Atos S.E.
Société Européenne
80, quai Voltaire
95870 Bezons

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2023

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.

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2023

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, 2023.

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, 2023 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, 2023 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.

Material uncertainty related to going concern

We draw attention to the material uncertainty resulting from events or conditions that may cast significant doubt on the Group's ability to continue as a going concern as described in the "Discussions on refinancing and liquidity" section of Note 1.1.6.5 "Major events of the year". Our opinion is not modified in respect of this matter.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, and in addition to the matter described in the Material Uncertainty Related to Going Concern section, 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, contract liabilities 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 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,	We have updated our understanding of the internal control environment relating to the monitoring of contracts, contract term cost estimates and margin, in particular controls relating to the costs incurred on contracts and those relating to the costs to complete. For a number of contracts that were selected based upon quantitative and qualitative criteria (notably, contracts that experienced technical difficulties or low profitability), we performed the following procedures:

revenue is recognized separately for each performance obligation when the control is transferred to the customer. Revenue recognized depends on the estimated total transaction price and its allocation to the various contract components. Total contract costs and expected remaining costs are subject to regular monitoring and estimate to determine the stage of completion and the margin to be recognized. If these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for onerous 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 percentage of completion relies on operational assumptions and estimates which impact the Group consolidated revenue and operating margin.	- For new contracts, ▪ When contracts included multiple elements, we corroborated the analysis and accounting treatment retained by the Company (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 contractual terms and our understanding of the services provided ; ▪ We corroborated the expected 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 percentage of completion when revenue is recognized over time on the basis of costs incurred: ▪ we reconciled the financial data (revenue, billing and work-in-progress) included in the work progress spreadsheet that is updated monthly by the financial controller to the accounting records; ▪ we corroborated the amount of costs incurred, notably hours per project 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 analyzed assumptions used by management to determine the loss at completion recognized for onerous contracts and confirmed these assumptions with historical performance on the contract and the performance to be achieved and the corresponding estimates made.

Goodwill and other fixed assets valuation

Note 5 "Other operating income and expense", Note 8 "Goodwill and fixed assets", Note 9 "Leases" to consolidated financial statements

Key Audit Matter	Our audit approach
As of December 31, 2023, the net carrying value of fixed assets amounts to €4,446 million, namely 39% of the total assets. The fixed assets comprise goodwill (€2,875 million), intangible assets (€529 million), tangible assets (€355million), as well as right-of-use assets (€687 million). 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. Following the completion of the legal carve-out between Tech Foundations and Eviden, the cash-generating units (CGUs) now correspond to Tech Foundations and Eviden operations within each Regional Business Unit (RBU). The annual impairment test is based on the fair value less costs to sell of each CGU, determined on the basis of a multicriteria approach, including Discounted Cash Flows (DCF) and trading multiples. The resulting values were also determined taking into consideration the estimated values of transactions that had been or were being considered, and/or offers received, as well as market expectations. The recoverable values are determined based on particularly sensitive forward-looking assumptions and other estimates. In 2023, the total impairment of goodwill and other non-current assets amounted to €2,546 million. 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	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 performed the following procedures, on the impairment tests for each CGUs: - we assessed the appropriateness of the assumptions and the methodology used by the Group with the assistance of external advisors in the multicriteria approach to determine the fair value less cost to sell; - we reconciled the cash-flow projections with the revised mid-term plan of the Group ; - we analyzed the overall consistency of assumptions used (including the estimation of the perpetual growth rate), especially through interviews with Management and future growth prospects; - we assessed, with the support of our valuation specialists, the appropriateness of the valuation models, including the discount rates used in relation with market benchmarks; - we assessed the consistency of the results with the estimated values of transactions that had been or were being considered, and/or offers received. We verified the arithmetical accuracy of the valuations used by the Group.

of management's judgment in determining cash flow assumptions, discount and long-term average growth rates, as well as the sensitivity of the valuation of their recoverable value to these assumptions.	We performed our own sensitivity calculations and compared them to the analysis performed by Management. We verified that the disclosures in the notes to the consolidated financial statements, including assumptions used and the sensitivity analysis, are appropriate.

Litigations

Note 16 "Litigations" and Note 19 “Subsequent events” 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 TriZetto Group and Cognizant Technology Solutions (Cognizant/TriZetto) in the United States of America, the status of which as at December 31, 2023 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, 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. After various judgments by this jury formed by a U.S. court in the Southern District of New York in 2021 and 2022, on May 25, 2023, the United States Second Circuit Court of Appeals vacated the decision issued by the United States District Court for the Southern District of New York. In its decision, the Second Circuit held that the use of the “avoided development costs” methodology, underlying the initial $570 million in damages, was contrary to the law. The Second Circuit Court of Appeals remanded the case to the District Court for further consideration. In December 2023, the US Supreme Court denied TriZetto's appeal. As a result, TriZetto	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 and 19 to the consolidated financial statements are appropriate.

cannot pursue any damages under the DTSA (Defend Trade Secrets Act). On March 13, 2024, the United States District Court for the Southern District of New York vacated the remaining compensatory damages judgments entered in this case. Therefore no compensatory damage will have to be paid by Atos. The District Court granted TriZetto's motion for attorney's fees in the amount of $14.5 million. The decision is not final yet. 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.	

Valuation of defined benefit pension plans

Note 11 "Pension plans and 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 € 698 million at December 31, 2023. The Group amends on a regular basis, by collective agreement or options to beneficiaries, the lump sum payment or annuity rights of certain plans. The main amendments performed in 2023 and their related impacts are disclosed in Note 11 to the consolidated financial statements.	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

We have considered the valuation of defined benefit pension plans as a key audit matter, based on: - the technical expertise required to assess inflation, discounting, 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' behavior 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 behavior observed.	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 assumptions implying Management estimates on the beneficiaries' behavior, we corroborated those assumptions with the behavior observed on similar plan amendments. Then, we verified that the disclosures in Note 11 to the consolidated financial statements, in particular the plans' description and amendments, actuarial assumptions, and sensitivity analysis, were 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 carryforwards when it is probable that taxable profit will be available against which the tax loss carryforwards can be utilized. Estimates of taxable profits and utilizations of tax loss carryforwards were prepared on the basis of profit and loss forecasts as prepared by Management. Duration of forecasts depends on local specificities. Deferred tax assets on tax loss carryforwards amount to €233 million as of December 31, 2023. Tax losses carryforwards amount to €6,275 million as a base amount as of December 31, 2023, of which only a part gives rise to the recognition of deferred tax assets with respect to their estimated utilization. Unrecognized deferred assets on tax losses carryforward amounts to €1,338 million as of December 31, 2023. We identified this issue as a key audit matter due to the particularly high amount of tax loss carryforwards that can be recognized, and the	Our audit approach consisted in assessing, 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 jurisdictions in order to use existing tax loss carryforwards. We also reviewed the reasonableness of main data and assumptions used to determine the tax forecasts underlying the recognition and recoverability of deferred tax assets on tax loss carryforwards. We also assessed the appropriateness of disclosures on deferred tax assets in respect of tax

importance of Management judgment in estimating taxable profits and the resulting utilization of tax losses.	loss carryforwards in 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 December 17, 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.

Due to technical limitations involved in the microdata tags of the consolidated financial statements in accordance with the European Single Electronic Format for reporting, the content of certain tags in the notes to the consolidated financial statements may not be displayed identically to the consolidated financial statements attached to this report.

Furthermore, 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, 2023, Deloitte & Associés was in its 30th year of total uninterrupted engagement, and for Grant Thornton in its 33rd year of total uninterrupted engagement, and for both statutory auditors, the 28th year 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 Accounts 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. 821-55 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 Accounts Committee

We submit a report to the Accounts 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 Accounts 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 Accounts 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.821-27 to L.821-34 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 Accounts 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 26, 2024

The Statutory Auditors

French original signed by

Deloitte & Associés	Grant Thornton
Jean-François Viat	*Samuel Clochard*

Financial statements

This is a free translation into English of the consolidated financial statements of the Company issued in French available on the website of the Issuer.

1.1 Consolidated financial statements

1.1.1 Consolidated income statement

(in € million)	Notes	12 months ended December 31, 2023	12 months ended December 31, 2022*
Revenue	**Note 2**	**10,693**	**11,270**
Personnel expense	Note 4.1	-5,418	-5,692
Non-personnel operating expense	Note 4.2	-4,808	-5,222
Operating margin		**467**	**356**
% of revenue		**4.4%**	**3.2%**
Other operating income and expense	Note 5	-3,573	-1,151
Operating income (loss)		**-3,106**	**-795**
% of revenue		**-29.0%**	**-7.1%**
Net cost of financial debt	Note 6.1	-102	-29
Other financial expense	Note 6.1	-151	-289
Other financial income	Note 6.1	26	143
Net financial income (expense)	**Note 6.1**	**-227**	**-175**
Net income (loss) before tax		**-3,332**	**-970**
Tax charge	Note 7	-112	-46
Share of net profit (loss) of equity-accounted investments	Note 10	5	4
Net income (loss)		**-3,439**	**-1,012**
Of which:			
• attributable to owners of the parent		-3,441	-1,012
• non-controlling interests	Note 14.3	1	0

(*) Restated as described in Note 3.

(in € million and shares)	Notes	12 months ended December 31, 2023	12 months ended December 31, 2022
Net income (loss) - Attributable to owners of the parent		**-3,441**	**-1,012**
Weighted average number of shares		110,860,004	110,641,457
Basic earnings per share (in euros)	**Note 14.1**	**-31.04**	**-9.14**
Diluted weighted average number of shares		110,860,004	110,641,457
Diluted earnings per share (in euros)	**Note 14.1**	**-31.04**	**-9.14**

1.1.2 Consolidated statement of comprehensive income

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Net income (loss)	**-3,439**	**-1,012**
Other comprehensive income		
• **To be reclassified subsequently to profit or loss (recyclable)**	**-151**	**234**
Change in fair value of cash flow hedge instruments	6	-3
Exchange differences on translation of foreign operations	-156	236
Deferred tax on items to be reclassified to profit or loss	-1	1
• **Not reclassified to profit or loss (non recyclable)**	**-158**	**111**
Actuarial gains and losses on defined benefit plans	-121	149
Deferred tax on items not reclassified to profit or loss	-36	-38
Total other comprehensive income (loss)	**-309**	**345**
Total comprehensive income (loss) for the period	**-3,748**	**-668**
Of which:		
• attributable to owners of the parent	-3,750	-668
• non-controlling interests	1	0

1.1.3 Consolidated statement of financial position

(in € million)	Notes	December 31, 2023	December 31, 2022
ASSETS			
Goodwill	Note 8.1	2,875	5,305
Intangible assets	Note 8.2	529	919
Tangible assets	Note 8.3	355	414
Right-of-use assets	Note 9	687	892
Equity-accounted investments	Note 10	11	8
Non-current financial assets	Note 6.3	142	171
Non-current financial instruments	Note 6.6	0	13
Deferred tax assets	Note 7.4	206	294
Total non-current assets		**4,806**	**8,017**
Trade accounts and notes receivable	Note 3.2	2,459	2,603
Current taxes		83	64
Other current assets	Note 4.4	1,637	1,485
Current financial instruments	Note 6.6	13	18
Cash and cash equivalents	Note 6.2	2,295	3,331
Total current assets		**6,488**	**7,501**
Assets held for sale		-	876
TOTAL ASSETS		**11,294**	**16,394**

(in € million)	Notes	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock	Note 14.2	111	111
Additional paid-in capital		1,499	1,499
Consolidated retained earnings		1,887	3,195
Net income (loss) attributable to the owners of the parent	Note 14.1	-3,441	-1,012
Equity attributable to the owners of the parent	**Note 14.2**	**55**	**3,793**
Non-controlling interests	Note 14.3	5	7
Total shareholders' equity		**61**	**3,799**
Provisions for pensions and similar benefits	Note 11	741	639
Non-current provisions	Note 12	282	496
Borrowings	Note 6.4	2,530	2,450
Derivative liabilities	Note 6.6	-	13
Deferred tax liabilities	Note 7.4	35	148
Non-current lease liabilities	Note 9	588	704
Other non-current liabilities		1	1
Total non-current liabilities		**4,177**	**4,451**
Trade accounts and notes payable	Note 4.3	2,066	2,187
Current taxes		74	63
Current provisions	Note 12	280	245
Current financial instruments	Note 6.6	2	11
Current portion of borrowings	Note 6.4	2,124	2,412
Current lease liabilities	Note 9	234	309
Other current liabilities	Note 4.5	2,276	2,260
Total current liabilities		**7,056**	**7,487**
Liabilities related to assets held for sale		-	656
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**11,294**	**16,394**

