to above.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

As it is our responsibility to issue an independent conclusion on the information prepared by management, we are not authorised to participate in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to provide a conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the duty of vigilance and the fight against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and acting as the verification programme and with ISAE 3000 (revised).

Independence and quality control

Our independence is defined by Article L. 822-11-3 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of six people between November 2021 and February 2022 and took a total of sixteen weeks.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around twenty interviews with people responsible for preparing the Statement.

Nature and scope of procedures

We planned and performed our work taking account of the risk of material misstatement of the Information.

We consider that the procedures conducted in exercising our professional judgement enable us to express a limited assurance conclusion:

- We familiarized ourselves with the activities of all companies in the consolidation scope and the description of the principal risks.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, respect for human rights and the fight against corruption and tax evasion;
- We verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of the principal risks associated with the activities of all the consolidated entities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important[1]; for certain risks, such as the health and safety approach and the carbon trajectory, etc., our work was carried out on the consolidating entity, while for other risks;
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We obtained an understanding of internal control and risk management procedures implemented by the Company and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes[2] that we considered to be the most important, we implemented:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;

1 ***Qualitative information selected:*** *Atos All Other Emissions Perimeter (Scope 3b – non-operational), Waste and e-waste, Digital inclusion, Social contribution, Human rights.*

2 ***Quantitative information selected:*** *Number of employees at the end of the Reporting Period (Legal staff); Number of employees leaving employment during the Reporting Period; Average hours of training that employees have undertaken during the year; Percentage of employees with an Individual Development Plan; Number of digital certifications obtained per year; Percentage of female within Atos; Percentage of women identified in talents pool; Salary rate between men and women; Percentage of employees covered by collective bargaining agreements; Atos Trust Index® informed by Great Place to Work (GPTW); Global absenteeism Rate (%); Client innovation workshops delivered; Offsetting of Atos Carbon operational perimeter (Scope 1, 2 and category 6 of scope 3 according GHG protocol) GHG emissions (%); Percentage of employees who successfully completed the Code of Ethics' e-learning; Number of significant fines (higher than 300 k€); Number of claims with clients or suppliers related to corruption (higher than 300 k€); Percentage of strategic suppliers evaluated by EcoVadis; Total percentage of spend assessed by EcoVadis; Total number of employees recruited; Percentage of juniors recruited; Energy intensity by revenue (Mwh per Million EUR); Energy intensity by employee (Mwh per employee); GHG emissions for Atos Carbon operational perimeter (Scope 1, 2 and category 6 of scope 3 according GHG protocol) by revenue (tCO_2 per Million EUR); GHG emissions by employee for Atos Carbon operational perimeter (Scope 1, 2 and category 6 of scope 3 according GHG protocol) (tCO_2 per employee); Scope 1 and 2 of GHG emissions; Decarbonization revenue (in € million).*

- substantive tests, on a sample basis and using other selection methods, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities[1] and covered between 17% and 100% of the consolidated data selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the entire Company.

In accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes, CNCC), the procedures conducted in a limited assurance review are less extensive than those required to issue a reasonable assurance opinion; a higher level of assurance would have required more extensive verification work.

Paris-La Défense, March 11th, 2022

One of the Statutory Auditors,

Deloitte & Associés

Jean-François Viat	**Erwan Harscoët**
Partner, Audit	Director, Sustainability

1 *Atos France, Atos India, Atos Argentina*

6 Financial statements

6.1 Consolidated financial statements

6.1.1. Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2021

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the annual general meeting of Atos S.E.,

Opinion

In compliance with the engagement entrusted to us by the annual general meetings, we have audited the accompanying consolidated financial statements of Atos S.E. ("Atos", the "Company" or the "Group") for the year ended December 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2021 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

REVENUE RECOGNITION ON LONG TERM FIXED-PRICE CONTRACTS

Note 3 "Revenue, trade receivables, contract assets and contract costs", note 5 "Other operating income and expenses (Other items)", note 12 "Provisions" to consolidated financial statements

Key Audit Matter	Our audit approach
Regarding fixed-price contracts performed over the course of several years, particularly related to outsourcing, consulting and system integration activities, revenues are recognized, in accordance with IFRS 15 'Revenue from contracts with customers' based on the transfer of the control of the service provided. For multi-element service contracts, which may be a combination of different services, revenue is recognized separately for each performance obligation when the control is transferred to the customer. Revenue recognized depends on the fair value of the performance obligation and its allocated transaction price. Total contract costs and expected remaining costs are subject to regular monitoring to determine whether the stage of completion and margin recognized should be revised. If these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for onerous contracts. As mentioned in the note 12 "provisions" to the consolidated financial statements, the Group recognized €266 million provisions for onerous contracts. We consider revenue recognition on long-term contracts and the associated costs as a key audit matter as identification of performance obligations and related allocations of the transaction price requires judgment from management. When revenue is recognized on the basis of costs incurred, the completion degree relies on operational assumptions and estimates which impact the Group consolidated revenue and operating margin.	We have updated our understanding of the internal control environment relating to contract accounting, in particular those relating to the costs incurred on contract and those relating to the costs to complete. For a number of contracts that were selected based upon quantitative and qualitative criteria (contracts that experienced technical difficulties or low profitability), we performed the following procedures: • for new contracts, – we corroborated the analysis and accounting treatment retained (allocation of the transaction price to the different performance obligations identified, and definition of recognition conditions of the revenue recognized for each performance obligation) with the contract's terms and our understanding of the provided services; – we corroborated initial budget margin to the financial data within the signed contract and the associated costs estimation; • for contracts in progress, we performed the following procedures on the completion degree when revenue is recognized over time: – we reconciled the financial data (revenue, billing and work-in-progress) including in the work progress spreadsheet that is updated monthly by the financial controller to the accounting records; – we corroborated the amount of costs incurred with the data from the timesheet application system; – we analyzed standard hourly rates' calculation methodology; – we performed interviews with financial controllers and / or operational managers to assess the estimated costs yet to be incurred and the percentage of completion on the contract, which is the basis on which revenue and margin is recognized, we have furthermore analyzed the appropriateness of these estimates by comparing the forecasted data with the actual performance of the contract; – We corroborated the assumptions used by management to determine the loss recognized for onerous contracts and confirmed these assumptions with historical performance on the contract and the remaining technical milestones to be achieved and the corresponding estimates made.

GOODWILL AND OTHER FIXED ASSETS VALUATION INCLUDING THE ASSETS CLASSIFIED AS HELD FOR SALE.

Note 1.1 "Contemplated disposal of the Unified Communications & Collaboration business", Note 5 "Other operating income and expense", Note 8 "Goodwill and fixed assets", Note 9 "Leases" to consolidated financial statements

Key Audit Matter

As of December 31, 2021, the net carrying value of fixed assets amounts to €7,687 million, namely 46% of the total assets. The fixed assets comprise goodwill (€5,105 million), intangibles assets (€1,089 million), tangible assets (€421 million), as well as right-of-use assets (€1,072 million).

The net carrying value of goodwill and other fixed assets classified as held for sale amounts to €382 million.

An impairment loss has been recognized for the goodwill (€1,324 million) and the other fixed assets (€165million) as of December 31, 2021.

Goodwill and other fixed assets are tested for impairment when there is any indication that they may be impaired. This test is performed at least annually for goodwill.

With regards to the strategic review of its portfolio of activities, Atos determined that:

- the Unified Communications & Collaboration business disposal met the held for sale classification criteria at the end of September 2021, considering the advanced negotiations with a buyer. The assets and liabilities related to this disposal group are classified as held for sale and measured at fair value less costs to sell;
- the infrastructure legacy business represented a disposal group according to IFRS 5; nonetheless Atos assessed that this disposal group did not meet the IFRS 5 criteria to be classified as held for sale.

Atos allocated part of the goodwill of each Regional Business Unit (RBU) to the infrastructure legacy business and the continued activities based on their relative fair values.

Regarding the infrastructure legacy business, the recoverable value was determined based on the fair value less costs to sell.

Regarding the continued activities, the impairment test is based on the value-in-use of each cash-generating unit (CGU) determined on the basis of an estimate of discounted future cash flows. CGUs related to the continued activities correspond to the Regional Business Unit (RBU) in which the Atos Group operates.

The recoverable values are determined based on particularly sensitive forward-looking assumptions and other estimates.

We considered the valuation of goodwill and other fixed assets as a key audit matter, given the weight of these assets in the consolidated statement of financial position, the importance of management's judgment in determining cash flow assumptions, discount rates and long-term average growth rate, as well as the sensitivity of the valuation of their recoverable value to these assumptions, as well as given the significance of impairment losses recognized during the year.

Our audit approach

As part of our audit, we examined the process implemented by the Group regarding the performance of impairment tests.

We assessed whether the methodology used by management complies with the accounting standards, including the CGU definition, the net assets allocation and the models used to determine the recoverable amounts.

We reviewed the net assets allocation, including the goodwill related to the Unified Communications & Collaboration business, the infrastructure legacy business and the continued activities

We performed the following procedures, on the impairment tests for each CGUs of the continued activities:

- we reconciled the cash-flow projections with the Group's mid-term plan;
- we analyzed the overall consistency of assumptions used (including the estimation of the perpetual growth rate), especially through interviews with the management and future growth prospects;
- we assessed, with the support of our valuation specialists, the appropriateness of the valuation model and the discount rates used in relation with market benchmarks.

For the infrastructure legacy business, we corroborated the measurement of its fair value with the assumptions made on the activities' carve out and valuation approaches prepared by the Group with the assistance of external advisors.

For the Unified Communications & Collaboration business, we assessed the appropriateness of the assumptions used by management to determine its fair value less costs to sell on the basis of the advanced negotiations related to this activity's disposal.

We verified the arithmetical accuracy of the valuations used by the Group.

We performed our own sensitivity calculations, and compare them to the analysis performed by management.

We verified the information disclosed in the notes to the consolidated financial statements, including assumptions used and the sensitivity analysis is appropriate.

LITIGATIONS

Note 16 "Litigations" to consolidated financial statements

Key Audit Matter	Our audit approach
The Group is engaged in legal proceedings for a litigation mainly concerning intellectual property rights against Cognizant/TriZetto in the United States of America, the status of which as at December 31, 2021 is described in note 16 to the consolidated financial statements. On October 27, 2020, a jury in the United States District Court for the Southern District of New York found Syntel, which is now a subsidiary of Atos, liable for trade secrets misappropriation and copyright infringement and specified approximately $855 million in damages, due to Cognizant and its subsidiary TriZetto. On April 20, 2021, the United States District Court for the Southern District of New York granted in part the post-trial motion filed by Syntel. The Court reduced the jury's $855 million damages award to $570 million and denied Cognizant and TriZetto's request for an additional $ 75 million in pre-judgment interest. The Court also found that the jury' $570 million punitive damages award was excessive and should be reduced to $285 million. On May 26, 2021, Syntel appealed the portion of the jury's verdict affirmed by the Court. The appeal process typically takes 18 months or more. We considered this matter to be a key audit issue because of the uncertainty of the outcome of the proceedings, the high degree of estimation and judgement used by management, and the potential materiality to consolidated net income and equity if these estimates were to change.	In order to obtain a sufficient understanding of the existing litigations and claims and the related judgements, we interviewed management and analysed the procedures implemented by the Group to identify disputes. With regard to the Cognizant/TriZetto litigation, we: • conducted interviews with Group management to assess the current status of the ongoing litigation; • consulted available procedural elements and other relevant information concerning the litigation and the likelihood and possible impact of the risk; • performed a critical review of the estimates and positions taken by management; • assessed whether the latest developments have been taken into account. We also assessed whether the disclosures in note 16 to the consolidated financial statements are appropriate.

VALUATION OF DEFINED BENEFITS PLANS

Note 11 "Pension plans of other long-term benefits" to the consolidated financial statements

Key Audit Matter	Our audit approach
Certain employees and former employees of the Group benefit from defined benefit pension plans, some of which (notably in the United Kingdom, Germany, the United States and Switzerland) can be prepaid through plan assets (pension funds or insurance companies). The net obligations recognized in the Group balance sheet in respect of pension plans amount to € 647 million at December 31, 2021. The Group amends on a regular basis, by collective agreement or options to beneficiaries, the lump sum payments or annuities rights of certain plans. The main amendments performed in 2021 and their related impacts are disclosed in note 11 to the consolidated financial statements. We have considered the valuation of defined benefit pension plans as a key audit matter, based on: • the technical expertise required to assess inflation, discount, and longevity assumptions underlying the valuation of the plans, and the impacts that could result from a change in those assumptions on the recognized obligations; • the estimates related to beneficiaries' behaviors made by management to assess the impact of certain plan amendments, which could lead to significant impacts in operating margin, in case of variances with actual behaviors observed.	We reviewed the pension plans valuation process, and the methodology used by the Group to set up the underlying actuarial assumptions. With the support of our actuarial experts: • we assessed the actuarial assumptions used, in particular the consistency between the financial (inflation and discount rates) and demographic (mortality table) assumptions, in comparison with market indices and benchmarks, and; • for the plans we considered as the most significant, we reviewed the independent actuaries reports. We also reconciled the fair-value of plan assets with their market value (listed shares, bonds, swaps) or other external reports (real estate, unlisted shares, investments in infrastructure projects). We also verified that the recorded amendments of rights reflected the agreements signed with the beneficiaries of the plans. For amendments implying estimates on the beneficiaries' behaviors, we corroborated those estimates with the ones observed on similar plan amendments. Then, we verified that the information disclosed on the note 11 to the consolidated financial statements, in particular the description and changes on plans, the actuarial assumptions, and the sensitivity analysis disclosed, was appropriate.

DEFERRED TAX ASSETS RECOGNITION ON TAX LOSS CARRYFORWARD

Note 7 "Income tax" to the consolidated financial statements

Key Audit Matter	Our audit approach
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 prepared by Management. Duration of forecasts depends on local specificities. Deferred assets on tax losses carryforward amount to €158 million as of December 31, 2021. The deferred tax assets on tax losses carryforward amount to €5,108 million in basis, as of December 31, 2021, of which only a part is recognized with respect to estimated use. Unrecognized deferred assets on tax losses carryforward amounts to €930 million as of December 31, 2021. We identified this issue as a key audit matter due to the particularly high level of tax loss carryforward that can be recognized, and the importance of Management judgment in taxable profits estimated and in tax loss carryforward use.	Our audit approach consisted in verifying, with the assistance of our tax experts, the probability of the Group making future use of the tax loss carryforward generated to date, particularly in regard to: • deferred tax liabilities in the same tax jurisdiction, that could be offset against deferred tax assets with the same maturity; and • the Group's ability to generate future taxable profits in the relevant tax jurisdiction in order to use prior-year tax losses recognized as deferred tax assets. We reviewed the appropriateness of main data and assumptions on which relies tax forecasts underlying the recognition and recoverability of deferred tax assets on tax loss carryforward. We also assessed the appropriateness of information disclosed relating to deferred tax assets in respect of tax losses carried forward in the note 7 to consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (Code de commerce) is included in the information pertaining to the Group presented in the management report, being specified that, in accordance with the provisions of Article L.823-10 of the code, we have not verified the fair presentation and the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of the presentation of the consolidated financial statements intended to be included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We have been appointed as statutory auditors of the Company by your General Shareholders' meetings held on December 16, 1993 for Deloitte & Associés, and on October 31, 1990 for Grant Thornton.

As at December 31, 2021, Deloitte & Associés was in its 28th year mandate, of total uninterrupted engagement, and for Grant Thornton in its 31st year mandate, total uninterrupted engagement, and for both statutory auditors, on 26 years of exercise of mandate since the Company securities were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Neuilly-sur-Seine, March 11, 2022

The Statutory Auditors

French original signed by

Deloitte & Associés	**Grant Thornton**
Jean François Viat	Virginie Palethorpe

6.1.2 Consolidated income statement

(in € million)	Notes	12 months ended December 31, 2021	12 months ended December 31, 2020
Revenue	**Note 3.1**	**10,839**	**11,181**
Personnel expense	Note 4.1	-5,269	-5,063
Operating expense	Note 4.2	-5,187	-5,117
Operating margin		**383**	**1,002**
% of revenue		**3.5%**	**9.0%**
Other operating income and expense	Note 5	-3,151	-352
Operating income (loss)		**-2,768**	**650**
% of revenue		**-25.5%**	**5.8%**
Net cost of financial debt		-25	-33
Other financial expense		-290	-157
Other financial income		164	139
Net financial income (expense)	**Note 6.1**	**-151**	**-51**
Net income (loss) before tax		**-2,919**	**599**
Tax charge	Note 7	-39	-51
Share of net profit (loss) of equity-accounted investments	Note 10	0	5
Net income (loss)		**-2,959**	**553**
Of which:			
• attributable to owners of the parent		-2,962	550
• non-controlling interests		3	3

(in € million)	Notes	12 months ended December 31, 2021	12 months ended December 31, 2020
Net income (loss) - Attributable to owners of the parent		**-2,962**	**550**
Weighted average number of shares		109,581,755	109,003,866
Basic earnings per share	**Note 14**	**-27.03**	**5.05**
Diluted weighted average number of shares		109,581,755	109,003,866
Diluted earnings per share	**Note 14**	**-27.03**	**5.05**

6.1.3 Consolidated statement of comprehensive income

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Net income (loss)	**-2,959**	**553**
Other comprehensive income		
• **To be reclassified subsequently to profit or loss (recyclable)**	**393**	**-580**
Change in fair value of cash flow hedge instruments	8	-1
Exchange differences on translation of foreign operations	389	-579
Deferred tax on items to be reclassified to profit or loss	-4	-
• **Not reclassified to profit or loss (non recyclable)**	**243**	**-235**
Actuarial gains and losses on defined benefit plans	349	-262
Deferred tax on items not reclassified to profit or loss	-106	27
Total other comprehensive income (loss)	**636**	**-815**
Total comprehensive income (loss) for the period	**-2,323**	**-262**
Of which:		
• attributable to owners of the parent	-2,326	-265
• non-controlling interests	3	3

6.1.4 Consolidated statement of financial position

(in € million)	Notes	December 31, 2021	December 31, 2020
ASSETS			
Goodwill	Note 8.1	5,105	6,140
Intangible assets	Note 8.2	1,089	1,391
Tangible assets	Note 8.3	421	514
Right-of-use assets	Note 9	1,072	1,135
Equity-accounted investments	Note 10	4	7
Non-current financial assets	Note 6.3	840	772
Deferred tax assets	Note 7.4	189	351
Total non-current assets		**8,720**	**10,310**
Trade accounts and notes receivable	Note 3.2	2,583	2,847
Current taxes		76	43
Other current assets	Note 4.4	1,430	1,631
Current financial instruments	Note 13	14	13
Cash and cash equivalents	Note 6.2	3,372	3,282
Total current assets		**7,476**	**7,816**
Assets held for sale	Note 1	623	-
TOTAL ASSETS		**16,819**	**18,127**

(in millions d'euros)	Notes	31 décembre 2021	31 décembre 2020
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock		111	110
Additional paid-in capital		1,498	1,476
Consolidated retained earnings		5,790	4,725
Net income (loss) attributable to the owners of the parent	Note 14.1	-2,962	550
Equity attributable to the owners of the parent	**Note 14.2**	**4,437**	**6,861**
Non-controlling interests	Note 14.3	6	10
Total shareholders' equity		**4,444**	**6,871**
Provisions for pensions and similar benefits	Note 11	944	1,359
Non-current provisions	Note 12	657	47
Borrowings	Note 6.4	2,750	2,669
Derivative liabilities	Note 6.4	40	168
Deferred tax liabilities	Note 7.4	67	164
Non-current lease liabilities	Note 9	894	975
Other non-current liabilities		1	2
Total non-current liabilities		**5,352**	**5,385**
Trade accounts and notes payable	Note 4.3	2,003	2,230
Current taxes		61	86
Current provisions	Note 12	137	118
Current financial instruments	Note 13	4	13
Current portion of borrowings	Note 6.4	1,849	1,083
Current lease liabilities	Note 9	360	360
Other current liabilities	Note 4.5	2,131	1,981
Total current liabilities		**6,546**	**5,871**
Liabilities related to assets held for sale	Note 1	477	-
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**16,819**	**18,127**

6.1.5 Consolidated cash flow statement

(in € million)	Notes	12 months ended December 31, 2021	12 months ended December 31, 2020
Net income (loss) before tax		**-2,919**	**599**
Depreciation of assets	Note 4.2	325	332
Depreciation of right-of-use	Note 4.2	376	352
Net addition (release) to operating provisions		1	-40
Net addition (release) to financial provisions		7	25
Net addition (release) to other operating provisions		999	52
Amortization of intangible assets (PPA from acquisitions)	Note 5	151	153
Impairment of goodwill and other non current assets	Note 5	1,490	-
Losses (gains) on disposals of fixed assets		32	-159
Net charge for equity-based compensation		32	64
Unrealized losses (gains) on changes in fair value and other	Note 6.1	80	-44
Net cost of financial debt	Note 6.1	25	33
Interest on lease liability	Note 6.1	15	27
Net cash from (used in) operating activities before change in working capital requirement and taxes		**613**	**1,394**
Tax paid		-81	-113
Change in working capital requirement		-153	-63
Net cash from (used in) operating activities		**379**	**1,219**
Payment for tangible and intangible assets		-272	-320
Proceeds from disposals of tangible and intangible assets		9	5
Net operating investments		**-263**	**-315**
Amounts paid for acquisitions and long-term investments		-297	-470
Cash and cash equivalents of companies purchased during the period		35	14
Proceeds from disposals of financial investments		-	1,404
Cash and cash equivalents of companies sold during the period		-2	-15
Dividend received from entities consolidated by equity method		2	2
Increase (decrease) in other non-current financial assets*		-131	-
Net long-term financial investments		**-393**	**934**
Net cash from (used in) investing activities		**-656**	**619**
Common stock issued		23	36
Purchase and sale of treasury stock		-58	-45
Dividends paid		-98	-
Dividends paid to non-controlling interests		-3	-5
Lease payments		-391	-361
New borrowings	Note 6.5	1,710	846
Repayment of current and non-current borrowings	Note 6.5	-856	-1,296
Net cost of financial debt paid	Note 6.5	-25	-33
Other flows related to financing activities	Note 6.5	-1	-10
Net cash from (used in) financing activities		**300**	**-868**
Increase (decrease) in net cash and cash equivalents		**24**	**971**
Opening net cash and cash equivalents		**3,142**	**2,334**
Increase (decrease) in net cash and cash equivalents	Note 6.5	24	971
Impact of exchange rate fluctuations on cash and cash equivalents	Note 6.5	73	-163
Closing net cash and cash equivalents	**Note 6.5**	**3,239**	**3,142**

* *€131 million corresponded to the non-current part of the funding of the German restructuring plan announced in July 2021.*

6.1.6 Consolidated statement of changes in shareholders' equity

(in € million)	Number of shares at period end *(thousands)*	Common Stock	Additional paid-in capital	Consolidated retained earnings	Net income (loss)	Total	Non controlling interests	Total shareholders' equity
At December 31, 2019	**109,215**	**109**	**1,441**	**2,126**	**3,399**	**7,075**	**12**	**7,087**
• Common stock issued	778	1	35	-		36		36
• Appropriation of prior period net income (loss)				3,399	-3,399	-		-
• Dividends paid				-		-	-4	-4
• Equity-based compensation				64		64		64
• Changes in treasury stock				-45		-45		-45
• Other				-3		-3	-1	-4
Transactions with owners	**778**	**1**	**35**	**3,414**	**-3,399**	**52**	**-5**	**47**
• Net income (loss)				-	550	550	3	553
• Other comprehensive income (loss)				-815		-815	-0	-815
Total comprehensive income (loss) for the period				**-815**	**550**	**-265**	**3**	**-262**
At December 31, 2020	**109,993**	**110**	**1,476**	**4,724**	**550**	**6,861**	**10**	**6,871**
• Common stock issued	737	1	22	-		23		23
• Appropriation of prior period net income (loss)				550	-550	-		-
• Dividends paid				-98		-98	-3	-101
• Equity-based compensation				32		32		32
• Changes in treasury stock				-58		-58		-58
• Other				4		4	-4	-1
Transactions with owners	**737**	**1**	**22**	**429**	**-550**	**-98**	**-7**	**-105**
• Net income (loss)				-	-2,962	-2,962	3	-2,959
• Other comprehensive income (loss)				636		636	0	636
Total comprehensive income (loss) for the period				**636**	**-2,962**	**-2,326**	**3**	**-2,323**
At December 31, 2021	**110,730**	**111**	**1,498**	**5,790**	**-2,962**	**4,437**	**6**	**4,444**

6.1.7 Notes to the consolidated financial statements

6.1.7.1 General information

Atos SE, the Group 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 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.

Atos is a global leader in digital transformation and is the European number one in cloud, cybersecurity and high-performance computing. Atos provides end-to-end vertical solutions, smart data platforms and infrastructure solutions, working closely with global technology partners and leveraging innovations in business platforms, customer experience and digital workplace, artificial intelligence and hybrid cloud.

The consolidated financial statements of the Group comprise the Group parent company, its subsidiaries and the Group interests in associates and jointly controlled entities (together referred to as the "Group").

The Atos Group did not change its corporate name compared to the previous period.

These consolidated financial statements were approved by the Board of Directors on February 28, 2022. The consolidated financial statements will be submitted to the approval of the next Annual General Meeting.

6.1.7.2 Basis of preparation

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may have rounding differences.

Accounting framework

The consolidated financial statements of the Group for the twelve months ended December 31, 2021 have been prepared in accordance with the international accounting standards endorsed by the European Union and whose application was mandatory as at December 31, 2021.

The international accounting 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.

At December 31, 2021, the Group applied the same accounting policies and measurement methods as were applied in its consolidated financial statements for the year ended December 31, 2020, with the exception of changes required by the enforcement of new standards and interpretations presented hereafter.

New standards and interpretations applicable from January 1, 2021

The new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1, 2021 had no material impact on the consolidated financial statements:

- amendments to IFRS 16 "Leases: Covid-19-Related Rent Concessions beyond June 30, 2021";
- amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform – Phase 2";
- amendments to IFRS 4 "Insurance Contracts – Deferral of IFRS 9";
- IFRIC Decision – Attributing benefit to periods of services (IAS 19 Employee-Benefits), see Note 11.

Atos is currently reviewing the potential impacts of the IFRIC decision issued in April 2021 "Configuration or customization costs in a Cloud Computing Arrangement". The impacts are not expected to be material for the Group.

Other standards

The Group does not apply IFRS standards and interpretations that have not yet been approved by the European Union at the closing date. In addition, none of the new standards effective for annual periods beginning after January 1, 2021 and for which an earlier application is permitted have been applied by the Group.

Use of 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. As a function of changes in these assumptions or in circumstances that may arise, particularly in the context of the current health and economic crisis, the amounts appearing in the future financial statements of the Group may differ from current estimates, particularly in the following areas:

- revenue recognition: estimates of percentage of completion, cost to complete and potential loss at completion (Note 3 – Revenue, trade receivables, contract assets, contract liabilities and contract costs, and Note 12 – Provisions);
- business combinations: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed (Note 1 – Changes in the scope of consolidation)
- impairment test of goodwill and other fixed assets: key assumptions underlying recoverable amounts (Note 8 – Goodwill and fixed assets);
- recognition and measurement of deferred tax assets: availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilized (Note 7 – Income tax);
- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources with no counterpart, estimates and judgments regarding the outcome of disputes in progress and, more generally, estimates regarding all provisions and contingent liabilities (Note 12 - Provisions and Note 16 - Litigations);
- measurement of defined benefit obligations: key actuarial assumptions (Note 11 - Pension plans and other long-term benefits);
- lease liabilities and right-of-use assets: assessment of the lease term and incremental borrowing rates used (Note 9 – Leases);
- financial assets: estimate and judgment relating to the recoverability of accounts receivable (Note 3 – Revenue, trade receivables, contract assets, contract liabilities and contract costs) and other financial assets.

The events linked to the Covid-19 situation led the Group to take into consideration the current market conditions in the judgments made and assumptions taken when preparing these consolidated financial statements.

Estimates on long-term contracts have been reviewed taking into consideration potential loss-making situations or risks of recoverability on contract assets and contract costs. The expected credit loss valuation has also been reviewed to consider potential increased bankruptcy risk of customers.

Effects of climate-related matters on financial statements

In preparing the consolidated financial statements, the impact of climate change has been considered by Atos, particularly in the context of the disclosures required in the Corporate Social Responsibility section of the Universal Registration Document. There has not been any material impact on judgments and estimates arising from those considerations, consistent with the assessment made by Atos that climate change is not expected to have a meaningful impact on the viability of the Group in the medium term.

In addition, in November 2021, the Group issued a sustainability-linked bond (refer to Note 6). The coupon of the last three years will be unchanged if Atos achieves the following Sustainability Performance Target ("SPT"): reduction in 2025 of Atos annual GreenHouse Gas CO_2 emissions (Scopes 1, 2 and 3) by 50% compared to 2019. In case the SPT is not met, the last three coupons shall be increased by 0.175%.

Finally, starting with the 2020 performance share plan, an objective of carbon dioxide reduction is included in the performance criteria (see Note 5). This indicator measures the percentage of CO_2 emission variation per € million of revenue (tCO_2/€ million) over the 3-year period 2021, 2022 and 2023.

Significant accounting policies

Financial assets classification and business model

IFRS 9 defines three approaches to classify and measure financial assets based on their initial recognition.

- amortized cost;
- fair value though other components of comprehensive income; and
- fair value through income statement.

Financial assets are classified according to these three categories by reference to the business model the Group uses to manage them, and the contractual cash flows they generate.

Loans, receivables and other debt instruments considered "basic lending arrangements" as defined by IFRS 9 (contractual cash flows that are solely payments of principal and interest) are carried at amortized cost when they are managed with the purpose of collecting contractual cash flows, or at fair value through other components of comprehensive income when they are managed with the purpose of collecting contractual cash flows and selling the asset, while debt instruments that are not "basic lending arrangements" or do not correspond to these business models are carried at fair value through income statement. Equity instruments are carried at fair value through income statement or, under an irrevocable option, at fair value through Other components of comprehensive income.

The business model of the Group is to collect its contractual cash flows for its trade receivables.

Trade receivables can be transferred to third parties (banks) with conditions of the transfers meeting IFRS 9 requirements, meaning transfer of contractual cash flows and transfer of substantially all risks and rewards are achieved. Those trade receivables are in that case derecognized, further to the analysis of the actual transfer of risks, the non-materiality of any dilution risk based on experience, and the absence of continuing involvement.

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. All other assets and liabilities are classified as non-current. Current assets and liabilities, excluding the current portion of borrowings, lease liabilities and provisions, and current financial instruments represent the Group working capital requirement.

Foreign currency translation

The presentation currency is the euro, which is the Group functional currency.

Financial statements denominated in foreign currencies

The financial statements of consolidated companies are prepared in their functional currency, corresponding to the currency of the primary economic environment in which they operate. The financial statements of foreign operations whose functional currency is not the euro are translated into euros as follows:

- assets and liabilities are translated at the closing exchange rate;
- income and expense are translated at the average exchange rate for the period; and
- the resulting translation gains and losses are recognized in other comprehensive income on the line "Exchange differences on translation of foreign operations". When all or part of the investment in the foreign operation is derecognized (i.e., when the Group no longer exercises control, joint control or significant influence over the Company) the share of accumulated foreign currency translation adjustments is recycled to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of that foreign entity and translated into euro at the closing date.

The Group does not consolidate any entity operating in a hyperinflationary economy except Argentina. Argentina is a hyperinflationary economy since July 1, 2018. As such, all income statement items from Argentinian entities have been restated from inflation in accordance with IAS 29.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. At closing date, the corresponding receivables and payables are translated using the closing exchange rate.

The resulting foreign exchange gains and losses are recognized in financial income and expense under the heading "Other financial income and expense", except where hedge accounting is applied as explained in Note 13 – Fair value and characteristics of financial instruments

6.1.7.3 Financial risk management

The Group activities are exposed to a variety of financial risks including liquidity risk, interest rate risk, credit risk and currency risk. Financial risk is managed by the Group Treasury department and involves minimizing potential adverse effects on the Group financial performance.

Liquidity risk

Liquidity risk management involves maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit facilities.

Atos policy is to cover in full 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 the Group Treasury department.

An analysis of the maturity of financial liabilities is disclosed in Note 6.4 – Financial liabilities.

Interest rate risk

Interest rate risk arises mainly on 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 expense as reported in the consolidated income statement and, as such, future net income of the Group up to maturity of these assets and liabilities;
- a risk on floating-rate financial assets and liabilities should interest rates increase.

The main objective of managing overall interest rate risk 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. 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 conducted throughout the life cycle of a project.

Derivative counterparties and cash transactions are limited to high-credit quality financial institutions.

Currency risk

Atos Group policy promotes natural hedge positions in which costs and revenues are denominated in the same currency.

Nevertheless, the Group financial performance can be influenced by fluctuations in exchange rates considering the growing portion of the external business involving offshore cost centers based mostly in India and Central Europe.

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 is known. 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 is not exposed to commodity price risks.

Considering its retained interest in Worldline accounted for at fair value through income statement at December 31, 2021, Atos is exposed to the fluctuations of Worldline share price.

In addition, the convertible bond issued in November 2019 contains an optional component indexed on Worldline share price. The redemption and/or exchange price of these bonds is linked to the evolution of Worldline share price. The reference exchange price was €71.55 at issuance date.

At December 31, 2021, an increase in Worldline share price of 1€ would have a €7 million positive impact on Atos financial result, and a negative impact of €2.1 million for the embedded derivative related to the OEB. A decrease in Worldline share price of 1€ would have a €7 million negative impact on Atos financial result, and a positive impact of €1.96 million for the embedded derivative related to the OEB.

6.1.7.4 Alternative Performance Measures

Operating margin

Operating margin is equal to Revenue less personnel and operating expense. It is calculated before Other Operating Income and Expense as defined below.

Other Operating Income and Expense

Other operating income and expense include:

- the amortization and impairment of intangible assets recognized as part of business combinations such as customer relationships, technologies and goodwill;
- when accounting for business combinations, the Group may record provisions in the opening statement of financial position 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 expense";
- the cost of acquiring and integrating newly controlled entities, including earn out with or without presence conditions;
- the net gain or losses on disposals of consolidated companies or businesses;
- the fair value of shares granted to employees including social contributions;
- the reorganization and rationalization expense relating to business combinations or qualified as unusual, infrequent and abnormal. When a restructuring plan qualifies for Other Operating Income and Expense, the related real estate rationalization & associated costs regarding premises are presented on the same line;
- the curtailment effects on restructuring costs and the effects of plan amendments on defined benefit plans resulting from triggering events that are not under control of Atos management;
- the net gain or loss on disposals of tangible and intangible assets that are not part of Atos core-business such as real estate;
- other unusual, abnormal and infrequent income or expense such as major disputes or litigation.

Normalized net income (loss)

The normalized net income (loss) is the net income (loss) (attributable to owners of the parent) before Other Operating Income and Expense and changes in the fair value of derivatives and Worldline shares, net of taxes.

Normalized earnings (loss) per share

Normalized earnings (loss) per share are calculated by dividing the normalized net income (loss) attributable to owners of the parent by the weighted-average number of common shares outstanding during the period, excluding treasury shares.

Net cash (or net debt)

The net cash (or net debt) comprises total borrowings (bonds, short term and long-term loans, securitization and other borrowings), short-term financial assets and liabilities bearing interest with maturity of less than 12 months, less net cash and cash equivalents. Liabilities associated with lease contracts and derivatives are excluded from the net debt.

Free Cash Flow

The Free Cash Flow represents the change in net cash or net debt, excluding equity changes, share buyback, dividends paid to shareholders and non-controlling interests, net acquisition or disposal of companies or businesses.

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6.1.7.5 Main events

Strategic portfolio review resulting in the recognition of major impairment charges and provisions

Following the announcement made by the Group on July 27, 2021 with regards to the ongoing strategic review of its portfolio of activities, the Group decided to reposition its activity and to focus on Digital, Cloud, Security and Decarbonization activities, away from classic infrastructure services and the Unified Communications & Collaboration business.

This resulted in:

- the Unified Communications & Collaboration business being classified as a disposal group held for sale according to IFRS 5. The Group determined that the held for sale classification criteria were met at the end of September 2021;
- the infrastructure legacy business being considered as a disposal group, though not meeting the IFRS 5 criteria to be classified as held for sale at December 31, 2021. This qualification triggered impairment tests on this perimeter.

In addition, in the light of this change in strategy and the refocusing on growing services, the Group conducted a comprehensive analysis of the recoverability of certain assets and the profitability of certain legacy contracts. As announced on January 10, 2022 and February 9, 2022, this analysis led to the impairment of assets and the recognition of provisions, pertaining to legacy activities.

The accounting analysis and consequences of this exercise are further described in Note 12 – Provisions, Note 8.1 – Goodwill, Note 8.2 – Intangible assets, Note 8.3 – Tangible assets, Note 9 – Leases, Note 4.4 – Other current assets, and Note 5 – Other operating income and expense.

6.1.7.6 Notes to the consolidated financial statements

Note 1 Changes in the scope of consolidation

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. Control by the Group over its subsidiaries is based on its exposure or entitlement to variable income resulting from its investment in those entities, as well as its ability to exercise power over the entity in such a way as to influence the amount of the returns it receives. 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. In the event of a change in the percentage of the Group's interest in a subsidiary without loss of control, the change is recognized as a transaction between shareholders.

Non-controlling interests in the net assets of consolidated subsidiaries are presented on a separate line of equity under "non-controlling interests." Non-controlling interests include the amount of minority interests as of the acquisition date and the amount represented by minority interests in the change in equity since that date.

Joint ventures and associates

An associate is an entity over which the Group exercises significant influence. Significant influence is the power to influence the making of key financial and operational decisions within the entity, without this demonstrating control or joint control of the Group

A joint venture is a joint arrangement in which the parties, who exercise joint control, are entitled to a share of the net assets of the joint venture. Joint control is demonstrated when, on the basis of the rights granted by the agreement, decisions on the relevant activities of the entity require the unanimous agreement of the parties.

The factors taken into account to demonstrate significant influence or joint control are similar to those used for analyzing the Group's control over its subsidiaries. Joint ventures and associates are accounted for using the equity method.

Joint operations

A joint operation is a partnership in which the partners (joint owners), who exercise joint control over the entity, have direct rights over the assets of the entity, and obligations in respect of its liabilities. As a co-investor, the Group recognizes the relevant assets and liabilities line by line, as well as the income and expense related to its interests in the joint operations.

Business combinations

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or significantly improve its competitive position within a business or a geographical sector are accounted for as business combinations when fulfilling the definition of a business under IFRS 3.

Valuation of assets acquired, and liabilities assumed of newly acquired subsidiaries

Business combinations are accounted for according to the acquisition method. The consideration transferred in exchange for control of the acquired entity is measured at fair value. It is calculated, at the date of the acquisition, as the sum of the fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire 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 to the income statement when incurred and presented as part of Other Operating Income and Expense.

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 acquired and liabilities assumed of the acquired entity. The choice of measurement methodology is made on a transaction-by-transaction basis.

All the assets, liabilities and contingent liabilities of the acquired subsidiary are measured at their fair value in the opening statement of financial position at acquisition date. The opening statement of financial position is adjusted, when necessary, during the 12 months following the acquisition date.

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 in Other Operating Income and Expense.

If control in a subsidiary is lost, any gain or loss is recognized in Other Operating Income and Expense. 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 Other Operating Income and Expense.

Purchase of non-controlling interests and sale of interests in a subsidiary

Transactions with non-controlling interests, without impact on control, are treated as transactions with group shareholders and are recorded in equity.

Assets held for sale/distribution and discontinued operations

When the carrying amount of a non-current asset or disposal group is expected to be recovered principally through a sale/distribution transaction rather than through continuing use, it is presented separately in the Group consolidated statement of financial position under "Assets classified as held for sale". Any related liabilities are also reported on a separate line under "Liabilities associated with assets classified as held for sale".

For the reclassification to be made:

- the sale must be highly probable;
- management must be committed to a plan to sell the asset (or disposal group); and
- the asset (or disposal group) must be available for immediate sale in its present condition.

Assets (or disposal groups) held for sale and associated liabilities are measured at the lower of their carrying amount and fair value less costs to sell/distribute. Depreciation of the assets ceases when it is reclassified as held for sale.

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations, or is a part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

The post-tax profit or loss of the discontinued operation and related disposal gains or losses are presented as a single amount on a separate line of the income statement, with a restatement of the prior year as a comparative. Cash flows from discontinued operations are also reported separately in the Group consolidated statement of cash flows.