1.1.4 Consolidated cash flow statement

(in € million)	Notes	12 months ended December 31, 2023	12 months ended December 31, 2022
Net income (loss) before tax		**-3,332**	**-970**
Depreciation of fixed assets	Note 4.2	266	275
Depreciation of right-of-use	Note 4.2	321	372
Net addition (release) to operating provisions		-35	7
Net addition (release) to financial provisions		39	23
Net addition (release) to other operating provisions		-185	-182
Amortization of intangible assets (PPA from acquisitions)	Note 5	108	140
Impairment of goodwill and other non current assets	Note 5	2,527	177
Losses (gains) on disposals of non current assets		61	160
Net charge for equity-based compensation	Note 5	19	19
Unrealized losses (gains) on changes in fair value and other		1	-27
Net cost of financial debt	Note 6.1	102	29
Interest on lease liability	Note 6.1	26	22
Net cash from (used in) operating activities before change in working capital requirement and taxes		**-81**	**46**
Tax paid		-77	-59
Change in working capital requirement		-255	440
Net cash from (used in) operating activities		**-413**	**427**
Payment for tangible and intangible assets		-205	-251
Proceeds from disposals of tangible and intangible assets		2	6
Net operating investments		**-203**	**-245**
Amounts paid for acquisitions and long-term investments		-26	-279
Cash and cash equivalents of companies purchased during the period		-	11
Net proceeds from disposals of financial investments		476	226
Cash and cash equivalents of companies sold during the period		-34	-24
Dividend received from entities consolidated by equity method		-	0
Increase (decrease) in other non-current financial assets		-	60
Net long-term financial investments		**416**	**-6**
Net cash from (used in) investing activities		**213**	**-251**
Common stock issued		0	1
Capital increase subscribed by non-controlling interests		-	6
Purchase and sale of treasury stock		-3	-2
Dividends paid*		-32	-9
Dividends paid to non-controlling interests		-3	-2
Amounts paid for acquisition of non-controlling interests		-5	-
Lease payments	Note 6.5	-358	-405
New borrowings	Note 6.5	1,700	1,850
Repayment of current and non-current borrowings	Note 6.5	-1,850	-1,632
Net cost of financial debt paid	Note 6.5	-102	-29
Other flows related to financing activities	Note 6.5	31	-81
Net cash from (used in) financing activities		**-622**	**-304**
Increase (decrease) in net cash and cash equivalents		**-822**	**-127**
Opening net cash and cash equivalents		**3,190**	**3,239**
Increase (decrease) in net cash and cash equivalents	Note 6.5	-822	-127
Impact of exchange rate fluctuations on cash and cash equivalents	Note 6.5	-73	78
Closing net cash and cash equivalents	**Note 6.5**	**2,295**	**3,190**

(*) Corresponded to taxes withheld on internal dividend distributions.

1.1.5 Consolidated statement of changes in shareholders' equity

(in € million)	Number of shares at period end *(thousands)*	Common Stock	Additional paid-in capital	Consoli-dated retained earnings	Net income (loss)	Total attributable to the owners of the parent	Non controlling interests	Total share-holders' equity
At December 31, 2021	**110,730**	**111**	**1,498**	**5,790**	**-2,962**	**4,437**	**6**	**4,444**
Common stock issued	221		1	-		1		1
Appropriation of prior period net income (loss)				-2,962	2,962	-		-
Dividends paid				-0		-0	-2	-3
Equity-based compensation				23		23		23
Changes in treasury stock				-2		-2		-2
Other				1		1	3	4
Transactions with owners	**221**	**-**	**1**	**-2,940**	**2,962**	**23**	**1**	**23**
Net income (loss)				-	-1,012	-1,012	0	-1,012
Other comprehensive income (loss)				345		345	-0	345
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**345**	**-1,012**	**-668**	**0**	**-668**
At December 31, 2022	**110,951**	**111**	**1,499**	**3,195**	**-1,012**	**3,793**	**7**	**3,799**
Common stock issued	488	0	-0	-		-		-
Appropriation of prior period net income (loss)				-1,012	1,012	-0		-0
Dividends paid				-0		-0	-3	-3
Equity-based compensation				17		17		17
Changes in treasury stock				-3		-3		-3
Other				-1		-1	-0	-1
Transactions with owners	**488**	**0**	**-0**	**-999**	**1,012**	**13**	**-3**	**10**
Net income (loss)				-	-3,441	-3,441	1	-3,439
Other comprehensive income (loss)				-309		-309	-0	-309
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**-309**	**-3,441**	**-3,750**	**1**	**-3,748**
At December 31, 2023	**111,439**	**111**	**1,499**	**1,887**	**-3,441**	**55**	**5**	**61**

1.1.6 Notes to the consolidated financial statements

1.1.6.1 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 market. 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 March 25, 2024. The consolidated financial statements will be submitted to the approval of the next Annual General Meeting.

1.1.6.2 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, 2023 have been prepared in accordance with the international accounting standards endorsed by the European Union and whose application was mandatory as at December 31, 2023.

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 IFRS Interpretations Committee (IFRS IC).

Accounting policies applied by the Group comply with those standards and interpretations.

At December 31, 2023, the Group applied the same accounting policies and measurement methods as were applied in its consolidated financial statements for the year ended December 31, 2022, with the exception of changes required by the enforcement of new standards and interpretations presented hereafter as well as the accounting treatment of certain third-party software resale transactions as described in Note 3.

New standards and interpretations applicable from January 1, 2023

In response to the "Pillar Two" international tax reform that aims at introducing a minimum global tax rate of 15%, the IASB has amended IAS 12 to introduce a temporary mandatory relief from accounting for deferred tax arising from legislation implementing the GloBE – global anti-base erosion model rules, effective immediately and applied retrospectively in accordance with IAS 8. Under the relief, entities are exempt from providing for and disclosing deferred tax related to the top-up tax.

The application of the amendments to IAS 12 - Income taxes: International Tax Reform – Pillar Two Model Rules was mandatory for the Group effective for the fiscal year beginning January 1, 2023.

In accordance with the relief, the Group did not account for any deferred income taxes in connection with Pillar Two in the consolidated financial statements.

Besides, based on the available information, the Group has carried out a first assessment of the potential impacts related to the implementation of Pillar Two: this work revealed a limited exposure to the top-up tax which effects would be non-material. This assessment will nevertheless have to be reviewed in light of the contemplated disposals.

The following other new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1, 2023 had no material impact on the consolidated financial statements:

- Narrow scope amendments to IAS 1;
- Narrow scope amendments to IAS 8;
- Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;
- IFRS 17– Insurance contracts.

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, 2023 and for which an earlier application is permitted have been applied by the Group.

The potential impacts of these new pronouncements are currently being analyzed.

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, 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, principal versus agent analyses (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: estimates and judgments relating to the recoverability of accounts receivable (Note 3 – Revenue, trade receivables, contract assets, contract liabilities and contract costs) and other financial assets.

On a regular basis, estimates on long-term contracts are reviewed taking into consideration potential loss-making situations or risks of recoverability on contract assets and contract costs. The expected credit loss valuation is also 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 CO2 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, an objective of carbon dioxide reduction was included in the performance criteria for the performance share plans attributed between 2020 and 2022 (see Note 5). This indicator measures the percentage of CO2 emission variation per € million of revenue (tCO2/€ million) over a 3-year period.

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 through other components of comprehensive income;
- 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 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. The Group working capital requirement is defined in Note 4.6.

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;
- 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 euros at the closing date.

The Group does not have any entity operating in a hyperinflationary economy except Argentina and Turkey. Argentina is a hyperinflationary economy since July 1, 2018 and Turkey since April 1, 2022. As such, all income statement items from Argentinian and Turkish 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.

1.1.6.3 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.

The continuity of operations relies in particular on the liquidity of the Group as disclosed in 1.1.6.5 – Main events of the period.

Interest rate risk

Interest rate risk arises mainly on borrowings. The management of exposure to interest rate risk encompasses two types of risks:

- a price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the 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 liabilities should interest rates increase.

The main objective of managing overall interest rate risk on the Group 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 counterparts 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.

The Group anticipates that the deterioration of its credit rating will affect the availability of foreign exchange credit lines in the course of 2024. Therefore, it is likely that the Group may face difficulties to mitigate its foreign exchange risk or have to accept higher hedging costs.

Price risk

The Group is not exposed to commodity price risks.

The convertible bond issued in November 2019 contains an optional component indexed on Worldline share price. The redemption and/or exchange price of this bond is linked to the evolution of Worldline share price. The reference exchange price was 71.55 € at issuance date.

Subsequent to the disposal in June 2022 of its entire stake in Worldline, Atos entered into a derivative transaction to hedge this exposure to the fluctuations of Worldline share price (see Note 6.3).

1.1.6.4 Alternative Performance Measures

Operating margin

Operating margin is equal to revenue less personnel and non-personnel 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 share-based compensation 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) attributable to the owners of the parent is the net income (loss) attributable to the owners of the parent before Other Operating Income and Expense and Net gain (loss) on financial instruments related to Worldline shares, net of taxes.

Normalized earnings per share

The normalized earnings 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 a 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

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.

1.1.6.5 Main events of the period

Opening of an amicable conciliation procedure aiming at renegotiating Atos SE debt with its financial creditors

On March 26, 2024, Atos SE announced that the Company had entered into an amicable conciliation[1] procedure. According to French law, a conciliation procedure lasts four months, which may be extended by one month; Maître Hélène Bourbouloux of FHB SELARL was appointed as conciliator.

The purpose of this procedure is to facilitate a global refinancing agreement with the banks and bondholders of Atos SE (the “financial creditors”).

The conciliation procedure concerns only the financial indebtedness of Atos SE and will not impact suppliers, employees, the governance of the Company, or other creditors of the Company or its subsidiaries.

Implementation of an additional asset disposal program

With the disposal of EcoAct finalized in October 2023, Atos has completed its non-core businesses divestment program of €700 million set during the Group’s Capital Markets Day on June 14, 2022.

On July 28, 2023, the divestment program has been expanded by an additional €400 million.

As indicated in the January 3, 2024 market update press release, the Group is considering the disposal of other assets, well in excess of the € 400 million mentioned in the press release of July 28, 2023, in order to meet its financing maturities.

Following the end of the discussions with Airbus regarding the potential sale of its BDS (Big Data & Security) business announced on March 19, 2024, the Group is analyzing the resulting situation and actively evaluating strategic alternatives, having received several expressions of interest or indicative offers relating to various perimeters, that are in the best interest of its customers, employees and shareholders and also taking into consideration the sovereign imperatives of the French State.

Atos considered that at December 31, 2023 none of the contemplated disposals met the IFRS 5 criteria to be classified as held for sale and discontinued operations.

[1] The conciliation is a procedure, so-called amicable or preventive, for dealing with financial difficulties. It is provided for in the Commercial Code. The negotiations, which take place under the aegis of a conciliator appointed by the President of the Commercial Court, are confidential. The conciliator's mission is to encourage the conclusion of an amicable agreement between the debtor and its creditors, who are called upon to do so, aimed at putting an end to the company's difficulties and ensuring its continuity.

Refinancing discussions and liquidity

The consolidated financial statements of the Group for the year ended December 31, 2023 have been prepared on a going concern basis. The Group's cash forecasts for the twelve months following the approval of the 2023 consolidated financial statements by the Board of Directors, result in a cash situation that meets its liquidity needs over that period.

The cash forecasts, which take into account the latest business forecasts, have been prepared in particular based on the following assumptions:

- The implementation of specific actions to optimize its working capital requirements, including in particular the continued access to a factoring program,
- The continuation of the €400 million asset divestment program that was announced on July 28th, 2023,
- The implementation of a new disposal program announced on January 3, 2024. In this respect, the Group is actively evaluating strategic alternatives, having received several expressions of interest or indicative offers relating to various perimeters.

At December 31, 2023, cash, cash equivalents, and short term financial assets of the Group amounted to €2,423 million, including the benefits of working capital actions. Borrowings amounted to €4,654 million, of which €2,400 million of bonds and €2,080 million of bank financing. As a result, the total net debt for the Group amounted to €2,230 million at December 31, 2023. In addition, the Atos SE's leverage ratio applicable to the multi-currency revolving credit facility and the term loan A amounted to 3.34x at December 31, 2023.

Atos SE wishes to draw attention to the maturity of Atos SE's borrowings and the risks associated with its refinancing. The coming maturities of its borrowings are as follows:

- The €1.5 billion term loan A, maturing in July 2024, provides for another 6-month extension option until January 2025 available to Atos under standard conditions (notably no event of default and payment of an extension fee); it should be noted that there is no ongoing event of default, since under French law, events of default linked to the appointment of a mandataire ad hoc or the opening of a conciliation procedure are considered void;
- The €500 million bond (Optional Exchangeable Bond) maturing in November 2024,
- The €750 million bond maturing in May 2025,
- The €900 million revolving credit facility maturing in November 2025,
- The €350 million bond maturing in November 2028, and
- The €800 million bond (Sustainability-Linked Bond) maturing in November 2029.

As stated in the January 3rd, 2024 Market Update press release, the Group will need to take the following actions, either individually or in combination, in order to meet these financing maturities:

- Obtain new bank financing,
- Access capital markets (debt and/or equity),
- Implement a major asset disposal program in addition to the €400 million disposal program announced on July 28, 2023, and
- Continue specific actions to optimize its working capital requirement, including continued access to a factoring program.

In this context and as indicated above following its press release of February 5, 2024, Atos SE has entered into discussions with its banks and bondholders with a view to reaching a global agreement on the restructuring of its financial debt. Those discussions, that were held with the participation of the mandataire ad hoc appointed since the beginning of February 2024, will continue under an amicable conciliation procedure in order to frame these discussions and facilitate the emergence of a global agreement within a short and well-defined timetable of 4 months, which can be further extended by another month if needed. Those discussions were still ongoing at the time the consolidated financial statements for the year ended December 31, 2023 were approved by the Board of Directors.

The Group has sufficient liquidity to operate business until a refinancing plan is reached and is also in discussions with its financial creditors regarding an interim financing, which would provide an additional liquidity cushion to the Group until a global agreement on the refinancing plan is reached.

All these circumstances create a material uncertainty upon the ability of the Group to continue as a going concern in the event the Group is unable to negotiate a new refinancing plan or to execute an important asset disposal plan. In that case, Atos SE may not be able to realize its assets or settle its liabilities within the ordinary course of its operations, and the application of IFRS accounting standards in the ordinary context of going concern, in particular with regards to the measurement of assets and liabilities, may not be appropriate.

1.1.6.6 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 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 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's shares, 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 acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Direct transaction costs related to a business combination are charged 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 held for sale". Any related liabilities are also reported on a separate line under "Liabilities related to assets 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, 2023 is presented in Note 18.

1.1 - Scope changes in 2023

As announced to the market in 2022, Atos has initiated a divestiture program that resulted in the main following disposals over 2023.

Atos Italia S.p.A.

On March 31, 2023, Atos completed the sale of its Italian operations ("Atos Italia") to Lutech S.p.A., an Italian provider of IT services and solutions.

The transaction perimeter does not include the Italian EuroHPC business, which is kept within Atos, nor the UCC Italian operations. The disposed activity was exclusively operating within the Southern Europe regional business unit.

Unified Communications & Collaboration business

On September 30, 2023, Atos completed the disposal of the Unified Communications & Collaboration business to Mitel, a California-based global player in business communications. The business was operated across all regions, with the main software and products provider located in the RBU Central Europe.

EcoAct

On October 31, 2023, Atos completed the sale of EcoAct and its subsidiaries to Schneider Electric. EcoAct was acquired by the Group in 2020 and was mainly reported in the RBU Southern Europe.

In addition, on October 3, 2023, State Street Corporation took over the full ownership of the company's joint-operation with Atos. This resulted in Atos deconsolidating the operations of State Street Syntel Services Pvt Ltd from September 30, 2023. The joint-operation was part of the RBU Americas.

Those disposals generated total cash net proceeds of € 476 million and resulted in a net capital loss before tax of € 46 million recorded as part of Other operating income and expense. The transaction costs for those disposals amounted to € 20 million.

1.2 - Scope changes in 2022

On January 3, 2022, Atos acquired Cloudreach, a leading multi-cloud services company specializing in public cloud application development and cloud migration, with strong partnerships with all three hyperscalers. Through this acquisition, Atos welcomes over 600 highly skilled cloud professionals to further strengthen its global cloud expertise.

Cloudreach was incorporated in 2009 and is headquartered in London with additional offices in the USA, Canada, the Netherlands, Germany, France, Switzerland and India. Cloudreach is reported mainly in the RBUs Northern Europe & APAC and Americas.

The consideration transferred was € 252 million leading to the recognition of a € 248 million goodwill.

Had the acquisition of Cloudreach occurred on January 1, 2022, the twelve-month revenue and operating margin would have been € 93 million and € -11 million, respectively.

On September 19, 2022, Atos completed the disposal of its Russian operations which resulted in a € 37 million loss recorded as part of Other operating income and expense in 2022.

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 CEO.

The internal management reporting is built around two axes: Regional Business Units and Business Lines. 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.

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 do not represent an operating segment and are thus presented within “Corporate and Other”.

Since the first semester of 2022, the Group is governed around four Regional Business Units (“RBU”) and three business lines (Tech Foundations, Digital and Big Data & Security – “BDS”), replacing the former Industries.

In addition, on June 14, 2022, Atos announced that it was studying a separation into two publicly listed companies: Eviden that would bring together Digital and BDS business lines, and Tech Foundations.

For that purpose, the Group launched a reorganization plan to legally and operationally separate the Group between Tech Foundations and Eviden activities.

The legal separation was fully completed over the second semester of 2023. Before that, as operations and cash flows could not be clearly distinguished operationally and for financial reporting purposes between Tech Foundations and Eviden, Tech Foundations and Eviden did not constitute components of an entity for the full year 2023.

Therefore, for the year 2023, Regional Business Units remain the main axis for analysis reviewed by the chief operating decision maker.

As a result, and for IFRS 8 requirements, Regional Business Units remain the reported operating segments. Information for Eviden and Tech Foundations available to the chief operating decision maker are however also presented here.

Regional Business Units are made of the following countries:

Operating segments	
Americas	Argentina, Brazil, Canada, Chile, Colombia, Guatemala, Mexico, Peru, the United States of America and Uruguay.
Northern Europe & APAC	Australia, Belgium, China, Denmark, Estonia, Finland, Hong Kong, India, Ireland, Japan, Lithuania, Luxembourg, Malaysia, New Zealand, Norway, Philippines, Singapore, Sweden, Taiwan, Thailand, the Netherlands, the United Kingdom and South Korea.
Central Europe	Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Hungary, Poland, Israel, Romania, Serbia, Slovakia and Switzerland.
Southern Europe	Andorra, France, Italy, Portugal and Spain.
Corporate and Other	AbuDhabi, Algeria, Benin, Burkina Faso, Egypt, Gabon, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Namibia, Qatar, Saudi-Arabia, Senegal, South Africa, Togo, Tunisia, Turkey, UAE as well as Corporate functions and Global Delivery Centers (GDC).

Each Business Line is represented in each RBU.

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 revenue.

The operating segment information for the periods was the following:

(in € million)	Americas	Northern Europe & APAC	Central Europe	Southern Europe	Corporate and Other	Elimi-nation	Total Group
12 months ended December 31, 2023							
External revenue by segment	**2,441**	**3,163**	**2,506**	**2,284**	**300**		**10,693**
% of Group revenue	22.8%	29.6%	23.4%	21.4%	2.8%		100.0%
Inter-segment revenue	101	160	217	130	1,405	-2,013	-0
Total revenue	2,542	3,322	2,723	2,414	1,705	-2,013	10,693
Segment operating margin	**249**	**163**	**31**	**99**	**-77**		**467**
% of margin	10.2%	5.2%	1.3%	4.3%	-25.5%		4.4%
Total segment assets as at December 31, 2023	**2,396**	**2,255**	**1,010**	**1,583**	**1,466**		**8,709**
Other information on the income statement							
Depreciation of fixed assets	-53	-75	-53	-36	-49		-266
Depreciation of right-of-use	-74	-106	-73	-40	-28		-321
Other information							
Capital expenditure	40	43	54	47	20		205
Net (debt) cash	1,033	-27	793	463	-4,492		-2,230
Year-end headcount	11,690	14,735	10,845	14,939	42,931		95,140

(in € million)	Americas	Northern Europe & APAC	Central Europe	Southern Europe	Corporate and Other	Elimi-nation	Total Group
12 months ended December 31, 2022*							
External revenue by segment	**2,794**	**3,199**	**2,588**	**2,420**	**269**		**11,270**
% of Group revenue	24.8%	28.4%	23.0%	21.5%	2.4%		100.0%
Inter-segment revenue	110	190	206	127	1,332	-1,966	-
Total revenue	2,904	3,389	2,795	2,547	1,601	-1,966	11,270
Segment operating margin	**222**	**115**	**-10**	**106**	**-78**		**356**
% of margin	7.9%	3.6%	-0.4%	4.4%	-29.0%		3.2%
Total segment assets as at December 31, 2022	**4,134**	**2,982**	**1,267**	**2,125**	**1,321**		**11,829**
Other information on the income statement							
Depreciation of fixed assets	-57	-71	-63	-34	-50		-275
Depreciation of right-of-use	-105	-117	-77	-43	-30		-372
Other information							
Capital expenditure	46	40	66	71	30		251
Net (debt) cash	748	-131	120	284	-2,470		-1,450
Year-end headcount	18,163	16,028	12,562	17,033	47,011		110,797

(*) Revenue restated as described in Note 3.

External revenue for France amounted to € 1,867 million in 2023 (compared to € 1,800 million in 2022).

The assets detailed above by segment are reconciled to total assets as follows:

(in € million)	December 31, 2023	December 31, 2022
Total segment assets	**8,709**	**11,829**
Tax assets	289	358
Cash and cash equivalents	2,295	3,331
Assets held for sale	-	876
Total assets	**11,294**	**16,394**

Revenue and operating margin for Tech Foundations and Eviden were as follows:

(in € million)	Tech Foundations	Eviden	Total Group
12 months ended December 31, 2023			
External revenue	**5,604**	**5,089**	**10,693**
% of Group revenue	52.4%	47.6%	100.0%
Operating margin	**172**	**294**	**467**
% of margin	3.1%	5.8%	4.4%

(in € million)	Tech Foundations	Eviden	Total Group
12 months ended December 31, 2022*			
External revenue	**6,026**	**5,244**	**11,270**
% of Group revenue	53.5%	46.5%	100.0%
Operating margin	**79**	**276**	**356**
% of margin	1.3%	5.3%	3.2%
(*) Revenue restated as described in Note 3.			

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, they 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 revenue relating to these activities is 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 contracts.

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. Invoices 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 economic benefits.

Financing component

When the Group 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 - Revenue from contracts with customers

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 in time when solutions are delivered except for High Performance Computer solutions when Atos is building a dedicated asset with no alternative use and has an enforceable 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 according to the Tech Foundations and Eviden perimeters is presented in Note 2.

Restatement of revenue for the 12 months ended December 31, 2022

In 2023, the Group reviewed the accounting treatment of certain third-party standard software resale transactions following the decision published by ESMA in October 2023 that illustrated the IFRS IC decision and enacted a restrictive position on the assessment of Principal vs. agent under IFRS 15 for such transactions. The revenue was negatively impacted by € 62 million. The impact affected Eviden in the Americas RBU without impacting the operating margin.

In accordance with IAS 8, the Group restated 2022 comparative figures as follows:

(in € million)	12 months ended December 31, 2022 as published	Restatement	12 months ended December 31, 2022 restated
Revenue	**11,341**	**-71**	**11,270**
Personnel expense	-5,692	-	-5,692
Non-personnel operating expense	-5,293	71	-5,222
Operating margin	**356**	**-**	**356**
% of revenue	**3.1%**		**3.2%**
Other operating income and expense	-1,151	-	-1,151
Operating income (loss)	**-795**	**-**	**-795**
% of revenue	**-7.0%**		**-7.1%**

3.2 - Trade accounts and notes receivable, and contract liabilities

(in € million)	December 31, 2023	December 31, 2022
Contract assets	1,002	1,168
Trade receivables	1,443	1,413
Contract costs	85	101
Expected credit loss allowance	-71	-79
Trade accounts and notes receivable	**2,459**	**2,603**
Contract liabilities	-980	-974
Net accounts receivable	**1,479**	**1,629**
Number of days sales outstanding (DSO)	**42**	**41**

In 2023, net contract assets decreased by € 171 million, reflecting better conversion of contract assets into trade receivables, as well as a major advance payment received on a new HPC contract. Trade receivables slightly increased as the net result of the above, offset by the decrease in factoring actions.

The average credit period on sale of services is between 30 and 60 days depending on the countries. The main part of 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 the 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 increased from 41 days at December 31, 2022 to 42 days at December 31, 2023.

Transfer of trade receivables

As of December 31, 2023, € 712 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, 2023. The € 712 million included € 90 million in the US where Atos only sold 95% of the right to cash flows and then derecognized 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 € 150 million compared to December 31, 2022. DSO has been positively impacted by the sale of receivables by 22 days compared to 23 days at December 31, 2022.

Ageing of trade receivables past due

(in € million)	December 31, 2023	December 31, 2022
Current	1,249	1,199
1-30 days overdue	116	119
31-60 days overdue	21	32
Beyond 60 days overdue	57	64
Total	**1,443**	**1,413**

Movements in expected credit loss allowance

(in € million)	December 31, 2023	December 31, 2022
Balance at beginning of the year	-79	-213
Impairment losses recognized	-8	-12
Amounts written off	8	6
Impairment losses reversed	10	147
Impact of business combinations	-	-0
Reclassification to assets held for sale	-	1
Other reclassification and exchange differences	-2	-8
Balance at end of the year	**-71**	**-79**

Note 4 Operating items

4.1 - Personnel expense

(in € million)	12 months ended December 31, 2023	% Revenue	12 months ended December 31, 2022	% Revenue*
Wages and salaries	-4,406	41.2%	-4,733	42.0%
Social security charges	-970	9.1%	-890	7.9%
Tax, training, profit-sharing	-60	0.6%	-72	0.6%
Net (charge) release to provisions for staff expense	-0	0.0%	0	0.0%
Net (charge) release of pension provisions	19	-0.2%	3	0.0%
TOTAL	**-5,418**	**50.7%**	**-5,692**	**50.5%**

(*) Restated as described in Note 3.