The list of main consolidated companies at December 31, 2021 is presented in Note 18.

1.1 - Contemplated disposal of the Unified Communications & Collaboration business

As part of the Group strategy to reposition its activities on Digital, Cloud, Security and decarbonization, and following a portfolio review of its assets, the Group announced mid-July the contemplated disposal of the Unified Communications & Collaboration business.

The Group determined that this disposal group met the held for sale classification criteria at the end of September 2021 considering the advanced negotiations with a buyer that made the realization of the sale within twelve months highly probable.

Major classes of assets and liabilities related to the Unified Communications & Collaboration business and classified as held for sale can be presented as follows:

(in € million)	**December 31, 2021**
ASSETS	
Goodwill	224
Intangible assets	142
Tangible assets	7
Right-of-use assets	10
Equity-accounted investments	0
Non-current financial assets	3
Deferred tax assets	28
Total non-current assets	**414**
Trade accounts and notes receivable	120
Current taxes	7
Other current assets	83
Current financial instruments	-0
Total current assets	**209**
TOTAL ASSETS	**623**

(in € million)	**December 31, 2021**
LIABILITIES	
Provisions for pensions and similar benefits	197
Non-current provisions	15
Deferred tax liabilities	27
Non-current lease liabilities	3
Total non-current liabilities	**243**
Trade accounts and notes payable	113
Current taxes	1
Current provisions	12
Current lease liabilities	5
Other current liabilities	105
Total current liabilities	**235**
TOTAL LIABILITIES	**477**

Cumulated expense recognized in other comprehensive income (loss) amounted to €16 million.

The measurement of the disposal group at fair value less costs to sell resulted in a €249 million impairment of goodwill.

1.2 - Disposal of part of Worldline shares in 2020

In February 2020, Atos disposed of a part of its retained interest in Worldline by selling ca. 23.9 million of Worldline shares through an Accelerated Bookbuilding Offering (ABO).

The gain on disposal was recognized in the 2020 consolidated income statement in "Other operating income and expense".

Following this transaction, the Group retained interest in Worldline was c. 3.8%. The Group considered it no longer had a significant influence over Worldline. Hence, since the disposal date, the retained interest in Worldline has been classified as a financial asset measured at fair value through the income statement under IFRS 9.

1.3 - Acquisitions in 2021

In Fidem: On January 19, 2021, Atos acquired In Fidem, a Canada-based specialized cybersecurity consulting firm, with expertise in cloud security, digital identity, risk management, security operations, digital forensics and cyber breach response. In Fidem is reported in the RBU North America.

Motiv: On February 17, 2021, Atos acquired the largest independent Managed Security Services (MSS) provider in the Netherlands. Motiv is reported in the RBU Northern Europe.

Profit4SF: On February 17, 2021, Atos acquired Profit4SF, a Dutch-based technology and management consulting company specializing in salesforce enterprise implementations for its customers across the Netherlands. Profit4SF is reported in the RBU Northern Europe.

Ipsotek: On May 28, 2021, Atos acquired Ipsotek, a leading AI enhanced video analytics software provider. Ipsotek is reported in the RBU Northern Europe.

Processia: On June 1, 2021, Atos acquired Processia, a Product Lifecycle Management (PLM) system integrator and Dassault Systèmes Global Service Partner. Processia is reported in the RBU North America.

Ideal Group: On July 26, 2021, Atos acquired Ideal Group, a Product Lifecycle Management (PLM) system integrator and platinum-level solution partner of Siemens Digital Industries Software. Ideal Group is reported in the RBU Northern Europe.

Nimbix: On July 30, 2021, Atos acquired Nimbix, a global leading high-performance computing (HPC) cloud platform provider based in the US, to strengthen its HPC offering. Nimbix is reported in the RBU North America.

Visual BI: On August 31, 2021, Atos acquired Visual BI, one of the leading and fastest growing firms focusing exclusively on Cloud Data Analytics and Business Intelligence in the US. Visual BI is reported in the RBU North America.

Cryptovision: On August 31, 2021, Atos acquired Cryptovision, a leader in state-of-the-art cryptographic products and solutions for securing digital identities. Cryptovision is reported in the RBU Central Europe.

DataSentics: On November 30, 2021, Atos acquired DataSentics, a Czech Republic-based data science company specializing in the development of Artificial Intelligence & Machine Learning (AI/ML) business solutions and products. DataSentics is reported in the RBU Central Europe.

AppCentrica: On November 30, 2021, Atos acquired AppCentrica, a Canadian-based technology and management consulting company specializing in Cloud Application and Salesforce services. AppCentrica is reported in the RBU North America.

Total consideration transferred for these acquisitions was €334 million. The preliminary purchase price allocation of these acquisitions has led to the recognition of intangible assets for €24 million (customer relationships, backlog and technology) and of a €285 million goodwill.

Had those acquisitions occurred on January 1, 2021, the twelve-month revenue and operating margin for 2021 would have been €140 million and €12 million, respectively.

1.4 - Acquisitions in 2020

Maven Wave

On January 31, 2020, Atos acquired Maven Wave, a U.S.-based business and technology consulting firm specialized in delivering digital transformation solutions for large enterprises. The Company is a leading Google Cloud Premier Partner with eight Cloud Partner Specializations and recognized as the Google Cloud North America Services Partner of the year in both 2018 and 2019. Maven Wave is reported in the RBU North America.

The consideration transferred was €173 million leading to the recognition of a €132 million final goodwill.

Had the acquisition of Maven Wave occurred on January 1, 2020, the twelve-month revenue and operating margin for 2020 would have been €138 million and € 18 million, respectively.

Other acquisitions in 2020 included:

EcoAct: On September 29, 2020, Atos completed the acquisition of EcoAct, an internationally recognized carbon reduction strategy consulting firm. EcoAct is mainly reported in the RBU Southern Europe.

Paladion: On October 8, 2020, Atos completed the acquisition of Paladion, a US-based global provider of Managed Security Services. Paladion is reported in the RBUs North America and Growing Markets.

Miner & Kasch: On April 10, 2020, Atos acquired Miner & Kasch, an artificial intelligence (AI) and data science consulting firm headquartered in Elkridge, Maryland, U.S., that specializes in building intelligent end-to-end, data-driven solutions.

ALIA Consulting: On July 31, 2020, Atos acquired ALIA Consulting in France to create a leading provider for energy and utility companies delivering state-of-the-art expertise in billing and CRM implementations and solutions.

Digital Security: On September 30, 2020, Atos completed the acquisition of Digital Security, a subsidiary of the Econocom group and a leading independent player in cybersecurity in France and BeLux. Digital Security is mainly reported in the RBU Southern Europe.

Edifixio: On November 30, 2020, Atos acquired Edifixio, a French cloud and Salesforce consulting and integration company.

Eagle Creek: On December 15, 2020, Atos acquired Eagle Creek, a U.S. based technology and management consulting company specialized in Salesforce enterprise implementations for its customers across North America.

SEC Consult: On December 17, 2020, Atos acquired SEC Consult, a leading consulting company with a strong and innovative cybersecurity portfolio.

Total consideration transferred for these acquisitions was €293 million. The purchase price allocation of these acquisitions was completed in the 12 months following the acquisitions and led to the recognition of intangible assets for €31 million (customer relationships, backlog and technology) and of a €246 million final goodwill.

Had those acquisitions occurred on January 1, 2020, the twelve-month revenue and operating margin for 2020 would have been €179 million and €16 million, respectively.

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 CEOs who makes strategic decisions.

The internal management reporting is built on two axes: Regional Business Units (North America, Northern Europe, Central Europe, Southern Europe and Growing Markets) and Industries (Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, and Healthcare & Life Sciences). Regional Business Units have been determined by the Group as the main axis for analysis by the chief operating decision maker. As a result, and for IFRS 8 requirements, the Group discloses Regional Business Units as operating segments.

A Regional Business Unit is defined as an aggregation of several geographical areas which contain several countries, without taking into consideration the activities exercised within each country. Each Regional Business Unit is managed by a dedicated member of the General Management Committee.

The measurement policies that the Group uses for segmental 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. 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 Regional Business Unit where they are physically located even though they are used by several Regional Business Units.

Since 2020 and the implementation of a transformation program, called "SPRING", aiming at reshaping its portfolio of offerings, reinforcing its go-to-market approach, the Group is organized around six Industries: Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, and Healthcare & Life Sciences.

At the same time, the Group gathered the former Global Business Units into five Regional Business Units ("RBU"), each of them under a single leadership: North America, Northern Europe, Central Europe, Southern Europe and Growing Markets.

The Global delivery centers have been isolated in the Growing Markets segment.

The regional management axe (now the RBUs) remains the main operating segment.

On February 10, 2022, Atos announced a change in governance. Starting from the first semester of 2022, the Group will be organized around three business lines, replacing the current Industries, and the five Regional Business Units will be grouped into four (see Note 19).

All Industries are represented in each RBU. Regional opérating segments are made of the following countries:

Operating segments

North America	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in **Canada, Guatemala, Mexico** and **the United States of America**.
Northern Europe	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in **Belarus, Belgium, Denmark, Estonia, Finland, Ireland, Lithuania, Luxembourg, Norway, Poland, Russia, Sweden,** The **Netherlands** and the **United Kingdom**.
Central Europe	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in **Austria, Bosnia** and **Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Israel, Romania, Serbia, Slovakia, Slovenia, Switzerland**.
Southern Europe	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in **Andorra, France, Italy, Morocco** offshore delivery Center, **Portugal** and **Spain**.
Growing Markets	Manufacturing, Financial Services & Insurance, Public Sector & Defense, Telecom, Media & Technology, Resources & Services, in addition to Healthcare & Life Sciences in **AbuDhabi, Algeria, Argentina, Australia, Brazil, Chile, China, Colombia, Egypt, Gabon, Hong-Kong, India, Ivory Coast, Japan, Lebanon, Malaysia, Madagascar, Mauritius, Morocco, Namibia, New-Zealand, Peru, Philippines, Qatar, Saudi-Arabia, Senegal, Singapore, South-Africa, South Korea, Taiwan, Thailand, Tunisia, Turkey, UAE, Uruguay** and also Major Events activities, Global Delivery Centers.

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)	North America	Northern Europe	Central Europe	Southern Europe	Growing Markets	Total operating segments	Global structures	Elimi-nation	Total Group
12 months ended December 31, 2021									
External revenue by segment	**2,418**	**2,686**	**2,515**	**2,418**	**802**	**10,839**			**10,839**
% of Group revenue	22.3%	24.8%	23.2%	22.3%	7.4%	100.0%			100.0%
Inter-segment revenue	75	168	203	118	1,133	1,698	179	-1,877	
Total revenue	2,493	2,854	2,718	2,536	1,935	12,537	179	-1,877	10,839
Segment operating margin	**254**	**50**	**28**	**54**	**73**	**459**	**-76**		**383**
% of margin	10.5%	1.8%	1.1%	2.2%	9.1%	4.2%			3.5%
Total segment assets	**3,829**	**2,594**	**1,403**	**2,481**	**1,286**	**11,593**	**966**		**12,559**
Other information on income statement									
Depreciation of assets	-70	-68	-87	-50	-26	-302	-23		-325
Depreciation of right of use	-87	-80	-79	-48	-69	-363	-14		-376
Other information									
Capital expenditure	59	34	88	56	26	262	10		272
Net (debt) cash	633	-24	135	271	884	1,897	-3,123		-1,226
Year end headcount	10,407	13,968	12,578	17,076	53,752	107,781	1,354		109,135

(in € million)	North America	Northern Europe	Central Europe	Southern Europe	Growing Markets	Total operating segments	Global structures	Elimi-nation	Total Group
12 months ended December 31, 2020									
External revenue by segment	**2,612**	**2,717**	**2,699**	**2,339**	**814**	**11,181**	**-**	**-**	**11,181**
% of Group revenue	23.4%	24.3%	24.1%	20.9%	7.3%	100.0%			100.0%
Inter-segment revenue	63	166	196	104	1,178	1,707	158	-1,865	
Total revenue	2,675	2,882	2,895	2,443	1,992	12,888	158	-1,865	11,181
Segment operating margin	**393**	**226**	**123**	**182**	**119**	**1,043**	**-42**		**1,002**
% of margin	15.1%	8.3%	4.6%	7.8%	14.6%	9.3%			9.0%
Total segment assets	**4,517**	**2,314**	**2,304**	**2,590**	**1,538**	**13,262**	**1,190**		**14,452**
Other information on income statement									
Depreciation of assets	-71	-61	-87	-47	-43	-310	-22		-332
Depreciation of right of use	-74	-86	-70	-41	-67	-338	-14		-352
Other information									
Capital expenditure	63	46	91	47	43	290	30		320
Net (debt) cash	754	249	618	23	893	2,536	-3,003		-467
Year end headcount	9,968	14,091	12,522	17,295	49,213	103,089	1,341		104,430

External revenue for France amounted to €1,623 million in 2021.

The assets detailed above by segment are reconciled to total assets as follows:

(in € million)	December 31, 2021	December 31, 2020
Total segment assets	**12,559**	**14,452**
Tax assets	265	394
Cash & Cash Equivalents	3,372	3,282
Assets held for sale	623	-
TOTAL ASSETS	**16,819**	**18,127**

The Group revenue from external customers by Industry can be broken down as follows:

(in € million)	Manufac-turing	Financial Services & Insurance	Public Sector & Defense	Telecom, Media & Technology	Ressources & Services	Healthcare & Life Sciences	Total Group
12 months ended December 31, 2021							
External revenue by Industry	**2,024**	**2,081**	**2,354**	**1,506**	**1,567**	**1,306**	**10,839**
% of Group revenue	18.7%	19.2%	21.7%	13.9%	14.5%	12.1%	100.0%
12 months ended December 31, 2020							
External revenue by Industry	**2,010**	**2,116**	**2,565**	**1,574**	**1,627**	**1,288**	**11,181**
% of Group revenue	18.0%	18.9%	22.9%	14.1%	14.6%	11.5%	100.0%

Revenue by Regional Business Unit and Industry is as follows:

(in € million)	North America	Northern Europe	Central Europe	Southern Europe	Growing Markets	Total Group
12 months ended December 31, 2021						
Manufacturing	264	264	1,006	328	162	2,024
Financial Services & Insurance	623	576	287	362	233	2,081
Public Sector & Defense	222	768	514	709	142	2,354
Telecom, Media & Technology	412	329	305	326	134	1,506
Ressources & Services	331	315	243	596	82	1,567
Healthcare & Life Sciences	568	433	160	97	49	1,306
EXTERNAL REVENUE BY SEGMENT	**2,418**	**2,686**	**2,515**	**2,418**	**802**	**10,839**

(in € million)	North America	Northern Europe	Central Europe	Southern Europe	Growing Markets	Total Group
12 months ended December 31, 2020						
Manufacturing	261	241	1,033	321	154	2,010
Financial Services & Insurance	614	637	288	349	230	2,116
Public Sector & Defense	326	835	592	660	152	2,565
Telecom, Media & Technology	430	264	387	350	144	1,574
Ressources & Services	384	322	243	581	97	1,627
Healthcare & Life Sciences	598	418	156	79	37	1,288
EXTERNAL REVENUE BY SEGMENT	**2,612**	**2,717**	**2,699**	**2,339**	**814**	**11,181**

Note 3 Revenue, trade receivables, contract assets, contract liabilities and contract costs

Revenue is recognized if a contract exists between Atos and its customer. A contract exists if collection of consideration is probable, rights to goods or services and payment terms can be identified, and parties are committed to their obligations. Revenue from contracts with customers is recognized either against a contract asset or receivable, before effective payment occurs.

Multiple arrangements services contracts

The Group may enter into multiple-element arrangements, which may include combinations of different goods or services. Revenue is recognized for each distinct good or service which is separately identifiable from other items in the arrangement and if the customer can benefit from it.

Contracts related to the management of IT infrastructure often embed transition and transformation prior to the delivery of recurring services, such as IT support and maintenance.

When transition or transformation activities represent knowledge transfer to set up the recurring service, provide no incremental benefit to the customer and cannot be considered as a separate performance obligation (set up activities), no revenue is recognized in connection with these activities. The costs incurred during these activities are capitalized as contract costs if they create a resource that will be used in satisfying future performance obligations related to the contract and if they are recoverable. They are amortized on a systematic basis over the contractual period. The cash collected for such activities is considered as advance payment, presented as contract liability, and recognized as revenue over the recurring service period. When these activities transfer to the customer the control of a distinct good or service and the customer can benefit from this good or service independently from the recurring services, they are accounted for separately as separate performance obligations and revenues relating to these activities are recognized.

When a single contract contains multiple distinct goods or services, the consideration is allocated between the goods and services based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices including usual discounts granted at which the Group sells the goods or services separately. Otherwise, the Group estimates stand-alone selling prices using a cost-plus margin approach.

Principal versus agent

When the Group resells hardware, software and IT services purchased from third-party suppliers, it performs an analysis of the nature of its relationship with its customers to determine if it is acting as principal or as agent in the delivery of the good or service. The Group is a principal if it controls the specified good or service before it is transferred to the customer. In such case, revenue is recognized on a gross basis. If the Group is an agent, revenue is recognized on a net basis (net of supplier's costs), corresponding to any fee or commission to which the Group is entitled. When the Group is providing a significant service of integrating and/or designing the specified good or service, it is acting as a principal in the process of resale. If the specified good or service is distinct from the other services promised to its customer, the Group is acting as a principal notably if it is primarily responsible for the good or service meeting the customer specifications or assumes inventory or delivery risks.

At a point in time versus over time recognition

Revenue is recognized when the Group transfers the control of a good or service to the customer, either at a point in time or over time.

For recurring services, the revenue is recognized over time as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs. If the Group has a right to invoice a customer at an amount that corresponds directly with its performance to date, the revenue is recognized at that amount. Otherwise, revenue is recognized based on the costs incurred if the entity's efforts are not expensed evenly throughout the period covered by the service.

When the Group builds an asset or provides specific developments, revenue is recognized over time, generally based on costs incurred.

When the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or when the performance does not create an asset with an alternative use and the Group has an enforceable right to payment for the performance completed to date by the contract and local regulations, revenue is recognized over time, generally based on costs incurred.

Otherwise, revenue is recognized at a point in time.

Customer contracts in the form of a lease

Part of certain service arrangements may qualify as a lease under IFRS 16 if they convey a right to use an identified asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered as manufacturer or dealer-lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the assets to its customers (finance lease), the Group recognizes revenue representing the selling price of assets held under lease and presents those as contract assets.

Contract costs - Costs to obtain and fulfill a contract

Incremental costs to acquire a multi-year service contracts are capitalized and amortized over the life of the contract.

Transition & Transformation costs that do not represent a separate performance obligation of a contract are capitalized as contract costs if they create a resource that will be used to perform other performance obligations embedded in the contract and are recoverable. Other costs incurred to obtain or fulfill a contract are expensed when incurred.

Statement of financial position presentation

Contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date. Invoiced to be issued are presented as part of contract assets. When the rights to consideration are unconditional, they are classified as trade receivables.

Contract liabilities relate to payments received from customers in excess of the amounts recognized in revenue in connection with the satisfaction of the related performance obligations. Contract costs are presented separately from contract assets. Contract assets and contract liabilities are netted on a contract by contract basis.

Revenue recognition and associated costs on contracts

Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs that have a direct influence on the level of revenue and possible forecast losses on completion that are recognized. A provision for onerous contract is booked if the future costs to fulfill a contract are higher than its related benefits.

Financing component

When Atos expects the period between the transfer of goods and services and customer payment to be greater than 12 months, it assesses whether the contract is embedding a financing component granted or received. When significant, interests generated by this financing component are booked separately from revenue.

Impairment of trade receivables and contract assets

Trade receivables and contract assets are recognized using the amortized cost method.

Impairment is calculated on the basis of the expected credit loss model. Under this model, 12-month expected credit losses (resulting from the risk of defaults in the next 12 months) are recorded at their initiation, when the corresponding financial asset is recognized.

3.1 - Disaggregation of revenue from contracts with customers

Most of the revenue generated by the Group is recognized over time.

The Group applies the "cost-to-cost" method to measure progress to completion for fixed price contracts. Most of the Big Data and security activities revenue is recognized at a point of time when solutions are delivered except for High Performance Computer solutions where Atos is building a dedicated asset with no alternative use and has right to payment arising from the contract or local regulation for costs incurred including a reasonable margin. In this specific case, revenue is recognized over time.

Disaggregated revenue by Region and Industry is presented in Note 2.

3.2 - Trade accounts and notes receivable, contract assets, contract liabilities and contract costs

(in € million)	December 31, 2021	December 31, 2020
Contract assets	1,393	1,686
Trade receivables	1,309	1,140
Contract costs	93	130
Expected credit loss allowance	-213	-109
Trade accounts and notes receivable	**2,583**	**2,847**
Contract liabilities	-849	-773
Net accounts receivable	**1,734**	**2,074**
Number of days' sales outstanding (DSO)	**44**	**46**

In 2021, contract assets decreased by €293 million, of which €114 million related to impairment and €53 million to the classification of the Unified Communications & Collaboration contract assets to assets held for sale.

The €37 million net decrease of contract costs includes €50 million of impairment.

The average credit period on sale of services is between 30 and 60 days depending on the countries. Main part of the contract assets should be converted in trade receivables in the 12 coming months except for contract assets corresponding to the transfer of IT equipment under lease model and the grant of multi-years right to use licenses. Most of the contract liabilities should be converted in revenue in the coming months. The DSO ratio decreased from 46 days at December 31, 2020 to 44 days at December 31, 2021.

Transfer of trade receivables

As of December 31, 2021, €834 million of trade receivables were transferred to third parties with conditions of the transfers meeting IFRS 9 requirements, meaning transfer of contractual cash flows and transfer of substantially all risks and rewards are achieved. Those trade receivables were therefore derecognized in the statement of financial position as of December 31, 2021. The €834 million included $ 49 million in the US where Atos only sold 95% of the right to cash flows and then derecognizes 95% of the receivables.

The level of trade receivables sold with no recourse to banks with transfer of risks as defined by IFRS 9 decreased by €44 million compared to the end of December 31, 2020. DSO has been positively impacted by the sale of receivables on large customer contracts by 25 days, slightly lower than at December 31, 2020.

Ageing of trade receivables past due

(in € million)	**December 31, 2021**	**December 31, 2020**
Current	1,099	982
1-30 days overdue	67	63
31-60 days overdue	27	16
Beyond 60 days overdue	116	80
TOTAL	**1,309**	**1,140**

Movement in expected credit loss allowance

(in € million)	**December 31, 2021**	**December 31, 2020**
Balance at beginning of the year	-109	-66
Impairment losses recognized	-173	-53
Amounts written off	57	17
Impairment losses reversed	6	0
Impact of business combinations	-0	-3
Reclassification to assets held for sale	12	-
Other reclassification and exchange differences	-5	-4
BALANCE AT END OF THE YEAR	**-213**	**-109**

Impairment losses of €173 million mainly related to bad debt reserves recognized on two customers in North America.

Note 4 Operating items

4.1 - Personnel expense

(in € million)	12 months ended December 31, 2021	% Revenue	12 months ended December 31, 2020	% Revenue
Wages and salaries	-4,245	39.2%	-4,099	36.7%
Social security charges	-956	8.8%	-942	8.4%
Tax, training, profit-sharing	-70	0.6%	-61	0.5%
Net (charge)/release to provisions for staff expense	1	0.0%	1	0.0%
Net (charge)/release of pension provisions	1	0.0%	41	-0.4%
TOTAL	**-5,269**	**48.6%**	**-5,063**	**45.3%**

4.2 - Non-personnel operating expense

(in € million)	12 months ended December 31, 2021	% Revenue	12 months ended December 31, 2020	% Revenue
Subcontracting costs direct	-1,951	18.0%	-1,883	16.8%
Hardware and software purchase	-1,243	11.5%	-1,239	11.1%
Maintenance costs	-532	4.9%	-624	5.6%
Rent expense	-11	0.1%	-11	0.1%
Telecom costs	-212	2.0%	-293	2.6%
Travelling expense	-45	0.4%	-48	0.4%
Professional fees	-214	2.0%	-193	1.7%
Other expense	-355	3.3%	-254	2.3%
Subtotal expense	**-4,564**	**42.1%**	**-4,545**	**40.6%**
Depreciation of assets	-325	3.0%	-332	3.0%
Depreciation of right-of-use	-376	3.5%	-352	3.1%
Net (charge)/release to provisions	-2	0.0%	0	0.0%
Gains/(Losses) on disposal of assets	-1	0.0%	-10	0.1%
Trade receivables write-off	-24	0.2%	-16	0.1%
Capitalized production	106	-1.0%	138	-1.2%
Subtotal other expense	**-622**	**5.7%**	**-572**	**5.1%**
TOTAL	**-5,187**	**47.9%**	**-5,117**	**45.8%**

Rent expense corresponds to short-term lease contracts and low value assets (see Note 15).

4.3 - Trade accounts and notes payable

(in € million)	December 31, 2021	December 31, 2020
Trade accounts and notes payable	**2,003**	**2,230**
Net advance payments	-40	-55
Prepaid expense and advanced invoices	-603	-732
TOTAL	**1,359**	**1,444**
Number of days' payable outstanding (DPO)	**78**	**80**

4.4 - Other current assets

(in € million)	December 31, 2021	December 31, 2020
Inventories	125	141
State - VAT receivables	284	271
Prepaid expense and advanced invoices	603	732
Other receivables & current assets	378	432
Net advance payments	40	55
TOTAL	**1,430**	**1,631**

The decrease in prepaid expense included a €65 million write-off recognized on prepayments made on certain vendor contracts related to the legacy business of the Group.

4.5 - Other current liabilities

(in € million)	December 31, 2021	December 31, 2020
Employee-related liabilities	392	312
Social security and other employee welfare liabilities	161	169
VAT payables	447	466
Contract liabilities	849	773
Other operating liabilities	282	261
TOTAL	**2,131**	**1,981**

Employee-related liabilities include €43 million of signed settlements with employees in connection with the restructuring plan in Germany.

Note 5 Other operating income and expense

Other Operating Income and Expense is an Alternative Performance Measure and is defined in section 6.1.7.4

Equity-based compensation

Performance shares and stock options are granted to management and certain employees at regular intervals. Those equity-based compensation schemes are measured at fair value at the grant date using the Black-Scholes model; the fair value of these plans also considers employee turnover during the vesting period as well as the value of the lock-up period restriction when applicable. Changes in the fair value of options after the grant date have no impact on the initial valuation. The fair value of instruments is recognized in "other operating income and expense" on a straight-line basis over the period during which those rights vest, with the offsetting credit recognized directly in equity.

In some tax jurisdictions, Group 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 expense to date. The excess, if any, is recorded directly in equity.

Employee share purchase plans offer employees the opportunity to invest in Group shares at a discounted price. Shares are subject to a five-year lock-up period. Fair values of such plans are measured considering:

- the share price at the attribution date;
- the percentage of discount granted to employees;
- the attribution of free shares for the first subscribed shares according to the matching share plan;
- 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: the date on which the plan and its terms and conditions, including the exercise price, is announced to employees.

Fair value of such plans is fully recognized in "Other operating income and expense" at the end of the subscription period.

Social contributions linked to equity-based compensation schemes are also presented as "Other operating income and expense".

The following table presents "Other operating income and expense" by nature:

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Staff reorganization	-312	-127
Rationalization and associated costs	-81	-36
Integration and acquisition costs	-44	-42
Amortization of intangible assets (PPA from acquisitions)	-151	-153
Equity-based compensation	-34	-74
Impairment of goodwill and other non-current assets	-1,490	-
Other items	-1,039	80
TOTAL	**-3,151**	**-352**

In addition to the measures to adapt the workforce in European countries, as well as the cost of the final phase of the transformation program of the Group incurred over the first semester of 2021, staff reorganization expense of €312 million included a €180 million provision related to the German restructuring plan announced on July 12, 2021.

The €81 million rationalization and associated costs primarily resulted from the closure of office premises and data center consolidation, mainly in North America, France and Germany.

Integration and acquisition costs were stable at € 44 million and mainly related to the integration costs of 2020 and 2021 acquisitions, as well as the cost of retention schemes.

In 2021, the amount related to the amortization of intangible assets recognized in the Purchase Price Allocation (PPA) exercises were stable at € 151 million compared to € 153 million in 2020, mainly reflecting the limited amount of amortization charge arising from 2021 acquisitions while intangible assets related to certain past acquisitions ceased to be amortized in 2021.

The €151 million amortization charge of Purchase Price Allocation intangible assets in 2021 were mainly composed of:

- €60 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;

- €18 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014;
- €17 million of SIS customer relationships amortized over 12 years starting July 1, 2011;
- €16 million of Xerox ITO customer relationships amortized over 6 to 12 years starting July 1, 2015; and
- €11 million of Anthelio customer relationships amortized until February 2026.

The equity-based compensation expense decreased from €74 million in 2020 to €34 million in 2021, reflecting the lower fair value of the 2021 performance share plan compared to the plan delivered in 2021 (2018 plan), together with an under achievement of the performance conditions on the 2019 plans.

Impairment of goodwill and other non-current assets amounted to €1,490 million and included the following:

- €1,324 million of impairment of goodwill, composed of €249 million in connection with the contemplated disposal of the Unified Communications & Collaboration business (see Notes 1 and 8); €192 million related to the infrastructure legacy business (see Note 8), and € 883 million related to other legacy acquisitions as a consequence of the revised mid-term plan (see Note 8); and
- €165 million of impairment of other non-current assets (intangible, tangible and right-of-use assets) related to the legacy business.

In 2021, other items totaled €1,039 million compared to an income of €80 million in 2020. For the most part, they originated from the comprehensive review of assets and contracts of the legacy business. This part can be broken down into €647 million of provisions for onerous contracts, including a large BPO contract in Northern Europe and €367 million on certain vendor contracts, and €219 million of asset write-off of the legacy business and bad debt reserves in North America. To a lesser extent, they also included unusual impacts of settlements of €50 million, mainly in Central Europe, as well as other long-term employee benefits.

Equity-based compensation

The €34 million expense recorded within Other operating income and expense relating to equity-based compensation (€74 million in 2020) was mainly made up of:

- €31 million related to performance share plans granted from 2017 until 2021 of which €5 million related to the 2021 performance share plan;
- €2 million related to the employee share purchase plan Share 2021.

The equity-based compensation plans are detailed by year and by nature as follows:

By year

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Plans 2021	7	-
Plans 2020	26	21
Plans 2019	-9	15
Plans 2018	9	21
Plans 2017	1	14
Plans 2016	-	1
Plans 2015	-	1
TOTAL	**34**	**74**

By category of plans

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Performance share plans	31	71
Stock option plan	0	0
Employee share purchase plan	2	2
TOTAL	**34**	**74**

Performance share plans

In 2021, Atos implemented a new performance share plan detailed as follows:

Grant Date	July 24, 2021
Number of shares granted	862,100
Share price at grant date *(€)*	41.2
Vesting date	July 24, 2024
Expected life *(years)*	3
Expected dividend yield *(%)*	2.09
Fair value of the instrument *(€)*	**39.67**
2021 expense recognized *(in € million)*	**5**

Rules governing the performance share plans in Group Atos are as follows:

- to receive the share, the grantee must generally be an employee or a corporate officer of the Group or a company employee related to Atos;
- vesting is conditional on both the continued employment and the achievement of performance criteria, financial and non-financial ones;
- the financial performance criteria are the following:
  - Group revenue,
  - Group Operating Margin (OM), and
  - Group Free Cash Flow (FCF);
- the vesting period varies according to the plan rules but never exceeds 3 years;
- the lock-up period is 0 to 2 years.

The Board of Directors decided upon the recommendation of the Nomination Committee to revise the financial targets for the performance share plans granted in 2019 and 2020 respectively, applicable to all beneficiaries of these plans, save for the Chief Executive Officer and the Group Chief Financial Officer for whom the financial targets were not revised.

The purpose of that revision was to align the performance targets of these performance share plans with the revised guidance disclosed to the market on July 12, 2021.

As far as the other members of the Group Management Committee are concerned, the grants for the years 2019 and 2020 were reduced by 20% and 15% respectively (through a proportional decrease of the maximum number of performance shares initially granted). The extra-financial targets are maintained for all the beneficiaries.

Main previous plans impacting 2021 consolidated income statement are detailed as follows:

Grant Date	October 23, 2019	July 24, 2019	July 24, 2020
Number of shares granted	12,000	907,500	870,630
Share price at grant date *(€)*	63.6	69.8	75.0
Vesting date	October 23, 2022	July 24, 2022	July 24, 2023
Expected life *(years)*	3	3	3
Expected dividend yield *(%)*	2.07	2.07	2.07
Fair value of the instrument *(€)*	**59.77**	**65.55**	**68.74**
2021 expense recognized *(in € million)*	**0**	**-9**	**19**

Grant Date	March 27, 2018	July 22, 2018
Number of shares granted	8,550	891,175
Share price at grant date *(€)*	90.0	90.0
Vesting date	March 27, 2021	July 30, 2021
Expected life *(years)*	3	3
Expected dividend yield *(%)*	1.20	1.20
Fair value of the instrument *(€)*	**87.08**	**87.08**
2021 expense recognized *(in € million)*	**0**	**8**

Stock option plans

In 2019, Atos implemented a stock option plan detailed as follows:

Grant Date	July 24, 2019
Number of stock options initially granted	209,200
Share price at grant date *(€)*	77.9
Strike price *(€)*	80.1
Vesting date	July 24, 2022
Expected maturity of the plan *(years)*	3
Expected dividend yield *(%)*	2.07
Fair value of the instrument *(in €)*	**6.67**
2021 expense recognized *(in € million)*	**0**

The change in outstanding share options for Atos SE during the period was the following:

	December 31, 2021		December 31, 2020	
(in € million)	Number of shares	*Weighted* average strike price *(in €)*	Number of shares	*Weighted* average strike price *(in €)*
Outstanding at the beginning of the year	**162,900**	**77.9**	**168,900**	**77.9**
Granted during the year	-	-	-	-
Forfeited during the year	-25,900	77.9	-6,000	77.9
Exercised during the year		-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	**137,000**	**77.9**	**162,900**	**77.9**
Exercisable at the end of the year, below year-end stock price*	**-**	**-**	**-**	**-**

* *Stock price: €37.39 at December 31, 2021 and € 74.78 at December 31, 2020.*

Employee share purchase plans

Share 2021

In June 2020 and August 2021, the Group implemented an employee share option plans called Share 2020 and Share 2021, respectively.

Those plans were open to employees throughout the Group. These plans offered eligible employees the purchase of shares with a discount, a five-year lock-up period and the attribution of free shares for the first 2 subscribed shares.

As a consequence of those plans, the Group issued 778,252 shares in 2020 and 737,166 shares in 2021 at a reference share price of € 64.60 (before the 25% discount application) and € 42.31 (before the 25% discount application), respectively.

The cost related to Share 2020 and Share 2021 takes into account the effect of the five-year lock-up period calculated based on the following parameters:

	SHARE 2020	SHARE 2021
Number of shares issued	778,252	737,166
Share price at grant date *(in €)*	67.8	46.1
Percentage of discount	25%	25%
Lock-up period *(in years)*	5	5
Risk free interest rate	-0.490%	-0.510%
Expense recognized in 2021 *(in € million)*	**-**	**2**

Note 6 Financial assets, liabilities and financial result

6.1 - Financial result

Net financial expense amounted to €151 million for the period (compared to €51 million prior year) and was composed of a net cost of financial debt of €25 million and other financial expense of €126 million.

NET COST OF FINANCIAL DEBT

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Net interest expense	**-25**	**-31**
Gain (loss) on interest rate hedges of financial debt	-	-2
Net cost of financial debt	**-25**	**-33**

Net cost of financial debt was €25 million (compared to €33 million in 2020) and resulted from the following elements:

- excluding the OEB, the average gross borrowing of €3,944 million compared to €3,585 million in 2020 bearing an average expense rate of 0.94% (compared to 1.17% last year). The average gross borrowing expense was mainly explained by:
  - the used portion of the syndicated loan combined with the Negotiable European Commercial Papers (NEU CP) and the Negotiable European Medium-Term Note program (NEU MTN) for an average of €1,418 million (compared to an average of €1,318 million in 2020) bearing an effective interest rate of +0.04%, benefiting from the attractive remuneration applied to the NEU CP,
  - a €300 million bond issued in October 2016 bearing a coupon rate of 1.444%,
  - a €700 million bond issued in November 2018 bearing a coupon rate of 0.75%,
  - a €750 million bond issued in November 2018 bearing a coupon rate of 1.75%,
  - a €350 million bond issued in November 2018 bearing a coupon rate of 2.50%,
  - a €800 million sustainability-linked bond issued in November 2021 bearing a coupon rate of 1.00%,
  - other sources of financing, for an average of € 429 million, bearing an effective interest rate of 0.83%;
- the average gross cash varied from €2,090 million in 2020 to €2,021 million in 2021 bearing an average income rate of 0.61% flat compared to 2020.

OTHER FINANCIAL INCOME AND EXPENSE

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Foreign exchange income (expense)	-1	-6
Fair value gain (loss) on forward exchange contracts	2	0
Change gain (loss) on financial instruments related to Worldline	-81	56
Interest on lease liability	-15	-27
Other income (expense)	-31	-41
Other financial income and expense	**-126**	**-18**
Of which:		
• other financial expense	-290	-157
• other financial income	164	139

Other financial expense amounted to €126 million compared to €18 million in 2020 and were mainly composed of:

- a net loss of €81 million related to the net values of the OEB derivative and the underlying Worldline shares, both measured at fair value;
- lease liability interest of €15 million compared to €27 million in 2020. This variation arose from modification of some major contracts coupled with lower discount rates;
- pension related financial expense of €10 million compared to €16 million in 2020. The pension financial cost represented the difference between interest costs on pension obligations and interest income on plan assets (see Note 11);
- net foreign exchange gain (including hedges) of €1 million compared to a loss of €6 million in 2020.

6.2 - Cash and cash equivalents

Cash and cash equivalents include cash at bank and financial instruments such as money market securities. Such financial instruments are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. They are held for the purpose of meeting short-term cash commitments and have a short maturity, in general three months or less from the date of acquisition. Some instruments, such as term deposits, that have at inception a longer maturity but provide for early withdrawal and a capital guarantee may also be classified as cash equivalents under certain circumstances. Money market securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expense".

For entities having subscribed to the Group cash pooling agreement, the cash/debt positions which are linked to this agreement are mutualized and only the net position is presented in the consolidated statement of financial position.

The cash and cash equivalents are held with bank and financial institutions counterparts, the majority of which are rated A- to AA-. Impairment on cash and cash equivalents is calculated based on S&P default probability.

(in € million)	December 31, 2021	December 31, 2020
Cash in hand and short-term bank deposit	3,313	3,235
Money market funds	59	47
TOTAL	**3,372**	**3,282**

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.

6.3 - Non-current financial assets

Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are recognized at their fair value. For listed shares, fair value corresponds to the share price at the closing date.

(in € million)		December 31, 2021	December 31, 2020
Pension prepayments	Note 11	261	112
Fair value of non-consolidated investments, net of impairment		347	556
Other*		232	103
TOTAL		**840**	**772**

* *"Other" includes loans, deposits, guarantees and up-front and underwriting fees related to past acquisitions amortized over the duration of the debt instrument*

Changes in the fair value of non-consolidated investments included a charge of €210 million related to the fair value of the retained interest in Worldline (see Note 1).

Changes in "other" included €131 million related to the German restructuring plan announced in July 2021. This plan has been fully funded by the Group at December 31, 2021, resulting in a classification of this fund as current financial assets for that part that will be paid in 2022 (€46 million) and non-current financial assets for the remainder.

6.4 - Financial liabilities

Borrowings

Borrowings are initially recognized at fair value, net of debt issuance costs. Borrowings are subsequently measured at amortized cost. The calculation of the effective interest rate considers interest payments and the amortization of debt issuance costs.

Debt issuance costs are amortized in financial expense over the life of the loan though the use of the amortized cost method. The residual value of issuance costs for loans derecognized is fully expensed on the date of derecognition.

Bank overdrafts are recorded in the current portion of borrowings.

Derivatives

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.

The market value of derivative financial instruments was provided by the financial institutions involved in the transactions or calculated using standard valuation methods that factor market conditions as of the end of the reporting period.

The Group has identified three financial instrument categories based on the two valuation methods used (listed prices and valuation techniques). In accordance with IFRS, this classification is used as a basis for presenting the characteristics of financial instruments recognized in the statement of financial position at fair value through income as of the end of the reporting period:

- level 1 category: financial instruments quoted on an active market;
- level 2 category: financial instruments whose fair value is determined using valuation techniques drawing on observable market inputs;
- level 3 category: financial instruments whose fair value is determined using valuation techniques drawing on non - observable inputs (inputs whose value does not result from the price of observable market transactions for the same instrument or from observable market data available as of the end of the reporting period) or inputs which are only partly observable.