4.2 - Non-personnel operating expense

(in € million)	12 months ended December 31, 2023	% Revenue	12 months ended December 31,2022*	% Revenue*
Subcontracting costs direct	-1,912	17.9%	-2,155	19.1%
Hardware and software purchase	-952	8.9%	-1,080	9.6%
Maintenance costs	-505	4.7%	-535	4.7%
Rent expense	-10	0.1%	-11	0.1%
Telecom costs	-182	1.7%	-207	1.8%
Travelling expense	-65	0.6%	-69	0.6%
Professional fees	-222	2.1%	-222	2.0%
Other expense	-448	4.2%	-381	3.4%
Subtotal expense	**-4,295**	**40.2%**	**-4,661**	**41.4%**
Depreciation of fixed assets	-266	2.5%	-275	2.4%
Depreciation of right-of-use	-321	3.0%	-372	3.3%
Net (charge) release to provisions	17	-0.2%	-3	0.0%
Gains (Losses) on disposal of assets	-5	0.1%	-6	0.1%
Trade receivables write-off	-8	0.1%	-6	0.1%
Capitalized production	71	-0.7%	102	-0.9%
Subtotal other expense	**-513**	**4.8%**	**-561**	**5.0%**
TOTAL	**-4,808**	**45.0%**	**-5,222**	**46.3%**

(*) Restated as described in Note 3.

Rent expense corresponds to short-term lease contracts and low value assets (see Note 15.1).

4.3 - Trade accounts and notes payable

(in € million)	December 31, 2023	December 31, 2022
Trade accounts and notes payable	**2,066**	**2,187**
Net advance payments	-46	-28
Prepaid expense and advanced invoices	-531	-569
TOTAL	**1,489**	**1,590**
Number of days payable outstanding (DPO)	**83**	**85**

4.4 - Other current assets

(in € million)	December 31, 2023	December 31, 2022
Inventories	175	157
State - VAT receivables	356	280
Prepaid expense and advanced invoices	531	569
Other receivables and current assets	529	452
Net advance payments	46	28
TOTAL	**1,637**	**1,485**

4.5 - Other current liabilities

(in € million)	December 31, 2023	December 31, 2022
Employee-related liabilities	473	445
Social security and other employee welfare liabilities	159	157
VAT payables	442	411
Contract liabilities	980	974
Other operating liabilities	223	273
TOTAL	**2,276**	**2,260**

At December 31, 2023, employee-related liabilities included € 145 million of signed settlements with employees in connection with the German restructuring plans, compared to € 72 million at December 31, 2022.

4.6 - Working capital requirement

(in € million)	December 31, 2023	December 31, 2022
Trade accounts and notes receivable	2,459	2,603
Trade accounts and notes payable	-2,066	-2,187
Other current assets	1,637	1,485
Other current liabilities	-2,276	-2,260
less Short-term financial assets	-128	-81
less Payables on acquisitions of non-current assets	56	100
TOTAL	**-319**	**-340**

Note 5 Other operating income and expense

Other Operating Income and Expense is an Alternative Performance Measure and is defined in section 1.1.6.4.

Equity-based compensation

Performance shares are granted to management and certain employees at regular intervals. Those equity-based compensation schemes are measured at fair value at the grant date considering market-based performance condition, when applicable.

The fair value of such plans are recognized in “Other operating income and expense” over the vesting period with the offsetting credit recognized in equity. The service and non-market performance conditions are taken into account in estimating the number of awards that are expected to vest, with a true-up to the number ultimately satisfied.

When an equity-based compensation is settled into cash, the plan is measured at the fair value of the liability at each reporting date so that it ultimately equals the cash payment on settlement date.

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.

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, 2023	12 months ended December 31, 2022
Reorganization costs	-696	-352
Rationalization and associated costs	-38	-69
Integration and acquisition costs	4	-30
Amortization of intangible assets (PPA from acquisitions)	-108	-140
Equity-based compensation	-19	-25
Impairment of goodwill and other non-current assets	-2,546	-177
Other items	-169	-359
TOTAL	**-3,573**	**-1,151**

Reorganization costs amounted to € 696 million and reflected intensified workforce optimization measures throughout all regions for € 343 million, in particular the extension of the German restructuring plan launched in December 2022 for € 147 million, but also included € 353 million of one-off separation and transformation costs as the Group executed the legal carve-out plan over the year.

Rationalization and associated costs significantly decreased (€ 38 million compared to € 69 million in 2022) as the consolidation plan of data centers in North America completed major milestones over the year.

Integration and acquisition costs were a net income of € 4 million as certain earn-out and retention schemes did not materialize and were thus released to the income statement.

In 2023, the amount related to the amortization of intangible assets recognized in the purchase price allocation exercises amounted to € 108 million, compared to € 140 million in 2022, and was mainly composed of:

- € 59 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- € 16 million of Bull customer relationships and patents amortized over respectively 9 years and 7 to 10 years starting September 1, 2014;
- € 8 million related to the last year of SIS customer relationships amortization.

The decrease originated from PPA assets being derecognized as the underlying entities were disposed of, as well as the end of the amortization period for certain assets.

The equity-based compensation expense amounted to € 19 million in 2023 compared to € 25 million in 2022, reflecting the lower fair values of the 2022 and 2023 performance share plans compared to the plans delivered in 2022 (2019 plans), together with a high level of forfeiture in 2023.

Impairment of goodwill and other non-current assets amounted to € 2,546 million. Considering the uncertainties arising from the current situation of the Group, the Group decided to perform its annual impairment tests based on parameters that included significant risk premiums (see Note 8.1). This resulted in a € 2,248 million impairment of goodwill, affecting goodwill allocated to Eviden by € 1,920 million, and Tech Foundations by € 328 million, as well as a € 173 million impairment on PPA assets. Impairment of goodwill and other non-current assets also included a € 47 million impairment of goodwill in Americas as a result of the exit from the joint-arrangement with the State Street group, the impairment of certain software licenses resulting from the effect of a vendor contract renegotiation for € 19 million (see Note 8.2), as well as € 50 million of impairment of right-of-use assets related to data centers mainly in the Northern Europe & APAC and Southern Europe regions (see Note 9).

In 2023, other items were a net expense of € 169 million compared to € 359 million in 2022. In 2023, those items mainly included legal costs on major litigations for € 46 million, the net capital loss arising from disposals for € 46 million, reassessments on onerous contracts that were accounted for under Other items in 2021 for € 36 million, and the net cost of pension and early retirement programs in Germany, the UK and France.

Equity-based compensation

The € 19 million expense recorded within other operating income and expense relating to equity-based compensation (€ 25 million in 2022) was mainly related to performance share plans granted from 2021 to 2023, of which € 5 million related to the 2023 performance share plans.

The equity-based compensation plans are detailed by year and by nature as follows:

By year

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Plans 2023	5	-
Plans 2022	9	12
Plans 2021	5	7
Plans 2020	0	8
Plans 2019	0	0
Plans 2018	-	-1
TOTAL	**19**	**25**

By category of plans

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Performance share plans	18	21
Stock option plans	-	-0
Employee share purchase plans	1	0
Cash-settled incentive plans	1	4
TOTAL	**19**	**25**

Performance share plans

In 2023, Atos implemented three new performance share plans, one of them having three vesting tranches:

Board of directors meeting date	**June 28, 2023**	**November 16, 2023***
Number of shares granted	581,750	100,000
Share price at grant date *(€)*	13.1	6.5
Vesting date	June 28, 2026	November 16, 2026
Expected life *(years)*	3	3
Expected dividend yield *(%)*	0.67	0.67
Fair value of the instrument *(€)*	**12.84**	**6.37**
2023 expense recognized *(in € million)*	**1**	**0**

(*) Forfeited in 2024.

Board of directors meeting date	**June 28, 2023**	**June 28, 2023**	**June 28, 2023**
Number of shares granted	375,266	375,285	750,549
Share price at grant date *(€)*	13.1	13.1	13.1
Vesting date	June 28, 2024	June 28, 2025	June 28, 2026
Expected life *(years)*	1	2	3
Expected dividend yield *(%)*	0.67	0.67	0.67
Fair value of the instrument *(€)*	**13.08**	**13.08**	**12.82**
2023 expense recognized *(in € million)*	**2**	**1**	**1**

Rules governing the performance share plans in the Group are as follows:

- To receive the share, the grantee must generally be an employee or a corporate officer of the Group or an employee of a company related to Atos;
- Vesting is generally conditional upon both the continued employment and the achievement of performance criteria, financial and non-financial ones that vary according to the plan rules such as:
  - internal financial performance criteria including Group revenue growth, Group Operating Margin and Group Free Cash Flow (FCF);
  - internal and external social and environmental responsibility performance criteria;
  - an external stock market performance criterion;
- The vesting period varies according to the plan rules but never exceeds 3 years;
- The lock-up period ranges from 0 to 2 years.

Main previous plans impacting 2023 consolidated income statement are detailed as follows:

Board of directors meeting date	**May 18, 2022**	**May 18, 2022**	**May 18, 2022**	**May 18, 2022**
Number of shares granted	309,560	309,703	619,352	264,000
Share price at grant date *(€)*	23.4	23.4	23.4	23.4
Vesting date	May, 18 2023	May, 18 2024	May, 18 2025	May, 18 2025
Expected life *(years)*	1	2	3	3
Expected dividend yield *(%)*	1.74	1.74	1.74	1.74
Fair value of the instrument *(€)*	**21.56**	**21.19**	**20.82**	**19.27**
2023 expense recognized *(in € million)*	**2**	**2**	**3**	**0**

Board of directors meeting date	**June 13, 2022**	**July 24, 2020**	**July 24, 2021**
Number of shares granted	39,000	870,630	862,100
Share price at grant date *(€)*	18.8	75.0	41.2
Vesting date	June, 18 2025	July 24, 2023	July 24, 2024
Expected life *(years)*	3	3	3
Expected dividend yield *(%)*	1.74	2.07	2.09
Fair value of the instrument *(€)*	**14.91**	**68.74**	**39.67**
2023 expense recognized *(in € million)*	**0**	**1**	**5**

Stock option plans

In 2023, the Group did not implement any stock option plan.

Employee share purchase plans

In 2023, the Group did not implement any employee share purchase plan.

Cash-settled plans

An equity-based compensation plan was settled in cash in March 2023. The related expense amounted to € 1 million.

Note 6 Financial assets, liabilities and financial result

6.1 - Financial result

Net financial expense amounted to € 227 million for the period (compared to € 175 million in 2022) and was composed of a net cost of financial debt of € 102 million and other net financial expense of € 125 million.

Net cost of financial debt

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Interest income	187	70
Interest expense	-289	-99
Net cost of financial debt	**-102**	**-29**

Net cost of financial debt increased from € 29 million in 2022 to € 102 million in 2023. This variation mainly resulted from additional drawdowns made on the term loans and the revolving credit facility over the year, associated with a sharp increase of the EURIBOR rate.

This can be detailed as follows:

- Excluding the OEB, the average gross borrowing of € 4,550 million compared to € 5,557 million in 2022 bearing an average expense rate of 3.07% compared to 0.92% 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 € 643 million (compared to an average of € 2,067 million in 2022) and the Term Loans starting in July 2022 bearing an effective interest rate of 4.52%;
  - a € 300 million bond issued in October 2016 bearing a coupon rate of 1.44% (fully repaid in October 2023);
  - 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%;
- the average gross cash varied from € 2,450 million in 2022 to € 1,873 million in 2023 bearing an average income rate of 1.93%, compared to 0.91% in 2022. The average income rate increase is explained by a better remuneration on the deposits and Money Market Funds, from € 22 million in 2022 to € 32 million in 2023.

Other financial income and expense

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Foreign exchange income (expense)	-15	4
Fair value gain (loss) on forward exchange contracts	-3	-2
Net gain (loss) on financial instruments related to Worldline shares	0	-83
Interest on lease liability	-26	-22
Other income (expense)	-80	-43
Other financial income and expense	**-125**	**-146**
Of which:		
• other financial expense	-151	-289
• other financial income	26	143

Other financial items were a net expense of € 125 million in 2023 compared to € 146 million in 2022 and were mainly composed of:

- lease liability interest of € 26 million compared to € 22 million in 2022. This variation mainly resulted from the increase in discount rates;
- pension related financial expense of € 31 million, an increase compared to € 16 million in 2022 due to the increase in interest rates across all geographies at the end of 2022. The pension financial cost represents the difference between interest costs on pension obligations and the return on plan assets;
- a net foreign exchange loss (including hedges) of € 19 million (compared to a gain of € 3 million in 2022) mainly due to an exposure spreading across many geographies and currencies;
- other expense also included € 23 million of factoring cost for 2023 (compared to € 9 million in 2022).

In 2022, other financial income and expense also included the net loss of € 83 million made of the net loss from the disposal of the residual interest in Worldline, the change in value of the OEB derivative and the derivative to hedge the residual exposure to Worldline shares, both measured at fair value through profit and loss under IFRS 9.

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 a default probability.

(in € million)	**December 31, 2023**	**December 31, 2022**
Cash in hand and short-term bank deposit	2,285	3,256
Money market funds	10	75
TOTAL	**2,295**	**3,331**

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. Money market funds decreased significantly as a result of cash repatriation actions carried out by the Group over 2023.

6.3 - Non-current financial assets

(in € million)	December 31, 2023	December 31, 2022
Pension prepayments	3	28
Fair value of non-consolidated investments, net of impairment	10	5
Other*	129	138
TOTAL	**142**	**171**

(*) Other includes loans, deposits, guarantees and up-front and underwriting fees related to past acquisitions amortized over the duration of the debt instrument.

Other also included the funding of the non-current portion of the 2021 German restructuring plan and deferred price receivables related to disposals.

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 through 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 is 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.

The breakdown of borrowings was the following:

(in € million)	December 31, 2023 Current	Non-current	Total	December 31, 2022 Current	Non-current	Total
Bonds	-	1,900	1,900	300	1,900	2,200
Optional exchangeable bond	500	-	500	-	500	500
Banks loans and NEU CP / MTN	1,500	630	2,130	1,930	50	1,980
Other borrowings	124	-	124	182	-	182
Total borrowings	**2,124**	**2,530**	**4,654**	**2,412**	**2,450**	**4,862**

The € 1,500 million Term Loan A was presented as a current borrowing without taking into account the second six-month extension option.

Term loans of €1.8 billion and revolving credit facility of € 0.9 billion

On July 29, 2022, a new financing structure was put in place to support the transformation plan as follows:

- a € 1.5 billion term loan (“Term Loan A”) with an initial duration of 18 months and two extension periods of 6 months each. The first six-month extension took effect on January 29, 2024;
- a € 0.3 billion bridge loan (“Term Loan B”) with an initial duration of 12 months and one extension period of 6 months. Its purpose was to pre-finance assets disposals. Over 2023, the bridge loan was fully repaid;
- the amount of the existing revolving credit facility (signed in 2018 with a maturity extended to November 2025) was reduced from € 2.4 billion to € 0.9 billion. At December 31, 2023, € 580 million were drawn. The remaining € 320 million were drawn in January 2024.

Issuance of a € 800 million sustainability-linked bond

On November 4, 2021, Atos announced the 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 CO2 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 have been used for general corporate purposes.

Issuance of a € 500 million bond exchangeable in Worldline shares

Atos issued in November 2019 bonds due in 2024 for an aggregate nominal amount of € 500 million. The bonds are exchangeable into Worldline shares, at a premium of 35% above the placing price of the Equity placement. The bonds do 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 at 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, 2022 and December 31, 2023 of € 13 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 € 0.1 million at December 31, 2023 (see Note 13).

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, 2023, the Worldline share price was € 15.67.

In 2022, subsequent to the disposal of its entire stake in Worldline, Atos entered into a derivative transaction to hedge this exposure to the fluctuations of worldline share price (see Note 13).

Other bonds

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

- € 700 million notes with a 3.5-year maturity and 0.75% coupon (fully repaid in May 2022);
- € 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.

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). This bond was fully repaid in October 2023.

Non-current borrowings maturity

(in € million)	2025	2026	2027	2028	>2028	Total
Bonds	750	-	-	350	800	1,900
Banks loans and NEU CP / MTN	580	50	-	-	-	630
Other borrowings	-	-	-	-	-	-
December 31, 2023	**1,330**	**50**	**-**	**350**	**800**	**2,530**

(in € million)	2024	2025	2026	2027	>2027	Total
Bonds	-	750	-	-	1,150	1,900
Optional exchangeable bond	500	-	-	-	-	500
Banks loans and NEU CP / MTN	-	-	50	-	-	50
Other borrowings	-	-	-	-	-	-
December 31, 2022	**500**	**750**	**50**	**-**	**1,150**	**2,450**

Borrowings in currencies

The carrying amounts of the Group borrowings were denominated in the following currencies:

(in € million)	EUR	Other currencies	Total
December 31, 2023	**4,563**	**91**	**4,654**
December 31, 2022	4,680	182	4,862

Fair value and effective interest rate of financial debt

The fair value of bank loans and NEU CP / MTN, which were primarily composed of variable interest rate loans, was considered to be equal to their carrying value. The fair value of bonds which were primarily composed of instruments traded on a market was determined based on the quoted prices (unadjusted).

The valuation of financial liabilities was conducted based on:

- exchange rates prevailing as of December 31, 2023;
- interest rates presented hereafter.

The fair values and effective interest rates in 2023 were as follows:

(in € million)	Carrying value	Fair value	Effective interest rate
Bonds	1,900	1,227	1.60%
Optional exchangeable bond	500	403	0.00%
Banks loans and NEU CP / MTN	2,130	2,112	4.52%
Other borrowings	124	124	
Total borrowings	**4,654**	**3,866**	

6.5 - Change in net debt

Financial liabilities changes and net debt (cash) changes reconcile to the cash flow statement as follows:

(in € million)	Bonds	Optional exchangeable bond	Bank loans and NEU CP / MTN	Other borrowings excl. overdraft	Total borrowings excl. overdraft	Cash & cash equivalents	Overdraft	Total net cash & cash equivalents	Short-term financial assets (liabilities)*	Net cash (debt)	Lease liabilities
At January 1, 2023	**2,200**	**500**	**1,980**	**41**	**4,722**	**3,331**	**-141**	**3,190**	**81**	**-1,450**	**1,013**
Lease payments	-	-	-	-	-	-358	-	-358	-	-358	-358
New borrowings	-	-	1,700		1,700	1,700	-	1,700	-	-	-
Repayment of borrowings	-300	-	-1,550	-	-1,850	-1,850	-	-1,850	-	-	-
Net cost of financial debt paid	-	-	-	-	-	-102	-	-102	-	-102	-
Other flows related to financing activities	-	-	-	83	83	-52	83	31	52	-	-
Other cash flow changes	-	-	-	-	-	-300	57	-243	-2	-245	-
Cash flows impacts	**-300**	**-**	**150**	**83**	**-67**	**-962**	**139**	**-822**	**50**	**-705**	**-358**
Change in lease liabilities	-	-	-	-	-	-	-	-	-	-	146
Interest on lease liability	-	-	-	-	-	-	-	-	-	-	26
Impact of exchange rate fluctuations	-	-	-	-0	-0	-74	2	-73	-3	-75	-6
Other changes	**-**	**-**	**-**	**-0**	**-0**	**-74**	**2**	**-73**	**-3**	**-75**	**167**
At December 31, 2023	**1,900**	**500**	**2,130**	**124**	**4,654**	**2,295**	**0**	**2,295**	**128**	**-2,230**	**822**
Non-current portion	1,900	-	630	-	2,530	-	-	-	-	-2,530	588
Current portion	-	500	1,500	124	2,124	2,295	0	2,295	128	300	234

(*) Short-term financial assets and liabilities bearing interests with maturity of less than 12 months.

(in € million)	December 31, 2023	December 31, 2022
Cash and cash equivalents	2,295	3,331
Overdrafts	-	-141
Net cash and cash equivalents	**2,295**	**3,190**

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, 2023 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	-	-	0	-
Trade accounts and notes receivable	2,459	-	-	-
Other current assets*	885	-	-	-
Current financial instruments	-	-	-	13
Cash and cash equivalents	-	-	2,295	-
Total	**3,344**	**-**	**2,295**	**13**

(*) Excluding inventories, prepaid expense, advanced invoices and net advance payments.

As at December 31, 2022, 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	-	-	-	13
Trade accounts and notes receivable	2,603	-	-	-
Other current assets*	732	-	-	-
Current financial instruments	-	-	-	18
Cash and cash equivalents	-	-	3,331	-
Total	**3,335**	**-**	**3,331**	**31**

(*) Excluding inventories, prepaid expense, advanced invoices and net advance payments.

As at December 31, 2023 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
Borrowings	-	2,530	-
Derivative liabilities	-	-	0
Non-current financial instruments	-	-	-0
Trade accounts and notes payable	-	2,066	-
Other current liabilities	-	2,276	-
Current portion of borrowings	-	2,124	-
Current financial instruments	-	-	2
Total	**-**	**8,996**	**2**

As at December 31, 2022 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
Borrowings	-	2,450	-
Derivative liabilities	-	-	13
Non-current financial instruments	-	-	-0
Trade accounts and notes payable	-	2,187	-
Other current liabilities	-	2,260	-
Current portion of borrowings	-	2,412	-
Current financial instruments	-	-	11
Total	**-**	**9,309**	**24**

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.

Deferred taxes 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 - Tax charge

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Current tax charge	-121	-85
Deferred tax (charge) income	9	39
Total tax charge	**-112**	**-46**

Based on the available information, the Group has carried out a first assessment of the potential impacts related to the implementation of Pillar Two: this work revealed a limited exposure to the top-up tax which effects would be non-material. This assessment will nevertheless have to be reviewed in light of the contemplated disposals.

7.2 - Effective tax rate

The difference between the French standard tax rate and the Effective Tax Rate is explained as follows:

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Profit (loss) before tax	-3,332	-970
French standard tax rate	25.8%	25.8%
Theoretical tax income (expense) at French standard rate	**861**	**251**
Impact of permanent differences	-632	-62
Differences in foreign tax rates	49	-2
Movement on recognition of deferred tax assets	-339	-284
Equity-based compensation	-5	-5
Change in deferred tax rates	0	22
Taxes not based on taxable income	-40	34
Withholding taxes	-15	-5
French tax credit	9	9
Other	1	-4
Group tax income (expense)	**-112**	**-46**
Effective tax rate	**-3.3%**	**-4.7%**

The tax charge for 2023 was € 112 million with a loss before tax of € 3,332 million. This charge included a net movement in deferred tax assets for an amount of € -339 million, as well as non-recurring items, deriving notably from the tax costs of the carve-out operations and of the disposals executed during the year.

Due to the loss before tax of the period, the Effective Tax Rate of the period is not meaningful.

7.3 - Restated effective tax rate

After restating the unusual items, the restated profit before tax was € 240 million, the restated tax charge was € 170 million and the restated effective tax rate was 70.8%.

(in € million)	**12 months ended December 31, 2023**	**12 months ended December 31, 2022**
Profit (loss) before tax	-3,332	-970
Other operating income and expense	-3,573	-1,151
Net gain (loss) on financial instruments related to Worldline shares	-	-83
Profit (loss) before tax excluding unusual items	**240**	**264**
Tax impact on unusual items	59	250
Group tax income (expense)	-112	-46
Total of tax income (expense) excluding tax on unusual items	**-170**	**-296**
Restated effective tax rate	**70.8%**	**112.1%**

Tax impact on unusual items does not include taxes withheld on internal dividend distributions nor tax costs of the carve-out operations.

7.4 - Deferred tax assets and liabilities

(in € million)	**December 31, 2023**	**December 31, 2022**
Deferred tax assets	206	294
Deferred tax liabilities	35	148
Net deferred tax	**171**	**146**

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, 2021	**158**	**-161**	**28**	**115**	**-18**	**122**
Charge to profit or loss for the year	27	52	-7	2	-36	39
Change of scope	29	-7	0	0	3	25
Charge to equity	-0	-0	-	-38	3	-35
Reclassification	-3	5	-1	10	-11	-1
Reclassification to assets held for sale	-	0	-1	-0	-2	-3
Exchange differences	5	-6	-3	1	1	-2
December 31, 2022	**216**	**-116**	**16**	**89**	**-60**	**146**
Charge to profit or loss for the year	21	7	-6	-48	35	9
Change of scope	-5	13	1	-1	35	44
Charge to equity	-0	-	0	-36	-1	-37
Reclassification	1	-1	1	-1	10	9
Exchange differences	0	3	2	-1	-6	-1
December 31, 2023	**233**	**-93**	**14**	**2**	**13**	**171**

7.6 - Tax losses carry forward schedule (basis)

	December 31, 2023			December 31, 2022		
(in € million)	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2023	-	-	-	1	2	3
2024	4	2	6	1	1	2
2025	3	3	6	6	3	9
2026	2	3	5	7	2	9
2027	15	13	27	-	-	-
Tax losses available for carry forward for 5 years and more	134	87	222	128	35	163
Ordinary tax losses carry forward	**159**	**108**	**267**	**143**	**44**	**186**
Evergreen tax losses carry forward	**556**	**5,452**	**6,008**	**1,108**	**5,197**	**6,305**
Total tax losses carry forward	**715**	**5,560**	**6,275**	**1,251**	**5,241**	**6,492**

In 2023, the countries with the largest tax losses available for carry forward were Germany (€ 2,378 million including the trade tax basis, compared to € 2,266 million in 2022), France (€ 2,279 million, compared to € 1,966 million in 2022), the United Kingdom (€ 1,507 million, compared to € 1,120 million in 2022), the United States (€ 365 million, compared to € 387 million in 2022), the Netherlands (€ 182 million, compared

to € 176 million in 2022), Belgium (€ 113 million, compared to € 58 million in 2022), Brazil (€ 95 million, compared to € 82 million in 2022), Switzerland (€ 81 million, compared to € 64 million in 2022), Spain (€ 75 million, compared to € 90 million in 2022) and Austria (€ 69 million, compared to € 78 million in 2022).

In 2022, € 193 million of tax losses available for carry forward were related to the Unified Communications & Collaboration business which disposal was completed in September 2023 (see Note 1).

7.7 - Deferred tax assets not recognized by the Group

(in € million)	December 31, 2023	December 31, 2022
Tax losses carry forward	1,338	1,106
Temporary differences	620	457
Total	**1,958**	**1,563**

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 Tech Foundations and Eviden operations within 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 level of Tech Foundations and Eviden operations within each Regional Business unit as it is 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 at the closing date. 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 to the other assets of the CGU in proportion to their carrying values.