Issuance of a €800 million sustainability-linked bond

On November 4, 2021, Atos announced the successful placement of its inaugural €800 million sustainability-linked bond with an 8-year maturity and a 1.0% coupon.

The coupon of the last three years will be unchanged if Atos achieves the following Sustainability Performance Target ("SPT"): reduction in 2025 of Atos annual GreenHouse Gas CO_2 emissions (Scopes 1, 2 & 3) by 50% compared to 2019. In case the SPT is not met, the last three coupons shall be increased by 0.175%. The proceeds of the bond will be used for general corporate purposes.

Issuance of a €500 million bond exchangeable in Worldline shares

Atos issued on November 2019 bonds due in 2024 for an aggregate nominal amount of €500 million. The bonds will be exchangeable in Worldline shares, at a premium of 35% above the placing price of the Equity placement. The bonds will not bear interest and have a maturity of 5 years (except in case of early redemption). The bonds have been offered at a price of 108.875% of the principal amount and will be redeemed at their principal amount of maturity, corresponding to an annual yield to maturity of -1.7%.

In accordance with IFRS 9, a derivative liability was initially booked corresponding to the value of a call option on Worldline shares (Level 2 category) at the issuance of the bond. The net change in the fair value of the derivative liability between December 31, 2020 and December 31, 2021 of €128 million was recorded in income statement as part of the financial result leading to a total value in the consolidated statement of financial position of €40 million at December 31, 2021.

The call option derivative component value is indexed to Worldline shares price and other criteria. At issue date, the reference exchange price of Worldline shares was €71.55. At December 31, 2021, the Worldline share price was €49.01.

	December 31, 2021			December 31, 2020		
(in € million)	Current	Non-current	Total	Current	Non-current	Total
Bonds	700	2,200	2,900	-	2,100	2,100
Optional exchangeable bond	-	500	500	-	500	500
Banks loans and commercial papers	979	50	1,029	915	50	965
Other borrowings	170	-	170	168	19	187
TOTAL BORROWINGS	**1,849**	**2,750**	**4,599**	**1,083**	**2,669**	**3,752**

Borrowings in currencies

The carrying amounts of the Group borrowings were denominated in the following currencies:

(in € million)	EUR	Other currencies	Total
December 31, 2021	**4,429**	**170**	**4,599**
December 31, 2020	3,565	187	3,752

Fair value and effective interest rate of financial debt

The fair value of bank loans and commercial papers, which are primarily composed of variable interest rate loans, is considered to be equal to their carrying value. For other elements of borrowings, the 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)	2023	2024	2025	2026	>2026	Total
Bonds	300	-	750	-	1,150	2,200
Optional exchangeable bond	-	500	-	-	-	500
Banks loans and NEU CP	-	-	-	50	-	50
Other borrowings	-	-	-	-	-	-
DECEMBER 31, 2021	**300**	**500**	**750**	**50**	**1,150**	**2,750**

(in € million)	2022	2023	2024	2025	>2025	Total
Bonds	700	300	-	750	350	2,100
Optional exchangeable bond	-	-	500	-	-	500
Banks loans and NEU CP	-	-	-	-	50	50
Other borrowings	12	7	-	-	-	19
DECEMBER 31, 2020	**712**	**307**	**500**	**750**	**400**	**2,669**

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 31, 2021; and
- interest rates presented hereafter.

The effective interest rates in 2021 were as follows:

(in € million)	Carrying value	Fair value	Effective interest rate
Bonds	2,900	2,900	1.62%
Optional exchangeable bond	500	500	0.95%
Banks loans and commercial papers	1,029	1,029	-0.04%
Other borrowings	170	170	-
TOTAL BORROWINGS	**4,599**	**4,599**	**-**
DERIVATIVE LIABILITIES	**40**	**40**	**-**

6.5 - Change in net debt

(In € million)	Bonds	Optional exchan-geable bond	Bank loans and commercial papers	Other borrowings excl. overdraft	Total borrowings	Cash & cash equivalents	Over draft	Total net cash & cash equivalents	Short-term financial assets/ liabilities*	Net debt/ (cash)	Lease liabilities
At January 1, 2021	**2,100**	**500**	**965**	**47**	**3,612**	**3,282**	**-140**	**3,142**	**2**	**467**	**1,335**
Lease payments	-	-	-	-	-	-	-	-	-	-	-391
New borrowings	800	-	899	12	1,710	1,710	-	1,710	-	-	-
Repayment of current and non-current borrowings	-	-	-835	-21	-856	-856	-	-856	-	-	-
Net cost of financial debt paid	-	-	-		-	-25	-	-25	-	25	-
Other flows related to financing activities	-	-	-	-1	-1	-1	-	-1	-	-	-
Other net cash and cash equivalents changes	-	-	-	-	-	-877	72	-805	-	805	-
Cash flows impacts	**800**	**-**	**64**	**-10**	**853**	**-49**	**72**	**24**	**-**	**830**	**-391**
Change in lease liabilities**	-	-	-	-	-	-	-	-	-	-	257
Interest on lease liability	-	-	-	-	-	-	-	-	-	-	15
Impact of exchange rate fluctuations	-	-	-	2	2	138	-65	73	-	-71	37
Other changes	**-**	**-**	**-**	**2**	**2**	**138**	**-65**	**73**	**-**	**-71**	**310**
At December 31, 2021	**2,900**	**500**	**1,029**	**37**	**4,466**	**3,372**	**-133**	**3,239**	**2**	**1,226**	**1,254**
Non-current portion	2,200	500	50	-	2,750	-	-	-	-	2,750	894
Current portion	700	-	979	37	1,716	3,372	-133	3,239	2	-1,524	360

* *Short-term financial assets and liabilities bearing interests with maturity of less than 12 months.*
** *including reclassification to liabilities related to assets held for sale*

(in € million)	December 31, 2021	December 31, 2020
Cash and cash equivalents	3,372	3,282
Overdrafts	-133	-140
TOTAL	**3,239**	**3,142**

6.6 - Breakdown of assets and liabilities by financial categories

The book value of financial assets corresponds to their fair value.

As at December 31, 2021 the breakdown of assets was the following:

(in € million)	Loans and receivables at amortized cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivative related assets
Non-current30 financial instruments	1	-	-	-
Trade accounts and notes receivables	2,583	-	-	-
Other current assets	1,430	-	-	-
Current financial instruments	-	-	-	14
Cash and cash equivalents	0	-	3,372	-
TOTAL	**4,014**	**-**	**3,372**	**14**

As at December 31, 2020, the breakdown of assets was the following:

(in € million)	Loans and receivables at amortized cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivative related assets
Non-current financial instruments	-	-	-	-
Trade accounts and notes receivables	2,847	-	-	-
Other current assets	1,631	-	-	-
Current financial instruments	-	-	4	9
Cash and cash equivalents		-	3,282	-
TOTAL	**4,478**	**-**	**3,286**	**9**

As at December 31, 2021 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	Derivative related liabilities	Other
Borrowings	-	2,750	-	-
Derivative liabilities	-	-	40	-
Non-current financial instruments	-	-	0	-
Trade accounts and notes payables	-	2,003	-	-
Current portion of borrowings	-	1,849	-	-
Current financial instruments	-	-	4	-
TOTAL	**-**	**6,601**	**44**	**-**

As at December 31, 2020 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	Derivative related liabilities	Other
Borrowings	-	2,669	-	-
Derivative liabilities	-	-	168	-
Non-current financial instruments	-	-	0	-
Trade accounts and notes payables	-	2,230	-	-
Current portion of borrowings	-	1,083	-	-
Current financial instruments	-	-	13	-
TOTAL	**-**	**5,982**	**181**	**-**

Note 7 Income tax

The income tax charge includes current and deferred tax expense. Deferred tax is calculated whenever temporary differences occur between the tax base and the consolidated base of assets and liabilities. Deferred tax assets and liabilities are valued using the enacted tax rate at the closing date that will be in force when temporary differences reverse. They are not discounted.

In case of a change in tax rate, the deferred tax assets and liabilities are adjusted through the income statement except if those changes relate to items recognized in other comprehensive income or in equity.

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, i.e. when it is probable that taxable profit will be available against which the deferred tax assets can be utilized. Estimates of taxable profits and utilizations of tax loss carry forward are prepared on the basis of profit and loss forecasts arising from the Group mid-term plan (other durations may apply due to local specificities).

Deferred tax liabilities are recorded for all taxable temporary differences of subsidiaries, associates and partnerships, unless Atos is in a position to control the timing of reversal of the temporary differences and it is probable that such reversal will not take place in the foreseeable future.

Deferred tax assets and liabilities are netted off at the taxable entity level, when there is a legal right to offset.

7.1 - Current and deferred taxes expense

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Current tax	-78	-120
Deferred tax	39	68
TOTAL	**-39**	**-51**

7.2 - 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, 2021	12 months ended December 31, 2020
Profit (loss) before tax	-2,919	599
French standard tax rate	28.4%	32.0%
Theoretical tax income (expense) at French standard rate	**829**	**-192**
Impact of permanent differences	-366	91
Differences in foreign tax rates	-47	28
Movement on recognition of deferred tax assets	-446	7
Equity-based compensation	-8	-22
Change in deferred tax rates	-15	1
Taxes not based on taxable income	25	0
Withholding taxes	-1	0
French Tax credit	10	12
Other	-20	23
Group tax income (expense)	**-39**	**-51**
Effective tax rate	**-1.3%**	**8.6%**

The tax charge for 2021 was € 39 million with a loss before tax of €2,919 million. The Effective Tax Rate (ETR) was -1.3% compared to 8.6% in 2020. The tax charge included the derecognition of deferred tax assets for a net amount of €446 million.

7.3 - Restated effective tax rate

After restating the unusual items, the restated profit before tax was € 313 million, restated tax charge of € 525 million and the restated effective tax rate was 168%.

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Profit (loss) before tax	**-2,919**	**599**
Other operating income and expense	-3,151	-352
Net gain (loss) at fair value measurement on derivative liability and underlying Worldline shares	-81	56
Profit (loss) before tax excluding unusual items	**313**	**895**
Tax impact on unusual items	486	120
Group tax income (expense)	-39	-51
Total of tax income (expense) excluding tax on unusual items	**-525**	**-172**
Restated effective tax rate	**168.0%**	**19.2%**

7.4 - Deferred taxes assets and liabilities

(In € million)	December 31, 2021	December 31, 2020
Deferred tax assets	189	351
Deferred tax liabilities	67	164
Net deferred tax	**122**	**187**

7.5 - 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
December 31, 2019	**294**	**-269**	**13**	**225**	**-175**	**87**
Charge to profit or loss for the year	-46	49	-8	-9	82	68
Change of scope	1	0	0	0	-4	-3
Charge to equity	0	-	-0	27	1	29
Reclassification	-2	-1	2	-2	2	0
Exchange differences	-6	19	-2	-3	-4	6
December 31, 2020	**242**	**-202**	**6**	**239**	**-98**	**187**
Charge to profit or loss for the year	-90	48	16	-11	76	39
Change of scope	3	-7	-1	4	-3	-3
Charge to equity	0	-	0	-106	-4	-110
Reclassification	7	-0	-2	8	-4	8
Reclassification to assets held for sale	-8	10	4	-18	11	-2
Exchange differences	5	-10	4	-0	4	2
DECEMBER 31, 2021	**158**	**-161**	**28**	**115**	**-18**	**122**

7.6 - Tax losses carry forward schedule (basis)

	December 31, 2021			December 31, 2020		
(in € million)	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2021	-	-	-	7	54	61
2022	2	36	38	1	100	102
2023	2	1	3	2	14	16
2024	0	4	4	12	71	83
2025	4	2	7	-	-	-
Tax losses available for carry forward for 5 years and more	**51**	**32**	**83**	**21**	**43**	**63**
Ordinary tax losses carry forward	**59**	**76**	**135**	**44**	**282**	**326**
Evergreen tax losses carry forward	**623**	**4,350**	**4,973**	**813**	**2,433**	**3,246**
TOTAL TAX LOSSES CARRY FORWARD	**682**	**4,425**	**5,108**	**857**	**2,715**	**3,572**

In 2021, the countries with the largest tax losses available for carry forward were Germany (€1,899 million, compared to €1,050 million in 2020), France (€1,740 million, compared to €1,516 million), the United Kingdom (€491 million, compared to €237 million), the United States (€288 million, compared to €88 million), the Netherlands (€279 million, compared to €271 million), Brazil (€82 million, compared to €84 million), Spain (€74 million, compared to €54 million) and Austria (€58 million, compared €104 million).

€171 million of tax losses available for carry forward are related to the Unified Communications & Collaboration business which is classified as held for sale (see Note 1).

7.7 - Deferred tax assets not recognized by the Group

(in € million)	December 31, 2021	December 31, 2020
Tax losses carry forward	930	686
Temporary differences	424	189
TOTAL	**1,354**	**875**

Note 8 Goodwill and fixed assets

8.1 - 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 amounts of the identifiable assets acquired and the liabilities assumed at the acquisition date. If, after assessment, the resulting difference is negative, the excess is recognized immediately in profit or loss as a bargain purchase gain. The amount of goodwill is definitively set within 12 months of the date of acquisition.

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, generally countries, where the Group has operations.

Goodwill is allocated to a Cash Generating Unit (CGU) or a group of CGUs for the purpose of impairment testing. Goodwill is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level at which management monitors goodwill. Goodwill is tested for impairment at the Regional Business Unit level as RBU are the lowest level at which the goodwill is monitored for internal management purposes. Changes in internal management reporting are applied retrospectively and comparative figures are restated.

Goodwill is not amortized and is subject to an impairment test performed at least annually or more often whenever events or circumstances indicate that the carrying amount could not be recovered. 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.

The impairment test is performed by comparing the carrying value of the CGU or group of CGUs to its recoverable amount. The recoverable value of a CGU is based on the higher of its fair value less cost to sell and its value in use. The value in use is determined using the discounted cash-flows method at the closing date based on the mid-term plan of the Group.

When the recoverable value is less than its carrying amount, an impairment loss is recognized in "Other operating income and expense". The impairment loss is first recorded as an adjustment to the carrying amount of the goodwill allocated to the CGU, and the remainder of the loss, if any, is allocated pro rata the other assets of the CGU.

Impairment losses recognized on goodwill cannot subsequently be reversed.

When a CGU or part of a CGU is sold, the share of goodwill corresponding to the scope disposed of is taken into account in the carrying amount of its net assets used to determine the gain or loss realized. The share of goodwill is measured based on the relative value of the scope transferred within the CGU or group of CGUs.

Following the announcement made by the Group on July 27, 2021 with regards to the strategic review of its portfolio of activities, the Group examined the consequences on the consolidated financial statements of the contemplated disposals and made the following judgments:

- the Group determined that the Unified Communications & Collaboration business met the IFRS 5 criteria to be classified as held for sale at the end of September 2021 (see Note 1), considering the advanced negotiations with a buyer that made the realization of the sale within twelve months highly probable;
- the Group considered that the infrastructure legacy business represented a disposal group according to IFRS 5; nonetheless the Group assessed that this disposal group did not meet the IFRS 5 criteria to be classified as held for sale, chiefly because it was not highly probable at December 31, 2021 that the sale would be completed within one year. In accordance with IFRS 5, such judgment shall result in the allocation of goodwill to the disposal group.

The Group allocated part of the goodwill of each Regional Business Unit to the infrastructure legacy business based on their relative fair values.

For the classic infrastructure-related CGUs, the strategic decisions announced by the Group have been considered as an indication that the CGUs of the disposal group may be impaired, leading to specific impairment tests. The results of the tests are described below for goodwill and in Note 8.2 – Intangible assets, Note 8.3 – Tangible assets and Note 9 – Leases.

In addition, following the successive announcements made to the market in 2021 and early 2022, and considering 2022 guidance, the Group revised its mid-term plan used to perform the annual impairment test of goodwill. This resulted in a major impairment as described below.

(in € million)	December 31, 2020	Change	Reclassification to assets held for sale	Exchange differences and other	December 31, 2021
Gross value	6,705	256	-473	273	6,761
Impairment loss	-565	-1,325	249	-16	-1,656
CARRYING AMOUNT	**6,140**	**-1,069**	**-224**	**257**	**5,105**

Over 2021, goodwill decreased from €6,140 million to €5,105 million, mainly due to the following:

- €192 million impairment related to the infrastructure legacy business, mainly affecting Central Europe (€158 million) and, to a lesser extent, North America (€26 million) and Southern Europe (€8 million);
- €883 million impairment related to other legacy acquisitions as a consequence of the revised mid-term plan, in North America (€645 million) and Central Europe (€238 million);
- €224 million related to the Unified Communications & Collaboration activity, mainly affecting Central Europe goodwill, reclassified to assets held for sale and including an impairment of €249 million based on a fair value less costs to sell; and
- the acquisitions of the year and minor adjustments on the opening statement of financial position on acquisitions of 2020, as described in Note 1.

(in € million)	December 31, 2019	Change	Reclassification to assets held for sale	Exchange differences and other	December 31, 2020
Gross value	6,617	410	-	-322	6,705
Impairment loss	-580	-	-	15	-565
CARRYING AMOUNT	**6,037**	**410**	**-**	**-307**	**6,140**

The increase in goodwill in 2020 was related to the acquisitions of the year, as described in Note 1.

A summary of the carrying values of goodwill allocated by RBU is presented hereafter.

(in € million)	December 31, 2021	December 31, 2020
North America	2,690	3,034
Northern Europe	1,082	942
Central Europe	174	993
Southern Europe	780	791
Growing Markets	378	380
TOTAL	**5,105**	**6,140**

Value-in-use calculations are in particular based on the following assumptions:

- terminal value is calculated beyond the horizon of the mid-term plan, using an estimated perpetual growth rate of 2.0% (aligned with 2020). Although sometimes exceeding the long-term average growth rate for the countries in which the Group operates, this rate reflects specific perspectives of the IT sector; and
- discount rates are applied by RBU based on the Group's weighted average cost of capital and adjusted to consider specific tax rates and country risks relating to each geographical area.

The discount rates used by RBU are presented below:

	2021 discount rates	2020 discount rates
North America	9.5%	7.5%
Northern Europe	8.3%	8.3%
Central Europe	8.1%	7.8%
Southern Europe	8.2%	8.4%
Growing Markets	11.2%	10.3%

The test is sensitive to discount rates, long-term growth rates and operating margin rates.

A sensitivity analysis was carried out to determine the value of those parameters for which the value in use equals the net carrying value.

The results are presented below:

	Increase (decrease) in the discount rate (in basis points)	Increase (decrease) in the perpetual growth rate (in basis points)	Increase (decrease) in the operating margin rate (in basis points)
North America	-128	144	242
Northern Europe	265	-279	-157
Central Europe	-299	247	86
Southern Europe	661	-823	-334
Growing Markets	865	-1,059	-317

Regarding the infrastructure legacy business, the recoverable value was determined based on the fair value less costs to sell that the Group categorized within Level 3 of the fair value hierarchy, according to IFRS 13.

For these specific impairment tests, the following discount rates were used:

	Discount rates
North America	14.0%
Northern Europe	13.9%
Central Europe	13.8%
Southern Europe	13.7%
Growing Markets	14.9%

8.2 - Intangible assets

Intangible assets other than goodwill

An intangible asset is recognized when it is probable that future economic benefits therefrom will accrue to the Company and if the cost of this asset can be reliably estimated based on reasonable and documented assumptions.

Intangible assets are recorded at their acquisition or production cost.

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, software, customer relationships and technologies acquired as part of business combinations, as well as internally developed IT solutions.

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group distinguishes the research phase and the development phase.

Under IAS 38, no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Such expenditure is therefore recognized as an expense when it is incurred.

Expense resulting from a development project (or from the development phase of an internal project) are recognized as intangible assets if the Group demonstrates all the following criteria:

- 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 expenditure refers to IT solutions developed for the Group's own use, to specific implementation projects for specific customers or innovative technical solutions made available to a group of customers. Development projects are analyzed on a case-by-case basis and the only costs which are capitalized are those attributable to the creation, production and preparation of the asset to be capable of operating in the manner intended by management. It is accounted for at cost less accumulated depreciation and any impairment losses. It is amortized on a straight-line basis over a useful life between 3 and 15 years, the standard scenario being set at 5 years.

An intangible asset related to customer relationships and backlog acquired during a business combination is recognized as customer relationships. The value of this asset is based on certain assumptions of renewal of the underlying contracts and on the discounted flows of these contracts. This asset is amortized on an estimate of its average life.

The value of the developed technology acquired is derived from an income approach based on the relief from royalty method. This method relies on (i) assumptions of the technological obsolescence curve and (ii) the theoretical royalty rate applicable to similar technologies, to determine the discounted cash flows expected to be generated by this technology over their expected remaining useful life. The developed technology is amortized on an estimate of its average life. The cost approach may also be implemented as a secondary approach to derive an indicative value for consistency purposes. This method relies on an assumption of the costs that should be engaged to reproduce a similar new item having the nearest equivalent utility as the asset being valued. On the contrary, if technology is believed to be the most important driver for the business, an Excess Earning method could also be implemented.

Intangible assets are amortized in operating margin on a straight-line basis over their expected useful life. Customer relationships, patents, technologies and trademarks acquired as part of a business combination are amortized in "Other operating income and expense" on a straight-line basis over their expected useful life, generally not exceeding 19 years.

Impairment of intangible assets other than goodwill

Impairment tests are performed on intangible assets with finite useful lives whenever there is an indication of impairment. Impairment losses on intangible assets may be reversed later if there has been a change in the estimates used to determine the recoverable value of the asset and if that amount again comes to be greater than the net carrying amount. The value of the asset after reversal of the impairment loss is capped at the carrying amount net of amortization, as if no impairment loss had been recognized in prior years.

(in € million)	Customer relationships	Trademarks, Software and licences	Other intangible assets	Total
Gross value				
December 31, 2020	**1,330**	**688**	**526**	**2,545**
Additions	-	34	4	38
Impact of business combinations	-	1	1	2
Intangible assets recognized as part of a Purchase Price Allocation	32	9	16	57
Capitalized costs	-	-	57	57
Disposals	-	-82	-106	-188
Exchange differences & Others	71	14	22	107
Reclassification to assets held for sale	-121	-51	-187	-359
December 31, 2021	**1,312**	**613**	**333**	**2,258**
Accumulated depreciation				
December 31, 2020	**-665**	**-281**	**-207**	**-1,153**
Amortization charge of the year	-3	-31	-28	-63
Amortization of intangible assets recognized as part of a Purchase Price Allocation	-109	-32	-10	-151
Amortization of capitalized costs	-		-57	-57
Disposals	-	72	58	130
Impairment	-34	-	-	-34
Exchange differences and others	-31	1	-29	-59
Reclassification to assets held for sale	84	34	100	217
December 31, 2021	**-758**	**-238**	**-173**	**-1,169**
Net value				
December 31, 2020	**665**	**407**	**319**	**1,391**
DECEMBER 31, 2021	**553**	**375**	**160**	**1,089**

(in € million)	Customer relationships	Trademarks, Software and licences	Other intangible assets	Total
Gross value				
December 31, 2019	**1,358**	**796**	**534**	**2,689**
Additions		78	14	92
Impact of business combinations		1	5	6
Intangible assets recognized as part of a Purchase Price Allocation	38			38
Capitalized costs			72	72
Disposals	-5	-44	-23	-72
Exchange differences & Others	-61	-142	-76	-279
December 31, 2020	**1,330**	**688**	**526**	**2,545**
Accumulated depreciation				
December 31, 2019	**-568**	**-299**	**-146**	**-1,013**
Amortization charge of the year		-22	-38	-59
Amortization of intangible assets recognized as part of a Purchase Price Allocation	-119	-33	-1	-153
Amortization of capitalized costs			-58	-58
Disposals	5	42	23	70
Exchange differences & Others	17	30	12	60
December 31, 2020	**-665**	**-281**	**-207**	**-1,153**
Net value				
December 31, 2019	**790**	**497**	**388**	**1,675**
DECEMBER 31, 2020	**665**	**407**	**319**	**1,391**

In 2021, the amount related to the amortization of intangible assets recognized in the purchase price allocation exercises were stable at €151 million compared to €153 million in 2020, mainly reflecting the limited amount of amortization charge arising from 2021 acquisitions while intangible assets related to certain past acquisitions ceased to be amortized in 2021.

The €151 million amortization charge of Purchase Price Allocation intangible assets in 2021 were mainly composed of:

- €60 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- €18 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014;
- €17 million of SIS customer relationships amortized over 12 years starting July 1, 2011;
- €16 million of Xerox ITO customer relationships amortized over 6 to 12 years starting July 1, 2015; and
- €11 million of Anthelio customer relationships amortized until February 2026.

Intangible assets recognized in the purchase price allocation exercises were impaired for €34 million in 2021 (see Note 5). In addition, in the context of the impairment test of the infrastructure legacy business, € 37 million of capitalized R&D were derecognized and were presented as part of "Disposals" in the above table.

The gross book value of customer relationship for €1,312 million as at December 31, 2021 presented above, included mainly:

- €548 million relative to the Syntel acquisition in 2018;
- €354 million relative to the Siemens IT Solutions and Services acquisition in 2011;
- €153 million relative to the Xerox ITO acquisition in 2015;
- €87 million relative to the Anthelio acquisition in 2016; and
- €37 million in connection with the Maven Wave acquisition in 2020.

8.3 - 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;
- office furniture and equipment 5 to 10 years.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the income statement.

Impairment of tangible assets

Impairment tests are performed on tangible assets whenever there is an indication of impairment. Impairment losses on tangible assets may be reversed later if there has been a change in the estimates used to determine the recoverable value of the asset and if that amount again comes to be greater than the net carrying amount. The value of the asset after reversal of the impairment loss is capped at the carrying amount net of depreciation, as if no impairment loss had been recognized in prior years.

(in € million)	Land and buildings	IT equipments	Other tangible assets	Total
Gross value				
December 31, 2020	**316**	**258**	**110**	**682**
Additions	21	88	35	144
Impact of business combination	1	3	4	8
Disposals	-78	-239	-37	-354
Exchange differences and others	30	54	-30	54
Reclassification to assets held for sale	-2	-80	-12	-95
December 31, 2021	**288**	**83**	**70**	**442**
Accumulated depreciation				
December 31, 2020	**-164**	**-1**	**-4**	**-168**
Depreciation charge for the year	-25	-125	-14	-164
Disposals	71	231	30	332
Exchange differences and others	-7	-35	-8	-50
Impairment	-28	-18	-10	-56
Reclassification to assets held for sale	2	76	9	87
December 31, 2021	**-151**	**127**	**3**	**-20**
Net value				
December 31, 2020	**153**	**257**	**105**	**514**
DECEMBER 31, 2021	**138**	**211**	**73**	**421**

(in € million)	Land and buildings	IT equipments	Other tangible assets	Total
Gross value				
December 31, 2019	**332**	**499**	**149**	**980**
Additions	22	111	39	172
Impact of business combination	2	3	3	8
Disposals	-30	-274	-42	-346
Exchange differences and others	-10	-83	-39	-132
December 31, 2020	**316**	**258**	**110**	**682**
Accumulated depreciation				
December 31, 2019	**-171**	**-217**	**-40**	**-428**
Depreciation charge for the year	-26	-135	-13	-175
Disposals	23	268	39	330
Exchange differences and others	10	83	12	105
December 31, 2020	**-164**	**-1**	**-4**	**-168**
Net value				
December 31, 2019	**162**	**282**	**108**	**552**
DECEMBER 31, 2020	**153**	**257**	**105**	**514**

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, land and building assets include mainly the technical infrastructure of Group datacenters.

In the context of the impairment test of the infrastructure legacy business, tangible assets were impaired for € 56 million in 2021.

Note 9 Leases

Existence of a lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration. Lease liabilities and right-of-use assets are recognized at the lease commencement date.

The Group does not recognize short term leases (less than 12 months) and leases for which the underlying asset is of a low value except when those assets are subleased to end customers. Such leases are expensed directly and future commitments to pay rents are presented as off-balance sheet commitments.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rates since implicit rates are not readily available. Those rates have been determined for all currencies of the Group by geography and by maturity. The incremental borrowing rates are calculated by taking for each currency a reference market index quotation and adding up a spread corresponding to the cost of financing that would be applied by a lender to any subsidiary of the Atos Group.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, a change in estimate of the amount expected to be payable under a residual value guarantee, or changes in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain to be exercised, resulting from a decision of the Group.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentive received.

Real estate leases

The Group leases most of its offices and strategic production sites such as data centers. Terms and conditions of those lease contracts can be very heterogeneous depending on the nature of the sites and local regulations. Those leases have terms between 2 to 20 years.

The Group is applying judgment to determine the lease term for some real estate lease contracts in which it is a lessee and that include renewal or early termination options analyzing whether those sites, mainly offices and data centers, are strategic or not. In most cases, the Group retains the earliest date when the Group can exit its lease commitment without paying any significant penalty.

IT equipment and company cars

The Group leases IT equipment for its own use or to deliver its services to end customers (computers, servers). Those leases are entered for terms between 3 to 5 years.

Deferred tax treatment

Deferred tax is applied to IFRS 16 entries based on local applicable tax rates.

RIGHT-OF-USE ASSETS

(in € million)	Land and buildings	IT equipments	Cars and others	Total
Gross value				
December 31, 2020	**1,119**	**463**	**81**	**1,663**
Increase	295	270	27	592
Impact of business combination	-	-	0	0
Decrease	-181	-230	-21	-432
Exchange differences and others	25	22	1	48
Reclassification to assets held for sale	-16	-3	-2	-22
December 31, 2021	**1,241**	**522**	**86**	**1,849**
Accumulated depreciation				
December 31, 2020	**-314**	**-174**	**-40**	**-528**
Depreciation charge for the year	-190	-161	-25	-376
Decrease	82	100	16	197
Exchange differences and others	-12	-11	-0	-23
Impairment	-47	-12	-	-60
Reclassification to assets held for sale	10	1	2	12
December 31, 2021	**-472**	**-258**	**-48**	**-777**
Net value				
December 31, 2020	**805**	**289**	**41**	**1,135**
DECEMBER 31, 2021	**770**	**264**	**38**	**1,072**

In 2021, right-of-use assets were impaired for €60 million, including €38 million in connection with the impairment test conducted on the infrastructure legacy business.

(in € million)	Land and buildings	IT equipments	Cars and others	Total
Gross value				
December 31, 2019	**943**	**349**	**89**	**1,381**
Increase	249	201	17	467
Decrease	-37	-53	-17	-106
Exchange differences and others	-36	-35	-8	-78
December 31, 2020	**1,119**	**463**	**81**	**1,663**
Accumulated depreciation				
December 31, 2019	**-174**	**-94**	**-29**	**-297**
Depreciation charge for the year	-189	-136	-29	-355
Decrease	39	49	16	104
Exchange differences and others	10	8	2	20
December 31, 2020	**-314**	**-174**	**-40**	**-528**
Net value				
December 31, 2019	**768**	**256**	**60**	**1,084**
DECEMBER 31, 2020	**805**	**289**	**41**	**1,135**

LEASE LIABILITIES

(in € million)	December 31, 2021
Maturing in one year or less	360
Maturing in 1-2 years	285
Maturing in 2-3 years	183
Maturing in 3-4 years	109
Maturing in 4-5 years	87
Maturing in more than 5 years	229
TOTAL	**1,254**

The amounts represent future disbursements expressed after discounting.

Note 10 Investments accounted for under the equity method

Investments over which the parent company directly or indirectly exercises significant influence, without however exercising full or joint control, are accounted for under the equity method. This method consists in recording the Group's share in profit for the year of the associate in the consolidated income statement as part of "Share of net profit (loss) of equity-accounted investments".

The Group's share in the net assets of the associate is recorded under "Equity-accounted investments" in the consolidated statement of financial position. Goodwill arising on the acquisition of associates is included in the carrying amount of the investment.

The Group decided to classify all gains or losses on the disposal of investments in associates in "Other operating income and expense".

(in € million)	December 31, 2020	Disposal	Net results	Exchange differences and other	December 31, 2021
Miscellaneous	7	-	-	-2	4
TOTAL	**7**	**-**	**-**	**-2**	**4**

Note 11 Pension plans and other long-term benefits

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution plans are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been provided by beneficiaries.

The valuation of Group defined benefit obligations is based on a single actuarial method known as the "projected unit credit method". Under this method, the amount of future benefit payments to employees is determined on the basis of actuarial assumptions (change in wages, retirement age, probability of payment, turnover rate and mortality rate). These future payments are reduced to their present value using a discount rate determined according to the rates of investment-grade corporate bonds of a maturity equivalent to that of the Company's corporate liabilities.

The actuarial assumptions are periodically updated, with the support of the external actuaries used by the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing.

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.

From one accounting period to the other, any difference between the projected and actual pension obligation and their related assets is combined at each benefit plan's level to form actuarial differences. Those 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 plan 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 expense".

After the reclassification to liabilities held for sale (refer to Note 1), the total amount recognized in the Group statement of financial position in respect of pension plans was €647 million at December 31, 2021 compared to €1,204 million at December 31, 2020. The total amount recognized for other long-term employee benefits was €36 million at December 31, 2021 compared to €42 million at December 31, 2020.

The amounts recognized in the balance sheet consist of:

(in € million)	December 31, 2021	December 31, 2020
Prepaid pension asset	261	112
Accrued liability – pension plans [A]	-908	-1,317
Total Pension plan	**-647**	**-1,204**
Accrued liability – other long-term employee benefits [B]	-36	-42
TOTAL ACCRUED LIABILITY [A] + [B]	**-944**	**-1,359**

Pension plans

The Group pension obligations are located predominantly in the United Kingdom (63% of Group total obligations), Germany (23%), Switzerland (5%) 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 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. Most of the plans are governed by a sole independent trustee.

The current asset allocation across United Kingdom plans is 87% fixed income, 13% equities and 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. The fixed income allocation comprises a significant exposure to investment grade credits and the equity allocation is well diversified geographically.

The plans do not expose the Group to any specific risk 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 most of the liabilities relates to pension entitlements that were transferred to the Group with the acquisition of SIS in 2011. 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 partially 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 composed of employer representatives. The assets allocation related to the largest German schemes is 68% fixed income, 14% return seeking assets and other assets and 18% property. The assets 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 credits and, to a lesser extent, in balanced funds and European high yield.

In Switzerland, the obligations are generated by legacy defined benefit plans, exceeding the minimum benefit requirements under Swiss law (BVG). Pension contributions are paid by both the employees and the employer and are calculated as a percentage of the covered salary. The rate of contribution depends on the age of the employee. At retirement, the employees' individual savings capital is multiplied by the conversion rate, as defined by the pension fund regulations, and can be paid out as either a lifetime annuity or a lump-sum payment. In the event of disability, the pension plan pays a disability pension until ordinary retirement age.

Atos recognized all actuarial gains and losses and asset ceiling effects generated in the period in "Other comprehensive income".

Events in 2020

In July 2020, Atos sold the Unify business in Belgium. This led to a reduction of the obligation of €18 million corresponding to accrued benefits for the transferred active employees and accrued benefits of deferred plan members, and a reduction of the associated pension assets of €15 million.

Atos UK Ltd offered to some of the current active members of the Atos 2019 Pension Scheme a Bridging Pension Option (BPO). This option gave members the opportunity to give up some of their pension rights to be received after State Pension Age (SPA) as a counterpart of temporary pension uplift when retiring from the scheme up to their SPA. This led to a reduction in obligation and operating expense of €20 million, including actuarial, legal and other project costs.

The corporate bond interest rate markets for all major zone/countries were particularly volatile this year due to the Covid 19 crisis, with a peak at the end of March 2020. The discount rate curves have been sloping downwards since then as a consequence of the drop in the sovereign bond rates combined with the reduction in the credit spread. The discount rates at December 31, 2020 have decreased since December 31, 2019 for the Eurozone, the UK and to a lesser extent for Switzerland. This led to a large increase in the obligation of about €426 million, partially compensated by the actuarial gains of €202 million on the pension assets due to the Liability Driven Investment (LDI) strategy and the unexpected good performance of the stock market over the second half of the year. The net amount led to an increase in the pension liability recognized through other comprehensive income.

Events in 2021

In the UK, as part of the work carried out by the Trustee of the 2019 Scheme in preparing to implement Guaranteed Minimum Pension ("GMP") equalization, some discrepancies were identified between the scheme's historical administration practices in relation to the treatment of GMP and the approach strictly required under the rules of the 2019 Scheme (and predecessor legacy schemes). Discussions have been ongoing between the Trustee and Atos to agree the process for making adjustments to members' benefits as a result of these historical practices. The impact of adjusting members' future pension payments to correct the issues identified and the impact of past over-payments which the Trustee will seek to recoup from members led to a reduction in obligation (past service credits) of €23 million recognized as other operating income.

In parallel, the Government in the UK published in February 2021, its response to its consultation on the approach public sector pension schemes will take to address discrimination issues identified as part of the McCloud judgement arising from benefit changes introduced in 2015. Atos UK Ltd is currently considering its own approach to addressing potential discrimination issues in its scheme as a result of the changes it introduced in April 2015 to mirror public sector benefits. Even if any decision on how to proceed has not been finalized yet, the expected adjustments to affected members' benefits, based on initial calculations carried out, led to an increase in the obligation (past service costs) of €6 million recognized as other operating expense.

The corporate bond interest rate markets for all major zone/countries remained volatile this year but spot rates as at December 31, 2021 significantly raised compared to those for the previous financial year. This led to a decrease in the obligation of about €175 million combined with very positive returns on equity markets. The resulting decrease in the net pension liability is recognized through other comprehensive income.

The IFRS Interpretation Committee (IFRIC) decided to change the rules for attributing benefits to periods of service for defined benefit plans that meet the following conditions:

- employees are entitled to a lump sum benefit payment when they reach the retirement age, provided they are employed by the entity at that date;
- the amount of the retirement benefit to which an employee is entitled depends on the length of employee service with the entity before the retirement age and is capped at a specified number of consecutive years of service.

For these plans, benefit rights are no longer spread over the entire period from the entry date in the entity to the retirement date but rather over the period of service preceding the retirement age for which the capped benefit rights are achieved.

Two retirement indemnity plans (France and Greece) are in the scope of the IFRIC decision. The impact resulted in a decrease in the employer's obligations for a total amount of €8 million recognized through other comprehensive income.

COMPONENTS OF NET PERIODIC COST

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Service cost (net of employees contributions)	50	51
Past service cost, Settlements	-17	-29
Administration costs	2	2
Operating expense	**36**	**25**
Interest cost	69	74
Interest income	-60	-58
Financial expense	**10**	**16**
NET PERIODIC PENSION COST – TOTAL EXPENSE (PROFIT)	**46**	**41**

CHANGE IN DEFINED BENEFIT OBLIGATION

(in € million)	December 31, 2021	December 31, 2020
Total Defined Benefit Obligation at January 1	**5,102**	**4,855**
Exchange rate impact	229	-176
Service cost (net of employees contributions)	50	51
Interest cost	69	74
Past service cost, Settlements	-17	-29
Business combinations (disposals)	1	-15
Employees contributions	6	5
Benefits paid	-211	-188
Actuarial (gain) loss - change in financial assumptions	-175	426
Actuarial (gain) loss - change in demographic assumptions	-30	17
Actuarial (gain) loss - experience results	-11	81
Reclassification	0	1
Reclassification to liabilities held for sale	-752	0
Defined benefit obligation at December 31	**4,263**	**5,102**

The weighted average duration of the liability is about 15 years.

CHANGE IN PLAN ASSETS

(in € million)	December 31, 2021	December 31, 2020
Fair value of plan assets at January 1	**3,898**	**3,883**
Exchange rate impact	228	-174
Actual return on plan assets	195	319
Employer contributions	17	16
Benefits paid by the funds	-170	-134
Settlements	0	0
Business combinations (disposals)	0	-16
Employees contributions	6	5
Administration costs	-3	-3
Reclassification to liabilities held for sale	-555	0
Fair value of plan assets at December 31	**3,616**	**3,898**

RECONCILIATION OF PREPAID (ACCRUED) BENEFIT COST

(in € million)	December 31, 2021	December 31, 2020
Funded status	-647	-1,204
Any other amount not recognized (asset ceiling limitation)	0	-
Prepaid (accrued) pension cost	**-647**	**-1,204**

RECONCILIATION OF THE NET AMOUNT RECOGNIZED (ALL PLANS)

(in € million)	December 31, 2021	December 31, 2020
Net amount recognized at beginning of year	**-1,204**	**-972**
Net periodic pension cost	-46	-41
Benefits paid by employer	41	54
Employer contributions	17	16
Business combinations (disposals)	-1	-1
Asset ceiling limitations recognized in Other Comprehensive Income	0	0
Amounts recognized in Other Comprehensive Income	349	-262
Other (exchange rate)	-1	3
Reclassification to liabilities held for sale	197	0
Net amount recognized at end of year	**-647**	**-1,204**

The development in the main countries was as follows:

(in € million)	UK schemes	German schemes	Other schemes
Net amount recognized at beginning of year	**-3**	**-839**	**-362**
Net periodic pension cost	3	-25	-24
Benefits paid by employer & employer contributions	12	14	31
Business combinations (disposals)	0	0	-1
Amounts recognized in Other Comprehensive Income	176	131	43
Other (exchange rate and reclassification)	3	0	-4
Reclassification to the liabilities held for sale	0	186	11
Net amount recognized at end of year	**192**	**-532**	**-307**

(in € million)	UK schemes	German schemes	Other schemes
Defined benefit obligation at December 31	-2,693	-986	-583
Fair value of plan assets at December 31	2,885	454	276
Asset ceiling limitation at December 31	-	-	0
Net amount recognized at end of year	**192**	**-532**	**-307**

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		Switzerland		USA	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Discount rate	2.00%	1.50%	1.0% ~ 1.3%	0.5% ~ 0.9%	0.30%	0.15%	2.6%	2.25%
Salary increase	2.5%	2.5%	2.0% ~ 2.2%	2.0% ~ 2.2%	1.0%	1.0%	na	na
Inflation assumption	RPI: 3.30% CPI: 2.60%	RPI: 2.90% CPI: 2.20%	1.45%	1.45%	na	na	na	na

The inflation assumption is used for estimating the impact of indexation of pensions in payment or salary inflation based on the various rules of each plan.

Sensitivity of the defined benefit obligations of the significant plans to the discount rate and inflation rate assumptions is as follows:

	Discount rate +25bp	Inflation rate +25bp
United Kingdom main pension plans	-4.4%	+3.5%
German main pension plans	-3.3%	+1.2%

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, 2021	December 31, 2020
Equity	13%	14%
Bonds / Interest Rate Swaps	71%	68%
Real Estate	9%	7%
Cash and Cash equivalent	3%	2%
Other	4%	9%

Of these assets, 88% are valued on market value, 10% relates to property, private equity and infrastructure investments where valuations are based on the information provided by the investment managers and 2% relate to insurance contracts.

A significant part of the Bonds and Interest Rate Swaps are part of the interest rate hedging program operated by the Atos United Kingdom pension plans, which aims at hedging a significant portion of funding liabilities. None of the plans are hedged for longevity risks.

Atos securities or assets used by the Group are not material.

Prepaid pension situations on statement of financial position

The net asset of €261 million mostly related to the Atos 2019 Pension Scheme in the United Kingdom and was supported by appropriate refund expectations according to IFRIC 14.

The variation in the prepaid pension asset (from €112 million at December 31, 2020 to €261 million at December 31, 2021) is due to the 2019 Pension Scheme in the UK and mainly explained by the positive return on equity markets (+€46 million), the impact of the change in financial assumptions (decrease in the obligation for €50 million), the impact of the change in other assumptions used for valuing the liabilities (+€19 million), the impact of the "GMP" correction and the McCloud case (+€17 million), as well as the variation of the exchange rate (€11 million).

Net pension impact on income statement

The net impact of defined benefit pension plans on Group financial statements can be summarized as follows:

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Operating margin	-52	-28
Other operating income and expense	16	3
Financial result	-10	-16
Total (expense) profit	**-46**	**-41**

Other long-term employee benefits

The net liabilities related to other long-term employee benefits were €42 million at December 31, 2020. They decreased to €36 million at December 31, 2021 via benefit payments and employer contributions (€18 million), net of expense recorded in the income statement (€11 million).

Note 12 Provisions

Provisions are determined by discounting the expected future cash flows to extinguish the liability. Provisions are recognized when:

- the Group has a present legal, regulatory, contractual or constructive obligation as a result of past events; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- the amount has been reliably quantified.

(in € million)	December 31, 2020	Business combinations	Addition	Release used	Release unused	Other*	Reclassification to liabilities held for sale	December 31, 2021	Current	Non-current
Reorganization	79	-	145	-41	-6	0	-8	169	27	142
Rationalization	9	0	3	-1	-3	0	-1	7	2	6
Project commitments	23	1	578	-19	-4	6	-0	584	92	491
Litigations and contingencies	54	0	12	-5	-9	0	-18	34	16	18
TOTAL PROVISIONS	**165**	**1**	**737**	**-66**	**-23**	**7**	**-27**	**794**	**137**	**657**

* *Other movements mainly consist of currency translation adjustments*

(in € million)	December 31, 2019	Business combinations	Addition	Release used	Release unused	Other*	Reclassification to liabilities held for sale	December 31, 2020	Current	Non-current
Reorganization	74	-	35	-28	-2	-1	-	79	74	5
Rationalization	9	-	4	-1	-1	-2	-	9	4	6
Project commitments	30	-	8	-9	-3	-4	-	23	20	3
Litigations and contingencies	75	3	5	-1	-16	-12	-	54	20	34
TOTAL PROVISIONS	**188**	**3**	**52**	**-39**	**-21**	**-18**	**-**	**165**	**118**	**47**

* *Other movements mainly consist of currency translation adjustments*

Reorganization

Additions mainly included a €132 million provision related to the German restructuring plan announced on July 12, 2021. This amount did not include the portion of signed settlements with employees which was presented under Other current liabilities (see Note 4.5).

Rationalization

The €3 million addition mainly related to office premises rationalization in Germany, France and the United-Kingdom.

Project commitments

As detailed in section 6.1.7.5., the Group conducted a comprehensive analysis of the profitability of certain legacy contracts. This review led to the recognition of €565 million provisions for onerous contracts, of which €266 million on customer contracts, including a large BPO contract in Northern Europe, and €299 million on certain vendor contracts related to the legacy business of the Group.

Litigations and contingencies

Contingency provisions amounted to €34 million at December 31, 2021. They were composed of a number of long-term litigation issues, such as non-income tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers, notably in South America.

Note 13 Fair value and characteristics of financial instruments

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 hedge of existing assets or liabilities, the hedged portion of an instrument is reported at fair value on the statement of financial position. Any change in fair value is recorded as an expense or an income in the income statement, where it is offset simultaneously by changes in the fair value of the designated hedged elements except for any ineffectiveness;
- for cash flow hedge, the effective portion of the change in fair value of the hedging instrument is directly recognized in shareholders' equity as "items recognized directly in equity". The change in value of the ineffective portion is recognized in "Other financial income and expense". Amounts deferred in equity are taken to the income statement at the same time as the related hedged cash flow.

The Group uses forward foreign exchange contracts to hedge the variability of cash flows arising from changes in foreign exchanges rates sales and purchases in foreign currencies.

The Group designates only the spot element of the forward exchange contract as the hedging instrument in cash flow hedging relationships for highly probable transactions. Under IFRS 9, the Group has elected to separately account for the forward points as a cost of hedging. Consequently, the changes in forward points will be recognized in other comprehensive income and accumulated in a cost of hedging reserve as a separate component within equity and accounted for subsequently as gain and losses accumulated in the cash flow hedge reserve as part of the underlying covered transaction.

	December 31, 2021		December 31, 2020	
(in € million)	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	14	-4	13	-13
Forward interest rate contracts	-	0	-	0
Analysed as:				
Non-current	-	0	-	0
Current	14	-4	13	-13

The fair value of financial instruments is provided by independent counterparties.

Interest rate risk

Bank loans and commercial papers arranged at floating rates amounted to €915 million in 2020 and €979 million in 2021, 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.

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 €2,223 million as at December 31, 2021. A 1.0% decrease in short-term reference rates in Euro would reduce income from interest by €26.7 million in theory 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 & NEU CP		-979	-	-979
Other		-37	-	-37
Total liabilities		**-1,016**	**-**	**-1,016**
Cash and cash equivalents	Note 6.5	3,372	-	3,372
Overdrafts	Note 6.5	-133	-	-133
Total net cash and cash equivalents*		**3,239**	**-**	**3,239**
Net position before risk management		2,223	-	2,223
Net position after risk management		**2,223**	**-**	**2,223**
Bonds	Note 6.4	-700	-2,200	-2,900
Optional exchangeable bond	Note 6.4	-	-500	-500
NEU MTN at fixed rate		-	-50	-50
Total net debt/cash after risk management		**1,523**	**-2,750**	**-1,226**

* *Overnight deposits (deposit certificates) and money market securities and overdrafts*

Liquidity risk

On November 4, 2021, Atos annou nced the successful placement of its inaugural €800 million sustainability-linked bond with an 8-year maturity and a 1.0% coupon.

The coupon of the last three years will be unchanged if Atos achieves the following Sustainability Performance Target (SPT): reduction in 2025 of Atos annual GreenHouse Gas CO_2 emissions (Scopes 1, 2 & 3) by 50% compared to 2019. The proceeds of the bond will be used for general corporate purposes.

On February 4, 2020, Atos disposed part of its retained interest by selling ca. 23.9 million Worldline shares through an Accelerated Bookbuilding Offering on the market for €1,402 million, net of disposal costs and tax.

On October 30, 2019 Atos announced the disposal of Worldline share capital (€780 million through a private placement by way of Accelerated Book building Offering (ABO)) and the issuance of €500 million zero coupon bonds exchangeable into Worldline shares with a maturity of 5 years and an exchange premium of 35%. Total gross proceeds for Atos was €1,280 million for the combined transactions.

On November 5, 2018, Atos announced the successful placement of its €1.8 billion bond issue. The €1.8 billion triple tranche-bond issue consists of three tranches:

- €700 million notes with a 3.5-year maturity and 0.75% coupon;
- €750 million notes with a 6.5-year maturity and 1.75% coupon;
- €350 million notes with a 10-year maturity and 2.50% coupon.

There are no financial covenants attached to this bond. The rating agency Standard and Poor's assigned a rating of BBB+ to the three tranches, subsequently to the rating of Atos at the time of issuance of the bond. On December 17, 2020, Standard and Poor's reaffirmed BBB+ / Stable rating for Atos. On September 20, 2021, Standard and Poor's downgraded Atos rating to BBB- / outlook stable.

On October 11, 2018, Atos signed with a number of major financial institutions a five-year €2.4 billion revolving credit facility (the Facility) maturing in November 2023 with an option for Atos to request the extension until November 6, 2025 in two times. Atos exercised the second option on 2020 to extend the maturity of the Facility until November 6, 2025. The Facility is available for general corporate purposes and replaced the previous €1.8 billion facility signed in November 2014.

The Facility includes one financial covenant which is the leverage ratio (net debt divided by Operating Margin before Depreciation and Amortization) which may not be greater than 2.5 times. The calculation at December 31, 2021 presented here below excluded IFRS 16 impacts for an amount of €391 million.

Nature of ratios subject to covenant	Covenant	12 months ended December 31, 2021	12 months ended December 31, 2020
Leverage ratio (net debt/OMDA)*	not greater than 2.5	1.74	0.36

* *OMDA: Operating margin before non cash items*

On May 4, 2018 Atos implemented a Negotiable European Medium-Term Note program (NEU MTN) in order to optimize financial expense and improve Group liquidity management, for an initial maximum amount of € 600 million.

On June 2, 2017, Atos implemented a Negotiable European Commercial Paper program (NEU CP) in order to optimize financial expense and improve Group liquidity management, for an initial maximum amount of €900 million raised to € 1.8 billion in October 2018. On December 10, 2019 the maximum amount of €1.8 billion was increased to €2.4 billion.

On September 29, 2016, Atos issued a Euro private placement bond of €300 million with a seven-year maturity and with a 1.444% fixed interest rate (unrated). There are no financial covenants attached to this bond.

Currency exchange risk

Atos operates in 71 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 foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2021	2020	2021	2020	2021	2020
(in € million)	EUR		GBP		USD	
Assets	157	188	57	50	237	207
Liabilities	39	63	46	33	122	158
Foreign exchange exposure before hedging	118	125	11	18	114	50
Hedged amounts	-455	-490	-71	-80	-92	-99
FOREIGN EXCHANGE IMPACT AFTER HEDGING	**-337**	**-365**	**-60**	**-62**	**22**	**-50**

Foreign currency sensitivity analysis

The entities with functional currencies in EUR, GBP and USD are mainly exposed to foreign exchange risk.

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.

	2021	2020	2021	2020	2021	2020
(in € million)	EUR		GBP		USD	
Income Statement	-17	-18	-3	-3	1	-2

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.

As at December 2021, derivatives were all allocated to the hedging of transactional risks (foreign exchange currency risks). From an accounting perspective, most of the derivatives were considered as cash flow hedge instruments.

The breakdown of the designation of the instruments by currency is as follows:

Instruments *(in € million)*	December 31, 2021		December 31, 2020	
	Fair value	Notional	Fair value	Notional
Cash flow hedge				
Interest rate				
SWAP			0	500
Foreign exchange				
Forward contracts CHF	0	-17	0	6
Forward contracts CNY	0	4	0	2
Forward contracts GBP	0	0	0	-7
Forward contracts INR	6	138	-1	134
Forward contracts MAD	0	11	0	16
Forward contracts MXN	0	24	2	27
Forward contracts MYR	0	1	-	-
Forward contracts PHP	0	25	0	26
Forward contracts PLN	-3	119	3	114
Forward contracts RON	0	53	1	48
Forward contracts RUB	0	10	0	7
Forward contracts SEK	0	0	0	-4
Forward contracts USD	7	182	-4	184

Instruments *(in € million)*	December 31, 2021		December 31, 2020	
	Fair value	Notional	Fair value	Notional
Trading and fair value hedge				
Foreign exchange				
Forward contracts CHF	0	-10	0	-17
Forward contracts CNY	0	0	0	0
Forward contracts GBP	0	-2	0	-10
Forward contracts INR	0	3	0	9
Forward contracts MAD	0	20	0	7
Forward contracts MXN	0	0	-	-
Forward contracts PHP	0	1	0	1
Forward contracts PLN	-1	39	0	22
Forward contracts RON	0	18	0	8
Forward contracts USD	0	0	-3	68

The interest rate Swap of €500 million at Atos SE matured in February 2021.

The net amount of the cash flow hedge reserve at December 31, 2021 was €7 million (net of tax), with a variation of +€6 million (net of tax) over the year.

Note 14 Shareholders' equity

14.1 - Earnings (loss) per share

Basic earnings (loss) per share is 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 considered in the calculation of basic or diluted earnings (loss) per share.

Diluted earnings (loss) per share is calculated by dividing the net income (loss) 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.

(in € million and shares)	12 months ended December 31, 2021	12 months ended December 31, 2020
Net income (loss) – Attributable to owners of the parent [a]	**-2,962**	**550**
Impact of dilutive instruments	-	-
Net income (loss) restated of dilutive instruments - Attributable to owners of the parent [b]	**-2,962**	**550**
Average number of shares outstanding [c]	109,581,755	109,003,866
Impact of dilutive instruments [d]	-	-
Diluted average number of shares [e]=[c]+[d]	109,581,755	109,003,866
(in €)		
Basic Earning (loss) per Share [a] / [c]	**-27.03**	**5.05**
Diluted Earning (loss) per Share [b] / [e]	**-27.03**	**5.05**

No significant share transactions occurred subsequently to the 2021 closing that could have a dilutive impact on earnings (loss) per share calculation.

14.2 - Equity attributable to the owners of the parent

Treasury shares

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.

Capital increase

In 2021, Atos SE increased its share capital by incorporating additional paid-in capital and common stock for €23 million related to the issuance of 737,166 new shares.

As at December 31, 2021, Atos SE issued share capital amounted to €111 million, divided into 110,730,332 fully paid-up common stock of €1.00 par value each.

14.3 - Non-controlling Interests

Non-controlling interests purchase commitments

The Group can take commitments to repurchase the non-controlling interests of shareholders of certain subsidiaries. The strike price of these put options may be set or determined according to a predefined calculation formula, and the options may be exercised at any time or on a specific date.

The Group records a financial liability at the present value of the strike price in respect of the put options granted to holders of non-controlling interests in the entities concerned. The offsetting entry for this financial liability differs depending on whether the non-controlling shareholders have maintained present access to the economic benefits of the entity. In the case of present access to the entity's economic benefits, non-controlling interests are maintained in the statement of financial position and the liability is recognized against equity attributable to owners of the parent. Where access to the entity's economic benefits is no longer available by virtue of the put option, the corresponding non-controlling interests are derecognized.

The difference between the liability representing the commitment to repurchase the non-controlling interests and the carrying amount of derecognized non-controlling interests is recorded as a deduction from equity attributable to owners of the parent. Subsequent changes in the value of the commitment are recorded by an adjustment to equity attributable to owners of the parent.

(in € million)	December 31, 2020	Net Income	Dividends Paid	Scope changes	Other	December 31, 2021
Miscellaneous	10	3	-3	0	-4	6
TOTAL	**10**	**3**	**-3**	**0**	**-4**	**6**

(in € million)	December 31, 2019	Net Income	Dividends Paid	Scope changes	Other	December 31, 2020
Miscellaneous	12	3	-4	-0	-1	10
TOTAL	**12**	**3**	**-4**	**-0**	**-1**	**10**

Since the loss of control of Worldline on May 2019, non-controlling interests are no longer significant for the Group.

Note 15 Off-balance sheet commitments

15.1 - Contractual commitments

The table below illustrates the minimum future payments under firm obligations and commitments over the coming years:

(in € million)	December 31, 2021	Maturing Up to 1 year	Maturing 1 to 5 years	Maturing Over 5 years	December 31, 2020
Leases of low value and short term leases	31	12	18	1	37
Non-cancellable purchase obligations*	470	163	306	1	842
of which > 5 years	238	53	184	1	268
Total commitments given	**501**	**175**	**324**	**2**	**879**
Financial commitments received (Syndicated Loan)	2,320	-	2,320	-	2,320
TOTAL COMMITMENTS RECEIVED	**2,320**	**-**	**2,320**	**-**	**2,320**

* *of which €194 million related to the Unified Communications & Collaboration activity classified as held for sale*

As part of its comprehensive review of the profitability of certain legacy contracts performed in the context of the change in strategy, the Group identified €367 million of onerous contracts among the purchase obligations. This led to the recognition of €299 million provisions (see Note 12) and the write-off of €65 million prepaid expense (see Note 4).

The financial commitment received referred exclusively to the non-utilized part of the €2.4 billion credit revolving facility (see Note 13).

15.2 - Commercial commitments

(in € million)	December 31, 2021	December 31, 2020
Bank guarantees	**372**	**366**
• Operational - Performance	223	226
• Operational - Bid	9	14
• Operational - Advance Payment	116	101
• Financial or Other	24	25
Parental guarantees	**5,084**	**4,343**
• Operational - Performance	4,991	4,264
• Financial or Other	93	79
Pledges	**6**	**6**
TOTAL	**5,462**	**4,714**

For various large long-term contracts performed by its subsidiaries, the Group provides performance guarantees to its clients. These guarantees amounted to €4,991 million as of December 31, 2021, compared with €4,264 million at the end of December 2020. This variation of €727 million compared to last year is mainly due to the issuance of some guarantees provided to the benefit of customers in the United Kingdom, Germany and France.

In addition, in relation to the multi-currency revolving facility with a final maturity date set at 06 November 2025, Atos SE issued a parental guarantee for the benefit of the consortium of banks represented by BNP Paribas, in order to guarantee up to €660 million (unchanged amount) the obligations of its two subsidiaries: Atos Telco Services B.V. and Atos International B.V.

In connection with the Cognizant/TriZetto litigation described in Note 16 below, the Board of Directors of Atos SE approved on March 25, 2021 indemnity agreements benefiting insurance companies which syndicated the supersedeas bond, for a total amount of $570,710,384, provided for the appeal of the case and approved by the U.S. District Court for the Southern District of New York.

In the framework of the Atos pension schemes rationalization plan in the UK aiming to a more efficient structure, the Board of Directors of Atos SE, on July 22, 2018 meeting, gave consent to the grant of a parental guarantee to the Atos Pension Schemes Limited as trustee of the new Atos UK 2019 Pension Scheme set up on November 1, 2019. Under this guarantee, Atos SE guarantees the obligations of the sponsoring employers vis-à-vis the pension scheme. On December 22, 2020, the guarantee has been confirmed and extended to take into consideration the merger of the Atos 2011 Pension Trust into the Atos UK2019 Pension Scheme and the transfer of the related liabilities. The new total estimated amount of the guarantee was £794 million (€941 million).

Note 16 Litigations

The Group is regularly involved in various claims and legal proceedings arising in the ordinary course of business. While the Group does not expect that the ultimate resolution of any existing claims and proceedings (other than the specific matters described below, if decided adversely), individually or in the aggregate, will have a material adverse effect on its financial position, an unfavorable outcome in some or all of these proceedings could have a material adverse impact on results of operations or cash flows for a particular period. This assessment is based on the current understanding of relevant facts and circumstances. As such, the Group view of these matters is subject to inherent uncertainties and may change in the future.

Moreover, since the Group includes a great many entities located in other countries, it is regularly audited by tax authorities. Several audits and tax-related proceedings or disputes have been initiated or are currently being conducted by those authorities or in the courts, but none are expected to give rise to or has given rise to material tax expense that could have a significant impact on the financial statements as the Group considers that it has sound means of defense and that it employs the legal procedures available to it to prevent any unfavorable outcome.

TriZetto

In 2015, Syntel initiated a lawsuit against the TriZetto Group and Cognizant Technology Solutions, stating claims for breach of contract, intentional interference with contractual relations and misappropriation of confidential information. In response to the complaint, TriZetto and Cognizant asserted various counterclaims, including claims against Syntel for copyright infringement and trade secret misappropriation.

On October 27, 2020, a jury in the U.S. District Court for the Southern District of New York found Syntel, which was acquired by Atos in 2018, liable for trade secret misappropriation and copyright infringement and specified approximately $ 855 million in damages in favor of Cognizant and TriZetto, of which $ 570 million of punitive damages.

On April 20, 2021, the United States District Court for the Southern District of New York granted in part the post-trial motion filed by Syntel. The Court reduced the jury's $ 855 million damages award to $ 570 million and denied Cognizant and TriZetto's request for an additional $ 75 million in pre-judgment interest.

In its decision, the Court held that sufficient evidence existed to support the jury's verdict of trade secret misappropriation and that the jury's award of $ 285 million in compensatory damages was not contrary to law. However, the Court found that the jury's $ 570 million punitive damages award was excessive and should be reduced to $ 285 million. Trizetto agreed to this reduction. The Court also issued an injunction prohibiting future use by Syntel of the specific trade secrets at issue in the trial.

While the Company supports the Court's decision to significantly reduce the punitive damages at issue and prevent a further windfall to Cognizant and TriZetto in the form of pre-judgment interest, Syntel appealed the portion of the jury's verdict affirmed by the Court. Among other concerns, the Company continues to consider the amount of damages grossly out of proportion to the acts complained of, and that the maximum amount of damages legally available to TriZetto in this case is approximately $ 8.5 million. The appeal was filed with the U.S. Court of Appeals for the Second Circuit on May 26, 2021 and briefing was completed on December 23, 2021.

The appeal process typically takes 18 months or more. No payment of damages will have to be made before the appeal decision but Syntel was required to post a supersedeas bond for approximately the remaining damages amount (see Note 15) at the time the appeal was filed.

Note 17 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 members of the Executive Board (former General Management Committee).

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.

Transactions between the related parties

The main transactions between the related entities are composed of:

- the reinvoicing of the premises;
- the invoicing of delivery services such as personnel costs or use of delivery infrastructure;
- the invoicing of administrative services; and
- the interest expense related to the financial items.

These transactions are entered into at market conditions.

There were no receivables or liabilities included in the statement of financial position linked to related parties.

Compensation of members of the Board of Directors as well as members of the General Management Committee

The remuneration of the key members of management during the year is set out below:

(in € million)	12 months ended December 31, 2021	12 months ended December 31, 2020
Short-term benefits	13	13
Employer contributions & other taxes	4	5
Post-employment benefits	0	1
Equity-based compensation: stock options & free share plans	9	12
TOTAL	**26**	**30**

Short-term benefits include salaries, bonuses and fringe benefits. Bonuses correspond to the total charge reflected in the income statement including the bonuses actually paid during the year, the accruals relating to current year and the release of accruals relating to prior year.

Note 18 Consolidation scope as of December 31, 2021: main entities

	% of Interest	Consolidation method	% of Control	Address
HOLDING				
Atos SE	Consolidation Parent Company			80, quai Voltaire -95870 Bezons, FRANCE
Atos International B.V.	100	FC	100	Burgemeester Rijnderslaan 30, 1185 MC Amstelveen, The Netherlands
Saint Louis Ré SA	100	FC	100	74, rue de Merl - L2146 Luxembourg, FRANCE
Atos International SAS	100	FC	100	80, quai Voltaire -95870 Bezons, FRANCE
Bull SA	100	FC	100	68, Rue Jean Jaurès -78340 Les Clayes-sous-Bois, FRANCE
FRANCE				
Atos France	100	FC	100	80, quai Voltaire -95870 Bezons
Atos Consulting SAS	100	FC	100	80, quai Voltaire -95870 Bezons
Atos Worldgrid SAS	100	FC	100	80, quai Voltaire -95870 Bezons
Yunano SAS	100	FC	100	80, quai Voltaire -95870 Bezons
Bull SAS	100	FC	100	68, Rue Jean Jaurès -78340 Les Clayes-sous-Bois
Agarik SAS	100	FC	100	80, quai Voltaire -95870 Bezons
Avantix SAS	100	FC	100	655, avenue Galilée -13794 Aix en Provence
Evidian SA	100	FC	100	68, Rue Jean Jaurès -78340 Les Clayes-sous-Bois
Air Lynx SAS	100	FC	100	68, Rue Jean Jaurès -78340 Les Clayes-sous-Bois
Keynetics SA	100	FC	100	175, rue Jean Jacques Rousseau -92130 Issy les Moulineaux
Alia Consulting SAS	100	FC	100	3, rue de Liège -75009 Paris
Atos Digital Security SAS	100	FC	100	50, avenue Daumesnil -75012 Paris
EcoAct SAS FR	100	FC	100	35, rue de Miromesnil -75008 Paris
Edifixio SAS	100	FC	100	123, Rue Jules Guesde -92300 Levalois Perret
GERMANY				
Atos Information Technology GmbH	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich
CHG Communications Holding GmbH	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich
Unify Funding GmbH	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich
Atos IT Dienstleistung und Beratung Gmbh	100	FC	100	Bruchstrasse, 5 -45883 Gelsenkirchen
Atos International Germany Gmbh	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich
Applied International Informatics GmbH	100	FC	100	Torstraβe, 49 -10119 Berlin
Bull GmbH	100	FC	100	Von-der-wettern-straβe, 27 -51149 Cologne
Science + computing AG	100	FC	100	Hagellocher Weg, 73 -72070 Tübingen
Energy4u GmbH	100	FC	100	Albert-Nestler Straβe, 17 -76131 Karlsruhe
Atos Support GmbH	100	FC	100	The Squaire, Am Flughafen 14 -60549 Frankfurt am Main
Atos IT Services GmbH	100	FC	100	Stinnes-Platz, 1 -45,472 Mülheim an der Ruhr
Unify Communications and Collaboration GmbH & Co. KG *	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich
Atos Systems Business Services GmbH	100	FC	100	Am seestem, 1 -40547 Dusseldorf
Cycos AG	95.1	FC	100	Joseph-von-Frauenhofer-Straβe, 5 -52477 Alsdorf
Unify GmbH & Co. KG *	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich
Unify Deutschland Holding GmbH	100	FC	100	Otto-Hahn-Ring, 6 -81739 Munich

	% of Interest	Consolidation method	% of Control	Address
cv cryptovision GmbH	100	FC	100	Munscheidstr. 14 -45886 Gelsenkirchen
THE NETHERLANDS				
Atos Nederland B.V.	100	FC	100	Burgemeester Rijnderslaan, 30 -1185 MC Amstelveen
Atos Telco Services B.V.	100	FC	100	Burgemeester Rijnderslaan, 30 -1185 MC Amstelveen
Motiv IT Masters B.V.	100	FC	100	(3402 PL) Ijsselstein - Utrechtseweg 34 e
OTHER EUROPE - MIDDLE EAST - AFRICA				
Algeria				
Bull Algerie	100	FC	100	Rue Yehia El-Mazouni, 16, El Biar - Algiers
Austria				
Atos IT GmbH	100	FC	100	Siemensstraße, 92 -1210 Vienna
Atos IT Solutions and Services GmbH	100	FC	100	Siemensstraße, 92 -1210 Vienna
TSG EDV-Terminal Service GmbH	99	FC	100	Modecenterstraße, 1 -1030 Vienna
SEC Consult Austria	100	FC	100	14, 1. Stock Komarigasse -2700 Wiener Neustadt
Belgium				
Atos Belgium SA/NV	100	FC	100	Da Vincilaan, 5 -1930 Zaventem
Bielorussia				
LLC ATOS IT Solutions and Services	100	FC	100	Ul Leonid BEDI, 11, Building 1 -220040 Minsk
Bulgaria				
Atos IT Solutions and Services EOOD	100	FC	100	1000 Sofia, Oborishte Region, 2 Maria Luiza Blvd, TZUM Business Center, 4th floor
Ivory Coast				
Bull Cote d'Ivoire	100	FC	100	31, avenue Noguès -01 BP 1580 Abidjan 01
Denmark				
Atos IT Solutions and Services A/S	100	FC	100	Dybendalsvaenget, 3 -2630 Taastrup
Croatia				
Atos IT Solutions and Services d.o.o	100	FC	100	Heinzelova, 69 -10000 Zagreb
Czech Republic				
Atos IT Solutions and Services s.r.o.	100	FC	100	Doudlebská, 1699/5 -14000 Praha 4
DataSentics AS	100	FC	100	Washingtonova, 1599/17, Nové Město -11000 Praha 1
Gabon				
Bull Gabon	100	FC	100	Immeuble Abiali, ZI d'Oloumi - BP 2260 Libreville
Greece				
Atos Greece SA	100	FC	100	Irakleio Avenue, 455, N. Iraklio -14122 Athens
Finland				
Atos IT Solutions and Services oy	100	FC	100	Kalkkipellontie, 6 -026050 Espoo
Ideal Product Data Oy	100	FC	100	Jaakonkatu 2 -01620 Vantaa
Hungary				
Atos Magyarország Kft	100	FC	100	1138 Budapest, Vaci ut 121-127. Vaci greens D Building, 4th floor
Ireland				
Atos IT Solutions and Services Limited	100	FC	100	Level 5, Block 4, Dundrum Town Centre, Sandyford Road - Dublin 16
Italy				
Atos Italia S.p.A.	100	FC	100	Via Caldera, no. 21 -20158 Milan
Lebanon				
Bull SAL	100	FC	100	Rue Jal el Dib, 69 - Secteur 1 - BP 60208 Beyrouth
Lithuania				
UAB "Bull Baltija"	100	FC	100	Gostauto Street, 40 -01112 Vilnius

	% of Interest	Consolidation method	% of Control	Address
Luxembourg				
Atos Luxembourg PSF SA	100	FC	100	1, rue Edmond Reuter Contern -5326 Luxembourg
Madagascar				
Bull Madagascar SA	100	FC	100	12, rue Indira Gandhi, Tsaralalana, BP 252 Antananarivo
Morocco				
Atos IT Services SARL	100	FC	100	Espace les Palmiers, angle avenues Mehdi Benbaraka et Annakhil - Hayryad Rabat
Atos ITS Nearshore Center Maroc SARL	100	FC	100	Boulevard Al Qods, Quartier Sidi Maarouf, Casanearshore -1100 Casablanca
Bull Maroc	100	FC	100	Boulevard Al Qods, Quartier Sidi Maarouf, Casanearshore -1100 Casablanca
Namibia				
Bull Information Technology Namibia Pty. Ltd.	100	FC	100	C/o Deloitte & Touche, Namdeb Center, Bulow street, 10 - PO Box 47 Windhoek
Poland				
Atos Polska SA	100	FC	100	Krolewska, 16 -00-103 Warsaw
Atos Poland Global Services Sp Zoo	100	FC	100	Ul. Krolewska 16 -00-103 Warszawa
Portugal				
Atos Soluções e Serviços para Tecnologias de Informação, Unipessoal, Ltda	100	FC	100	Avenida José Malhoa 16 - Piso sétimo B2 - Edificio Europa. Distrito: Lisboa, Concelho: Lisboa, freguesia: Campolide -1070,159 Lisbon
Romania				
Atos IT Solutions and Services s.r.l.	100	FC	100	Calea Floreasca, 169A, Sector 1 -014459 Bucharest
Atos IT Solutions Romania SRL	100	FC	100	Calea Floreasca, 169A, Sector 1 -014459 Bucharest
Atos Convergence Creators GmbH S.R.L	100	FC	100	Municipiul Braşov, Strada MIHAIL KOGĂLNICEANU, Nr. 21, Bloc C6, Judet Braşov
Russia				
Atos IT Solutions and Services LLC	100	FC	100	1st Kozhevnicheski per. 6, bld. 1 -115114 Moscow
Senegal				
Bull Senegal	100	FC	100	Cité Keur Gorgui, Immeuble Khadimou Rassoul - BP 3183 Dakarl
Serbia				
Atos IT Solutions and Services d.o.o.	100	FC	100	Danila Lekica Spanca 31 -11070 Beograd
South Africa				
Atos (PTY) Ltd	74	FC	100	Woodlands Office Park, Ground Floor Building 32 -2144 Woodlands
Spain				
Atos Consulting Canarias SA	100	FC	100	Calle Subida al Mayorazgo, 24b -38110 Santa Cruz de Tenerife
Atos Spain SA	100	FC	100	Albarracin, 25 -28037 Madrid
Atos IT Solutions and Services Iberia SL	100	FC	100	Ronda de Europa, 5 -28760 Madrid
Atos Worldgrid SL	100	FC	100	Calle Isabel Torres, 19 Edificio Cisga -39011 Santander
MSL Technology SL	100	FC	100	C/ Marques de Ahumada, 7 -28028 Madrid
Slovakia				
Atos IT Solutions and Services s.r.o.	100	FC	100	Pribinova 19/7828 -811 09 Bratislava
Sweden				
Atos IT Solutions and Services AB	100	FC	100	Johanneslundsvägen, 12-14 -194 87 Upplands Väsby
Switzerland				
Atos AG	100	FC	100	Freilagerstrasse, 28 -8047 Zürich

	% of Interest	Consolidation method	% of Control	Address
Turkey				
Atos Bilisim Danismanlik ve Musteri Hizmetleri Sanayi ve Ticaret A/S	100	FC	100	Yakacık Caddesi, No 111 -18 -34870, Kartal, Istanbul
United Arab Emirates - Dubai				
Atos Origin FZ LLC	100	FC	100	Office G20, Building DIC-9 Dubai Internet City - PO Box.500437
ATOS FZ LLC Dubai Branch	100	FC	100	The Galleries Building, No2 Level 2 -500437 Downtown Jebel
Paladion Sharjah (Branch)	100	FC	100	Saif Suite X4 -03 and SAIF Office P8-05-58, Sharjah Airport International Free Zone, Sharjah, Sharjah, 120398
Qatar				
Atos Qatar Llc	100	FC	100	Sheikh Suhaim bin Hamad Street - No.89858 Doha
Egypt				
Atos IT SAE	100	FC	100	50, Rue Abbass El Akkad, Nasr city - Cairo
Saoudi Arabia				
Atos Saudi LLC	49	EM	49	P. O. Box # 8772 - Riyadh-11492
THE UNITED KINGDOM				
Atos Consulting Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Atos IT Services Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Atos IT Services UK Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Atos UK IT Holdings Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Shere Limited	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Atos BPS Ltd	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Atos UK Holdings Ltd	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Atos International IT Holdings Ltd	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Engage ESM holding LTD	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Engage ESM LTD	100	FC	100	High holborn, 71, Mid City Place Second Floor - WC1V6EA London
Carbon Clear LTD	100	FC	100	70-78, York Way,UnitA N1 9AG - London
Ipsotek Ltd.	100	FC	100	Acre House, 11-15 William Road, NW1 3ER - London
ASIA PACIFIC				
Australia				
Atos (Australia) Pty. Ltd	100	FC	100	Mountain Highway, 885 -3153 Bayswater Victoria
China				
Atos Information Technology (Nanjing) Co., Ltd	100	FC	100	Floor 12, Building 1B Powerise accelerator, High Tech zone Software park - Nanjing Jiangsu Province
Atos Information Technology (China) Co. Ltd	100	FC	100	Room 05.161, Floor 5, Building E No.7, Zhonghuan Nanlu Wangjing - Chaoyang District Beijing
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
RTS Information Consulting (Chengdu) Co. Ltd	100	FC	100	Room 108-109, 1st floor, Building B2, Tianfu Software Park, High Tech Zone - Chengdu Sichuan Province

	% of Interest	Consolidation method	% of Control	Address
Hong Kong				
Atos Information Technology HK Ltd	100	FC	100	8/F Octa Tower -8 Lam Chak Street - Kowloon Bay
Bull Information Systems (Hong Kong) Limited	100	FC	100	RM 1401 - Hutchison House -10, Harcourt Road
India				
Atos India Private Limited	100	FC	100	Godrej & Boyce Complex - Plant 5 - Pirojshanagar - LBS Marg Vikhroli(W) - Mumbai -400079
Atos IT Services Private Limited	99.99	FC	100	Innovator Building - International Tech Park - Whitefield Road -560066 Bangalore - Karnataka
Anthelio Business Technologies Private Limited	99.99	FC	100	Level 1, Part A of Tower1,Phase 2, SY.NO 115 (Part) Waverock, APIIC IT\ITES SEZ, Nanakramguda Serilingampally Mandal Hyderabad Telangana 500008
Syntel Pvt Ltd.	100	FC	100	Unit No,112, SDF IV, SEEPZ Andheri (East) Mumbai 400,096 Maharashtra
State street Syntel Services Pvt Ltd **	100	FC	100	4/5th floor, Building No.4, Mindspace -Navi Mumbai, Thane-Belapur road, Airoli-400708
Syntel Global Pvt Ltd	100	FC	100	Ground floor, E-Tech Software Technology Park, Dhokali Naka,Kolshet road, Thane(West)-400607
Paladion Networks Pvt. Ltd. India	100	FC	100	Level 6, 10/11 Dr. Radhakrishnan Salai Mylapore - Chennai 600004
Japan				
Atos KK	100	FC	100	6 F, Daisan Toranomon Denki Building -1-2-20 Minato-ku Tokyo
Evidian-Bull Japan KK	100	FC	100	6 F, Daisan Toranomon Denki Building -1-2-20 Minato-ku Tokyo
Malaysia				
Atos Services (Malaysia) SDN BHD	100	FC	100	16-A (1st Floor) Jalan Tun Sambanthan -3 Brickfields -50470 Kuala Lumpur
Mauritius				
State street Syntel Services Mauritus Ltd **	100	FC	100	C/o SGG corporate Services (Mauritius) Ltd 33, Edith Cavell Street - Port Louis, 11324
Philippines				
Atos Information Technology Inc.	99.94	FC	100	23/F Cyber One Building - Eastwood City - Cyberpark -1110 Libis, Quezon City
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
Singapore				
Atos Information Technology (Singapore) Ptd Ltd	100	FC	100	Blk 988 Toa Payoh North #08-01 -319002
Taïwan				
Atos (Taiwan) Ltd	100	FC	100	5F, No 100 Sec 3, Min Sheng E. Road - Taipei
Thaïland				
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
AMERICAS				
Argentina				
Atos Argentina SA	100	FC	100	Cnel. Manuel Arias 3751, piso 18, PB, C.A.B.A.- C1430DAL, Buenos aires
Bull Argentina SA	100	FC	100	Manuela Saenz 323 5to. Piso Of. 506 - C 1107 bpa, Buenos aires
Brazil				
Atos Brasil Ltda	100	FC	100	Avenida das Nacoes Unidas, 12901 - Torre Norte, 19 Andar, PARTE B - Brooklin, CEP 04578-910, na Cidade de Sao Pauolo
Atos Serviços de Tecnologia da Informação do Brasil Ltda	100	FC	100	Avenida das Nacoes Unidas, 12901 - Torre Norte, 19 Andar, PARTE B - Brooklin, CEP 04578-910, na Cidade de Sao Pauolo

	% of Interest	Consolidation method	% of Control	Address
Bull Ltda.	100	FC	100	Avenida das Nacoes Unidas, 12901 - Torre Norte, 19 Andar, PARTE B - Brooklin, CEP 04578-910, na Cidade de Sao Pauolo
Canada				
Atos Inc.	100	FC	100	6375 Shawson Drive - L5T 1S7 Mississauga - Ontario
Atos Service Digitaux Québec Inc	100	FC	100	415, Rue Saint-Antoine cuest Bureau, 400 Montréal - Québec H2Z 2B9
Processia Solutions Inc.	100	FC	100	3131, St-Martin ouest, Laval - QC H7T 2Z5
AppCentrica Inc	100	FC	100	3 Church Str, suite 600, Toronto - Ontario M5E 1M2
Colombia				
Atos IT Solutions and Services S.A.S	100	FC	100	Autopista Norte Carrera 45 N° 108-27 Torre 2 oficina 1505 - Bogotá
Mexico				
Atos Global Delivery Center México, S. de R.L. de C.V.	100	FC	100	Sevilla No. 40 Piso 3 - Colonia Juarez delgation Cuauhtemoc -06600 Ciudad de Mexico
The United States of America				
Atos IT Solutions and Services Inc.	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Atos IT Outsourcing Services, LLC	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Atos Governmental IT Outsourcing Services, LLC	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Atos Healthcare Services, LLC	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Atos Syntel Inc.	100	FC	100	525 E. Big Beaver Road,Suite 300, Troy, MI 48083
Anthelio Global Inc.	100	FC	100	One Lincoln Centre, Suite 200 -5400 LBJ Freeway TX 75240 Dallas
Atos Digital Health Solutions	100	FC	100	2500 Weschester Ave -3rd Floor - Purchase New York 10577
Pyramid Healthcare Solutions Inc.	100	FC	100	One Lincoln Centre, Suite 200 -5400 LBJ Freeway TX 75240 Dallas
Evidian Systems Inc.	100	FC	100	285 Billerica Road, Suite 200 - Chelmsford, MA 01824-4174
Unify Inc	100	FC	100	1630 corporate Court - Irving - Texas 75038
Engage ESM Inc.	100	FC	100	4851, Regent Boulevard - Floors 1, 3 & 4 Irving - TX 75063
Maven Wave Partners LLC	100	FC	100	71 S. Wacker Drive, Suite 2040, Chicago, IL 60606
Paladion Technologies Inc.	100	FC	100	Delaware corporation with its office at 11480 Commerce Park drive, Suite 210, Reston Virginia 20191
Eagle Creek Software Services	100	FC	100	10050 Crosstown Circle, Suite 360, Eden Prairie, Minnesota 55344
Nimbix Inc.	100	FC	100	2323 Bryan St. Suite 1520 MS 108
VisualBI Solutions Inc.	100	FC	100	5920 Windhaven Parkway, Plano, TX 75093
Uruguay				
Bull Uruguay SA	100	FC	100	Av. Dr Luis A. de Herrera, 2802 -1160 Montevideo

* *the Group has an interest in five German companies, which are fully consolidated into these Group financial statements. The companies have made use of the stipulations available under § 264b of the German Commercial Code (HGB). It exempts these legal entities from the requirement to disclose separate audited financial statements as of December 31, 2021, since they are included in the Consolidated Financial Statements of the ultimate parent company (Atos S.E.) and such Consolidated Financial Statements for the full year of 2021 are registered with the trade register of the particular entity.*

** *Atos owns 49% of the shares of State Street Syntel Services (Mauritius) Ltd, which owns 100% of State Street Syntel Services Pvt Ltd. The joint arrangement between the Atos Group and the State Street group has been qualified as joint operation under IFRS 11. Under IFRS 11.21, a joint operator shall account for the assets, liabilities, revenues and expense relating to its interest in a joint operation in accordance with the IFRSs applicable to the assets, liabilities, revenues and expense. The rights and obligations of the two Joint operators are defined in the Master Service Agreement signed between both parties and the shareholders agreement. The JVs set up with State Street group and Atos Group are committed to deliver IT services to the State Street group as per the Master Service Agreement. Atos is entitled to 100% of the financial outcome of the contract and has to bear all liabilities. Therefore, Atos obligations are to ensure the settlement of JVs liabilities, ensure that state street receives the promised services. The Atos Group is entitled in counterpart to recognize revenue related to the services rendered to the State Street group accounted for in accordance with IFRS 15.*

Note 19 Subsequent events

On January 4, 2022, Atos announced the completion of the acquisition of Cloudreach, a leading multi-cloud services company specializing in public cloud application development and cloud migration, with strong partnerships with all three hyperscalers, AWS, GCP and Azure. The acquisition price was paid on January 3, 2022.