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 completion of the legal carve-out in the second half of 2023, all assets and liabilities were separated between Tech Foundations and Eviden in each country. Cash generating units, which were formerly defined as geographical areas, generally countries, were thus split between Tech Foundations and Eviden. As a result, the smallest group of assets that generates largely independent cash flows is now made of respectively Tech Foundations and Eviden operations within each country.

Goodwill is tested for impairment at the level of Tech Foundations and Eviden operations within each Regional Business unit level as it is the lowest level at which the goodwill is monitored for internal management purposes.

As the Group has reorganized its reporting structure in a way that changes the composition of CGUs to which goodwill has been allocated, goodwill of each RBU was allocated between Tech Foundations and Eviden operations based on their relative fair values at December 31, 2023, determined as described hereafter.

To perform the impairment tests, 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. Fair values were determined based on a multicriteria approach, including Discounted Cash Flows ("DCF") and trading multiples.

Discounted Cash Flows were based on the latest mid-term plan for the period 2024-2027.

Assumptions used were the following:

- the terminal value was calculated beyond the horizon of the mid-term plan, using an estimated perpetual growth rate of 0% for Tech Foundations regions, and between 2% and 3% for Eviden regions, depending on the mix of BDS and Digital activities within the region;
- discount rates were determined by RBU and by Business Line based on the Group weighted average cost of capital and adjusted to consider specific tax rates and country risks relating to each geographical area; in addition, specific risk premiums were included to reflect the current uncertainties on the Group situation.

Discount rates used at December 31, 2023, as well as at December 31, 2022 can be presented as follows:

	2023 discount rates		2022 discount rates
	Tech Foundations	**Eviden**	**Group***
Americas	29.0%	17.7%	11.8%
Northern Europe & APAC	28.5%	16.8%	13.0%
Central Europe	28.5%	15.3%	8.5%
Southern Europe	28.5%	16.1%	12.3%
Other	32.0%	18.0%	17.9%

(*) The breakdown of the discount rates between Tech Foundations and Eviden was not available at December 31, 2022.

Considering the uncertainties surrounding the Group current situation, the impairment tests were carried out using parameters, for both DCF and trading multiples, that included significant risk premiums in the discount rates and discounts on multiples. The resulting values were also determined taking into consideration the estimated values for the transactions that were or are envisaged, as well as market expectations.

The test is sensitive to discount rates, long-term growth rates and operating margin rates.

For information purposes, a sensitivity analysis was carried out on the enterprise values resulting from the DCF method. The results on the enterprise values determined based on the multicriteria approach are presented below:

	Tech Foundations enterprise value increase (decrease)					
	Discount rate		**Perpetual growth rate**		**Operating margin**	
(in € million)	**+300 basis points**	**-300 basis points**	**+50 basis points**	**-50 basis points**	**+50 basis points**	**-50 basis points**
Americas	-21	27	0	-2	19	-19
Northern Europe & APAC	-24	30	1	-3	26	-26
Central Europe	-4	6	0	-1	17	-17
Southern Europe	-6	8	0	-1	21	-16
Other	-2	3	0	-0	4	-4

	Eviden enterprise value increase (decrease)					
	Discount rate		**Perpetual growth rate**		**Operating margin**	
(in € million)	**+100 basis points**	**-100 basis points**	**+50 basis points**	**-50 basis points**	**+50 basis points**	**-50 basis points**
Americas	-42	48	16	-15	45	-47
Northern Europe & APAC	-32	37	12	-11	40	-42
Central Europe	-23	26	9	-8	50	-51
Southern Europe	-20	23	8	-8	41	-44
Other	-1	1	0	-0	2	-2

At year end, carrying values of goodwill by RBU for Tech Foundations and Eviden were the following:

	December 31, 2023			December 31, 2022
(in € million)	Tech Foundations	Eviden	Group	Group*
Americas	331	1,227	1,558	2,841
Northern Europe & APAC	172	853	1,026	1,480
Central Europe	-0	250	250	250
Southern Europe	-0	0	-0	579
Other	18	24	42	155
Total	**521**	**2,354**	**2,875**	**5,305**

(*) The breakdown of goodwill between Tech Foundations and Eviden was not available at December 31, 2022.

Changes in the carrying values of goodwill can be presented as follows:

(in € million)	December 31, 2022	Increase	Decrease	Exchange differences and other	December 31, 2023
Gross value	6,956	0	-109	-85	6,763
Impairment loss	-1,652	-2,299	51	13	-3,887
Carrying amount	**5,305**	**-2,299**	**-58**	**-73**	**2,875**

Over 2023, goodwill decreased from € 5,305 million to € 2,875 million as a result of the following:

- € 2,248 million impairment pursuant to the exercise described above, affecting Tech Foundations for € 328 million (€ 183 million for Americas, € 68 million for Northern Europe & APAC and € 65 million for Southern Europe) and Eviden for € 1,920 million (€ 970 million for Americas, € 391 million for Northern Europe & APAC and € 454 million for Southern Europe);
- € 52 million impairment loss recorded over the first half of 2023 in application of IFRS 5 mainly in relation to the reclassification as held for sale of State Street operations which disposal was completed on October 3, 2023 (see Note 1), affecting Americas;
- a derecognition of € 52 million of goodwill in connection with the disposal of EcoAct (see Note 1), affecting Southern Europe;
- a € 73 million foreign exchange impact coming mainly from goodwill denominated in USD.

(in € million)	December 31, 2021	Increase	Exchange differences and other	Reclassification to assets held for sale	December 31, 2022
Gross value	6,761	259	139	-202	6,956
Impairment loss	-1,656	-85	10	80	-1,652
Carrying amount	**5,105**	**174**	**148**	**-122**	**5,305**

Over 2022, goodwill increased from € 5,105 million to € 5,305 million, mainly due to the following:

- a € 248 million goodwill related to the acquisition of Cloudreach (as described in Note 1), mainly affecting Northern Europe & APAC;

- a € -122 million reclassification to assets held for sale, including a € 202 million goodwill for Atos Italian operations and a € -80 million goodwill impairment for Unified Communications & Collaboration business, affecting respectively Southern Europe and Central Europe;
- a € 148 million foreign exchange impact coming mainly from goodwill denominated in USD.

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 technological 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 licenses	Other intangible assets	Total
Gross value				
December 31, 2022	**1,372**	**594**	**292**	**2,257**
Additions	-0	43	0	44
Capitalized costs	-	-	42	42
Disposals	-138	-125	-56	-319
Exchange differences and others	-27	-6	-15	-48
December 31, 2023	**1,207**	**506**	**262**	**1,976**
Accumulated depreciation				
December 31, 2022	**-907**	**-233**	**-199**	**-1,339**
Amortization charge of the year	-5	-11	-17	-33
Amortization of intangible assets recognized as part of a Purchase Price Allocation	-69	-31	-8	-108
Amortization of capitalized costs	-	-	-26	-26
Disposals	78	106	37	221
Impairment	-3	-193	-	-196
Exchange differences and others	25	7	1	33
December 31, 2023	**-880**	**-355**	**-213**	**-1,448**
Net value				
December 31, 2022	**465**	**361**	**92**	**919**
December 31, 2023	**328**	**151**	**50**	**529**

In 2023, the amount related to the amortization of intangible assets recognized in purchase price allocation exercises decreased to € 108 million compared to € 140 million in 2022.

The € 108 million amortization charge of Purchase Price Allocation intangible assets in 2023 were mainly related to Syntel and Bull customer relationships.

A € 196 million impairment was recognized in 2023 mainly in relation to intangible assets recognized in Purchase Price Allocation exercises, as well as certain software licenses.

The gross book value of customer relationships for € 1,207 million at December 31, 2023 presented above, mainly included:

- € 470 million related to the Syntel acquisition in 2018;
- € 341 million related to the Siemens IT Solutions and Services acquisition in 2011;
- € 157 million related to the Xerox ITO acquisition in 2015;
- € 90 million related to the Anthelio acquisition in 2016;
- € 38 million in connection with the Maven Wave acquisition in 2020.

(in € million)	Customer relationships	Trademarks, software and licenses	Other intangible assets	Total
Gross value				
December 31, 2021	**1,312**	**613**	**333**	**2,258**
Additions	-	44	5	49
Impact of business combinations	-	2	0	2
Intangible assets recognized as part of a Purchase Price Allocation	15	1	10	26
Capitalized costs	-	-	46	46
Disposals	-12	-85	-41	-139
Exchange differences and others	62	21	-46	38
Reclassification to assets held for sale	-5	-2	-16	-23
December 31, 2022	**1,372**	**594**	**292**	**2,257**
Accumulated depreciation				
December 31, 2021	**-758**	**-238**	**-173**	**-1,169**
Amortization charge of the year	-2	-37	-29	-68
Amortization of intangible assets recognized as part of a Purchase Price Allocation	-97	-33	-10	-140
Amortization of capitalized costs	-	-	-28	-28
Disposals	12	83	39	134
Impairment	-33	-	-35	-68
Exchange differences and others	-35	-9	35	-8
Reclassification to assets held for sale	6	1	2	9
December 31, 2022	**-907**	**-233**	**-199**	**-1,339**
Net value				
December 31, 2021	**553**	**375**	**160**	**1,089**
December 31, 2022	**465**	**361**	**92**	**919**

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 the disposal of a tangible asset 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, 2022	**309**	**202**	**62**	**573**
Additions	14	84	13	110
Disposals	-14	-11	-5	-30
Exchange differences and others	9	-11	-14	-16
December 31, 2023	**318**	**264**	**56**	**638**
Accumulated depreciation				
December 31, 2022	**-180**	**30**	**-10**	**-160**
Depreciation charge for the year	-20	-114	-7	-141
Disposals	1	7	1	9
Exchange differences and others	1	6	1	8
December 31, 2023	**-198**	**-71**	**-14**	**-284**
Net value				
December 31, 2022	**129**	**233**	**52**	**414**
December 31, 2023	**120**	**193**	**42**	**355**

(in € million)	Land and buildings	IT equipments	Other tangible assets	Total
Gross value				
December 31, 2021	**288**	**83**	**70**	**442**
Additions	16	136	19	170
Impact of business combination	1	2	0	3
Disposals	-6	-24	-7	-36
Exchange differences and others	8	63	-20	52
Reclassification to assets held for sale	1	-58	0	-57
December 31, 2022	**309**	**202**	**62**	**573**
Accumulated depreciation				
December 31, 2021	**-151**	**127**	**3**	**-20**
Depreciation charge for the year	-23	-115	-9	-147
Disposals	0	14	1	16
Exchange differences and others	-5	-49	-6	-60
Reclassification to assets held for sale	-1	53	0	52
December 31, 2022	**-180**	**30**	**-10**	**-160**
Net value				
December 31, 2021	**138**	**211**	**73**	**421**
December 31, 2022	**129**	**233**	**52**	**414**

Tangible assets of the Group include mainly IT equipment used in data centers. Atos policy is to rent its premises. Therefore, land and building assets include mainly the technical infrastructure of the Group data centers.

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, 2022	**1,235**	**524**	**65**	**1,824**
Increase	75	117	11	203
Decrease	-230	-161	-33	-424
Exchange differences and others	7	-16	6	-2
December 31, 2023	**1,087**	**464**	**49**	**1,600**
Accumulated depreciation				
December 31, 2022	**-597**	**-294**	**-41**	**-932**
Depreciation charge for the year	-154	-149	-17	-320
Decrease	214	138	31	382
Exchange differences and others	1	6	-0	6
Impairment	-50	-	-	-50
December 31, 2023	**-585**	**-301**	**-27**	**-913**
Net value				
December 31, 2022	**638**	**229**	**24**	**892**
December 31, 2023	**501**	**164**	**22**	**687**

A € 50 million impairment was recognized in 2023 in relation to data centers in the RBUs Northern Europe & APAC and Southern Europe.

(in € million)	Land and buildings	IT equipments	Cars and others	Total
Gross value				
December 31, 2021	**1,241**	**522**	**86**	**1,849**
Increase	223	285	20	528
Impact of business combination	0	-	-	0
Decrease	-216	-300	-27	-543
Exchange differences and others	8	18	-7	19
Reclassification to assets held for sale	-22	-1	-7	-30
December 31, 2022	**1,235**	**524**	**65**	**1,824**
Accumulated depreciation				
December 31, 2021	**-472**	**-258**	**-48**	**-777**
Depreciation charge for the year	-185	-167	-21	-372
Decrease	76	139	25	240
Exchange differences and others	-5	-10	0	-15
Impairment	-17	-	-	-17
Reclassification to assets held for sale	6	0	3	10
December 31, 2022	**-597**	**-294**	**-41**	**-932**
Net value				
December 31, 2021	**770**	**264**	**38**	**1,072**
December 31, 2022	**638**	**229**	**24**	**892**

Lease liabilities

(in € million)	December 31, 2023
Maturing in one year or less	234
Maturing in 1-2 years	168
Maturing in 2-3 years	130
Maturing in 3-4 years	97
Maturing in 4-5 years	65
Maturing in more than 5 years	128
Total	**822**

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 share in profit for the year of the investee in the consolidated income statement as part of "Share of net profit (loss) of equity-accounted investments".