On January 10, 2022, the Group announced that the objectives communicated to the market on July 12, 2021 will not be met.

On January 19, 2022, Standard & Poor's revised Atos rating to BBB- with negative outlook.

On February 10, 2022, Atos announced a change in governance. Starting from the first semester of 2022, the Group will be governed around three business lines, replacing the current Industries, and the five Regional Business Units will be grouped into four.

Note 20 Auditors' fees

	Grant Thornton				Deloitte			
	Grant Thornton		Other Grant Thornton members firms		Deloitte & Associés		Other Deloitte members firms	
(in € thousand and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	931	56%	-	0%	1,198	48%	-	0%
Subsidiaries	711	42%	3,207	72%	1,251	50%	991	78%
Sub-total Audit	**1,642**	**98%**	**3,207**	**72%**	**2,449**	**99%**	**991**	**78%**
Non audit services*								
Parent company	25	1%	-	0%	32	1%	-	0%
Subsidiaries	6	0%	1,245	28%	-	0%	273	22%
Sub-total Non Audit	**31**	**2%**	**1,245**	**28%**	**32**	**1%**	**273**	**22%**
TOTAL FEES 2021	**1,673**	**100%**	**4,453**	**100%**	**2,481**	**100%**	**1,264**	**100%**

* *In 2021, non audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the human resources, environmental and social information pursuant to article of the French Commercial Code, and (ii) tax services, authorized by local legislation, in some foreign subsidiaries.*

	Grant Thornton				Deloitte			
	Grant Thornton		Other Grant Thornton members firms		Deloitte & Associés		Other Deloitte members firms	
(in € thousand and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	980	67%	-	0%	1,257	72%	-	0%
Subsidiaries	453	31%	3,178	73%	487	28%	1,862	78%
Sub-total Audit	**1,433**	**99%**	**3,178**	**73%**	**1,744**	**100%**	**1,862**	**78%**
Non audit services*								
Parent company	-	0%	-	0%	-	0%	-	0%
Subsidiaries	20	1%	1,191	27%	-	0%	517	22%
Sub-total Non Audit	**20**	**1%**	**1,191**	**27%**	**-**	**0%**	**517**	**22%**
TOTAL FEES 2021	**1,453**	**100%**	**4,369**	**100%**	**1,744**	**100%**	**2,379**	**100%**

* *In 2020, non audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the human resources, environmental and social information pursuant to article of the French Commercial Code, and (ii) tax services, authorized by local legislation, in some foreign subsidiaries.*

6.2 Parent company summary financial statements

6.2.1. Statutory auditors' report on the financial statements for the year ended December 31, 2021

To the General meeting of Shareholders of Atos S.E,

Opinion

In compliance with the engagement entrusted to us by your general meetings, we have audited the accompanying financial statements of Atos S.E. for the year ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "*Statutory Auditors' Responsibilities for the Audit of the Financial Statements*" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period from January 1, 2021 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

VALUATION OF PARTICIPATING INTERESTS

Note 'Accounting rules and policies – Financial assets' of consolidated financial statements and Note 2 "Financial fixed assets"

Key Audit Matter	Our audit approach
As of December 31, 2021, Participating interests are recorded on the balance sheet at a net book value of €9,443 million, or 78% of total assets. Participating interests are initially 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 their part of interest in shareholding equities for the holding entities; • on the basis of the enterprise value for the operational entities based on present value of discounted future cash flows using the mid-term plan of the Group, also used for the Goodwill impairment tests at consolidation level (Discounting Cash Flows methodology). In the context of the change of strategy announced by the Group in July 2021, to reposition its activity and to focus on digital, cloud, security and decarbonisation activities, away from classic infrastructure services, the group conducted a comprehensive review of the recoverability of certain assets and the profitability of certain legacy contracts. This review led the Group to recognize a depreciation on participating interests for €851 million. We considered the valuation of participating interests as a key audit matter, given the weight of these assets in the balance sheet and the importance of management's judgments and estimates in the determination of cash flow assumptions.	Our assessment of the valuation of participating interests is based on the process implemented by the Company to determine their value-in-use. We performed the following procedures: • for valuation based on historical value, we verified the consistency of the part of interest in the investment's shareholder equity as calculated by the Company with the financial statements of the related entities; • for valuation based on forecasts: – obtain the cash flow forecasts of the entities concerned and reconcile them with the mid-term financial plan per Cash Generating Unit (CGU) approved by Management, – analyze the consistency of the assumptions used with the performance history of the Group and the entities, and confirm through interviews with Management and other procedures, future growth prospects.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of Board of Directors and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (Code de commerce).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Article L. 225-37-4, L.22-10-10 and L. 22-10-9 the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by or awarded to 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 controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (Code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other Information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

We also verified, in accordance with professional standards for statutory audit procedures to be carried out on parent company and consolidated financial statements presented in the single electronic reporting format, that the presentation of parent company financial statements to be included in the annual financial report referred to in section I of Article L.451-1-2 of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the format specified in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018.

Based on our work, we conclude that the presentation of the parent company financial statements to be included in the annual financial report complies, in all material aspects, with the single electronic reporting format.

However, it is not our responsibility to verify that the parent company financial statements ultimately included by your Company in the annual financial report filed with the AMF correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of the Company by your general meetings of December 16, 1993 for Deloitte & Associés, and October 31, 1990 for Grant Thornton.

As at December 31, 2021, Deloitte & Associés was in its 28th year mandate, without any interruption, and for Grant Thornton in its 31st year mandate, without any interruption, and for both statutory auditors, on 26 years of exercise of mandate since the Company securities had been admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris – La Défense and Neuilly-sur-Seine, March 17, 2022

The Statutory Auditors

French original signed by

Deloitte & Associés	**Grant Thornton**
Jean-François Viat	Virginie Palethorpe

6.2.2. Statutory auditors' special report on regulated agreements with third parties – Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2021

To the General Meeting of Shareholders of Atos S.E.,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements 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 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, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (Code de Commerce), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements, 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 submitted for approval to the Shareholders' Meeting

Agreements authorized and concluded during the year

We hereby inform you that we have not been informed of any agreement authorized and concluded during the year to be submitted to the approval of the Shareholders' Meeting pursuant to article L. 225-38 of the French Commercial Code (Code de Commerce).

Agreements already approved by the Shareholders' Meeting

Agreements approved in prior years whose implementation continued during the year

Pursuant to Article R. 225-30 of the French Commercial Code (Code de Commerce), we have been informed that the following agreements, already approved by the Shareholders' Meeting in previous years, continued during the year.

a. *Customer Relationship Agreements 2.0 concluded with three entities of the Siemens Group, including Siemens AG*

Director concerned: M. Cedrik Neike, Director of Atos SE and member of the Management Board of Siemens AG

Your Board of Directors authorized the conclusion of the three *Customer Relationship Agreements 2.0* on September 22, 2020 between Atos SE and the Siemens Group, signed the same day, with the following main features:

(i) three 5-year contracts signed by Atos SE respectively with (i) Siemens AG, (ii) Siemens Gas and Power GmbH & Co KG, and (iii) Siemens Healthineers AG;

(ii) new volume commitments of the Siemens group for a total amount of 3 billion euros;

(iii) extension of the scope to cover Digital Workplace, Application Modernization, Digital Platforms and End-to-End Integration and Security to support Siemens' strategic digital objectives, such as its service modernization, data exploitation and cloud transformation.

These agreements continued during the year ended December 31, 2021.

b. *Lock-Up Agreement entered into with Siemens Pension Trust e.V*

Person concerned: Siemens Pension Trust e.V, shareholder holding more than 10% of the voting rights of Atos SE until June 14, 2021

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 provided 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.

At the end of the Lock-Up Period, *the Lock-Up Agreement* also provides that if Siemens AG or Siemens Inland wish to sell their shares, they undertake to do so in an orderly manner, within the limit of a number of shares sold per trading day which may not exceed 20% of the average daily volume of Atos SE shares traded on Euronext Paris during the 30 days prior to the date of the proposed sale. Block sales are not affected by this restriction, it being specified however that if Siemens AG or Siemens Inland receives a *bona fide* offer from a competitor of Atos SE, they will first have to allow Atos SE to acquire, or have acquired by a strategic investor, all the Atos SE shares concerned, under the conditions and at the price offered. Atos SE will have five business days to accept this offer to purchase from the date of its receipt by Atos SE.

The above mentioned commitments to sell in an orderly manner and to make a tender offer will immediately and automatically terminate in the event of (i) a public offer for the shares of Atos SE accepted by the Board of Directors of Atos SE and having received a compliance decision from the Autorité des marchés financiers (AMF), or (ii) a change of control of Atos SE, i.e. if a person or group of persons acting in concert comes to hold 30% or more of the share capital or voting rights of Atos SE, or (iii) the disposal by Atos SE of a significant portion of its assets or activities representing 33% of the revenues of the previous financial year, if Siemens has not given its consent to such disposal.

The *Lock-Up Agreement* will also terminate on the day Siemens AG, Siemens Inland or their affiliates cease to hold a number of Atos SE shares representing more than 5% of the share capital of Atos SE (on an undiluted basis).

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.*

Thus, on March 27, 2018, in connection with the funding of a pension plan by Siemens AG, Siemens AG transferred, off-market, to Siemens Pension-Trust eV that it controls its entire financial interests in the Company, corresponding to 12,483,153 ATOS SE shares. As part of the transfer mentioned above, Siemens Pension-Trust eV signed on March 23, 2018 an act entitled "*Joinder Agreement*" under which Siemens Pension-Trust eV agreed to be bound by all terms and conditions of the *Lock-up Agreement*.

Following the expiration on September 30, 2020 of the lock-up commitment pursuant to the *Lock-up Agreement*, considering that Siemens Pension-Trust e-V. acts independently with regard to its status, and is not legally controlled by Siemens AG, the 10,665,713 Company shares owned by Siemens Pension Trust-e.V. are included in the free float.

The Board of Directors authorized this agreement at its meeting of November 3, 2015 and therefore satisfied the condition precedent. This agreement was approved by the Shareholders' Meeting on May 26, 2016.

This agreement, with regard to the above-mentioned commitments to sell in an orderly manner and to make a tender offer at the end of the Lock-up Period, continued during the year ended December 31, 2021.

Paris-La Défense and Neuilly-sur-Seine, March 17, 2022

The Statutory Auditors

French original signed by

Deloitte & Associés	**Grant Thornton**
	French Member of Grant Thornton International
Jean-François Viat	Virginie Palethorp

6.2.3 Atos SE Financial statement

As of December 31, 2021, the Group issued common stock amounted to €110.73 million comprising 110,730,332 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. Atos SE is the only listed company of the Group.

6.2.3.1 Balance sheet

(in € thousand)	Notes	December 31, 2021 Gross	December 31, 2021 Amortization/ Depreciation	December 31, 2021 Net	December 31, 2020
ASSETS					
Intangible fixed assets	Note 1	113,918	-113,918		-
Tangible fixed assets		-	-	-	-
Participating interests	Note 2	10,543,152	-1,100,040	9,443,112	10,215,038
Other participating interests	Note 2	6,624		6,624	6,624
Total fixed assets		**10,663,694**	**-1,213,958**	**9,449,736**	**10,221,662**
Advances and down payments		635		635	296
Trade accounts and notes receivable	Note 3	40,927		40,927	48,245
Other receivables	Note 3	966,995		966,995	1,132,882
Cash and cash equivalent	Note 4	1,551,247	-1,469	1,549,778	1,548,114
Total current assets		**2,559,804**	**-1,469**	**2,558,335**	**2,729,536**
Prepayments, deferred expenses	Note 5	40,002		40,002	36,741
TOTAL ASSETS		**13,263,501**	**1,215,427**	**12,048,074**	**12,987,940**

(in € thousand)	Notes	December 31, 2021	December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock		110,730	109,993
Additional paid-in capital		1,629,568	1,607,738
Legal reserves		11,073	10,999
Other reserves and retained earnings		4,808,710	3,528,430
Net income for the period		-744,081	1,378,572
Shareholders' equity	**Note 6**	**5,816,001**	**6,635,733**
Provisions for contingencies and losses	Note 7	569	2,628
Borrowings	Note 8	4,430,294	4,631,289
Trade accounts payable	Note 9	27,770	30,251
Other liabilities	Note 9	1,771,858	1,687,854
Total liabilities		**6,230,491**	**6,352,022**
Unrecognised exchange gains, deferred income	Note 10	1,582	185
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**12,048,074**	**12,987,940**

6.2.3.2 Income statement

(in € thousand)	Notes	December 31, 2021	December 31, 2020
Revenue	**Note 11**	**122,353**	**124,080**
Other income		4,301	5,127
Total operating income		126,654	129,207
Purchases and external expenses		-26,938	-13,920
Taxes		-907	-1,708
Remuneration and social charges		-434	-2,474
Depreciation amortization and provisions			
Other expenses	Note 12	-9,508	-18,045
Total operating expenses		**-37,787**	**-36,147**
Operating margin		**88,866**	**93,059**
Net financial result	**Note 13**	**-605,848**	**-196,452**
Net income on ordinary activities		**-516,981**	**-103,393**
Non-recurring items	**Note 14**	**-228,946**	**1,516,293**
Employee profit sharing			
Corporate income tax	**Note 15**	**1,847**	**34,328**
NET INCOME FOR THE PERIOD		**-744,081**	**1,378,572**

6.2.4 Notes to the Atos SE statutory financial statements

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 consist mainly of 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

In 2021, Atos SE governance has been modified as Mr. Elie Girard, Chief Executive Officer and Board member of Atos, has decided to resign on October 20, 2021. The Board of Directors of Atos has appointed Mr. Rodolphe Belmer as Chief Executive Officer and Board member. Effective Monday, October 25th, Mr. Pierre Barnabé and Mr. Adrian Gregory have been appointed interim co-Chief Executive Officers until Mr. Rodolphe Belmer took office as of January 1, 2022.

Atos SE also successfully issued on November 4, 2021, its first sustainability-linked bond for an aggregate amount of €800 million.

In the context of the change of strategy announced by the Group in July 2021, to reposition its activity and to focus on digital, cloud, security and decarbonisation activities, away from classic infrastructure services, the Group conducted a comprehensive review of the recoverability of certain assets and the profitability of certain legacy contracts.

Rules and accounting methods

The 2021 financial statements of Atos SE have been prepared in application with ANC 2020-05 and current regulations with generally accepted accounting principles in France.

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 softwares are booked at the acquisition cost and amortized on a straight-line basis over their expected useful life.

Those assets are fully depreciated at December 31, 2021.

Tangible assets

There are no tangible assets at December 31, 2021.

Financial assets

Financial assets consist of participating interests and other financial investments (loans and deposits).

Participating interests carried in the balance sheet are booked at their acquisition cost, including any transaction fees. A provision for impairment is set aside when the acquisition cost exceeds the value-in-use determined as follows:

- based on the enterprise value for the operational subsidiaries based on present value of discounted future cash flows using the mid-term plan of the Group, also used for the Goodwill impairment tests at consolidation level (Discounting Cash Flows methodology);
- based on their part of interest in shareholding equities for the non-operational 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, in addition to the depreciation of the related current assets a provision for risk may be required when the carrying value exceeds the value in-use.

Bonds

Bond issues are recorded for their refund value at the date of receipt of the funds, the trigger event.

Issue premiums are capitalized and amortized over the term of the loan.

Non-recurring items

Non-recurring items are made of incomes and expenses generated by operations which are unusual, abnormal or infrequent in their magnitude or occurrence.

Rounding

Some amounts (including data expressed in thousands or millions) and percentages presented in this Reference Document have been rounded. Where applicable, the totals presented in this Reference Document may differ slightly from those that would have been obtained by adding the exact (unrounded) values of these amounts.

Note 1 Intangible assets

Net value of intangible fixed assets

(in € thousand)	December 31, 2020	Acquisitions/ charges	Disposals/ reversals	December 31, 2021
Intangible assets	**113,918**			**113,918**
Amortization	-9,960			-9,960
Depreciation	-103,958			-103,958
TOTAL OF AMORTIZATION & DEPRECIATION	**-113,918**			**-113,918**
Net value of intangible assets	**0**			**0**

The intangible assets are mainly composed of:

- a merger deficit resulting from the transfer of assets and liabilities from Atos Investissement 6 to Atos SE in 2004, fully depreciated since 2016. 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;
- and other merger deficit accounted prior 2004 for a gross value of €9.96 million, depreciated on a straightline basis.

Note 2 Financial fixed assets

Change in financial fixed assets - Gross value

(in € thousand)	December 31, 2020	Acquisition	Decrease	December 31, 2021
Investments in consolidated companies	10,774,836	165,000	-396,684	10,543,152
Investments in non consolidated companies	-	-	-	-
Other investments	6,624			6,624
Total Investments	**10,781,460**	**165,000**	**-396,684**	**10,549,776**
Intercompany loans and accrued interests	-	-	-	-
Others				
Total Other financial assets				
TOTAL	**10,781,460**	**165,000**	**-396,684**	**10,549,776**

Acquisition/diminution of participating interest and other movements

In the course of the year, Atos SE increased the capital of the following entities of the Atos Group:

- Atos France (formerly Atos Intégration) for €135.0 million;
- Atos Management France for €30.0 million by the way of recapitalization.

The decrease of the participating interests corresponds mainly to the €339.5 million Atos Infogérance shares sale to Atos France and to the liquidation, of Atos Origin S.R.L. Italy for €57.2 million.

The other investments for €6.6 million correspond to 7.0 million Worldline shares representing a 2.5% ownership.

Change in financial fixed assets - Impairment

(in € thousand)	December 31, 2020	Depreciation	Release	December 31, 2021
Investments in consolidated companies	-559,798	851,305	311,063	-1,100,040
Investments in non consolidated companies	-		-	-
Other investments	-		-	
TOTAL	**-559,798**	**851,305**	**311,063**	**-1,100,040**

The release of the period corresponds mainly the impact of the Atos Infogérance Share sale for €214.0 million and to the liquidation of Atos Origin S.R.L. Italy for €57.2 million. It also includes the impairment reversal of entities in France for €39.8 million.

The depreciation of the period corresponds mainly to the German entity Atos Information Technology Gmbh for €585.7 million and the Dutch entity Atos International BV for €243.2 million.

Net value of the financial fixed assets

(in € thousand)	Gross amount	Depreciation	Net value
Investments in consolidated companies	10,543,152	-1,100,040	9,443,112
Investments in non consolidated companies	-	-	-
Other investments	6,624		6,624
Investments	**10,549,776**	**-1,100,040**	**9,449,736**
Loans and accrued interests	-	-	-
Others	-	-	-
Other financial assets	**-**	**-**	**-**
TOTAL	**10,549,776**	**-1,100,040**	**9,449,736**

Main subsidiaries and investments

(in € thousand)	% interest	Book value of share held at December 31, 2021 Gross value	Net value	Loans and advances made by the company not refunded	Sureties and guaranties made	Dividends received
SUBSIDIARIES (over 50% interest)						
French subsidiaries						
Atos France	100	356,054	356,054		230,000	
Atos Consulting	68	16,539	6,143		8,001	
Atos Participation 2	100	30,616	16,035			
Atos International	100	142,983	30,036		97,569	
Bull SA	100	1,340,186	1,340,186			
Atos Investissement 10	100	88,899	55,665		1,650	
Atos Management France	100	74,820	19,928			
Atos Investissement 12	100	62	25			
Atos Meda	100	8,840	8,840			
Atos Investissement 19	100	59	59			
Atos Investissement 20	100	37	37			
Atos Investissement 21	100	37	0			
Atos Worldgrid	100	32,328	32,328		51,87	
Foreign subsidiaries						
St Louis Ré, Benelux	100	2,174	2,174		39,700	
Atos Spain SA	100	128,121	128,121		86,936	2,210
Atos Information Technology GmbH	100	585,747	0		625,224	
Atos International BV, Pays Bas	100	7,682,179	7,438,949			
Atos Bilisim, Turquie	81	22,276	8,173		71,450	
Atos Customer Serv Turquie	92	199	199		5,000	
SUBSIDIARIES (10 to 50% interest)						
Canopy uk	11	30,245	5			
Group technic informatic, Spain	33	751	154			

(in € thousand)	
Total equity from French subsidiaries	2,791,396
Total equity from foreign subsidiaries	8,073,644
Total net income from French subsidiaries	-132,636
Total net income from foreign subsidiariesa	-284,338

Note 3 Trade accounts, notes receivable and other receivables

Trade accounts, notes receivable and other receivables

(in € thousand)	Gross amount December 31, 2021	Depreciation	Net value December 31, 2021	Net value December 31, 2020
Trade accounts and notes receivable and doubtful debtors	37,823	-	37,823	40,742
Invoices to be issued	3,104	-	3,104	7,503
Trade accounts and notes receivables	**40,927**		**40,927**	**48,245**
State and income tax	6,687	-	6,687	1,198
VAT receivable	4,049	-	4,049	5,301
Intercompany current account	955,718	-	955,718	1,126,337
Other debtors	541	-	541	46
Other debtors	**966,995**		**966,995**	**1,132,882**
TOTAL	**1,007,922**	**-**	**1,007,922**	**1,181,127**

The trade accounts and doubtful debtors mainly include intra-Group receivables. The "invoices to be issued" mainly relates to intercompany invoicing of Trademark Fees for €1.9 million and non-current items for €1.2 million.

Intercompany current accounts include mainly receivable as part of the cash pooling.

The depreciation on current accounts as of December 2020, was entirely reversed for a net amount of €13.7 million in relation with the impairment of some affiliates.

Maturity of trade accounts receivable and other debtors

(in € thousand)	Gross amount at December 31, 2021	Up to 1 year	1 to 5 years
Trade accounts and notes receivable and doubtful debtors	37,823	37,823	-
Invoices to be issued	3,104	3,104	-
State and income tax	6,687	6,687	-
VAT receivable	4,049	4,049	-
Intercompany current account	955,718	955,718	-
Other debtors	541	541	-
TOTAL	**1,007,922**	**1,007,922**	**-**

Accrued income

(in € thousand)	December 31, 2021	December 31, 2020
Accrued income included in Receivable accounts		
Other receivables	447	612
TOTAL	**447**	**612**

Note 4 Cash and cash equivalents

Cash and cash equivalents and mutual funds

(in € thousand)	Gross amount at December 31, 2021	Depreciation	Net value December 31, 2021	Net value December 31, 2020
Mutual funds	-	-	-	-
Treasury stocks - owned shares	8,260	-1,469	6,791	3,983
Short Term Bank deposits	125,000	-	125,000	-
Cash at bank	1,417,987	-	1,417,987	1,544,131
TOTAL	**1,551,247**	**-1,469**	**1,549,778**	**1,548,114**

Movement in Treasury stocks-owned shares

As at December 31, 2021, the Company owned 181,826 Atos SE shares which amounted to 0.16% of the share capital with a portfolio value of €6,790,996.14, based on December 31, 2021 market price, and with a book value of €8,259,819.62. These shares were purchased in the context of a share buyback program and were assigned to the allocation of shares to employees or corporate officers of the Company or its group and correspond to the hedging of its undertakings under the performance shares plans or share purchase plans.

The Company proceeded to the purchase of:

- 820,000 shares from February 19, 2021 to March 5, 2021, as part of a mandate given to a financial intermediary as announced by the Group on February 19, 2021;
- 120,000 shares from December 17, 2021 to December 23, 2021, as part of a mandate given to a financial intermediary as announced by the Group on December 17, 2021.

From January 1, 2021 to December 31, 2021 the Company transferred 809,388 shares of the Company to beneficiaries of LTI (Long term Incentives) plans.

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: the short-term deposit for an amount of €125.0 million with a maturity on November 12, 2023 can be made available with a 32 days notice period.

Note 5 Prepayments and deferred expenses

(in € thousand)	December 31, 2021	December 31, 2020
Redemption premiums of bonds	9,249	3,803
Prepaid expenses	15,031	22,002
Deferred expenses	15,722	10,937
TOTAL DEFERRED EXPENSES	**40,002**	**36,741**

The redemption premiums of bonds, for an amount of €9.2 million, are composed of €2.7 million related to the €1,800 million bonds emitted in November 2018 and of €6.5 million related to the €800 million sustainability-linked bond issued in November 2021.

The amounts are deduction made of the amortization (amortization on a straight-line basis depending on the maturities).

The prepaid expenses relate to the payment of the Marketing right of the 2022 Beijing Olympic games for €14.9 million.

The deferred expenses consist of fees amortization related to:

- the syndicated loan for €5.5 million;
- the €1,800 million 2018 bonds for €2.3 million;
- the €300 million 2016 bonds for €0.2 million;
- the €500 million 2019 zero coupon convertible bond for €3.5 million;
- the €50 million 2019 NEU MTN (Negotiable European Medium-term Note) for €0.3 million;
- the €800 million 2021 sustainability-linked bond for €3.9 million.

Note 6 Shareholders' equity

Common stock

	December 31, 2021	December 31, 2020
Number of shares	110,730,332	109,993,166
Nominal value *(in €)*	1	1
COMMON STOCK *(IN € THOUSAND)*	**110,730**	**109,993**

Capital ownership structure over three years

	December 31, 2021		December 31, 2020		December 31, 2019	
	Shares	%	Shares	%	Shares	%
Siemens Pension Trust e.V.	10,665,713	9.63%	12,483,153	11.3%	12,483,153	11.4%
Employees	3,372,846	3.05%	2,445,817	2.2%	1,520,828	1.4%
Board of Directors	33,665	0.03%	89,442	0.1%	54,493	0.1%
Treasury stock	181.626	0.16%	53,265	-	582,204[1]	0.5%
Others[2]	96,476,482	87.13%	94,921,489	86.3%	94,574,236	86.6%
TOTAL	**110,730,332**	**100,0%**	**109,993,166**	**100.0%**	**109,214,914**	**100.0%**

1 *Including 540,266 shares to be effectively delivered to LTI beneficiaries on January 2, 2020.*
2 *Includes all shareholders holding less than 5% of the share capital.*

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 (the "Lock-Up Agreement"). This lock-up 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 Siemens and Atos. Under this agreement, Siemens nevertheless retained 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., 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. On March 27, 2018, in connection with the financing by Siemens AG of a pension plan, Siemens AG transferred, off the market, the entirety of its shareholding in the Company, i.e. 12,483,153 Atos SE shares, to Siemens Pension-Trust e.V.In connection with the above-mentioned transfer of shares, Siemens Pension Trust e.V. executed a Joinder Agreement on March 23, 2018 under which Siemens Pension Trust e.V. agreed to be bound by the terms and conditions of the Lock-Up Agreement, as mentioned hereabove. Following the expiration on September 30, 2020 of the lock-up commitment pursuant to the Lock-up Agreement, considering that Siemens Pension-Trust e-V. acts independently with regard to its status, and is not legally controlled by Siemens AG, the 10,665,713 Company shares owned by Siemens Pension Trust-e.V. are included in the free float.

The Company has not received notice of any other shareholder agreements for filing with the stock exchange authorities and, to the best knowledge of the company, no "action de concert" or similar agreements exists.

The Group's shares which are owned by employees are mainly managed by Group mutual funds (FCPE). The Supervisory Boards of the Group mutual funds exercise the voting rights attached to the securities held within the funds. As per the rules of the Group mutual fund (FCPE), Atos Stock Plan, the Supervisory Board decides on the contribution of shares in case of public offer (purchase or exchange). The Supervisory Board decides on any merger, spin-off and liquidation of any compartment of the fund and approves certain modifications to the rules of the fund. As at December 31, 2021, the shareholding of current and former Atos Group employees into Atos SE represented an overall 3.05% of the share capital.

To the Company's knowledge, there is no agreement capable of having a material effect, in case of public offer on the share capital of the Company.

Share buy-back legal Framework

The 16th resolution of the Annual General Meeting of May 12, 2021 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.

These purchases may be carried out:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;

- 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 articlesL. 22-10-56 and L. 225-177 et seq. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 22-10-59, L. 22-10-60 and L. 225-197-1 et seq. of the Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of the 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;
- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital authorized by the General Meeting, in particular pursuant to the 17th resolution of the Annual General Meeting held on May 12, 2021.

This authorization will also allow the Company to operate on its own shares for any other purpose in accordance with the regulations in force or which would benefit from a presumption of legitimacy by the applicable legal and regulatory provisions or which would be recognized as a market practice by the AMF. In such a case, the Company would inform its shareholders by means of a press release.

This authorization shall be used at any time except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequent to the Annual General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit will be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies, or by the issuance of securities giving access to the Company's capital, in compliance with the relevant legal and regulatory provisions.

The maximum purchase price per share may not exceed €120 (fees excluded).

The Board of Directors may adjust the aforementioned maximum 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, as well as in the event of division of the nominal value of the share or share consolidation or any other transaction on equity, so as to take account of the impact of such transactions on the value of the shares.

As a result, the maximum amount of funds assigned to the share buyback program amounts to €1,319,917,920 as calculated on the basis of the share capital as at December 31, 2021, 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 12, 2021.

Description of the share buyback program to be submitted to the approval of the next Annual General Meeting

In connection with the share buyback program (and within the limit of 10% of the share capital), it is expected to propose, during the next Annual General Meeting, the renewal of the authorization to purchase shares which was granted during the Annual General Meeting held on May 12, 2021, for 18 months, and will expire on November 12, 2022.

In accordance with the AMF General Regulations (articles 241-1 et seq.), this description of the program is aimed at detailing the objectives and the terms and conditions of the new Company's share buyback program which will be subject to the authorization of the next Annual General Meeting.

The aims of this program are:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;
- 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. 22-10-56 and L. 225-177 et seq. of the Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 22-10-59, L. 22-10-60 and L. 225-197-1 et seq. of the Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of the 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;

- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital.

This authorization will also allow the Company to operate on its own shares for any other purpose in accordance with the regulations in force or which would benefit from a presumption of legitimacy by the applicable legal and regulatory provisions or which would be recognized as a market practice by the AMF. In such a case, the Company would inform its shareholders by means of a press release.

This authorization may be used at any time, except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit shall be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales, and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies such as purchases or sales of purchase or sale options, or by the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, exercise of a warrant or any other means to Company shares held by this latter party, and when the Board of Directors or the person acting on the Board of Directors' authority, under conditions laid down in the law, decides in compliance with the relevant legal and regulatory provisions.

The maximum purchase price is set at €120 (excluding taxes) per share and the number of shares which may be acquired is 10% of the share capital of the Company, at any time, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, theoretically 11,073,033 shares as calculated on the basis of the share capital as at December 31, 2021. The maximum amount of the funds assigned to the share buyback program is €1,328,763,960, as calculated on the basis of the share capital on December 31, 2021. This maximum amount may be adjusted to take into account the share capital amount on the day of the General Meeting.

As from its authorization by the next Annual General Meeting, this program will be in force for a maximum duration of 18 months.

Free Float

As at December 31, 2021	Shares	% of share capital	% of voting rights*
Employees	3,375,846	3.05%	3.05%
Board of Directors	33,665	0.03%	0.03%
Treasury stock	181,626	0.16%	0.16%
Free float	107,142,195	96.76%	96.76%
TOTAL	**110,730,332**	**100.0%**	**100.0%**

** Theoretical voting rights in accordance with Article 223-11 of the AMF's General Regulations.*

Atos updated its level of free float following the expiration, on September 30, 2020, of the lock-up commitment pursuant to the Lock-up Agreement between Atos SE and Siemens Pension-Trust e.V. (SPT). Considering that SPT acts independently with regard to its status, and is not legally controlled by Siemens AG, the 10,665,713 Atos shares owned by SPT, which represented 9.63% of Atos' share capital as of December 31, 2021, were included in the free float. Stakes owned by the employees and the management as well as treasury shares, are also excluded from the free float.

The Company's shares which are owned by employees are managed by Group mutual funds (FCPE) or held in direct shareholding.

The Supervisory Boards of the Group mutual funds exercise the voting rights attached to the securities held within the funds. As at December 31, 2021, the shareholding of current and former Atos Group employees into Atos SE represented an overall 3.05% of the share capital.

As at December 31, 2021, no other shareholder had disclosed a shareholding of more than 5% of the Company's share capital.

Changes in shareholders' equity

(in € thousand)	December 31, 2020	Exercice of share options	Dividends	Appropriation of result	Capital increase	Net Income 2021	December 31, 2021
Common stock	109,993				737		110,730
Additional paid-in capital	1,607,738				21,830		1,629,568
Legal reserve	10,999				74		11,073
Other reserves							
Retained earnings	3,528,430		-98,292	1,378,572			4,808,710
Net income for the period	1,378,572			-1,378,572		-744,081	-744,081
TOTAL OF THE SHAREHOLDERS' EQUITY	**6,635,733**	**0**	**-98,292**	**0**	**22,641**	**-744,081**	**5,816,001**

As at December 31, 2021, the Company's issued common stock amounted to €110.7 million, divided into 110,730,332 fully paid-up shares of €1.00 par value each.

Compared to December 31, 2020, the share capital was increased by the issuance of 737,166 new shares, resulting a capital increase reserved to the employees;

Atos SE paid an ordinary dividend in 2021 amounting to €98.3 million or €0.90 per share.

Potential common stock

Based on 110,730,332 outstanding shares as of December 31, 2021, the common stock of the Group could be increased by 2,742,563 new shares, representing 2.47% of the common stock before dilution. This dilution could come from the exercise of stock subscription options granted to employees or from the acquisition of performance shares, as follows:

(in shares)	December 31, 2021	December 31, 2020	Change	% dilution
Number of shares outstanding	**110,730,332**	**109,993,166**	**737,166**	
From stock subscription options	137,000	162,900	-25,900	0.12%
From performance shares	2,605,563	2,812,862	-207,299	2.35%
Potential dilution	**2,742,563**	**2,975,792**	**-233,199**	**2.47%**
TOTAL POTENTIAL COMMON STOCK	**113,472,895**	**112,968,928**		

No subscription option had an exercise price lower than the share price at December 31, 2021 (€37.25 at the opening). In addition, taking into account the evolution of the Atos share price, the definitive allocation condition relating to the performance of the Atos SE share in relation to the performance of a basket, composed of shares and indices, measured on the basis of the average of the opening prices (reinvested dividends) observed on the trading days of the calendar quarter preceding the award date (i.e. July 25, 2019) and the date of acquisition (i.e. July 25, 2022) of the options, is unlikely to be fulfilled.

Note 7 Provisions

Provisions

(in € thousand)	December 31, 2020	Charges	Release used	Release unused	December 31, 2021
Subsidiary risk	2,628	-	-	-2,628	-
Contingencies	-	-	-	-	-
Litigations	-	-	-	-	-
TOTAL	**2,628**	**-**	**-**	**-2,628**	**-**
Of which			-		
• operating	-	-	-	-	-
• financial	2,628	-	-	-2,628	-
• exceptional				-	-

A reversal of provisions for subsidiary risk has been made for €2.6 million as part of a value adjustment of a participating interest. The impairment losses are recognized when the acquisition cost of a subsidiary exceeds the value-in-use and after the complete depreciation of the participating interests, receivables and current accounts, with a limitation up to the negative equity.

Note 8 Financial borrowings

Closing net debt

(in € thousand)		Up to 1 year	1 to 5 years	Over 5 years	Gross value December 31, 2021	Gross value December 31, 2020
Bank overdraft		-	-	-		1,062,130
Bonds		700,000	1,050,000	1,150,000	2,900,000	2,100,000
Convertible Bond		-	525,221	-	525,221	533,994
Bank loans		898,500	50,000	-	948,500	885,000
Other borrowings		-	3,580	36,457	40,037	34,502
Loan Interest to be paid		16,535	-	-	16,535	15,662
Borrowings		**1,615,035**	**1,628,801**	**1,186,457**	**4,430,294**	**4,631,288**
Short Term Bank deposits	Note 4	-	125,000	-	125,000	-
Cash at bank	Note 4	1,417,987	-	-	1,417,987	1,544,130
CLOSING NET DEBT		**197,048**	**1,503,801**	**1,186,457**	**2,887,306**	**3,087,158**

Financial borrowings included mainly:

- bonds as detailed below for €2,900 million:
  - in October 2016, a €300 million bond, 7 years maturity (2023, between 1 and 5 years at the end of 2021) with a fixed coupon of 1.444%,
  - in November 2018, a €700 million bond, 3.5 years maturity (2022, less than 1 year at the end of 2021) with a fixed coupon of 0.75%,
  - in November 2018, a €750 million bond, 6.5 years maturity (2025, between 1 and 5 years at the end of 2021) with a coupon of 1.75%,
  - in November 2018, a €350 million bond, 10 years maturity (2028, over 5 years at the end of 2021) with a coupon of 2.5%,
  - in November 2021, a €800 million sustainability – linked bond, 8 years maturity (2029, over 5 years at the end of 2021) with a coupon of 1.0%;
- convertible bonds issued on November 1, 2019 due 2024 for an aggregate nominal amount of €500 million, which will be exchangeable into Worldline shares at a premium of 35% above the placing price of the Equity Placement. The convertible bonds have been issued with a premium of €44.375 million corresponding to the offering price of 108,875%;
- NEU MTN for €50 million with a maturity in 2026, between 1 and 5 years at the end of 2021;
- NEU CP for €835 million, maturity 2022 up to one year;
- profit-sharing for €3.6 million.

Syndicated loan extended to 2025

In 2018, a credit facility was signed for €2.4 billion, maturing in November 2023 with an option for Atos to request the extension of the Facility maturity date until November 2025. In 2019, the maturity has been extended until November 2024, and in 2020 until November 2025 for €2, €366 million (€34 million remaining with a maturity as of November 2024).

This facility is used for the general needs of the Group: as of December 31, 2021, Atos SE has not used this facility.

Note 9 Trade accounts, notes payable and other liabilities

Maturity of trade accounts, notes payable and other liabilities

(in € thousand)	Gross amount December 31, 2021	Up to 1 year	1 to 5 years	Gross amount December 31, 2020
Trade accounts and notes payable	**27,770**	**27,770**	**-**	**30,251**
Social security and other employee welfare liabilities	35	35	-	395
VAT payable	848	848	-	478
Intercompany current account liabilities	1,757,631	1,757,631	-	1,636,664
Other liabilities	13,344	13,344	-	50,317
Other liabilities	**1,771,858**	**1,771,858**	**-**	**1,687,854**
TOTAL	**1,799,628**	**1,799,628**	**-**	**1,718,105**

Terms of payments

The general terms of external purchases were sixty days as from the date of issuance of the invoice except lawful or agreed contrary provisions between the parties.

As far as intercompany purchases are concerned, the general terms of payments are 30 days.

The breakdown of accounts payable at the end of the financial year was as follows:

(in € thousand)	Gross amount December 31	Associated companies	Other	Total December 31	Overdue for more than one year	Overdue for less than one year	Invoices non-due at December 31
2021							
Accounts payable and liabilities	**27,770**	**10,679**	**17,091**	**27,770**	**-**	**9,880**	**17.890**
	100.0%				0.0%	35.6%	64.4%
Accounts payable	9,880	1	9,879	9,880	-	9,880	-
Invoices to be received	17,890	10,678	7,212	17,890	-	-	17,890
2020							
Accounts payable and liabilities	**30,251**	**23,726**	**6,525**	**30,251**	**-**	**3,477**	**26,774**
	100.0%				0.0%	11.5%	88.5%
Accounts payable	3,498	-	3,498	3,498	-	3,477	21
Invoices to be received	26,753	23,726	3,027	26,753	-	-	26,753

Deferred Expenses included in the trade payable accounts

(in € thousand)	December 31, 2021	December 31, 2020
Invoices to be received	17,890	26,753
Other liabilities	697	2,556
State and employee related liabilities	11,826	1,500
TOTAL	**30,413**	**30,809**

Note 10 Unrecognized exchange gains and deferred income

The deferred income are mainly related to financial interests.

Note 11 Revenue

Revenue split

	December 31, 2021		December 31, 2020	
	(in € thousand)	*(in%)*	*(in € thousand)*	*(in%)*
Trademark fees	110,595	90.4%	113,268	91.3%
Re-invoicing	749	0.6%	763	0.6%
Parental guarantees	11,009	9.0%	10,049	8.1%
TOTAL REVENUE BY NATURE	**122,353**	**100.0%**	**124,080**	**100.0%**
France	22,228	18.2%	24,190	19.5%
Foreign countries	100,125	81.8%	99,890	80.5%
TOTAL REVENUE BY GEOGRAPHICAL AREA	**122,353**	**100.0%**	**124,080**	**100.0%**

Note 12 Other expenses

Expenses

(in € thousand)	December 31, 2021	December 31, 2020
Group functions expenses	-8,232	-17,043
Software and Patent	-34	-24
Directors' fees	-1,239	-862
Other expenses	-	-
Operating Foreign exchange loss	-3	-117
TOTAL	**-9,508**	**-18,045**

Group functions expenses mainly include 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 13 Financial result

(in € thousand)	December 31, 2021	December 31, 2020
Dividends received	2,210	10,014
Intercompany current account interests	166	549
Investment banking revenues	-	299
Other financial income on Convertible Bond	10,095	8,919
Reversal of provisions on investments in consolidated companies	324,730	37,254
Reversal of financial provisions	2,628	4,739
Disposal of short-term investment	1,322	943
Foreign exchange gains	19	632
Total of the financial incomes	**341,170**	**63,349**
Interests on borrowings	-31,959	-36,685
Securitisation interests	-	-592
Intercompany loans interests	-	13
Provision for depreciation on investments in consolidated companies	-851,304	-128,677
Provision for depreciation of treasury stocks - owned shares	-1,403	-66
Provision for deferred expenses	-5,297	-4,753
Short term borrowing interests	-2,350	-6,616
Foreign exchange losses	-51	-536
Other financial expenses	-54,653	-81,889
Total of the financial expenses	**-947,017**	**-259,801**
NET FINANCIAL RESULT	**-605,848**	**-196,452**

Financial incomes

Atos SE received from its subsidiary, Atos Spain SA, the amount of €2.2 million of dividends in 2021.

The depreciation on investments has been disclosed in the Note 2 Financial Assets and Note 7 Provision.

Financial expenses

The interests on borrowings are composed of:

- €3.0 million on syndicated loan;
- €32.6 million on bonds;
- €-3.6 million on NEU CP and MTN / Negociable European Commercial Paper - Medium Term Note.

The provision for deferred expenses is composed of €0.4 million related to the syndicated loan and €4.9 million to the bonds.

The other financial expenses are mainly related to the loss incurred on the delivery of the 811,639 performance shares to the employees for an amount of €52.9 million (€80.6 million in 2020).

The depreciation on investments has been disclosed in the Note 2 Financial Assets and Note 7 Provision.

Note 14 Non-recrurring items

(in € thousand)	December 31, 2021	December 31, 2020
Selling price from disposal of financial investments	176,233	1,455,007
Other income	25,706	90,333
Provisions on receivables		20
Total of non recurring income	**201,940**	**1,545,360**
Net book value of financial investments sold	-398,695	-22,870
Provisions for liabilities and charges	-569	
Other expenses	-31,622	-6,197
Total of non recurring expenses	**-430,886**	**-29,067**
NON RECURRING ITEMS	**-228,946**	**1,516,293**

In 2021, the non-recurring incomes are mainly related to the disposal of the subsidiary Atos Infogérance to Atos France (formerly Atos Intégration) for €-216.1 million (composed of a selling price for €123.4 million and an net book value of €339.5 million).

The other non-recurring incomes are mainly composed of re-invoicing to the Group of the costs of the performance plan granted to employees for €52.8 million.

Note 15 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 separately;
- 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 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	-	10
TOTAL	**-**	**10**

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	-516,981		-516,981
Non recurring items and legal profit sharing	-228,946		-228,946
Tax charge	-	1,847	1,847
TOTAL	**-745,928**	**1,847**	**-744,081**

The result of the fiscal consolidation is a loss of €128.8 million and therefore no current tax charge related to 2021. Atos SE shows a global tax income of €8.9 million and the tax that would have been paid by the company in the absence of French tax consolidation would have been an expense of €9.2 million.

The loss for the financial year of the french tax consolidation group carried forward is €128.8 million as of December 31, 2021.

Note 16 Off-balance sheet commitments

Commitments given

(in € thousand)	December 31, 2021	December 31, 2020
Performance Parental Guarantees	4,901,150	4,192,755
Bank guarantees[1]	60,025	63,294
TOTAL	**4,961,175**	**4,256,049**

1 *Borne by Atos SE*

For various large long-term contracts, Atos SE provides performance guarantees to its clients. These guarantees amount to €4,901 million as of December 31, 2021, compared with €4,193 million at the end of December 2020. This increase of €708 million compared to last year is mainly due to the issuance of some guarantees provided to the benefit of the UK, Germany and France customers.

In addition, Atos SE has given several of its subsidiaries (including Atos Information Technology GmbH) financial support guarantees, in particular to comply with local regulations.

Regarding the multi-currency revolving credit facility extended until November 2025, Atos SE has issued in favour of a consortium of banks represented by BNP Paribas to cover up to €660 million (unchanged), the obligations of its subsidiaries: Atos Telco Services B.V. and Atos International B.V.

In connection with the acquisition of Unify Group, the Board of Directors of Atos SE, at its meeting on December 17, 2015, agreed to provide a 30-year guarantee to several beneficiaries in accordance with the regulations in place in Germany. The maximum amount of this guarantee amounts to €225 million (of which €191 million for Deutsche Treuinvest).

In connection with the Cognizant/TriZetto litigation, the Board of Directors of Atos SE approved on March 25, 2021 indemnity agreements benefiting insurance companies which syndicated the supersedeas bond, for a total amount of $570,710,384, provided for the appeal of the case and approved by the U.S. District Court for the Southern District of New York.

As part of the rationalization of pension funds in the UK for a more efficient structure, the Board of Directors of Atos SE on July 22, 2018 authorized the granting of a parental guarantee to Atos Pension Schemes Limited as trustee of the new Atos UK 2019 Pension Scheme fund established on November 1, 2019. As part of this guarantee, Atos SE is committed to guaranteeing the obligations of employer entities to the pension fund. As of December 22, 2020, this guarantee has been confirmed and extended to take into account the transfers of liability resulting from the merger of the Atos 2011 Pension Trust with the Atos UK 2019 Pension Scheme. The new total estimated amount of the guarantee amounts to £ 794 million (€941 million).

Commitments received

(in € million)	December 31, 2021	December 31, 2020
Syndicated loan	**2,320**	**2,320**

The received financial commitment refers exclusively to the part non utilized at Group level of the €2.4 billion revolving facility.

Note 17 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, 2021.

Long- and medium-term liabilities

As of December 31, 2021, Atos SE doesn't present a long- and medium-term liabilities related to the syndicated loan.

Liquidity risk

On November 4, 2021, Atos announced that it had successfully placed its first sustainability-linked bond ("SLB") for an amount of €800 million with a maturity of 8 years and a coupon of 1.0%. The coupon for the last 3 years will remain unchanged if Atos reduces its greenhouse gas emissions (CO_2, Scopes 1, 2 and 3) by 50% between 2019 and 2025.

On October 11, 2018, Atos signed with a syndicate of financial institutions a new multi-currency revolving credit facility of €2.4 billion with a maturity of five years (the "Facility"), maturing in November 2023 with an option to extend the maturity of the credit facility until November 2025 in two stages. Atos exercised the second option in 2020 to extend the maturity of the Facility until November 2025 to the tune of €2,366 million (€34 million remaining due November 2024).

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 corporate purpose: as of December 31, 2021, Atos SE has not used this facility.

Liquidity risk at December 31, 2021

Instruments	Fix/Variable	Line *(in € million)*	Maturity
Sustainability-linked bond	Fixe	800	November 2029
Syndicated loan	Variable	2,400	November 2025
Bond borrowing	Fixe	300	September 2023
Bond borrowing	Fixe	700	May 2022
Bond borrowing	Fixe	750	May 2025
Bond borrowing	Fixe	350	November 2028

On June 2, 2017, Atos implemented a Negotiable European Commercial Paper program (NEU CP) in order to optimize financial expenses and improve Group liquidity management, for an initial maximum amount of €900 million raised to €1.8 billion on October 17, 2018. On December 10, 2019 the maximum amount of €1.8 billion was increased to €2.4 billion.

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 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.

Note 18 Related parties

There is no transaction made by the Company (trademark fees, financing operations and tax consolidation) that was not performed under market conditions.

Note 19 Subsequent events

No subsequent event has occurred since the closure of the accounts.

6.2.5. Atos SE financial summary for the last five years

(in € million)	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
I - Common stock at period end					
Common stock	110.7	109.9	109.2	106.9	105.4
Number of shares outstanding	110,730,332	109,993,166	109,214,914	106,886,219	105,445,349
Maximum number of shares that may be created by:					
conversion of convertible bonds					
exercise of stock subscription options	2,742,563	2,975,762	3,026,180	2,620,383	3,205,927
II - Income for the period					
Revenue.	122.4	124.1	141.1	145.6	144.4
Net income before tax. employee profit-sharing and incentive schemes. Depreciation. amortization and provisions	-214.7	1,504.4	3,548.3	114.6	76.7
Corporate income tax	1.8	-34.3	-26.2	26.3	13.5
Net income after tax, employee profit-sharing, depreciation, amortization and provisions	-744.1	1,378.6	3,528.6	161.0	167.0
Dividend distribution	-	98.3	-	181.7	179.2
III – Per share data (in euros)					
Net income after tax and employee profit-sharing but before depreciation. Amortization and provisions	-1.9	13.4	32.3	1.3	0.9
Net income after tax, employee profit-sharing, depreciation, amortization and provisions	-6.7	12.5	32.3	1.5	1.6
Dividend per share	-	0.9	-	1.7	1.7
IV – Employees					
Average number of employees during the period	1	1	1.5	1.0	1.0
Total payroll for the period	0.4	2.0	2.1	2.8	3.3
Employee social security and welfare payments	0.1	0.5	0.4	0.7	0.8

6.2.6. Payables and receivables payment terms

Invoices received and emitted not paid at year's end closing but due (statement I of article D. 441-4)

	Article D. 441 I.-1°: Invoices received not paid at year's end closing but due						Article D. 441 I.-1°: Invoices emitted not paid at year's end closing but due					
	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Payment delay periods												
Number of invoices concerned	0					66	14					783
Total amount of invoices concerned excluding VAT in K€	0	672	2,468	0	124	3,263	-381	10,800	10,162	0	13,814	40,105
Total amount percentage of year expenses	0.00	1.84	6.77	0.00	0.34	8.96						
Percentage of year's sales excluding VAT							-0.31	8.70	8.19	0.00	11.13	28.03
(B) Invoices excluded of (A) related to contentious payables and receivables or not recorded												
Number of excluded invoices												
Total amount of excluded invoices												
(C) Used reference payment terms (contractual or legal term - article L 441-6 or article L 443-1 of Code of commerce)												
Payment terms used for late payment penalties calculation	Contractual payment terms: 60 days Legal payment terms: N/A						Contractual payment terms: 30 days Legal payment terms: N/A					

7 Risk Analysis

[GRI 102-11]

The Group operates in a changing environment and is exposed to risks that, if materialized, may have a material adverse effect on its business, prospects, customers, partners, reputation, financial condition, including operating results and cash flows.

Risk assessment and management are an integral part of the Group's operational and strategic management. The Company conducts on a regular basis a review of risks through different channels, described hereinafter in section 7.1, thereby enabling to select them, and rank them by order of importance as reflected in section 7.2; this document follows the guidelines of the AMF dated October 24, 2018 concerning the implementation of Regulation (EU) 2017/1129 of June 14, 2017, with regards to the description of risk factors in Universal Registration Documents. The risks described in section 7.2.1 to 7.2.4 are those assessed as the most critical risks for the Company, i.e. which could have the most material adverse impact on its business or results or its ability to achieve its objectives, and/or which could be likely to occur. In addition, section 7.2.5 outlines the growing risks that are not critical yet but may significantly impact the Company's business or its results in the mid-term. For each risk, mitigation actions are set out.

The extra-financial performance analysis assesses on a yearly basis risks related to the three ESG factors (Environmental, Social and Governance) underlined through the Corporate Social Responsibility program. This materiality assessment is aligned with the Enterprise Risk Management exercise described in section 7.1.1. A mapping table is presented at the beginning of section 7.2 to highlight their intertwining.

7.1 Risk management activities

Risks are assessed and monitored through Regional Business Units/Industries/Global Delivery/Products and Functions. In addition to managing the risks embedded in each process, dedicated risk management activities are also deployed transversally. This combination of functional and transversal approaches enables the identification of the most critical risks for the Company.

7.1.1 Enterprise risk management (ERM)

A risk mapping is revised regularly under the oversight of the Group Management Committee, addressing all risks from a strategic perspective.

Risk categories are identified based on research and analysis of the trends on the market, external risk studies, internal reporting on operational risks, CSR strategy and interviews with a panel of key managers and subject experts. Potential risks taken into account by ERM relate to:

- external factors (stakeholders' eco-system, external events and market environment);
- the organization (People, organization alignment);
- the business development (ability to innovate, go to market)
- services and products delivery (internal systems management, delivery and operations); and
- regulations and performance (laws and regulations, financial performance).

In 2021, more than 400 top managers were involved via questionnaires and workshops, to collect their perception of the main risks, their relative importance (inherent risk) and mitigation effectiveness (residual risk).

Results are shared with Senior management and the Group Management Committee, and appropriate improvement plans for the main residual risks are designed and implemented at local and Group levels. The results are also presented to the Audit Committee of the Board of Directors.

This recurring process allows identifying evolutions year on year.

In parallel, other dedicated risk assessments are performed within departments such as Legal and Compliance, Security and Corporate Social Responsibility. These assessments are aligned with the Enterprise risk management exercise.

7.1.2 Business risk assessment and management

Atos has a business risk management approach reinforced during the last years, based on specific processes and organization.

7.1.2.1 Business risk management system

Atos Rainbow (Risk Assessment in Named Business Opportunities Worldwide) 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 system is integrated with the control and approval process when entering 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 challenges 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 controls 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 to minimize the exposure. All operational projects are monitored monthly at different levels (Industries, Regional Business Units or Group level, as the case may be) according to their size and risk exposure, using the Rainbow Delivery Dashboard, providing status on financial, delivery and technology, customer, legal, human resources and supplier KPI’s.

Bids are also monitored on a constant basis at different levels (from Regional Business Units/Industries to Global Industries level) according to their size, using standardized review templates to bid phases (Pursuit, Strategy, Solution, Offer, Contract, Handover) to balance sales and risks while ensuring the re-use of experience/best practices and the adherence to Atos standards. The process is regularly reassessed with the aim of continuous improvement, taking into account in particular the difficulties identified during the contract execution phase. In particular, following the review of certain contracts in 2021 which led to reassessments, it is planned this year to complete the commercial offer review phase with a separate step in the Pursuit phase where contracts with a significant risk will be presented to Group CEO and Group CFO by the lead RBU.

7.1.2.2 Business risk management organization of the Rainbow process

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 CFO, with the Bid Control Managers and Risk Managers in the Regional Business Units/Global Industry reporting respectively to the Group Vice-President for Bid Control and Group Vice-President for Business risk management.

7.1.2.3 Group risk management Committee

A Group risk management Committee convenes on a monthly basis to review the most significant contracts and the sensitive ones. If needed weekly reviews can take place. The Committee is chaired by the Group CFO and led by the Senior Vice-President for Bid Control and Business risk management. Permanent members of the Committee include the Executive Vice-Presidents in charge of the Global Industries and the Regional Business Units and several other representatives from the Global Functions, including Finance and Legal. On a quarterly basis, the Audit Committee conducts a thorough review of all the major critical contracts considered to be at high risk. The Global Industries and the Risk Managers perform the continuous monitoring of contracts in deviation of their initial business case, based on both the Rainbow Delivery Dashboard which contains all financial, commercial, and operational KPIs and dedicated RAID (Risks, Assumptions, Issues, Dependencies) registers.

7.1.3 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 most important global insurance programs are bought and managed centrally with renewal on January 1st for Commercial General Liability/Professional Indemnity (CGL/PI) insurance and Property Damage and Business Interruption insurance. In 2021, the Property Damage and Business Interruption policy and CGL/PI policies were both renewed for limits respectively of €180 million and €150 million. Several additional policies cover insurable business risks such as cargo, crime, cyber risks or car fleet and are maintained at cover limits commensurate with the Group's size and risk exposures.

Deductible are used both to promote good risk management practices and to control the quantity of claims and premiums' costs.

Each country also may contract insurance policies in accordance with local regulations, customs, and practices. These include employers' liability, workers compensation and employee travel.

Atos's wholly owned reinsurance company provides reinsurance for some layers of the Property Damage Business Interruption, CGL/PI and Cyber policies, which are the most critical ones for the Group's operations.

Insurable losses do not have a frequent occurrence. This is partly due to quality risk management processes which are deployed at all key locations to protect assets from natural disasters and other unexpected events as well as to ensure business continuity in the event of damage or loss. With respect to offers and contracts with customers, a uniform and mandatory process of risk management is used as described in the preceding section.

Risks are also monitored by the Underwriting Committee of the Atos reinsurance company which maintains adequate net equity and technical reserves commensurate with the level of reinsured risks and check the need to extend to potential external reinsurers. The Underwriting Committee also carries out regular surveys and analyses to monitor the relevance of Atos's insurance coverage.

7.2 Risk Factors

The risk mapping exercise mentionned in 7.1.1 allowed the Group management to select, and rank in priority order, the risk factors specific to Atos which are the most material. It should be noted that the Group may be exposed to other non-specific risks that were potentially not identified or considered or risks whose impact on its business, financial condition and reputation may have been underestimated at the time of the filing of this document.

Critical risks for the Group are presented hereafter. They are classified by risk categories and by significance (in decreasing order of magnitude):

1. people risks;
2. security risks;
3. operational and financial risks;
4. go to market risks;
5. growing risks;

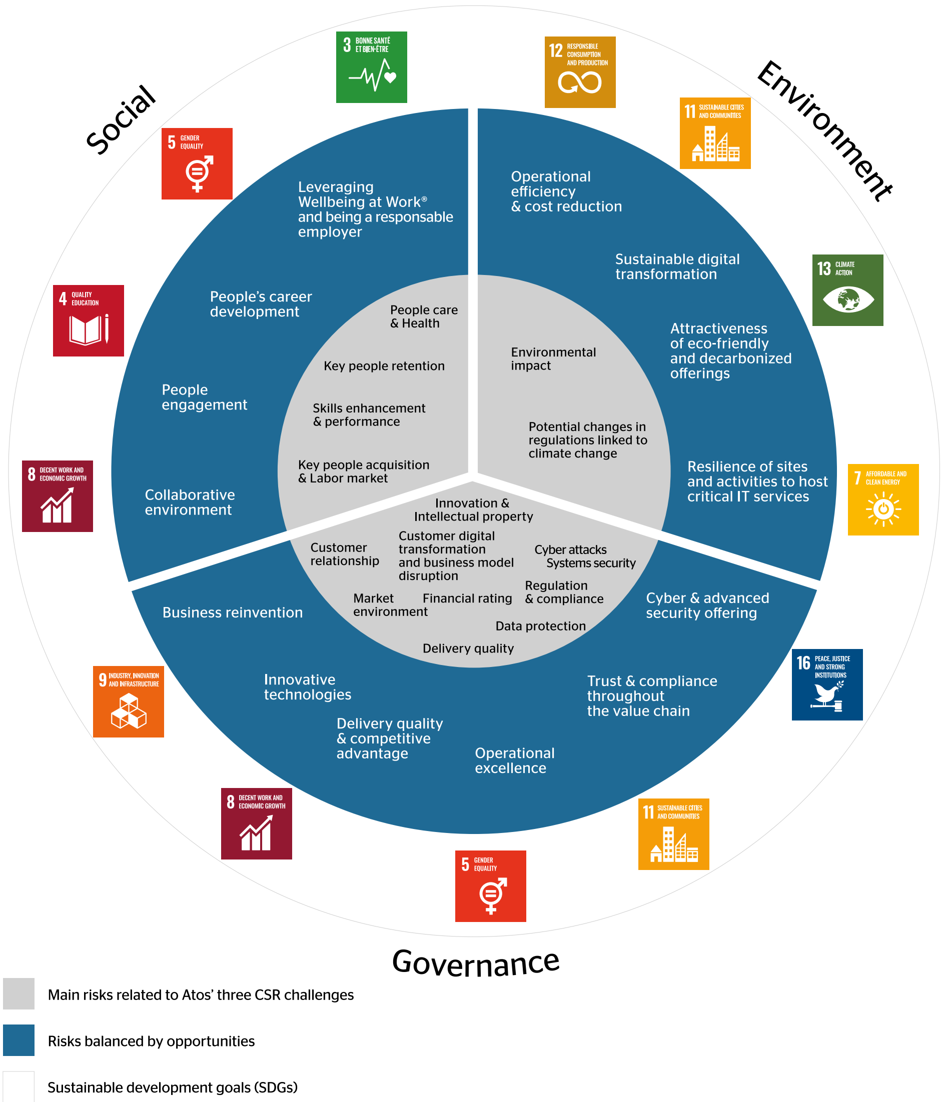
NB: This information was added after the Board of Directors' meeting of February 28, 2022 which approved the management report.

With regards to the current crisis situation between Ukraine and Russia, the Group indicates that a crisis management team was setup to closely follow the situation at Group level and take the proportionate measures to protect our employees and activities. The Group generated less than 1% of its revenue in fiscal year 2021 in Russia. The number of employees is ca. 1.300 in Russia plus ca. 800 contractors and 1 employee based in Ukraine.

To connect these categories of enterprise risks with the classification of non-financial risks (i.e., the three top areas underlined through the Corporate Social Responsibility program – see 5.1.4), the table below presents their mapping:

Strategic risks	Non-financial Challenges	Reference to section 7	Reference to section 5
People Risks: • Key people retention • Key people acquisition and labor market • Skills enhancement & performance • People care & health	**Social**	7.2.1	5.3
Security risks: • Cyber attack • Systems security • Data protection	**Governance**	7.2.2	5.4.4
Operational and financial risks: • Delivery quality • Customer relationship (contract management/ satisfaction) • Financial rating	**Governance**	7.2.3	5.4.2
Go to Market risks: • Market environment • Innovation and intellectual property • Customer digital transformation and business model disruption	**Governance**	7.2.4	5.4.3
Growing risks: • Regulation and compliance • Environmental impact	**Governance** **Environment**	7.2.5	5.4.6 5.2

Atos carries out and updates yearly a comprehensive assessment of the risks related to the three main extra-financial areas identified as challenges under the Group's Corporate Social Responsibility program. The magnitude of these risks varies in terms of impact on Atos's business or results and/or likelihood of occurring. The chart below represents the combination of the identified 2021 extra-financial risks that could adversely affect the achievement of goals to create value as well as the potential opportunities that are open to Atos and to its clients to balance those risks, including their link to the sustainable development Goals defined by the United Nations.



7.2.1 People risks: key people retention, acquisition, skills enhancement & performance, people care & health

In all areas of the organization, from R&D teams to Sales, Operations, and Support functions teams, People are the essence of the activity. Therefore, several risk factors related to human capital have been identified. As the Company mostly delivers services, it remains highly dependent on the skills, the experience and the performance of its employees and the key members of its management teams. Quality of service is dependent on the establishment of skilled and stable teams, committed to meeting customers' needs.

Not granting sufficient attention to People-related risks could materially adversely impact the Company as it may limit the organization's ability to sell the adequate and innovative services/products and deliver the quality of services agreed by contract, potentially resulting in penalties/claims, loss of customers and reputational damage.

7.2.1.1 Key people retention

Risk	Mitigation actions
The success of the organization heavily depends on its ability to **retain key qualified people** and to use their competences for the benefit of customers. Atos may be unable to retain qualified employees. The loss of personnel and the inability to replace them with equally qualified employees could increase operating costs, impair the Group's ability to perform under certain contracts, or prevent from gaining new business, which could have an adverse effect on its results of operations and cash flows.	An **active follow-up of key people** (key contributors, top talents, high level experts) is implemented through a regular risk level status monitoring per key person including a weekly Risk Alert Bulletin and a monthly detailed report. An end-to-end career management governance for key people has been reinforced to meet the 95% retention of key people with a digital application implementation to enhance on status tracking and communication. Dedicated sessions are also being held with managers of key people to increase their awareness and to drive them closer to their employees.

7.2.1.2 Key people acquisition and labor market

Risk	Mitigation actions
Attracting key people and qualified staff is becoming a substantial challenge considering the current highly competitive **labor market** for digital skills. If the Group is unable to recruit qualified personnel, this may prevent it from growing its business and staying in tune with market trends.	Atos is focused on providing attractive career opportunities and job content. Investment was made in a Recruitment Branding initiative related to "Atos Candidate Experience" to engage candidates at every step of the candidate journey. Recruitment teams have been reorganized to meet the changing business needs: team to manage strategic hiring, swat team to manage business critical and time bound hiring, teams focussing on Digital skills in the growth areas in tight cooperation with the business. Tooling is also being implemented to support candidate aggregation from multiple career sites, to rank CVs, and to leverage on the employee network.

7.2.1.3 Skills enhancement & performance

Risk	Mitigation actions
The success in a fast-evolving sector, depends on the Company's ability to **continuously up/reskill its employees**, to meet customer demand, as well as its capacity to transform the new acquired skills into experience. If the Group is unable to effectively manage its employees' skillsets and capacity, it may have to redeploy existing employees to other projects, increase reliance on subcontractors in order to meet the needs of its clients, any of which could negatively affect its profitability.	Skills enhancement & performance is managed through on-going **investment in certifications** (e.g., 3-year digital certification program with a focus on key skills supporting growth), adaptive and multi-channel learning and the development of Atos University located in India. The Group is also focusing on **facilitating the gain of experience** after being trained by expanding mentoring and project rotation.

7.2.1.4 People care & health

Risk	Mitigation actions
Well-being at work allowing personal development and developing a fair and attractive company culture remain important, especially when working conditions are modified with work from home becoming standard due to the pandemic. If the Company culture does not address the evolving needs and desires of employees or falls behind those of competitors, the Group's employees may become less engaged, and their performance may decrease.	Through the "We Are Atos" program, Atos creates a collaborative environment which is underpinned by development (including Individual Development Plans) and career mobility plans such as Internal First that was further enhanced in 2021, as well as initiatives to close the gender gap and encourage inclusiveness (for further details on those programs please refer to 5.3.8 "Employee experience program We are Atos"). Special events such as the global 'We are Atos, we are Responsible', International Yoga Day, International Men's Day, all placed focus on physical and mental wellbeing, hosting interactive events open to all employees.
People are Atos's main asset. The vigilance in the care of Atos employees and their families is the highest priority. If Atos was unable to protect their **health and safety** or to adapt its well-being initiatives to take into account changing working practices, employee attrition may increase, and employee performance may decrease.	Atos strictly adheres to the World Health Organization's instructions and closely follow the evolution of the pandemic. Measures to avoid contamination at the office remain in force. The pandemic also revealed that flexible ways of working have become a basic expectation from employees. "Bamboo program" was launched to accompany this need with a tailored approach, ensuring productivity through trust, wellbeing and safety and security.

All these People initiatives allowed faster adaptation of people to client needs and led to greater mobility, which also helped to balance attrition.

7.2.2 Security risks: cyber-attack, systems security and data protection

[SASB TC-SI-230a.2]

7.2.2.1 Cyber attack

Risk	Mitigation actions
The visibility and worldwide presence of Atos and its clients may expose Atos to **attacks on its systems** that could compromise the security of data. The sensitivity of Atos's and of its customers' activities, the growing complexity of technical infrastructures, and the increasing sophistication of cyber-crime contribute to intensify this risk. An information breach or unauthorized access in or through the Atos systems and/or a loss of sensitive or confidential information could have a long and significant impact on the business operations. It could result in reputational damage, in losing the customers' confidence and thus in the loss of their business, as well as expose the Group to potential claims.	First answer to Cyber-attacks are protection and detection mechanisms. Atos uses best in class security solutions with multiple vendors strategy associated with tight monitoring by Big Data and cybersecurity experts. In case the risk would materialize, crisis management is defined in the **Atos Crisis Management Policy**. In addition, Atos has established a **Cyber Emergency Policy** to ensure the implementation of a consistent methodology in case of any declared cyber emergency event. To minimize the impact of security incidents, improve the responsiveness and enforce the management of cybersecurity defenses, Atos has implemented a **CSIRT (Computer Security Incident Response Team)** to manage all security events worldwide 24x7. In addition, the CSIRT provides forensic and threat management expertise. A **Threat Intelligence Team** is responsible for identifying and monitoring all published security vulnerabilities and reports to the Group Chief Security Officer. To further challenge its defenses and adapt them to new threats, Atos initiated a bug bounty program in 2021 as well as enforced its "red team" activities to challenge Atos cyber defenses.

7.2.2.2 Systems security

[SASB TC-SI-550a.2]

Risk	Mitigation actions
Being an IT company, **IT system breakdowns or disruptions** could also be highly detrimental both for the Group's internal operations and its customers. A failure in providing the appropriate and contractually required level of services and protection to customer environments and data could negatively impact the Group's ability to perform under its contracts, and could lead to customer data leakage, business disruption, high recovery costs in case of an incident, and customer loss of trust, with a significant impact on reputation.	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. To strengthen its defense capabilities and prevent unauthorized access to information, including personal data, and systems, Atos has deployed an **information security management system which is certified to the ISO 27001 standard**. To prevent and limit the risks of IT system breakdowns or disruptions caused, Atos has deployed a new worldwide awareness training program refreshed in 2020, mandatory for all employees within the Group and supported by fortnightly communications to all employees through the entire year 2021.

7.2.2.3 Data protection

Risk	Mitigation actions
In the course of its business, Atos stores and processes large amounts of data for its clients, including sensitive and personally identifiable information, and is subject to numerous laws and regulations which **protect personal data** in the digital world, such as the European Union General Data Protection Regulation (GDPR). These laws increase in complexity and number and change frequently. Any negligence or breach of the Group's established controls with respect to client or Atos data, could result in unauthorized disclosure of personal data and may subject Atos to reputational harm, significant litigation, customer claims, monetary damages, regulatory enforcement actions, fines and/or criminal prosecution.	**Atos Data Protection policy** is in place and **Atos Binding Corporate Rules** were adopted. Suppliers and partners are regularly assessed with regards to Atos Privacy policy. Identification of processing of personal data triggers the use of Compliance Assessment of Data Processing (CADP) tool, composed of formal check lists of questions. As general principle, any personal data breach is qualified as a security incident. Therefore, in case of data breach, the Data Protection Officer is invited to be part of the response team in accordance with Atos Data Breach Policy. To prevent and limit the risks of data breach caused by its own employees and to enhance their responsiveness in such cases, Atos has deployed a new **worldwide data protection awareness training program**, mandatory for all employees within the Group.

7.2.3 Operational and financial risks: delivery quality, customer relationship, financial rating

The IT services provided to customers may be a critical element for the performance of their commercial activities. Often, 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 deteriorated customer relationship (penalty claims or litigations). As a result, the risks related to delivery quality and client relationship are highly important for the Group in terms of impact and likelihood and are therefore proactively and closely monitored.

Below are some of the key risks that Atos manages in this area.

7.2.3.1 Delivery quality

Risk	Mitigation actions
The **quality of services and products delivered** by the Group may not be at the expected level, including due to reliance on third party products and/or product customization that Atos cannot fully control, or the Group may face significant delays or difficulties in providing the services or the products. If Atos is unable to meet contractual requirements or customer expectations, including due to inadequate assessment of the services that have been agreed to with customers, the Group may be subject to claims or penalties under its contracts, potentially leading to additional costs, overruns, and termination losses. In addition, the tensions over the entire supply chain echoing the health crisis and geopolitical pressures, resulting in delays or price inflation, could lead the Group to face difficulties in timely meeting its contractual commitments or responding to bids. This may lead to deferral of revenue and margin.	To prevent this from occurring, the Group seeks to minimize the risks related to the delivery quality through **rigorous review processes** (including a technical and delivery assessment of the solution) right from the offer stage. A dedicated process is in place, called Atos Rainbow (further detailed in section 7.1.2) under which 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 and allowing proper risk management. In the IT industry, projects or operations are often suffering from the very beginning. In order to avoid such, Atos started implementing a program called "Start Green". The aim is to ensure that Contracts (Projects or Services) start right, with all key success factors in place to ensure successful execution. To allow a higher productivity while securing a good level of delivery quality, Atos has built up a **framework for automation**. More and more use cases are now assessed, developed, and implemented. In order to limit the impact of potential disruption in the supply chain, Atos has a policy in place for diverse sourcing of equipment and criteria-based on assessment of the maturity of its main providers. In addition, the Group has developed long-term relationships with important suppliers enabling better access and predictability.

7.2.3.2 Customer relationship

Risk	Mitigation actions
In case delivery quality would not be correctly managed, there is a risk that **customer relationships** could be harmed, which might result in claims, penalties, recovery costs, deterioration of customer loyalty, failed renewals and lack of up-selling opportunities.	Since 2018, Group quality department is running a diagnostic in case of Net Promoter Score (NPS) downturn to understand the root causes and address them specifically if applicable. This enabled a recovery of the NPS. In the Quality and Customer Satisfaction Improvement Program (QCSIP) Atos is dealing with analyzing root-causes and develop improvement plans for those clients, which are rating significantly worse than in the last survey or where the Service Level agreements (SLA) were breached, or a Major Incident (MI) happened. To further strengthen Atos's operational excellence, a **Group Contract Management program** is deployed on major accounts to globalize and homogenize contract management activities, **combining legal risk assessment, contractual obligations, and performance management**. Taskforces are also set up in the event of delivery issues, aimed at responding quickly and adequately to such challenges.

7.2.3.3 Financial rating

NB: This information was added after the Board of Directors' meeting of February 28, 2022 which approved the management report.

Risk	Mitigation actions
The Group is rated publicly by the Standard & Poor's rating agency. On January 19, 2022, Standard & Poor's revised Atos rating to BBB- with negative outlook. A financial rating downgrade could adversely affect the Group's ability to raise funds and result in higher interest rates for future borrowings. It could also impact the Group's ability to win certain types of deals with customers, give contractual rights to certain counterparties or require the Group to provide additional collateral or financial guarantees, which could have an adverse effect on its business, financial position and results of operations.	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. Under this policy, all Group treasury activities, including cash management, short-term investments, hedging and foreign exchange transactions, as well as financial position financing through lease contracts, are managed centrally through the Group Treasury department. Financial obligations towards customers or other counterparties are also monitored in close coordination with the Group Legal Department. Following a cautious short-term financial policy, the Group did not make any short-term cash investment in risky assets. Please refer to the notes to the 2021 consolidated financial statements, and in particular to: • Note 6: financial assets, liabilities and financial result; • Note 13: fair value and characteristics of financial instruments; • Note 19: subsequent events.

7.2.4 Go-to-Market risks: market environment, innovation and customer digital transformation

7.2.4.1 Market environment

Risk	Mitigation actions
The activity of the Group is dependent on the demand **fluctuation in the different markets of our clients**. Volatile, negative, or uncertain economic conditions and patterns of economic growth in the markets we serve could adversely affect client demand for our services and solutions. As a result, clients may reduce or defer their spending under existing contracts with the Group or on new initiatives and technologies, and this may negatively affect the Group's business and results. In extreme cases, some clients may even go bankrupt, which would affect the Group's profitability and cash flows. Uncertain and volatile economic conditions may also make it more difficult for Atos to accurately forecast client demand and allocate resources effectively.	The overall market risk is mitigated by the balanced industry and geographic coverage of the Group's activity. In an increasingly global market, Atos organization is naturally facing some degree of competitive risk. Atos is performing periodically **a review of the different markets to plan and adapt its activities**. This is further detailed in section of the Group Overview "Market sizing and competitive landscape" and new expected position of Atos. The collection of outstanding clients' receivables is closely monitored and tracked by the teams in the RBUs, the Industries and the Finance function. Focus is also done in the bidding phase on securing payments and improving payment terms.

7.2.4.2 Innovation and intellectual property

Risk	Mitigation actions
In a context of rapid technological evolution, accelerated digital shockwaves, rapid business transformation and emergence of new offers on the market, there is a risk for Atos to miss technological shifts. Atos needs to develop its capacity to explore new ideas and concepts and to free its **innovation** potential in terms of technology, business model and usages. Meanwhile protecting **intellectual property** against infringement might be necessary. The Company could be materially adversely impacted if it fails in any of these domains as it could result in the loss of opportunities, the inability to compete, and may impede access to more profitable or Growing Markets.	In the domain of technology innovation, Atos has deployed a **proactive strategy** under the supervision of the Chief Technology Officer, which involves a Scientific Community looking ahead for future trends, and a network of recognized "Experts". A specific committee oversees the **global R&D roadmap** and a specific risk assessment process (named "RAPID") has been setup to approve and follow technology investments in their ability to also bring new usage and new business model when appropriate. According to this strategy, Atos is addressing such risks by developing and managing its intellectual property (IP) and related rights consisting in patents, copyrights, trademarks, and trade secrets, to protect its innovation and its freedom to innovate against any third party.