The Group share in the net assets of the investee is recorded under "Equity-accounted investments" in the consolidated statement of financial position. Goodwill arising on the acquisition of equity-accounted investment 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, 2022	Disposal	Net results	Exchange differences and other	December 31, 2023
Miscellaneous	8		5	-1	11
TOTAL	**8**	**-**	**5**	**-1**	**11**

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".

The net total amount recognized in the Group statement of financial position in respect of pension plans was € 698 million at December 31, 2023 compared to € 579 million at December 31, 2022. The total amount recognized for other long-term employee benefits was € 40 million at December 31, 2023 compared to € 32 million at December 31, 2022.

The amounts recognized in the balance sheet consisted of:

(in € million)	December 31, 2023	December 31, 2022
Prepaid pension asset	3	28
Accrued liability – pension plans [a]	-700	-607
Total Pension plan	**-698**	**-579**
Accrued liability – other long-term employee benefits [b]	-40	-32
Provisions for pensions and similar benefits [a] + [b]	**-741**	**-639**

Pension plans

The Group pension obligations are located predominantly in the United Kingdom (58% of Group total obligations), Germany (25%), Switzerland (7%) 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. 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 plan assets. Recovery periods are agreed between plans independent 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. 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.

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, most of the liabilities relate to pension entitlements that were transferred to the Group with the acquisition of SIS in 2011. 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). 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. Upon 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 the ordinary retirement age.

Atos recognized all actuarial gains and losses and asset ceiling effects generated in the period in "Other comprehensive income".

Events in 2023

Since the prior year end shorter-term inflation in the UK has notably exceeded the long-term assumptions (RPI over the 12 months to September 2023 was 8.9% and CPI over the 12 months to September 2023 was 6.7%), which fed through as an experience adjustment to the Defined Benefit Obligation, recognized within Other Comprehensive Income.

This mainly affects the deferred liabilities which are primarily linked to CPI subject to a cap of either 2.5% or 5% p.a. over the whole period of deferment to retirement. The impact on pensioner liabilities is more limited due to annual caps on the pension increases each year.

For the 2023 year-end, an allowance within the Defined Benefit Obligation was made for anticipated 2024 increases (based on the known inflation figures in September 2023), which has resulted in an additional experience loss within Other Comprehensive Income. Overall, the experience loss due to the short-term high inflation in the UK, recognized as Other Comprehensive Income, amounted to € 63 million.

In France, the pension reform did not have any material impact on the Defined Benefit Obligation as the underlying retirement age assumptions used for valuing the liabilities in 2022 were already at or beyond the new legal retirement age as amended by the reform.

Events in 2022

In the UK, 230 active employees were readmitted, on September 1, 2022, to the Civil Service Pension Arrangements ("CSPA") for future service. Employees' past service benefits in relation to service up to August 31, 2022 remained with the 2019 Scheme but employees will subsequently be offered the option of transferring these benefits into the CSPA. Therefore, future service accrual from September 1, 2022 had no impact on the obligations for these members but did cause a reduction in operating costs for the remainder of the year. In addition, a bulk transfer and a closure exercise for six former employees in total, resulted in a reduction in the operating costs for part of the year. The total reduction in operating costs regarding these events amounted to € 3 million, recognized for half as operating margin and for half as financial result.

In France, the Syntec federation signed with the main unions the so-called modernization amendment to the national collective bargaining agreement which clarifies, among other things, the pay items that should be included when calculating the lump sum payments for retiring employees. This clarification led to an increase in the obligations in respect of retirement indemnities for an amount of € 6 million, recognized as other operating expense.

Components of net periodic cost

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Service cost (net of employees contributions)	33	47
Past service cost, settlements	-3	4
Administration costs	2	2
Operating expense	**32**	**53**
Interest cost	145	99
Interest income	-114	-83
Financial expense	**31**	**16**
Net periodic pension cost – Total expense (profit)	**62**	**68**

The decrease in the net periodic pension cost is mainly explained by non-recurring components of the net periodic pension cost (impact of events in 2022). Overall, regular components remain quite stable with a decrease in the 2023 service cost and a rise in the financial expense, further to the significant increase in the discount rates at 31 December 2022, almost offsetting each other.

Change in defined benefit obligation

(in € million)	December 31, 2023	December 31, 2022
Total Defined Benefit Obligation at January 1	**3,011**	**4,263**
Exchange rate impact	33	-56
Service cost (net of employees contributions)	33	47
Interest cost	145	99
Past service cost, settlements	-3	4
Business combinations (disposals)	29	6
Employees contributions	6	6
Benefits paid	-197	-204
Actuarial (gain) loss - change in financial assumptions	83	-1,432
Actuarial (gain) loss - change in demographic assumptions	-34	-10
Actuarial (gain) loss - experience results	81	115
Reclassification to liabilities related to assets held for sale	-	174
Defined benefit obligation at December 31	**3,187**	**3,011**

The weighted average duration of the liability is about 12 years.

Change in the fair value of plan assets

(in € million)	December 31, 2023	December 31, 2022
Fair value of plan assets at January 1	**2,440**	**3,616**
Exchange rate impact	35	-58
Actual return on plan assets	130	-1,081
Employer contributions	22	19
Benefits paid by the funds	-155	-165
Business combinations (disposals)	28	6
Employees contributions	6	6
Administration costs	-8	-9
Reclassification to liabilities related to assets held for sale	-	106
Fair value of plan assets at December 31	**2,498**	**2,440**

Reconciliation with the net amount recognized in the financial statements

(in € million)	December 31, 2023	December 31, 2022
Funded status	-689	-571
Asset ceiling limitations recognized in Other Comprehensive Income	-9	-8
Prepaid (accrued) pension cost	**-698**	**-579**

Change in the net amount recognized in the financial statements (all plans)

(in € million)	December 31, 2023	December 31, 2022
Net amount recognized at beginning of year	**-579**	**-647**
Net periodic pension cost	-62	-68
Benefits paid by employer	42	39
Employer contributions	22	19
Business combinations (disposals)	-2	0
Asset ceiling limitations recognized in Other Comprehensive Income	1	-8
Amounts recognized in Other Comprehensive Income	-121	157
Other (exchange rate)	2	-1
Reclassification to liabilities related to assets held for sale	-	-69
Net amount recognized at end of year	**-698**	**-579**

The development in the main plans by country for 2023 was as follows:

(in € million)	UK schemes	German schemes	Other schemes
Net amount recognized at beginning of year	**21**	**-334**	**-266**
Net periodic pension cost	-8	-19	-36
Benefits paid by employer & employer contributions	11	13	41
Business combinations (disposals)	-	-1	-1
Amounts recognized in Other Comprehensive Income	-61	-52	-9
Other (exchange rate and reclassification)	-	-	2
Net amount recognized at end of year	**-37**	**-392**	**-268**

(in € million)	UK schemes	German schemes	Other schemes
Defined benefit obligation at December 31st	-1,841	-784	-563
Fair value of plan assets at December 31st	1,804	391	303
Asset ceiling limitation at December 31st	-	-	-9
Net amount recognized at end of year	**-37**	**-392**	**-268**

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, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Discount rate	4.70%	4.85%	3.3%~3.5 %	3.8% ~ 4.0%	1.50%	2.25%	4.80%	5.00%
Salary increase	2.8%	2.9%	2.5%~2.95 %	2.5% ~ 2.95%	2.25%	2.25%	na	na
Inflation assumption	RPI: 3.15% CPI: 2.45%	RPI: 3.20% CPI: 2.55%	2.2%	2.2%	na	na	na	na

The inflation assumption is used to estimate 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 at 31 December 2023 for 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	-3.1%	+2.1%
German main pension plans	-3.1%	+0.5%

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, 2023	**December 31, 2022**
Equity	14%	13%
Bonds/Interest Rate Swaps	72%	68%
Real Estate	8%	13%
Cash and cash equivalents	2%	2%
Other	4%	4%

Of these assets, 88% are valued on market value, 10% relate 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 the consolidated statement of financial position

The net asset of € 3 million was supported by appropriate refund expectations according to IFRIC 14.

Net pension impact on the consolidated income statement

The net impact of defined benefit pension plans on consolidated income statement can be summarized as follows:

(in € million)	**12 months ended December 31, 2023**	**12 months ended December 31, 2022**
Operating margin	-30	-49
Other operating income and expense	-2	-4
Financial result	-31	-16
Total (expense) profit	**-62**	**-68**

Other long-term employee benefits

Net liabilities related to other long-term employee benefits were € 32 million at December 31, 2022. They increased to € 40 million at December 31, 2023 through expenses recorded in the income statement (€ 24 million) net of benefit payments (€ 16 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;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount has been reliably quantified.

When the unavoidable costs of meeting the obligations under a customer or a supplier contract exceed the economic benefits expected to be received under it, the present obligation under the contract is recognized and measured as a provision classified as project commitments. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The costs of fulfilling a contract comprise the costs that relate directly to the contract, both incremental costs and allocation of other direct costs.

(in € million)	December 31, 2022	Addition	Release used	Release unused	Scope changes	Other*	December 31, 2023	Current	Non-current
Reorganization	116	201	-208	-2	2	0	110	108	2
Rationalization	7	4	-1	-0	-	0	11	3	8
Project commitments	563	117	-235	-68	11	2	390	133	258
Litigations and contingencies	55	39	-7	-34	3	-7	50	36	15
Total provisions	**741**	**362**	**-450**	**-104**	**16**	**-5**	**562**	**280**	**282**

(*) Other movements mainly consist of currency translation adjustments and reclassifications.

(in € million)	December 31, 2021	Addition	Release used	Release unused	Scope changes	Other*	Reclassification to liabilities related to assets held for sale	December 31, 2022	Current	Non-current
Reorganization	169	93	-86	-63	-	-1	3	116	75	41
Rationalization	7	1	-1	-1	0	0	-0	7	1	6
Project commitments	584	173	-94	-57	-	-16	-27	563	141	422
Litigations and contingencies	34	18	-5	-15	11	5	6	55	29	26
Total provisions	**794**	**286**	**-186**	**-136**	**11**	**-12**	**-17**	**741**	**245**	**496**

(*) Other movements mainly consist of currency translation adjustments and reclassifications.

Reorganization

Additions mainly included the extension of the German restructuring plan launched in December 2022 while the release used related to both the extension and the initial 2022 plan, which were completed over 2023.

Project commitments

Additions to provisions related to reassessments on loss-making contracts, mainly in Northern Europe, while the release used corresponded for the most part to costs incurred on customer and vendor onerous contracts for which a provision had been accrued at the end of 2021.

The release unused reflected the favorable effects of a settlement with a customer in Germany and a reassessment on a vendor onerous contract.

Litigations and contingencies

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. The € 34 million of release unused included in particular € 8 million coming from the favorable outcome on a tax litigation in Brazil.

Additions included provisions for legal fees on major litigations but also a € 2 million provision related to the potential consequences of the judgements rendered by the French Court of Cassation on September 13, 2023 that validated the acquisition of paid leave rights during all sick leaves and without a ceiling.

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 "other comprehensive income". 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 on 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 are recognized in other comprehensive income and accumulated in a cost of hedging reserve as a separate component within equity and accounted for subsequently in the income statement as gain and losses accumulated in the cash flow hedge reserve as part of the underlying covered transaction.

(in € million)	December 31, 2023 Assets	Liabilities	December 31, 2022 Assets	Liabilities
Forward foreign exchange contracts	13	-2	18	-11
Forward interest rate contracts	-	-0	-	-
Analyzed as:				
• Non-current	-	0	-	-
• Current	13	-2	18	-11

The fair value of financial instruments is provided by independent counterparties.

Concomitantly with the disposal of its residual interest in Worldline, Atos entered into a derivative transaction to hedge its residual exposure to Worldline share price related to the outstanding exchangeable bonds due 2024, which were issued in 2019 (see Note 6.4).

The premium paid on the derivative transaction was recognized on the balance sheet as a derivative asset and subsequently remeasured in accordance with IFRS 9 at fair value through the income statement.

In the consolidated statement of financial position at December 31, 2023, the value of the derivative asset was € 0.1 million and offset the value of the derivative liability corresponding to the derivative component embedded in the bond exchangeable in Worldline shares. Those are reported as current derivatives in the consolidated statement of financial position.

Interest rate risk

Bank loans and NEU CP / MTN arranged at floating rates amounted to € 1,930 million in 2022 and € 2,080 million in 2023, 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. The exposure at floating rate after hedging risk management is approximately € 220 million as at December 31, 2023. A 1.0% decrease in short-term reference rates in Euro would reduce income from interest by € 2.2 million in theory assuming the structure (cash/floating debt/hedges) remains stable for the full period of the year.