7.2.4.3 Customer digital transformation and business model disruption

Risk	Mitigation actions
As a result of major technology evolutions triggering changes in market dynamics, especially in relation with **customers' digital transformation**, there is a risk that the organization is not able to timely adapt to this new market reality and to the related **business model disruption**. This might lead to inability to develop top line, loss of market share, including reputational impact and overall risk for the Company's future, but could also lead to loss of profitability, including some large restructuring costs, in case the Group would not adapt timely its cost structure.	To better adapt to customer demand, solutions have been defined per Industry and are pushed throughout the organization by subject matter experts and business developers. Regular coaching sessions are undertaken to maintain the adequate level of knowledge. The Group also relies upon adequate definition and readiness of its offerings and adequacy of the overall solutions portfolio. The Group is also considering acquisitions, disposals, and whenever necessary, reorganizations, as part of its strategy to adapt to technology evolution and to enhance its financial performance.

7.2.5 Growing Risks: regulation and compliance, environmental impact

Those are risks with a potential material impact in the mid-term considering their fast evolution.

7.2.5.1 Regulation and compliance

Risk	Mitigation actions
Due to its business model delivering IT products and services throughout the world, Atos is subject to a wide array of stringent regulations, particularly in the following fields: anticorruption, antifraud, antitrust, controls on exports of dual-use goods, human rights, international sanctions, taxation, harassment, and discrimination. As a result of the surge of **local and global changes in laws and regulations** in multiple areas, implying changes in systems and organizations, the Company could be materially affected if it fails to timely comply with them and may be subject to claims, investigations, sanctions, fines, or other penalties. Significant sanctions could notably result in being excluded from public tenders and/or termination of public contracts.	To tackle Compliance risks, Atos's senior management promotes a strong culture of ethics & compliance. Atos relies on a four-stage risk management cycle, consisting of risk identification and assessment, prevention, detection, and monitoring, thus enabling a **continuous improvement cycle encapsulated in a dedicated compliance program**. Identification and prevention measures include the corruption risk mapping and the fraud risk mapping exercises, the Code of Ethics and the Atos Partners' Commitment to Integrity, both public documents revised in 2021, internal policies, training and awareness program, as well as enhanced due diligence processes on third parties before signing any contract. Detection measures include the **Group Alert system**, as well as first level compliance controls. Further detail on mitigation actions is available in section 5.4.6

7.2.5.2 Environmental impact

Risk	Mitigation actions
The environmental risk is two-fold: the impact of our business on the environment and the impact of increasing environmental change and related regulations on the business. Consequently, Atos's main global environmental and climate-related risks concern: **potential changes in regulations linked to climate change** (ability to anticipate and mitigate); more frequent and more **extreme natural events and disasters** (level of resilience); and **energy and carbon** (new constraints, new limits, new taxes). If the Group is unable to manage these risks and to adapt to changes in environmental regulation, it could have an adverse effect on the Group's business.	The Group's main potential impacts, risks and opportunities are regularly evaluated through specific work and activities. At present, the predominant environmental aspects resulting from Atos' business activities concern the operation of its data centers, offices, and employee business travel in addition to impacts incurred from within the supply chain as well as the use of solutions and technologies that are deployed by the Group. Atos has committed to reducing its global impact and, as invited by the European Commission or the Task Force on Climate-related Financial Disclosures (TCFD), has also undertaken to better assess, anticipate and mitigate future changes. Further detail on mitigation actions is available in section 5.2.3.

7.2.6 Risks related to the qualification for limitation of scope issued by the statutory auditors relating to two U.S. subsidiaries

Risk	Mitigation actions
As part of their audit of the 2020 consolidated financial statements, the Group statutory auditors identified in two U.S. subsidiaries (Atos IT Solutions and Services Inc. and Atos IT Outsourcing Services LLC, representing 11% of 2020 consolidated revenues) certain matters relating to internal control weaknesses over financial reporting process and revenue recognition in accordance with IFRS 15 leading to several accounting errors, as well as risk of override of controls in this respect. The qualification for limitation of scope issued in this context by the statutory auditors was included in the statutory auditors' report on the consolidated financial statements for the year ended December 31, 2020. This situation and its consequences, as well as the implementation of the remediation and prevention plan, have resulted in investigative work and could give rise to further internal measures or to proceedings, in France or abroad.	The Group's financial processes are subject to a rigorous internal control system relating to accounting and financial information, as described in section 7.4.4 of this document. As soon as the Group became aware of potential internal control weaknesses, it hired external firms to perform additional work to obtain the necessary evidence that the financial reporting of the two relevant U.S. entities was free of material misstatements and an independent forensic investigation. On July 27, 2021, the Company announced that it had completed, with the support of external advisors, a detailed accounting review of the two relevant U.S legal entities. The work performed, which was reviewed by the auditors as part of their half-year procedures, did not reveal any material misstatement for the Group consolidated financial statements. In addition, the statutory auditors issued on July 30, 2021 an unqualified report on the Group half-year condensed consolidated financial statements closed at June 30, 2021 and on March 11, 2022 an unqualified opinion on the 2021 consolidated financial statements. In order to address the weaknesses identified, a comprehensive remediation and prevention plan was designed and implemented. It continues to be rolled out-globally in all its dimensions. The main actions set-up in the plan covered the following topics: preventive controls, guidelines and documentation, HR review, skilling and organization, and awareness and training. The implementation of this comprehensive action plan by the Group management was and continues to be regularly and closely monitored by the Audit Committee and its Chairman. The action plan was enriched during its implementation phase, notably thanks to the continuous exchanges with the Group statutory auditors and to the additional work performed both by internal and external stakeholders. Any investigation or proceeding is handled professionally by the Group, with appropriate support from external advisors, with a view to continuously improve internal business and control practices.

7.3 Claims and litigation

The Atos Group is a global business operating in 71 countries. In many of the countries where the Group operates there are no claims, and in others there is only a very small number of claims or actions involving the Group.

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 as well as to 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 2021 the Group has successfully put an end to several significant litigations through settlement agreements.

Group Management considers that sufficient provisions have been made.

The total amount of the provisions for litigation risks, in the consolidated accounts closed as of December 31, 2021 to cover for the identified claims and litigations, added up to €183.7 million (including tax and commercial claims but excluding labor claims). The significant increase in the provisions during the last quarter of 2021 is mostly due to (i) a case in the United States in which there is a high risk of non-recovery of Atos' receivables due to the financial condition of the customer, (ii) a case in Germany where settlement negotiations which appeared to be closed were unexpectedly reopened with a potential additional exposure and (iii) a case in the Netherlands in which the progress of the proceedings led to a reassessment of the risk.

7.3.1 Tax claims

The Group is involved in a number of routine tax claims, audits and litigations. Such claims are usually solved through administrative non-contentious proceedings.

Certain tax claims are in India and Brazil, where Atos is a defendant in a number of 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.

Following the decision in a reported test case in the UK, there is substantial ongoing court claim against the UK tax authorities for a stamp duty re-imbursement. Following a judgment regarding HSBC issued by the European Justice Court, Atos UK commenced proceedings in 2009 to recover a stamp duty paid in 2000 for an amount over €10 million. The stamp duty aspect of the claim was won in 2012. Regarding the statute of limitation, a favorable judgment was obtained in April 2017. Atos UK is now waiting for the outcome of the HMRC's request for appeal in similar cases.

The total provision for tax claims, as set forth in the consolidated financial statements as at December 31, 2021 was €23 million.

7.3.2 Commercial claims

There are a small number of commercial claims across the Group.

Significant commercial cases have been closed in the second semester of 2021.

There is a number of significant on-going commercial cases in various jurisdictions that the Group has integrated as a result of several acquisitions, notably a litigation inherited from Syntel.

In October 2020, a jury found Syntel liable for trade secret misappropriation and copyright infringement and awarded Cognizant and TriZetto approximately $855 million in damages. Throughout the trial and in its post-trial motion, Syntel maintained that Cognizant and TriZetto had failed to meet their burden to show trade secret misappropriation and that their damages theories were improper as a matter of law.

In its decision, the Court held that sufficient evidence existed to support the jury's verdict of trade secret misappropriation and that the jury's award of $285 million in compensatory damages was not contrary to law. However, the Court found that the jury's $570 million punitive damages award was excessive and should be reduced to $285 million. TriZetto agreed to this reduction. The Court issued an injunction prohibiting future use by Syntel of the specific trade secrets at issue in the trial.

While Atos supports the Court's decision to significantly reduce the punitive damages at issue and prevent a further windfall to Cognizant and TriZetto in the form of pre-judgment interest, Atos appealed the portion of the jury's verdict affirmed by the Court. Among other concerns, Atos continues to consider the amount of damages grossly out of proportion to the acts complained of, and that the maximum amount of damages legally available to TriZetto in this case is approximately $8.5 million. The appeal was filed with the U.S. Court of Appeals for the Second Circuit on May 26, 2021.

According to the schedule set by the Court, Syntel filed its Opening Appeal Brief on September 2, 2021, TriZetto filed its Opposition Appeal Brief on December 2, 2021 and Syntel filed its Reply Appeal Brief on December 23, 2021.

The total provision for commercial claim risks, as inscribed in the consolidated accounts closed as at December 31, 2021, amounts to €160.7 million.

7.3.3 Labor claims

There are close to 109,000 employees in the Group and relatively few labor claims. In almost every jurisdiction 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 or inflated and typical for companies operating in this region.

The Group is respondent in a few labor claims of higher value, but in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

All of the claims exceeding €300,000 have been provisioned for an overall amount of €4.7 million as set forth in the consolidated financial statements as at December 31, 2021.

7.3.4 Representation & Warranty claims

The Group is a party to a very small number of representation & warranty claims arising out of acquisitions/disposals.

7.3.5 Miscellaneous

To the knowledge of the Company, there are no other administrative, governmental, legal or arbitration proceedings, pending or potential, over the past 12 months, likely to have or having had significant consequences on the Company's and the Group's financial position or profitability.

7.4 Internal control

The internal control system whose definition is stated in section 7.4.1 below and designed within Atos relies on the internal control reference framework prescribed by the AMF (Autorité des Marchés Financiers).

Internal control players are described in section 7.4.2.

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 7.4.3. Specific attention has been given to the internal control system relating to accounting and financial information — section 7.4.4, in compliance with the application guide of the AMF.

7.4.1 Internal control definition and objectives

The Internal control system designed throughout the Group aims to ensure:

- compliance with applicable laws and regulations;
- application of instructions and directional guidelines set by group management;
- correct functioning of the Company's internal processes to establish operational effectiveness and efficiency, the safeguarding of assets and the reliability of financial information.

One of the objectives of internal control procedures is to prevent and control risks of error and fraud.

As for any internal control system, this mechanism can only provide reasonable assurance and not an absolute guarantee against these risks.

7.4.2 Internal control system players

The main bodies involved in the implementation of internal control procedures at Atos in 2021 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 and business information and stays informed about the proper implementation of the Internal Control System.

Group Management Committee (GMC)

The Group Management Committee leads the operational performance of the Group. As part of its role, it oversees the definition of the framework of the internal control system.

Management at different levels, is responsible for implementing and monitoring the internal control system within their respective areas of responsibility.

Internal control & ERM (Enterprise risk management)

Internal control & ERM function is to ensure the development and the coordination of the internal control system, such as the implementation of the Book of Internal Control (BIC) and its continuous monitoring and improvement within the Group. Internal control & ERM function also runs the Enterprise Risk assessment in coordination with Global Functions, Industries, Delivery, Products and Business Units.

Internal control relies on internal control managers and internal control coordinators in each Global Function and Business Unit who 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 Internal Audit plan and a consistent audit methodology. Internal Audit operating principles are defined in the Group Internal Audit Charter, which is validated by the CEO and by the Chair of the Audit Committee. The Audit Committee also receives regular reports on the Internal Audit work plan, objectives of assignments, and associated results and findings.

In 2021, Group Internal Audit department confirms its certification by the French Institute for Internal Audit. This accreditation attests the quality of the Internal Audit (IA) function, the level of compliance with international standards and IA's degree of control over key challenges.

7.4.3 Components of the internal control system

A – Governance/control environment

The organization, competencies, policies (methods, procedures and practices) and systems represent the ground layer of the internal control system and the fundamentals of the Group. The main components are presented in this section.

Matrix organization: the Company runs a matrix organization structure that combines operational management (Regional Business Units, Industries, Global Delivery, Products) and Functional Management (Support Functions). This matrix structure allows a dual view on all operations and therefore enhances the control environment.

Responsibilities and powers: The following initiatives aim to frame the assignment of responsibilities:

- delegation of authority: In order to ensure efficient and effective management control from the country level to group 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 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 is used to perform automatic assessments of those rules in the main systems.

Compliance coordination : Compliance is managed by a team placed under the responsibility of the Group General Counsel, to ensure that the organizations, processes, and activities effectively support the compliance policy of Atos.

Competencies: 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.

Policies and procedures: Policies and procedures contribute to an appropriate control environment: main ones are gathered in the Book of Internal Policies and stored in a common repository. They include among other, the Code of Ethics (further described in the section 5.4.7 – Ethics and Compliance Program), Data protection, Payments & Treasury Security Rules, Investment Committee, Security Policy.

Information Systems: Atos 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), Sales Operations (account planning, customer relationship management), 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 Industry and by 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 almost all countries of the Group except recently acquired entities, 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 (Operational, Geographical and Industry axis).

Formal information reporting lines have been defined, following the operational and the functional structures. This formal reporting, based on standard formats, concerns financial and non-financial information as well as operational risks (through risk management Committees), treasury (with Payments and Treasury Security Committee), or financial structuring (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 are in place for risk management, as described in section 7.1 – risk management activities of this document.

D – Control activities

Atos key control activities are described in the Book of Internal Control (BIC) based on the main risks identified. This document, made available to all employees, complements the different procedures by addressing the key control objectives of each process to achieve an appropriate level of internal control.

It covers the financial processes, but also the various operational processes (Opportunity to Order, Order to Cash, Offering Lifecycle, HR Management, Asset Lifecycle) 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 July 2021, to consider additional controls and some improvements in various processes. This framework will continue to evolve, according to growing maturity of processes and emerging risks (update at least once a year).

An IT control framework (part of the BIC) has been defined, detailing control activities related to client service. This framework is used by external auditors to issue "ISAE 3402" reports[1] for several Atos clients.

E – Monitoring

Monitoring of the internal control system is the responsibility of the Group and Local Management and is also supported by Internal Audit missions.

Self-assessment questionnaires (perception based) are regularly filled in by the Functions and the Operations within the RBUs/Countries. Control testing (evidence based) are also performed on critical controls and are 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 ensures that action plans are defined by Group and Local management, for continuously improving internal control processes.

In 2021, Internal Audit carried out a total of 15 audit assignments (including investigations and adhoc engagements at the request of Group Management Committee) assessing the functioning of the internal control system: 11 in the domain of business and support functions and 4 related to IT and Operations. All assignments have been finalized by the issuance of an audit report including action plans to be implemented by the related units or country.

Twice a year, a full review of open recommendations is performed by Internal Audit with concerned owners, and critical, high & medium risk actions are reported up to the Group Management Committee and Audit Committee. For the year 2021, 96% of high and medium audit recommendations have been implemented in the due semester.

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.

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.*

7.4.4 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 twice a month and are chaired by the Group CFO:

- the Finance Leadership Team meeting (FLT) comprises Group Deputy CFO, CFOs from the Regional Business Units, Industries and Product Houses, Atos|Syntel and Global Delivery CFO, Global Delivery Centers CFO; the Group Heads of Treasury, Controlling & Reporting, Risk & Rainbow, Finance Internal Control, Finance Transformation, Financial Integration of Acquisitions and Sales Operations (and other Directors according to the agenda). It covers all relevant topics across the Global Finance organization;
- the Central Finance Team (CFT) is composed of the Heads of the main functions within the Finance organization. This Committee addresses cross functional subjects critical to the Group.

Local finance teams having 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 oversees the financial processes, especially through financial consolidation, monitoring of compliance matters and supplying expertise and control of the reported financial information.

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 to prepare budgets, forecasts and to 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 to disseminate these policies and procedures within the Group. A dedicated Intranet site is accessible to all Finance 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 led to strongly structure 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. Recently acquired entities are progressively migrated onto the standard ERP.

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 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 RBUs. It requires the main subsidiaries to complete a standard electronic closing file on a quarterly basis 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 Group Management Committee in the decision-making process through monthly reviews and by establishing a strong link with Regional Business Units and Industry management in performing financial analysis and monitoring, enhancing control over operations and improving the accuracy and reliability of information reported to the Group.

7.4.5 Remediation and prevention plan

NB: This information was added after the Board of Directors' meeting of February 28, 2022 which approved the management report.

In light of the internal control weaknesses reported in April 2021, the Group executive management, supported by the Finance, Compliance and Internal Control functions, has built a comprehensive program, reviewed on a weekly basis, as part of the remediation and prevention plan, strengthening the competencies and processes in the U.S., as well as the preventive controls across the Group.

The remediation and prevention plan, the design and implementation of which was closely supervised by the Audit Committee and the Board of Directors, was complemented with measures recommended by external advisers and includes the main following measures:

- Reinforcement and implementation of new preventive controls, including in particular running a monthly committee aimed at reviewing and approving non-standard journal entries, developing additional functionalities such as enhancing the approval workflow in the accounting portal used during the month end closing;
- Publication of enhanced guidelines and documentations. In particular, the Group accounting manual was updated, including new minimum documentation requirements by type of entry;
- Organizational changes were realized where required. These include hiring additional IFRS experts and strengthening dedicated internal control organization in each RBU;
- Increasing awareness through a series of communication actions, notably on the Group alert system;
- Implementation of appropriate HR measures, following a comprehensive HR review; and
- Development of dedicated trainings, in particular a training relating to financial integrity. This training program was prepared with input from external advisers and was completed by 100% of the employees in the U.S. before December 31, 2021. It will be extended to all Atos employees in all geographies throughout 2022.

7.4.6 Outlook and related new procedures to be implemented

In 2022, 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, for the internal control improvement plan, the Finance department is committed to reinforce the first and second lines of defense by enforcing stringent procedures across the Group. Recently acquired entities will also be integrated in the 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 review program updated following the most recent risk assessment performed, and the follow-up of the implementation of its recommendations.

8

Common Stock Evolution and Performance

[GRI 102-16]

8.1 Basic data

8.1.1 Information on stock trading

The Company's shares have been admitted to trading on the Euronext Paris regulated market (Compartment A) since 1995, under ISIN code FR0000051732. Atos SE shares are eligible for SRD and PEA. The Company's shares were included in the CAC 40, the main share index published by Euronext Paris, from March 20, 2017 until September 17, 2021 when Atos exited the index. Atos is now included in the Next 20 index. The Company's shares have been included on the new CAC 40 ESG index created in March 2021.

The main tickers are:

Source	Codes
Euronext	ATO
AFP	ATO
Bloomberg	ATO FP
Reuters	ATOS PA
Thomson	ATO FR

The Euronext sector classification is as follows:

Euronext : classification sectorielle ICB	
Industrie	9000, Technology
Supsecteur	9500, Technology
Secteur	9530, Software and Computer Services
Sous-secteur	9533, Computer Services

8.1.2 Free Float

Atos updated its level of free float following the expiration, on September 30, 2020, of the lock-up commitment pursuant to the Lock-up Agreement between Atos SE and Siemens Pension-Trust e.V. (SPT). Considering that SPT acts independently with regard to its status, and is not legally controlled by Siemens AG, the 10,665,713 Atos shares owned by SPT, which represented 9.6% of Atos' share capital as of December 31, 2021, were included in the free float. Stakes owned by the employees and the management as well as treasury shares, are excluded from the free float.

As of December 31, 2021	Shares	% of share capital	% exercisable of voting rights
Employees	3,372,846	3.05%	3.05%
Board of Directors	33,665	0.03%	0.03%
Treasury Stock	181,626	0.16%	-
Free Float	107,142,195	96.76%	96.92%
TOTAL	**110,730,332**	**100.0%**	**100.0%**

8.2 Stock ownership

Principal changes in the ownership of the Company's shares in the past three years have been as follows:

	December 31, 2021		December 31, 2020		December 31, 2019	
	Shares	%	Shares	%	Shares	%
Siemens Pension-Trust e.V.	10,665,713	9.63%	12,483,153	11.3%	12,483,153	11.4%
Employees	3,372,846	3.05%	2,445,817	2.2%	1,520,828	1.4%
Board of Directors	33,665	0.03%	89,442	0.1%	54,493	0.1%
Treasury Stock	181,626	0.16%	53,265	-	582,204 [1]	0.5%
Others[2]	96,476,482	87.13%	94,921,489	86.3%	94,574,236	86.6%
TOTAL	**110,730,332**	**100.0%**	**109,993,166**	**100.0%**	**109,214,914**	**100.0%**

1 *Including 540,266 shares to be effectively delivered to LTI beneficiaries on January 2, 2020.*
2 *Includes all shareholders holding less than 5% of the share capital.*

The Company's shares which are owned by employees are managed by Group mutual funds (FCPE) or held in direct shareholding.

The Supervisory Boards of the Group mutual funds exercize the voting rights attached to the securities held within the funds. As at December 31, 2021, the shareholding of current and former Atos Group employees into Atos SE represented an overall 3.05% of the share capital.

As at December 31, 2021, no other shareholder had disclosed a shareholding of more than 5% of the Company's share capital.

The treasury stock evolution is described below in section ***8.7.6 Treasury stock and liquidity contract***.

The threshold crossings which were disclosed in 2021 are described in section ***8.7.3 Threshold crossings***.

8.3 Dividend policy

[GRI 201-1]

As Net income Group share was negative in 2021, Atos Board of Directors decided, in its meeting held on February 28, 2022, to not propose a dividend to the next Annual General Meeting.

The Group intends to pursue its current policy in line with the pay-out ratio between 25% and 30% of Net income Group share.

During the past three fiscal periods, Atos SE paid the following dividends:

Fiscal period	Amount of the dividend
Dividend 2020 (paid in 2021)	€ 0.90
Distribution for the 2019 financial year	N/A
Dividend 2018 (paid in 2019)	€1.70

8.4 Shareholder documentation

In addition to the Universal Registration Document, the following information is available to shareholders:

- a half-year report;
- quarterly revenue;
- regular press releases, regulated information and general Group's information, available through the Atos website at atos.net.

8.5 Financial calendar

April 27, 2022 (Before Market Opening)	First Quarter 2022 revenue
May 18, 2022	Annual General Meeting
July 27, 2022 (Before Market Opening)	First semester 2022 results

The Group intends to organize in May 2022 (the date will be communicated subsequently) a Capital Markets Day dedicated to its turnaround plan.

8.6 Contacts

[GRI 102-53]

Institutional investors, financial analysts as well as individual shareholders can contact:

Thomas Guillois

Head of Investor Relations

Tel: +33 6 21 34 36 62

thomas.guillois@atos.net

Requests for information can also be sent by email to **investors@atos.net**

8.7 Common stock

8.7.1 At December 31, 2021

As of December 31, 2021, the Company's issued common stock amounted to c. €111 million, divided into 110,730,332 fully paid-up shares of €1.00 par value each.

Compared to December 31, 2020, the share capital was increased by the issuance of 737,166 new shares resulting from a capital increase reserved to the employees as part of the employee shareholding plan entitled "Share 2021".

Additionally, in connection with « Share 2021 », the Company also launched in 2021 a capital increase through an equivalent and complementary framework (the "Share Incentive Plan 2021"), reserved to employees located in the United Kingdom in accordance with the 19th resolution of the AGM of May 12, 2021, allowing for a maximum issue of 219,986 Atos new shares. The completion of this capital increase, for a total amount (including issue premium) of EUR 883,157.76 via the issuance of 33,367 new Atos shares of EUR 1 par value each, took place on March 21, 2022. As a result of this capital increase, the share capital of Atos was increased from EUR 110,730,332 to EUR 110,763,699.

8.7.2 Over the 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)		
2017	Capital increase reserved to employees[1]	02/17/2017	294,965	105,203,644	0.3	22.1	105.2
	Exercise of stock options	04/01/2017	107,922	105,311,566	0.1	3.4	105.3
	Exercise of stock options	06/30/2017	57,402	105,368,968	0.0	1.8	105.3
	Exercise of stock options	09/30/2017	14,876	105,383,844	0.0	0.4	105.3
	Exercise of stock options	12/31/2017	61,505	105,445,349	0.1	1.8	105.4
2018	Exercise of stock options	03/31/2018	153,130	105,598,479	0.2	4.9	105.6
	Payment of the dividend in shares	06/21/2018	1,063,666	106,662,145	1.1	110.7	106.7
	Exercise of stock options	06/30/2018	222,074	106,884,219	0.2	6.5	106.9
	Exercise of stock options	12/31/2018	2,000	106,886,219	0.0	0.1	106.9
2019	Capital increase reserved to employees[2]	02/28/2019	263,518	107,149,737	0.3	15.4	107.2
	Exercise of stock options	03/31/2019	5,667	107,155,404	0.0	0.3	107.2
	Payment of the dividend in shares	05/27/2019	2,039,710	109,195,114	2.0	124.5	109.2
	Exercise of stock options	06/30/2019	19,800	109,214,914	0.0	0.8	109.2
2020	Capital increase reserved to employees[3]	07/31/2020	778,252	109,993,166	0.7	36.9	109.9
2021	Capital increase reserved to employees[4]	28/10/2021	737,166	110,730,332	0.7	21.8	110.7

1 *Under the 19th resolution of the Annual General Meeting of May 26, 2016.*
2 *Under the 20th resolution of the Annual General Meeting of May 24, 2018.*
3 *Under the 20th resolution of the Annual General Meeting of April 30, 2019.*
4 *Under the 18th resolution of the Annual General Meeting of May 12, 2021.*

8.7.3 Threshold crossings

During the period between January 1, 2021 to December 31, 2021, the Group has been informed of the following legal thresholds' crossings:

- BlackRock, Inc., acting on behalf of clients and funds which it manages, declared having crossed, upwards on February 1, 2021, the thresholds of 5% of the share capital and voting rights of the Company (following the acquisition of Atos SE shares on and off market and an increase in the number of Atos SE shares held as collateral). BlackRock, Inc. declared holding 5.06% of the share capital and voting rights of the Company;
- Siemens Aktiengesellschaft declared having crossed downwards on June 14, 2021, the thresholds of 10% of the share capital and voting rights of the Company (following the disposal of Atos SE shares on the market). Siemens Aktiengesellschaft declared holding indirectly, via its employees' pension fund named Siemens Pension Trust e.V., 9.96% of the share capital and voting rights of the Company;
- BlackRock, Inc., acting on behalf of clients and funds which it manages, declared having crossed, downwards on November 30, 2021, the thresholds of 5% of the share capital and voting rights of the Company (following the disposal of Atos SE shares on the market). BlackRock, Inc. declared holding 2.71% of the share capital and voting rights of the Company.

Name of entity notifying the threshold crossing	Date of reporting	Date of threshold crossing	Direction	Shares	% of share capital[1]	% of voting rights[2]	Reference of AMF publication
BlackRock Inc.	02/02/21	02/01/21		5,568,745	5.06%	5.06%	221C0266
Siemens Aktiengesellschaft	06/17/21	06/14/21		10,956,753	9.96%	9.96%	221C1432
BlackRock Inc.	12/01/21	11/30/21		2,998,257	2.71%	2.71%	221C3334

1 *On the date of threshold crossing.*

2 *Including treasury shares on that date pursuant to article 223-11 I. al. 2 of the Réglement Général de l'Autorité des Marchés Financiers (French Financial Market Authority General Regulations).*

The Company was not informed of any other valid legal threshold crossing, in accordance with article L. 233-7 of the French Commercial Code, in 2021.

It has been confirmed that the declarations of threshold crossing filed with the AMF by Finsur Corp and published on the AMF website on May 17, 2021 and May 21, 2021 (AMF publication references No. 221C1084 and 221C1168) did not reflect any reality (see AMF publication reference No. 221C1273).

8.7.4 Voting rights

Voting rights are in the same proportion as shares held except for treasury shares which do not carry any voting right. No shares carry double voting rights.

8.7.5 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 (the "Lock-Up Agreement"). This lock-up 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 Siemens and Atos. Under this agreement, Siemens nevertheless retained 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., 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.

On March 27, 2018, in connection with the financing by Siemens AG of a pension plan, Siemens AG transferred, off the market, the entirety of its shareholding in the Company, i.e., 12,483,153 Atos SE shares, to Siemens Pension-Trust e.V. In connection with the above-mentioned transfer of shares, Siemens Pension Trust e.V. executed a Joinder Agreement on March 23, 2018 under which Siemens Pension Trust e.V. agreed to be bound by the terms and conditions of the Lock-Up Agreement, as mentioned hereabove. Following the expiration on September 30, 2020 of the lock-up commitment pursuant to the Lock-Up Agreement, considering that Siemens Pension-Trust e-V. acts independently with regard to its status, and is not legally controlled by Siemens AG, the 10,665,713 Company shares owned by Siemens Pension Trust-e.V. as of December 31, 2021 are included in the free float.

The Lock-Up Agreement also provides that, at the end of the lock-up commitment, and should Siemens Pension Trust e.V. wish to sell its Atos SE shares, it undertakes to do so in an orderly manner, within the limit of a number of shares sold per trading day that may not exceed 20% of the average daily volume of Atos SE shares traded on Euronext Paris during the last 30 days prior to the date of the contemplated sale. Block sales are not covered by this restriction, it being specified, however, that if Siemens Pension Trust e.V. receives a bona fide offer from a competitor of Atos SE, it will first have to allow Atos SE to acquire, or have acquired by a strategic investor, all the Atos SE shares concerned, under the conditions and at the price offered. Atos SE will have five business days to accept this offer from the date of its receipt by Atos SE.

The aforementioned commitments of Siemens Pension Trust e.V. will be terminated immediately and automatically in case of (i) a tender offer on the shares of Atos SE accepted by the Board of Directors of Atos SE and having received a compliance decision from the French market authority, the AMF, or (ii) a change of control of Atos SE, i.e. if a person or a group of persons acting in concert comes to hold 30% or more of the share capital or voting rights of Atos SE, or (iii) the disposal by Atos SE of a significant portion of its assets or activities representing 33% of the revenues of the previous financial year, if Siemens Pension Trust e. V. has not given its consent to such a disposal.

The Lock-Up Agreement will also terminate on the day Siemens Pension Trust e.V. ceases to hold a number of Atos SE shares representing more than 5% of the share capital of Atos SE (on a non-diluted basis).

The Company has not received notice of any other shareholder agreements for filing with the stock exchange authorities and, to the best knowledge of the Company, no "action de concert" or similar agreements exists.

The Group's shares which are owned by employees are mainly managed by Group mutual funds (FCPE), the remainder being held directly by the participating employees under the Atos Group Savings Plan. The Supervisory Boards of the Group mutual funds exercize the voting rights attached to the securities held within the funds. As per the rules of the Group mutual fund (FCPE), Atos Stock Plan, the Supervisory Board decides on the contribution of shares in case of public offer (purchase or exchange). The Supervisory Board decides on any merger, spin-off and liquidation of any compartment of the fund and approves certain modifications to the rules of the fund. As at December 31, 2021, the shareholding of current and former Atos Group employees into Atos SE represented an overall 3.05% of the share capital.

To the Company's knowledge, there is no agreement capable of having a material effect, in case of public offer on the share capital of the Company.

8.7.6 Treasury stock and liquidity contract

Treasury Stock

As of December 31, 2021, the Company owned 181,626 Atos SE shares which amounted to less than 0.2% of the share capital with a portfolio value of €6,790,996.14, based on December 31, 2021 market price, and with book value of €8,259,816.62. These shares were purchased in the context of share buyback program and are intended to be delivered to beneficiaries of performance shares plans, share purchase plans or other long-term incentive plans.

The Company proceeded to the purchase of:

- 820,000 shares from February 16 to February 26, 2021 and March 1 to March 5, 2021 as part of a mandate given to a financial intermediary as announced by the Group on February 19, 2021;
- 120,000 shares from December 17 to December 23, 2021, as part of a mandate given to a financial intermediary as announced by the Group on December 17, 2021.

From January 1 to December 31, 2021 the Company transferred 811,639 shares of the Company to beneficiaries of long-term incentive plans.

Liquidity Contract

Atos and Rothschild Martin Maurel entered into a liquidity contract on February 14, 2019, effective as from January 1, 2019.

This contract has been concluded following changes to the regulation applicable to liquidity contracts and is compliant with the AMF decision n° 2021-01 dated June 22, 2021 (the "AMF Decision"), effective since July 1, 2021.

The trading platform on which trades under the liquidity contract are made is Euronext Paris.

Pursuant to its provisions, situations or conditions leading to the suspension or termination of the liquidity contract are the following:

- the performance of the liquidity contract is suspended in the conditions set forth in article 5 of the AMF Decision;
- it can be suspended at Atos' request for technical reasons, such as the counting of shares benefiting from voting rights before a General Meeting or the counting of shares benefiting from a dividend before the ex-dividend date, and for a period of time specified by Atos.

The liquidity contract may be terminated at any time and without notice by Atos or by Rothschild Martin Maurel, subject to a one-month prior notice.

The transactions carried out in 2021 under the liquidity contract are as follows:

Cumulated gross flows as at December 31, 2021	Cumulative purchases	Cumulated sales
Number of shares	4,263,716	4,263,716
Average Sale/Purchase price	57.4005	57.2735
Total Amount of Purchases/Sales	244,739,296.94	244,197,940.19

Legal Framework

The 16th resolution of the Annual General Meeting of May 12, 2021 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.

These purchases may be carried out:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;
- 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. 22-10-56 et seq. and L. 225-177 et seq. of the French Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 22-10-59, L. 22-10-60 and L. 225-197-1 et seq. of the French Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of the 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;
- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital authorized by the General Meeting, in particular pursuant to the 17th resolution of the Annual General Meeting held on May 12, 2021.

This authorization is also intended to allow the Company to trade in its own shares for any other purpose in compliance with applicable regulation or which would subsequently enjoy a legitimacy presumption under the relevant legal and regulatory provisions or that may subsequently be admitted as market practice by the AMF. In such case, the Company shall inform its shareholders by press release.

This authorization shall be used at any time except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequent to the 2021 Annual General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit will be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies, or by the issuance of securities giving access to the Company's capital, in compliance with the relevant legal and regulatory provisions.

The maximum purchase price per share may not exceed €120 (fees excluded).

The Board of Directors may adjust the aforementioned maximum 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, as well as in the event of division of the nominal value of the share or share consolidation or any other transaction on equity, so as to take account of the impact of such transactions on the value of the shares.

As a result, the maximum amount of funds assigned to the share buyback program amounts to €1,319,917,920 as calculated on the basis of the share capital as at December 31, 2020, 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 12, 2021.

Description of the share buyback program to be submitted to the approval of the next Annual General Meeting

In connection with the share buyback program (and within the limit of 10% of the share capital), it is expected to propose, during the next Annual General Meeting, the renewal of the authorization to purchase shares which was granted during the Annual General Meeting held on May 12, 2021, for 18 months.

In accordance with the AMF General Regulations (articles 241-1 et seq.), this description of the program is aimed at detailing the objectives and the terms and conditions of the new Company's share buyback program which will be subject to the authorization of the next Annual General Meeting.

The aims of this program are:

- to ensure liquidity and an active market of the Company's shares through an investment services provider acting independently in the context of a liquidity contract, in accordance with the market practice accepted by the AMF;
- 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. 22-10-56 et seq. and L. 225-177 et seq. of the French Commercial Code, and (iii) free awards of shares in particular under the framework set by articles L. 22-10-59, L. 22-10-60 and L. 225-197-1 et seq. of the French Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions set by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides;
- to remit the shares acquired upon the exercise of the 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;
- to keep them and subsequently use them in payment or exchange or other in the context of potential external growth operations; or
- to cancel them as a whole or in part through a reduction of the share capital.

This authorization would also allow the Company to trade in its own shares for any other purpose in compliance with applicable regulation or which would subsequently enjoy a legitimacy presumption under the relevant legal and regulatory provisions or that may subsequently be admitted as market practice by the AMF. In such case, the Company would inform its shareholders by press release.

This authorization may be used at any time, except during public offers on the shares of the Company.

The purchase of shares shall not exceed, at any time, a maximum number of shares representing 10% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, it being specified that where the shares are repurchased in the context of a liquidity contract, the number of shares taken into account in calculating the 10% limit shall be the number of shares purchased minus the number of shares resold during the period of the authorization.

Acquisitions, sales, and transfers or exchange of shares may be made by any means, subject to the limits authorized by the laws and regulations in force, on one or several occasion, on a regulated market or via a multilateral trading facility or a systematic internalizer or over the counter, including by public tender offering or by block purchases or sales (with no limit on the portion of the share buyback program), and where required, by derivative financial instrument (traded on a regulated market or a multilateral trading facility via a systematic internalizer or over the counter) or by warrants or securities giving access to Company shares, or the implementation of optional strategies such as purchases or sales of purchase or sale options, or by the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, exercise of a warrant or any other means to Company shares held by this latter party, and when the Board of Directors or the person acting on the Board of Directors' authority, under conditions laid down in the law, decides in compliance with the relevant legal and regulatory provisions.

The maximum purchase price is set at €120 (excluding taxes) per share and the number of shares which may be acquired is 10% of the share capital of the Company, at any time, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequently to the General Meeting, theoretically 11,073,033 shares as calculated on the basis of the share capital as at December 31, 2021. The maximum amount of the funds assigned to the share buyback program is €1,328,763,960, as calculated on the basis of the share capital on December 31, 2021. This maximum amount may be adjusted to take into account the share capital amount on the day of the General Meeting.

As from its authorization by the next Annual General Meeting, this program will be in force for a maximum duration of 18 months.

8.7.7 Potential common stock

Potential dilution

Based on 110,730,332 outstanding shares as of December 31, 2021, the common stock of the Group could be increased by 2,742,563 new shares, representing 2.47% of the common stock before dilution. This dilution could come from the exercise of stock subscription options granted to employees or from the acquisition of performance shares, as follows:

(in shares)	December 31, 2021	December 31, 2020	Change	% dilution
Number of shares outstanding	**110,730,332**	**109,993,166**	**737,166**	
From stock subscription options[1]	137,000	162,900	-25,900	0.12%
From performance shares	2,605,563	2,812,862	-207,299	2.35%
Potential dilution	**2,742,563**	**2,975,762**	**-233,199**	**2.47%**
TOTAL POTENTIAL COMMON STOCK	**113,472,895**	**112,968,928**		

1 *On the total of 137,000 of stock options, no option had a strike price lower than €37.25 (opening stock price as of December 31, 2021).*

Stock options evolution

Number of stock subscription options as of December 31, 2020	162,900
Stock subscription options granted in 2021	0
Stock subscription options exercised in 2021	0
Stock subscription options cancelled or forfeited in 2021	25,900
NUMBER OF STOCK SUBSCRIPTION OPTIONS AS OF DECEMBER 31, 2021	**137,000**

As of December 31, 2021, none of the outstanding stock options granted by the Group are exercisable. All outstanding stock options are still vesting and should be exercisable as from July 25, 2022. In addition, considering the evolution of the stock price of the Atos SE shares, the vesting condition of these options, relating to the performance of the Atos SE share compared to the performance of a basket consisting of indexes and shares, measured on the basis of the average of the opening share price (dividends reinvested) during the trading days of the calendar quarter preceding the grant date (i.e., July 25, 2019) and vesting date (i.e., July 25, 2022), is unlikely to be met.

Current authorizations to issue shares and other securities

Pursuant to the resolutions adopted by the Annual General Meetings held on June 16, 2020 and May 12, 2021, the following authorizations to modify the share capital and to issue shares and other securities granted by the General Meeting to the Board of Directors are in force as of December 31, 2021:

Authorization	Authorization amount (value)	Use of the authorizations (par value)	Unused balance (par value)	Authorization expiration date
EGM May 12, 2021 16th resolution Authorization to buyback the Company shares	10% of the share capital adjusted at any moment	120,000[1]	98.9%	11/12/2022 (18 months)
EGM May 12, 2021 17th 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	07/12/2023 (26 months)
EGM June 16, 2020 24th resolution Share capital increase with preferential subscription right	32,764,474	0	32,764,474	08/16/2022 (26 months)
EGM June 16, 2020 25th resolution Share capital increase without preferential subscription right by public offer[2 3]	10,921,491	0	10,921,491	08/16/2022 (26 months)
EGM June 16, 2020 26th resolution Share capital increase without preferential subscription right by private placement[2 3]	10,921,491	0	10,921,491	08/16/2022 (26 months)
EGM June 16, 2020 27th resolution Share capital increase without preferential subscription right to remunerate contribution in kind[2 3]	10,921,491	0	10,921,491	08/16/2022 (26 months)
EGM June 16, 2020 28th resolution Increase in the number of securities in case of share capital increase with or without preferential subscription right[2 3 4]	Extension by 15% maximum of the initial issuance	0	Extension by 15% maximum of the initial issuance	08/16/2022 (26 months)
EGM June 16, 2020 29th resolution Share capital increase through incorporation of premiums, reserves, benefits or other	5,111 million	0	5,111 million	08/16/2022 (26 months)
EGM May 12, 2021 18th resolution Capital increase reserved to employees[2]	2,199,863	737,166	1,462,697	11/12/2022 (18 months)
EGM May 12, 2021 19th resolution Capital increase reserved to operations reserved to employees in certain countries through equivalent and complementary framework[2]	219,986	219,986[5]	0[5]	11/12/2022 (18 months)
EGM May 12, 2021 20th resolution Authorization to allot free shares to employees and executive officers	989,938	853,900[6]	136,038	07/12/2024 (38 months)

1 *The purchase of 820,000 shares carried out from February 16, 2021 to February 26, 2021 and March 1, 2021 to March 5, 2021 is not included, It has been deducted from the amount authorized under the 22nd resolution of the Combined General Meeting of June 16, 2020.*

2 *Any share capital increase pursuant to the 25th, 26th, 27th, 28th resolutions of the Combined General Meeting of June 16, 2020 and to the 18th and 19th resolutions of the Combined General Meeting of May 12, 2021 shall be deducted from the cap set by the 24th resolution of the Combined General Meeting of June 16, 2020.*

3 *The share capital increases without preferential subscription right carried out pursuant to the 25th, 26th, 27th and 28th resolutions of the Combined General Meeting of June 16, 2020 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 June 16, 2020 (i.e. € 10,921,491). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate sub-cap.*

4 *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 24th resolution of the Combined General Meeting of June 16, 2020, and (iii) in case of share capital increase without preferential subscription rights, the amount of the sub-cap mentioned at 3 here above.*

5 *The Board of Directors held on July 27, 2021 made use of the 19th resolution in order to realize a share capital increase up to a maximum of 219,986 newly issued shares. The completion of this capital increase took place on March 21, 2022, via the issue of 33,367 new shares. As a result, on this same date the unused balance of this resolution amounted to 186,619 shares.*

6 *Initial Grant of 862,100 performance shares on July 24, 2020, among which 8,200 were cancelled.*

As of December 31, 2021, the number of new authorized shares that may be issued pursuant to the above-mentioned delegations of authority (the 28th and 29th resolutions of the Annual General Meeting held on June 16, 2020 being set aside) amounts to 32,900,512, representing 29.71% of the share capital on December 31, 2021.

8.8 Share trading performance

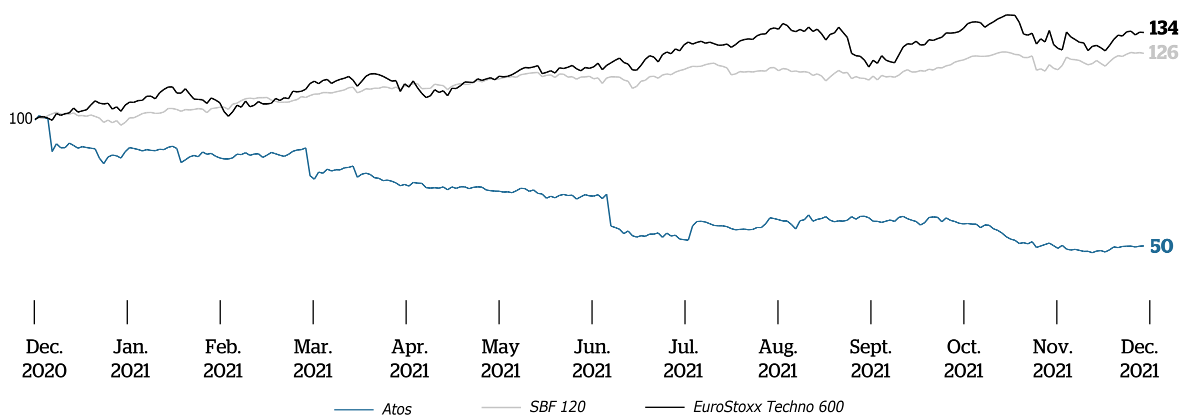
8.8.1 Stock market overview

Atos' stock price ended 2021 down -50.0% at €37.39, underperforming the French reference Index SBF 120 (+26.2%).

This underperformance is explained by the qualified opinion issued by the statutory auditors on two US legal entities representing 11% of 2020 consolidated revenue, as well as a profit warning issued on July 12, 2021.

The Group indicates the absence of any qualification in the Statutory Auditors' reports on the half-year condensed consolidated financial statements as at June 30, 2021 and on the consolidated financial statements for the year ended December 31, 2021, issued respectively on July 30, 2021 and on March 11, 2022.

ATOS' SHARE PERFORMANCE IN COMPARISON WITH INDICES (BASE 100 AT DECEMBER 31, 2020)



8.8.2 Key figures

	2021	2020	2019	2018	2017
Highest	76.12	81.06	79.24	130.30	135.40
Lowest *(in €)*	35.36	45.15	51.71	66.14	97.94
Closing as of 31/12 *(in €)*	37.39	74.78	74.32**	71.48	121.35
Average daily volume processed on Euronext platform *(in number of shares)*	2,758,013	456,990	475,750	403,600	276,651
Free-float	96.8%	97.6%	86.6%	86.7%	86.2%
Market capitalization as of 31/12 *(in € million)*	4,140	8,225	8,117	7,640	12,796
Enterprise Value as of 31/12* *(in € million)*	5,365	8,692	9,853	10,512	12,488
EV/revenue	0.5	0.8	0.9	0.9	1.0
EV/OMDA	5	5	5	7	8
EV/OM	14	9	8	8	10
P/E (year-end stock price ÷ normalized basic EPS)	-0.2	11.2	9.6	9.3	14.7

* *Assuming that (Enterprise Value) = (Net Debt) + (Market Capitalization).*
** *The distribution of 23.5% of Worldline share capital on May 2019 for €2,344 million, represented €21.88 per Atos share.*

8.8.3 Market capitalization

Based on a closing share price of €37.39 on December 31, 2021 and 110,730,332 shares in issue, the market capitalization of the Group at December 31, 2020 was € 4,140 million compared to €8,225 million at the end of December 2020.

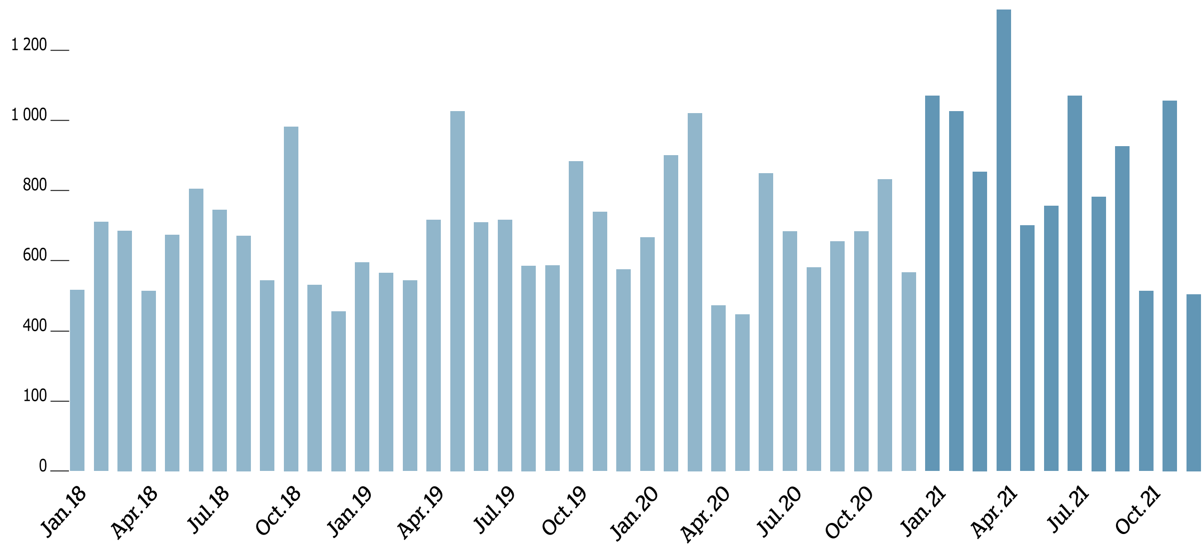
As of December 31, 2021, Atos was ranked 15th within the Next 20 index, which includes the 20 largest companies by market capitalization after the CAC 40 index on the Paris stock exchange.

8.8.4 Traded volumes

	Trading Volume (Euronext)	
	(in thousands of shares)	*(in € thousands)*
1st quarter 2021	45,199	2,952,906
2nd quarter 2021	48,970	2,774,582
3rd quarter 2021	63,500	2,782,010
4th quarter 2021	52,022	2,077,859
TOTAL	**209,690**	**10,587,356**

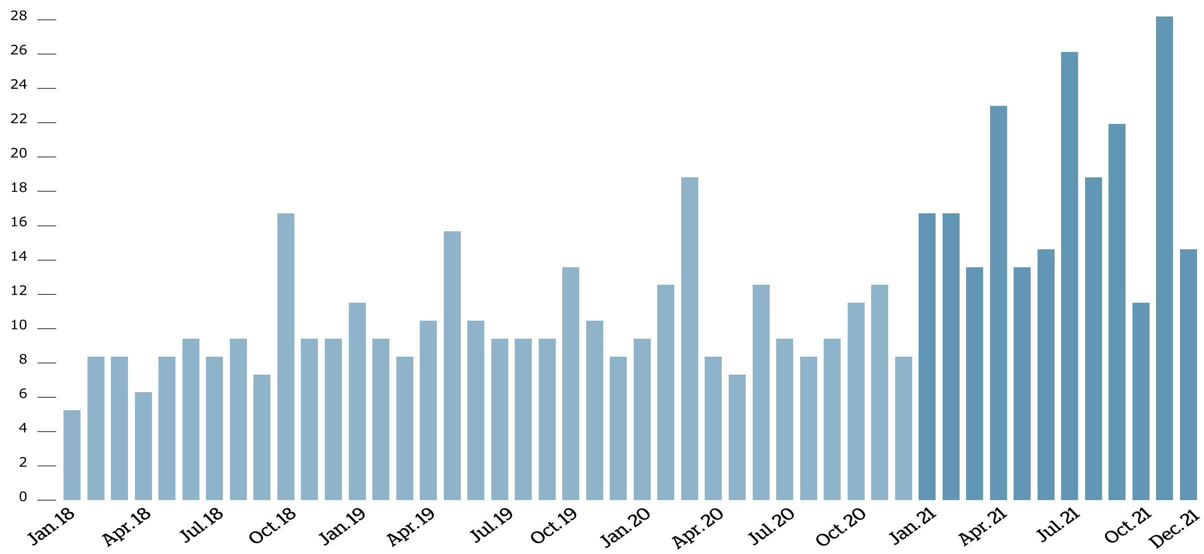
In 2021, the average daily number of shares traded reached 911 thousand on Euronext platforms, compared to 457 thousand in 2020. Regarding trading volumes on Atos SE shares, Euronext platform represented 30% of the total 2021 volumes, compared to 32% in 2020.

MONTHLY TRADING VOLUME *(IN € MILLION EURO)*[1]



1 *Volumes prior to May 3, 2019 (ex-date) adjusted of the distribution in kind of 2 Worldline shares for 5 Atos shares owned.*

MONTHLY TRADING VOLUME *(IN MILLION OF SHARES)*[1]



8.8.5 2021 and subsequent key trading dates

January

On **January 7**, following market rumors about a potential transaction involving Atos, the Company confirmed that it has approached DXC Technology concerning a potential friendly transaction between the two groups in order to create a Digital Services Leader benefitting from global scale, talent and innovation.

On **January 20**, Atos announced it had completed the acquisition of In Fidem, a Canada-based specialized cybersecurity consulting firm, with expertise in cloud security, digital identity, risk management, security operations, digital forensics and cyber breach response.

February

On **February 2**, further to the statement issued by the Company on January 7, 2021, the Board of Directors of Atos unanimously determined not to pursue a potential transaction with DXC Technology.

On **February 18**, Atos announced its Full Year 2020 results. **Revenue** was **€11,181 million**, -3.0% organically and **-2.3% at constant currency**. In the context of the Covid-19 crisis and regular restrictions and lockdowns in most of the countries where the Group operates, revenue decrease was limited thanks to the resilient profile of the Group business model. **Operating margin** was **€1,002 million**, representing **9.0% of revenue**, compared to 10.1% in 2019 at constant scope and exchange rates. The commercial dynamism of the Group was particularly high in 2020 with **order entry** reaching **€13.3 billion**, representing a **book to bill** ratio of **119%** compared to 106% in 2019 at constant exchange rates. During the fourth quarter, the book to bill reached **130%**. **Net income from continuing operations** was **€550 million**, and **Normalized net income from continuing operations** reached **€725 million**. Therefore, **basic and diluted EPS** both reached **€5.05** and **Normalized basic and diluted EPS** both reached **€6.65**. **Free cash flow** reached **€513 million** in 2020. **Net debt** was **€-467 million** at the end of 2020, this included the OEB for €500 million while the Group still owned 3.8% of Worldline shares which are exchangeable at maturity of the OEB. Assuming the full conversion of the OEB, the Group was net debt free as of end 2020.

1 Volumes prior to May 3, 2019 (ex-date) adjusted of the distribution in kind of 2 Worldline shares for 5 Atos shares owned.

April

On **April 1**, Atos published a statement regarding the consolidated financial statements of the Company for the year ended December 31, 2020. The statutory auditors issued a qualified opinion due to a limitation of scope as to two US legal entities representing 11% of 2020 consolidated revenue that require additional diligences. Except for this qualification, the Group consolidated financial statements were audited and the financial statements released on February 18, 2021 a were unchanged.

On **April 20**, Atos announced that it had signed an agreement to acquire Cryptovision, a leader in state-of-the-art cryptographic products and solutions for securing digital identities. This acquisition strengthened Atos' cybersecurity product lines and boosted the Company's business in the public sector and defense market in Europe.

On **April 20**, Atos announced the revenue of its first quarter of 2021. Q1 2021 **revenue** reached **€2,692 million**, **-1.9%** compared to Q1 2020 at constant currency, **-3.9%** organically. Covid-19 was still impacting Atos business over the quarter despite good resilience in Financial Services & Insurance and in Healthcare & Life Sciences, as well as in Northern Europe, in Growing Markets and in Southern Europe which was showing an encouraging recovery. During the first quarter of 2021, the Group **order entry** reached **€2,596 million** representing a **Book-to-Bill ratio** of **96%**, compared to 101% (at constant currency) achieved over the same period last year.

June

On **June 1**, Atos announced that it had completed the acquisition of Ipsotek, a leading AI enhanced video analytics software provider. This acquisition enabled Atos to strategically reinforce its leading position in Edge AI and Computer Vision by adding key software capabilities and IP to its solutions portfolio to provide a unique offering to clients across a variety of sectors.

On **June 3**, Atos announced that it had completed the acquisition of Processia, a Product Lifecycle Management (PLM) system integrator and Dassault Systèmes Global Service Partner.

On **July 12**, Atos announced the downward revision of its annual objectives and the confirmation of its Mid-term Targets.

The Group adjusted its objectives:

- of revenue growth of at constant currency for the full year from "+3.5% to +4.0%" to "stable";
- of Operating Margin from "9.4% to 9.8%" to "c.6%";
- of Free Cash Flow from "€550 million to €600 million" to "positive".

On **July 27**, Atos, announced its financial results for the first half of 2021. **Revenue** in the first semester of 2021 reached **€5,424 million**, -**1.0%** compared to the first semester of 2020 at constant currency, **-2.7%** organically. Revenue was impacted by Cloud acceleration on Legacy Infrastructure business as well as a stronger decrease in Unified Communications & Collaboration, with associated consequences on **operating margin**, of **€302 million** at **5.6%** compared to 7.8% in the first half of 2020. **Order entry** reached **€5,569 million**, representing a **book to bill ratio** of **103%**, with the second quarter at 109%. The **full backlog** at the end of June 2021 amounted to **€23.6 billion**, stable compared to end of December 2020, representing **2.1 years of revenue**. The **full qualified pipeline** was **€7.4 billion**, representing **7.9 months of revenue.** Group **free cash flow** during the first half of 2021 was **€-369 million**, compared to €-172 million in the first half of 2020.

The Group **signed an agreement with social partners in Germany** with the objective to turnaround loss making and cash negative areas in Germany on Classic Infrastructure business. The agreement related to the restructuring of c. 1,300 staff starting this year until the end of 2023. The cost required was c. €180 million.

Atos also announced the finalization of its **strategic portfolio review** and its decision to **look for partner for c.20% of Group revenue scope.**

On **July 27**, Atos announced it had reached an agreement to acquire Nimbix, a global leading high-performance computing (HPC) cloud platform provider based in the United States, to strengthen its HPC offering. With this acquisition, Atos, already a European leader in HPC, enhanced its existing capabilities and positioned itself as a leader in HPC cloud enablement.

On **July 27**, Atos announced that it had completed the acquisition of IDEAL GRP, a Product Lifecycle Management (PLM) system integrator and platinum-level solution partner of Siemens Digital Industries Software, headquartered in Finland. IDEAL GRP offers consulting, integration, software and maintenance services for businesses in the manufacturing sector.

On July 27, Atos announced it had reached an agreement to acquire Visual BI, one of the leading and fastest growing firms focusing exclusively on Cloud Data Analytics and Business Intelligence in the US. Visual BI is a Snowflake Elite partner, Microsoft Gold Partner for Data & Analytics and is an SAP partner. The Company also supports the technology platforms from market leading partners such as Fishtown Analytics, Fivetran, Tableau, HVR Software, Qlik, Theobald Software and Alteryx.

October

On **October 20**, Atos announced its revenue for the third quarter of 2021. Revenue in the third quarter of 2021 reached **€2,666 million**, **stable** compared to Q3 2020 at constant currency, and decreasing by **-2.3%** organically. The key segments to which the Group directs its transformation – Digital, Cloud, Security and Decarbonization – performed a strong growth while revenue was still impacted in Classic Infrastructure. The Group **order entry** reached **€2,399 million** representing a **Book-to-Bill ratio** of **90%**.

On **October 20**, Élie Girard, Chief Executive Officer and Board member of Atos, decided to present his resignation to the Board of Directors after an intense period of transformation of the Group.

The Board of Directors of Atos, at its meeting held on October 20, appointed Rodolphe Belmer as Chief Executive Officer and Board member.

November

On **November 4**, Atos announced **the successful placement of its first sustainability-linked bond issue for an aggregate amount of €800 million** with an 8-year maturity and a 1.0% coupon.

December

On **December 1**, Atos announced that it had completed the acquisition of AppCentrica, a Canadian-based technology and management consulting company specializing in Cloud Application and Salesforce services.

On **December 7**, Atos announced an agreement to acquire Cloudreach, a leading multi-cloud services company specializing in cloud application development and cloud migration, capitalizing on strong partnerships with all three hyperscalers.

January 2022

Atos announced that effective **January 1, 2022**, Rodolphe Belmer assumed office as the Group's new Chief Executive Officer.

On **January 10**, Atos announced preliminary 2021 financial figures below objectives:

- of revenue growth of at constant currency for the full year at "c. -2.4%" vs "stable";
- of Operating Margin of "c. 3.5%" vs "c.6%";
- of Free Cash Flow of c. "€-420 million" vs "positive".

February 2022

On **February 9**, Atos provided additional information on its 2021 financial figures, with impairments of goodwill and other assets of c. €1.9 billion, and impairment of contract assets, bad debt reserves, and provisions for future losses for c. €0.5 billion.

On **February 10**, Atos announced the simplification of its governance to accelerate transformation cadence, resume its growth trajectory, optimize economic performance and ultimately create value for all its stakeholders.

On **February 28**, Atos announced its Full Year 2021 results. **Revenue** was **€10,839 million**, or **-2.5%** at constant currency. Operating margin was **€383 million**, representing **3.5% of revenue**, compared to 9.0% in 2020. Commercial activity remained sound in 2021, as **order entry** reached **€10.8 billion**, representing a book to bill ratio of 99%. **Full backlog** was stable at constant currency compared to the end of 2020, at **€23.6 billion**, representing 2.1 years of revenue. The **full qualified pipeline** reached **€7.0 billion** compared to €8.9 billion at the end of 2020 at constant currency. Both **basic EPS Group share** and **diluted EPS Group share** were at **€-27.03**, compared to €5.05 in 2020. In 2021, **free cash flow** was **€-419 million** compared to €513 million in 2020. The **Group's net debt position** as of end 2021 was **€-1,226 million** compared to €-467 million at the end of 2020. This includes the Optional Exchangeable Bond (OEB) for € 500 million while the Group still owns the underlying Worldline shares which are exchangeable at maturity of the OEB. Assuming the full conversion of the OEB, the Group net debt would have amounted to **€-883 million**.

8.8.5.1 Purchase or sale by the Group of its own shares

The Group purchased or sold its own shares in 2021 as described within the **section 8.7.6 Treasury stock and liquidity contract.** At December 31, 2021, the Group held 181,626 shares as treasury stock.

9 Other Information

9.1 Persons responsible

9.1.1 For the Universal Registration Document

Rodolphe Belmer

Chief Executive Officer

9.1.2 For the accuracy of the Universal Registration Document

I hereby declare that the information contained in this universal Registration 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.

Rodolphe Belmer

Chief Executive Officer

Bezons, April 6, 2022

9.1.3 For the audit

APPOINTMENT AND TERM OF OFFICES

Statutory auditors

Grant Thornton - Virginie Palethorpe
Appointed on: October 31, 1990, then renewed in October 24, 1995, on May 30, 2002, on June 12, 2008, on May 17, 2014, and on June 16, 2020
Term of office expires: at the end of the AGM voting on the 2025 financial statements
Deloitte & Associés – Jean-François Viat
Appointed on: December 16, 1993, renewed on February 24, 2000, on May 23, 2006, on May 30, 2012, and on May 24, 2018
Term of office expires: at the end of the AGM voting on the 2023 financial statements

9.2 Contacts

9.2.1 Global Headquarters

River Ouest
80 quai Voltaire
95870 Bezons – France
+33 1 73 26 00 00

9.2.2 Group Executive Board as of February 2022

Regions

Northern Europe & APAC
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Southern Europe
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Americas
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Center of excellence

Commercial Office
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Corporate functions

Finance
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Strategy, CSR & General secretary
Diane Galbe +33 1 73 26 00 00

Human Ressources
Paul Peterson +1 914 881 3013

9.2.3 Investor Relations

Institutional investors, financial analysts as well as individual shareholders can contact:

Thomas Guillois
Head of Investor Relations
Tel: +33 6 21 34 36 62
thomas.guillois@atos.net

Requests for information can also be sent by email to investors@atos.net

9.3 Locations [GRI 102-3]

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.

Global Headquarters

River Ouest
80 Quai Voltaire
95870 Bezons – France
+33 1 73 26 00 00

Europe

Andorra
Austria
Belarus
Belgium
Bosnia
Bulgaria
Croatia
Czech Republic
Denmark
Estonia
Finland
France
Germany
Greece
Hungary
Italy
Ireland
Lithuania
Luxembourg
Poland
Portugal
Romania
Russia
Serbia
Slovakia
Slovenia
Spain
Sweden
Switzerland
The Netherlands
United Kingdom

Americas

Argentina
Brazil
Canada
Chile
Colombia
Guatemala
Mexico
Peru
Uruguay
USA

Asia Pacific

Australia
China
Hong Kong
Japan
Malaysia
New-Zealand
Philippines
Singapore
Taiwan
Thailand

India, Middle-East & Africa

Algeria
Benin
Burkina Faso
Egypt
Gabon
India
Israel
Ivory-coast
Kenya
Madagascar
Mali
Mauritius
Morocco
Qatar
Saudi Arabia
Senegal
South Africa
Tunisia
Turkey
United Arab Emirates

9.4 Glossary

Financial terms and Key Performance Indicators	Business Key Performance Indicators
Operational Capital Employed	Revenue
Current and non-current assets or liabilities	TCV (Total Contract Value)
DSO	Order entry/bookings
Organic growth	Book-to-bill
CAGR	Backlog/Order cover
Operating margin	Pipeline
Other operating income and expenses	Legal staff
Gross margin and indirect costs	FTE (Full-time equivalent staff)
EBITDA	Subcontractors
OMDA	Interims
Gearing	Direct Staff
Interest cover ratio	Indirect staff
Leverage ratio	Permanent staff
Operating income	Temporary staff
Cash flow from operations	Staff turnover and attrition rate (for legal staff)
Net debt	Utilization rate and non-utilization rate
Change in net debt (cash)	
Free cash flow	
Earnings per share (EPS)	
Normalized net income	
Normalized earnings per share (normalized EPS)	

Business terms	Market terms
BPO	Consensus
CRM	Dilutive instruments
ERP	Dividends
WAN	Enterprise Value (EV)
	Free float
	Market capitalization
	PER (Price Earnings Ratio)
	Volatility

9.4.1 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 consolidated statement of financial position. Atos has classified as current assets and liabilities those assets and liabilities 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, lease liabilities and provisions, and current financial instruments represent the Group working capital requirement.

DSO: (Days of Sales Outstanding). DSO is the amount of trade accounts receivable (including contract assets) expressed in days of revenue (on a last-in, first-out basis). The number of days is calculated in accordance with the Gregorian calendar.

Organic growth: Organic growth represents the percent growth of a unit based on a constant scope and exchange rates basis.

CAGR: The Compound Annual Growth Rate reflects the mean annual growth rate over a specified period of time longer than one year. It is calculating by dividing the value at the end of the period in question by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result. As an example:

2019-2021 revenue CAGR = (Revenue 2021 / Revenue 2018) (1/3) -1

Operating margin: Operating margin equals to External Revenues less personnel and operating expense. It is calculated before Other Operating Income and Expense as defined below.

Other operating income and expense:

Other operating income and expense include:

- the amortization and impairment of intangible assets recognized as part of business combinations such as customer relationships, technologies and goodwill;
- when accounting for business combinations, the Group may record provisions in the opening statement of financial position 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 expense";
- the cost of acquiring and integrating newly controlled entities, including earn out with or without presence conditions;
- the net gains or losses on disposals of consolidated companies or businesses;
- the fair value of shares granted to employees including social contributions;
- the restructuring and rationalization expense relating to business combinations or qualified as unusual, infrequent and abnormal. When a restructuring plan qualifies for Other operating income and expense, the related real estate rationalization & associated costs regarding premises are presented on the same line;
- the curtailment effects on restructuring costs and the effects of plan amendments on defined benefit plans resulting from triggering events that are not under control of Atos management;
- the net gain or loss on tangible and intangible assets that are not part of Atos core-business such as real estate;
- other unusual, abnormal and infrequent income or expense such as major disputes or litigation.

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.

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).

OMDA (Operating Margin before Depreciation and Amortization) is calculated as follows:

Operating margin:

- less - Depreciation of fixed assets (as disclosed in the "financial report");
- less – Depreciation of right of use (as disclosed in the "financial report");
- less - Net charge (release) 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 (release) of provisions for pensions (as disclosed in the "financial report").

Gearing: The proportion, expressed as a percentage of net debt to total shareholders' equity (Group share and minority interests).

Interest cover ratio: Operating margin divided by the net cost of financial debt, expressed as a multiple.

Leverage ratio: Net debt divided by OMDA.

Operating income (loss): Operating income (loss) comprises net income (loss) before deferred and current income taxes, net financial income (expense), and share of net profit (loss) of equity-accounted investments.

Cash flow from operations: Cash flow coming from the operations and calculated as a difference between OMDA, net capital expenditures, lease payment and change in working capital requirement.

Net cash or net debt: Net cash or net debt comprises total borrowings (bonds, short term and long-term loans, securitization and other borrowings), short-term financial assets and liabilities bearing interest with maturity of less than 12 months, less cash and cash equivalents. Liabilities associated with lease contracts and derivatives are excluded from the net debt.

Free Cash Flow (FCF): The Free Cash Flow represents the change in net cash or net debt, excluding capital increase, share buyback, dividends paid to shareholders and non-controlling interests, net acquisition or disposal of companies.

Earnings (loss) per share (EPS): Basic EPS is the net income (loss) divided by the weighted-average number of common shares outstanding during the period. Diluted EPS is the net income (loss) divided by the diluted weighted-average number of common shares for the period (number of shares outstanding + dilutive instruments with dilutive effect).

Normalized net income (loss): The normalized net income (loss) is the net income (loss) (Group Share – excluding net result attributable to non-controlling interests) before Other operating income and expense, changes in the fair value of derivatives and of Worldline shares, net of taxes.

Normalized earnings per share (normalized EPS): Normalized earnings per share are calculated by dividing the normalized net income (loss) (Group share) by the weighted-average number of common shares outstanding during the period, excluding treasury shares.

9.4.2 Business KPI's (Key Performance Indicators)

9.4.2.1 Revenue

Revenue: Revenue related to Atos' sales to third parties (excluding VAT).

TCV (Total Contract Value): The Total Value of a Contract at signature (prevision or estimation) over its duration 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.

Book-to-bill: The Book-to-Bill is the ratio expressed in percentage of the order entry in a period divided by revenue of the same period.

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.

9.4.2.2 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.

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.

9.4.3 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.

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.

WAN (Wide Area Network): A long–distance network that generally comprises several local networks and covers a large geographical area.

9.4.4 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 options, performance 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 L. 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 articles L. 233-10 and L. 233-11 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 L. 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.

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.

Volatility: The variability of movements in a share price, measured by the standard deviation of the ratio of two successive prices.

9.5 AMF cross-reference table

9.5.1 Universal Registration Document cross reference table

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 1st, 2021, in accordance with article 212-13 of the AMF General Regulations. After filing, this document, as a Universal Registration Document, could be used to support a financial operation if accompanied by a securities note duly approved by the AMF.

The cross-reference table below identifies the information required by appendices 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 in accordance with the structure of the Universal Registration Document.

N°	Appendices 1 and 2 of the commission delegated regulation (EU) 2019/980 of March 14, 2019	Sections in the 2021 Universal Registration Document
1.	**Persons responsible, third party information, experts' reports and competent authority approval**	
1.1.	**Indication of persons responsible**	**9.1.1**
1.2.	**Declaration by persons responsible**	**9.1.2**
1.3.	**Name, address, qualification and material interest in the issuer of experts**	**N/A**
1.4.	**Confirmation of the accuracy of the source from a third party**	**N/A**
1.5.	**Statement from the designated authority with no prior approval**	**N/A**
2.	**Statutory auditors**	
2.1.	**Names and addresses of the auditors**	**9.1.3**
2.2.	**Indication of the removal or resignation of auditors** **Information regarding changes of statutory auditors during the period**	**N/A**
3.	**Risk Factors**	**7.2**
4.	**Information about the issuer**	
4.1.	**The legal and commercial name of the issuer**	**4.1.2**
4.2.	**The place and the number of registration**	**4.1.2**
4.3.	**The date of incorporation and the length of life of the issuer**	**4.1.2**
4.4.	**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**	**4.1.1; 4.1.2; 9.2**
5.	**Business overview**	
5.1.	**Principal Activities**	
5.1.1.	**Nature of the issuer's operations and its principal activities**	**1. "Atos profile"; 3.1; 2**
5.1.2.	**New products or services developed**	**2**
5.2.	**Principal market**	**1. "Atos profile";** **1. "Market sizing and competitive landscape"**
5.3.	**Important business events**	**1. "2021 key achievements";1. "Atos story"; 8.8.5**
5.4.	**Strategy and objectives**	**1. Vision, ambition & strategy; 3.2**
5.5.	**Dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes**	**7.2.4.2;**
5.6.	**Basis for statements made by the issuer regarding its competitive position**	**1. "Market sizing and competitive landscape**
5.7.	**Investments**	
5.7.1.	**Main investments**	**1. "Business model"; 6.1.7.5 – Note 1**
5.7.2.	**Material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments and the method of financing**	**N/A**
5.7.3.	**Main joint ventures and undertakings in which the issuer holds a proportion of the capital**	**N/A**
5.7.4.	**Environmental issues**	**5.2**

N°	Appendices 1 and 2 of the commission delegated regulation (EU) 2019/980 of March 14, 2019	Sections in the 2021 Universal Registration Document
6.	Organizational Structure	
6.1.	Brief description of the Group	1. "Atos profile; 1. "Atos story";
6.2.	List of significant subsidiaries	6.1.7.5 – Note 18
7.	Operating and financial review	
7.1.	Financial condition	
7.1.1.	Balanced and comprehensive analysis of development and performance or position including both financial and, where appropriate, non-financial Key Performance Indicators	3.1; 3.3; 6.1
7.1.2.	Likely future development in the field of research and development	2.4
7.2.	Operating Results	3.1; 3.3; 6.1
7.2.1.	Unusual or unfrequent events or new developments materially affecting the issuer's income	1 "2021 key achievements".; 2; 3.1; 8.8.5
7.2.2.	Narrative discussion about material changes in net sales or revenues	1. "Market sizing and competitive landscape; 2; 3.1
8.	Capital resources	
8.1.	Issuer's capital resources	6.1; 8
8.2.	Sources and amounts of the issuer's cash flows	3.3.2
8.3.	Information on the borrowing requirements and funding structure	3.3.3.1
8.4.	Restrictions on the use of capital resources	N/A
8.5.	Anticipated sources of funds to fulfill commitments	N/A
9	Regulatory environment	
9.1.	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	5
10.	Trend information	
10.1.	The most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year	1 "Market trends"; 2; 3.1
10.2.	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects	1 "Market trends"; 2; 3.1
11.	Profit forecasts or estimates	
11.1.	Profit forecasts or estimates publication	3.2
11.2.	Statement setting out the principal assumptions upon which the issuer has based his forecast or estimate	3.2
11.3.	Statement pointing out the comparison with historical financial information consistent with the issuer's accounting policies	3.2
12.	Administrative, management and supervisory body and senior management.	
12.1	Information regarding the members	
	Name, business addresses and functions	1."Board of Directors"; 1. "Group Management Committee"; 4.2.3.1
	Detail of the nature of any family relationship	4.2.3.7
	Relevant management expertise and management experience	4.2.3.1
	Details of any convictions	4.2.3.6
12.2	Conflicts of interest	4.2.3.7
13.	Remuneration and Benefits	
13.1.	Remuneration and benefits in kind	4.3
13.2.	Pension, retirement or similar benefits	4.3
14.	Board Practices	
14.1.	Current term office	4.2.3.1
14.2.	Contracts providing benefits upon termination of employment	4.2.3.7
14.3.	Information about audit and Remuneration Committee	4.2.4.3; 4.2.4.4; 4.2.4.5
14.4.	Statement related to corporate governance	4.2.1
14.5.	Potential material impacts on the corporate governance	4.2.2
15.	Employees	
15.1.	Number of employees	5.3; 3.1.6

N°	Appendices 1 and 2 of the commission delegated regulation (EU) 2019/980 of March 14, 2019	Sections in the 2021 Universal Registration Document
15.2.	Shareholdings and stock options	4.3.3
15.3.	Arrangements involving the employees in the capital of the issuer	5.3.7; 8.7.5
16.	Major shareholders	
16.1.	Identification of the main shareholders holding more than 5%	6.1.7.5 - Note 6; 8.2
16.2.	Types of voting rights	4.1.3.2; 8.7.4
16.3.	Ownership and control	8.1.1.2; 8.2; 8.7
16.4.	Arrangements which may result in a change in control of the issuer	4.1.3.2
17.	Related party transactions	6.1.7.5- Note 17; 6.1.7.5- Note 19
18.	Financial Information concerning the issuer's assets and liabilities, financial position and profits and losses	
18.1.	Historical Financial Information	
18.1.1.	Audited historical financial information covering the latest three years	6.2
18.1.2.	Change of accounting referece date	N/A
18.1.3.	Accounting standards	6.1.7.2
18.1.4.	Change of accounting framework	6.1.7.2
18.1.5.	Financial information according to French accounting standards	6.1
18.1.6.	Consolidated financial statements	6.1
18.1.7.	Age of latest financial information	6.1
18.2.	Interim and other financial information	
18.2.1.	Quarterly or half-yearly financial information	N/A
18.3.	Auditing of historical annual financial information	
18.3.1.	Independent audit of historical annual financial information	6.1.1
18.3.2.	Indication of other information in the Registration Document that has been audited by auditors	N/A
18.3.3.	Source of information and reason for information not to be audited	N/A
18.4.	Pro forma financial information	3.1
18.5.	Dividend policy	
18.5.1.	Description of the issuer's policy on dividends	8.3
18.5.2.	Amount of dividend per share	8.3
18.6.	Legal and arbitration proceedings	7.3.3
18.7.	Significant changes in the issuer's financial position	6.1.7.5– Note 19
19.	Additional information	
19.1.	Share Capital	
19.1.1.	Amount of issued capital	8.1.1.2; 8.2; 8.7; 8.7.7
19.1.2.	Shares not representing capital	N/A
19.1.3.	Shares held by or on behalf of the issuer itself	8.7.6
19.1.4.	Convertible securities, exchangeable securities or securities with warrants	8.7.7
19.1.5.	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital	8.7.7
19.1.6.	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	N/A
19.1.7.	History of share capital	8.7.2
19.2.	Memorandum and Articles of Association	
19.2.1.	Register and entry number of the issuer and brief description of the issuer's object and purposes	4.1.2
19.2.2.	Rights, preferences and restrictions attached to each share category	4.1.3.2
19.2.3.	Article of association, statutes, charter or bylaws delaying, deferring or preventing a change of control of the issuer	4.1.3.2
20.	Material Contracts	6.2
21.	Documents on Display	4.1; 8.4

9.5.2 Cross-reference table for the annual financial report

In order to facilitate the reading of this document, the cross-reference table hereafter, identifies within this Universal Registration Document the information which constitutes the annual financial report requested to be published by listed companies in accordance with article L. 451-1-2 of the French Monetary and Financial Code and article 222–3 of the AMF General Regulations.

Information	Sections
Company financial statements	6.2
Consolidated financial statements	6.1
Management report	1. „Business Model"; 1. "Market sizing and competitive landscape; 2.4; 3.1; 3.3; 5; 6.1.7.5- Note 19; 6.1.7.5- Note 2; 6.2.5; 6.2.6; 7; 4.
Declaration of the person responsible for the Universal Registration Document containing the annual financial report	9.1.2
Statutory auditors' report on the Company financial statements	6.2.1
Statutory auditors' report on the consolidated financial statements	6.1.1
Statutory auditors fees	6.1.7.5 - Note 20
Board of Directors' report on corporate governance	4.2.6

In accordance with the requirements of article 19 of regulation (EU) 2017/1129 (Prospective Regulation) the following elements are incorporated by reference:

- the consolidated accounts for the year ended December 31, 2020 under IFRS, the related statutory auditors' reports and the Group management report presented within the Universal Registration Document n° D.21-0269 filed with the AMF on April 7, 2021, available on the Company's website on the following link https://atos.net/content/investors-documents/2021/atos-2020-universal-registration-document.pdf;
- the consolidated accounts for the year ended December 31, 2019 under IFRS, the related statutory auditors' reports and the Group management report presented within the Universal Registration Document n° D.20-0096 filed with the AMF on March 3, 2020, available on the Company's website on the following link https://atos.net/content/investors-documents/2019/atos-2019-universal-registration-document-Including-2019-annual-financial-report.pdf;

Other information included in these two Registration Documents has been replaced and/or updated, as applicable, by the information contained in the Universal Registration Document.

9.6 Full index

2 Sales and Delivery

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Corporate Social Responsibility

2021 Universal Registration Document

The French version of this universal registration document was filed on April 6th, 2022 with the Autorité des Marchés Financiers (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document is a free translation into English of the official version of the Universal Registration Document which has been prepared in French and in ESEF format (European Single Electronic Format) and which includes the Annual Financial Report for the fiscal year ended December 31, 2021 and is available on the AMF's website (www.amf-france.org) and on the Company's website (www.atos.net).

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