(in € million)	Exposure Less than 1 year	 More than 1 year	Total
Bank loans and commercial papers	-1,500	-580	-2,080
Other	-124	-	-124
Total liabilities	**-1,624**	**-580**	**-2,204**
Cash and cash equivalents	2,295	-	2,295
Overdrafts	0	-	0
Total net cash and cash equivalents*	**2,295**	**-**	**2,295**
Short-term financial assets (liabilities)	**128**	**-**	**128**
Net position before risk management	800	-580	220
Hedging instruments		-	-
Net position after risk management	**800**	**-580**	**220**
Bonds	-	-1,900	-1,900
Optional exchangeable bond	-500	-	-500
NEU MTN at fixed rate	-	-50	-50
Total net (debt) cash after risk management	**300**	**-2,530**	**-2,230**

(*) Overnight deposits (deposit certificates) and money market securities and overdrafts.

Liquidity risk

On July 29, 2022, a new financing structure was put in place to support the transformation plan as follows:

- a € 1.5 billion term loan ("Term Loan A") with an initial duration of 18 months and two extension periods of 6 months each. The first six-month extension took effect on January 29, 2024;
- a € 0.3 billion bridge loan ("Term Loan B") with an initial duration of 12 months and one extension period of 6 months. Its purpose is to pre-finance assets disposals. The bridge loan was fully repaid over 2023;
- the amount of the existing revolving credit facility (signed in 2018 with a maturity extended to November 2025) was reduced from € 2.4 billion to € 0.9 billion. At December 31, 2023, € 580 million were drawn. The remaining € 320 million were drawn in January 2024.

At December 31, 2023, the calculation of the leverage ratio applying to the revolving credit facility and the Term Loan A presented here below is adjusted for IFRS 16 impacts for an amount of € 358 million.

Nature of ratios subject to covenant	Covenant	12 months ended December 31, 2023	12 months ended December 31, 2022
Leverage ratio (net debt/OMDA)*	not greater than 3.75	3.34	2.36

(*) OMDA: Operating margin before non cash items.

On November 4, 2021, Atos announced the 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 CO2 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 have been used for general corporate purposes.

The rating agency Standard and Poor's assigned a rating of BBB-, subsequently to the rating of Atos at the time of issuance of the bond. On July 13, 2022, S&P downgraded Atos to BB / Outlook Negative. On November 28, 2023, Standard and Poor's changed Atos rating from BB to BB- maintaining CreditWatch Negative. On January 19, 2024, Standard and Poor's changed Atos rating from BB- to B- placing Atos on CreditWatch Developing. Finally, on February 9, 2024, Atos rating was downgraded from B- to CCC with negative outlook.

In November 2019, Atos issued € 500 million zero coupon bonds exchangeable into Worldline shares ("OEB") with a maturity of 5 years and an exchange premium of 35%.

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

- € 700 million notes with a 3.5-year maturity and 0.75% coupon (fully repaid in May 2022);
- € 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 20 September 2021, Standard and Poor's downgraded Atos rating to BBB- / Outlook Stable, and further downgraded it to BB / Outlook Negative on July 13, 2022. On November 28, 2023, Standard and Poor's changed Atos rating from BB to BB- maintaining CreditWatch Negative. On January 19, 2024, the rating was further downgraded from BB- to B- placing Atos on CreditWatch Developing. Finally, on February 9, 2024, Atos rating was downgraded from B- to CCC with negative outlook.

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. Due to Atos credit rating downgrades in 2023, it is likely that the Group will face difficulties to access in 2024 the NEU MTN market.

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. Due to Atos credit rating downgrades in 2023, it is likely that the Group will face difficulties to access in 2024 the NEU CP market.

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). This bond was fully repaid in October 2023.

As a result of the above, at December 31, 2023, Atos was facing the following maturities:

- the € 1.5 billion term loan A, maturing in July 2024 excluding the 6-month extension option available to Atos under standard conditions (notably no event of default and payment of an extension fee);
- the € 500 million bond (Optional Exchangeable Bond) maturing in November 2024;
- the € 750 million bond maturing in May 2025;
- the € 900 million revolving credit facility maturing in November 2025;
- the € 350 million bond maturing in November 2028; and
- the € 800 million bond (Sustainability-Linked Bond) maturing in November 2029.

As stated in the January 3rd, 2024 Market Update press release, the Group will need to take the following actions, either individually or in combination, in order to meet these financing maturities:

- Obtain new bank financing,
- Access capital markets (debt and/or equity),
- Implement a major asset disposal program in addition to the €400 million disposal program announced on July 28, 2023, and
- Continue specific actions to optimize its working capital requirement, including continued access to a factoring program.

In this context and as indicated above following its press release of February 5, 2024, Atos SE has entered into discussions with its banks and bondholders with a view to reaching a global agreement on the restructuring of its financial debt. Those discussions, that were held with the participation of the mandataire ad hoc appointed since the beginning of February 2024, will continue under an amicable conciliation procedure in order to frame these discussions and facilitate the emergence of a global agreement within a short and well-defined timetable of 4 months, which can be further extended by another month if needed. Those discussions were still ongoing at the time the consolidated financial statements for the year ended December 31, 2023 were approved by the Board of Directors.

The Group has sufficient liquidity to operate business until a refinancing plan is reached and is also in discussions with its financial creditors regarding an interim financing, which would provide an additional liquidity cushion to the Group until a global agreement on the refinancing plan is reached.

Currency exchange risk

Atos operates in 71 countries. However, in most cases, Atos invoices in the country where the Group renders the services, 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 Group anticipates that the deterioration of its credit rating will affect the availability of foreign exchange credit lines in the course of 2024. Therefore, it is likely that the Group may face difficulties to mitigate its foreign exchange risk or have to accept higher hedging costs.

The carrying amount of the Group foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	EUR		GBP		USD	
(in € million)	2023	2022	2023	2022	2023	2022
Assets	133	305	10	8	261	417
Liabilities	170	479	2	6	216	242
Statement of financial position net exposure	**-37**	**-174**	**8**	**2**	**45**	**175**
Hedged exposure	-666	-649	-158	-122	-102	-111

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% variation of the sensitive currency against the relevant functional currency of each subsidiary. The sensitivity analysis includes only outstanding monetary

items denominated in foreign currency and adjusts their translation at the period end for a 5% increase in foreign currency rates.

	EUR		GBP		USD	
(in € million)	2023	2022	2023	2022	2023	2022
Income statement	-35	-41	-8	-6	-3	3

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 31, 2023, 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:

	December 31, 2023		December 31, 2022	
(in € million)	Fair value	Notional	Fair value	Notional
Cash flow hedge				
Foreign exchange				
Forward contracts CHF	-	-	-	-7
Forward contracts CNY	-	5	-	7
Forward contracts GBP	-	-10	-	-5
Forward contracts INR	-	202	-5	183
Forward contracts MAD	1	26	-	27
Forward contracts MXN	2	39	3	31
Forward contracts MYR	-	-	-	1
Forward contracts PHP	-	32	-1	29
Forward contracts PLN	10	226	7	176
Forward contracts RON	-	98	3	92
Forward contracts USD	-1	291	-1	243

	December 31, 2023		December 31, 2022	
(in € million)	Fair value	Notional	Fair value	Notional
Trading and fair value hedge				
Foreign exchange				
Forward contracts CHF	-	-	-	-5
Forward contracts GBP	-	-3	-	-2
Forward contracts INR	-	2	-	17
Forward contracts MAD	-	-	-	7
Forward contracts PHP	-	-	-	1
Forward contracts PLN	-	5	1	32
Forward contracts RON	-	1	-	2
Forward contracts USD	-	19	1	47

The net amount of the cash flow hedge reserve at December 31, 2023 was € 8 million (net of tax), with a variation of + € 5 million (net of tax) over the year.

Note 14 Shareholders' equity

14.1 - Earnings per share

Basic earnings 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 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, 2023**	**12 months ended December 31, 2022**
Net income (loss) – Attributable to owners of the parent [a]	**-3,441**	**-1,012**
Impact of dilutive instruments	-	-
Net income (loss) restated of dilutive instruments - Attributable to owners of the parent [b]	**-3,441**	**-1,012**
Weighted average number of shares outstanding [c]	110,860,004	110,641,457
Impact of dilutive instruments [d]	-	-
Diluted weighted average number of shares [e]=[c]+[d]	110,860,004	110,641,457
(in €)		
Basic earning per share [a] / [c]	**-31.04**	**-9.14**
Diluted earning per share [b] / [e]	**-31.04**	**-9.14**

No significant share transactions occurred subsequently to the 2023 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 2023, Atos SE increased its share capital by incorporating additional paid-in capital and common stock for € 0.5 million related to the issuance of 487,765 new shares.

As at December 31, 2023, Atos SE issued share capital amounted to € 111 million, divided into 111,439,307 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 financial 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, 2022	Net Income	Dividends Paid	Scope changes	Other	December 31, 2023
Miscellaneous	7	1	-3	-	-	5
Total	**7**	**1**	**-3**	**-**	**-**	**5**

(in € million)	December 31, 2021	Net Income	Dividends Paid	Scope changes	Other	December 31, 2022
Miscellaneous	6	0	-2	-	3	7
Total	**6**	**0**	**-2**	**-**	**3**	**7**

Since the loss of control of Worldline in 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:

		Maturing			
(in € million)	**December 31, 2023**	**Up to 1 year**	**1 to 5 years**	**Over 5 years**	**December 31, 2022**
Leases of low value assets and short term leases	18	11	7	0	18
Non-cancellable purchase obligations	352	171	176	5	476
of which > 5 years	46	16	25	5	116
Total commitments given	**370**	**181**	**183**	**5**	**495**
Financial commitments received (syndicated loans)*	320	-	320	-	2,020
Total commitments received	**320**	**-**	**320**	**-**	**2,020**

(*) Maturities are indicated before unexercised extension options.

In 2023, financial commitments received referred to the non-utilized part of the revolving credit facility (see Note 13).

15.2 - Commercial commitments

(in € million)	**December 31, 2023**	**December 31, 2022**
Bank guarantees	**413**	**357**
• Operational - Performance	212	232
• Operational - Bid	3	7
• Operational - Advance Payment	143	83
• Financial or Other	55	35
Parental guarantees	**5,800**	**5,767**
• Operational - Performance	5,599	5,654
• Financial or Other	201	113
Pledges	**6**	**5**
Total	**6,219**	**6,129**

For various large long-term contracts performed by its subsidiaries, the Group provides performance guarantees to its clients. These guarantees amounted to € 5,599 million as of December 31, 2023, stable compared with € 5,654 million at the end of December 2022.

In addition, in relation to the multi-currency revolving credit facility with a final maturity date on November 6, 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 (see Note 16), 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 December 2023, the US Supreme Court denied Trizetto's appeal. As a result and based on the joint stipulation that the parties submitted to the judge, the supersedeas bond was significantly reduced.

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, 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 UK 2019 Pension Scheme and the transfer of the related liabilities. The new total estimated amount of the guarantee was £ 332 million (€ 383 million) at December 31, 2023.

Due to Atos credit rating downgrades in 2023, it is likely that the Group will face difficulties to issue in 2024 bank and parental guarantees.

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 matter 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 uncertainties and may change in the future.

Moreover, the Group includes many entities located in other countries than France and is regularly audited by local 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.

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 oral argument in the Court of Appeals took place on September 19, 2022. In order to avoid any immediate payment, Syntel was required to post a supersedeas bond for approximately the remaining damages amount at the time the appeal was filed ($ 571 million – see Note 15).

On May 25, 2023, the United States Second Circuit Court of Appeals vacated the decision issued by the United States District Court for the Southern District of New York. In its decision, the Second Circuit held that the use of the avoided development costs methodology, underlying the initial $ 570 million damages, was contrary to the law. The Second Circuit remanded the case to the District Court for further consideration if any amount of damages are still appropriate.

In December 2023, the US Supreme Court denied TriZetto's appeal. As a result, TriZetto cannot pursue any damages under the DTSA (Defend Trade Secrets Act). The matter must now be heard by the District Court to determine if any damages are applicable under New York or copyright law. Based on the joint stipulation that the parties submitted to the judge, the supersedeas bond was significantly reduced.

On March 13, 2024, the United States District Court for the Southern District of New York, as part of Syntel's ongoing litigation with Cognizant and its subsidiary TriZetto, vacated the remaining compensatory damages judgments entered in this case: (i) the $142,427,596 New York trade secret misappropriation award and (ii) the $59,100,000 copyright infringement award. Therefore no compensatory damage will have to be paid by Atos. The District Court granted TriZetto's motion for attorney's fees in the amount of $14,548,992. The decision is not final yet.

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.

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.

At December 31, 2023, 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 and members of the Executive Board

The remuneration of the key members of Management during the year is set out below:

(in € million)	12 months ended December 31, 2023	12 months ended December 31, 2022
Short-term benefits	20	12
Employer contributions & other taxes	4	3
Post-employment benefits	0	0
Equity-based compensation: stock options & free share plans	3	3
Total	**27**	**18**

Short-term benefits include salaries, bonuses, fringe benefits and severance payments. 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, 2023: main entities

	% of Interest	Consolidation method	% of Control	Address
HOLDING COMPANIES				
Atos SE	Group Parent Company			80, quai Voltaire - 95870 Bezons, France
Atos International BV	100	FC	100	Burgemeester Rijnderslaan 30, 1185 MC Amstelveen
Saint Louis Ré SA	100	FC	100	12 rue du Chateau d'Eau, 3364 Leudelange, Luxembourg
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 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
Keynectis SA	100	FC	100	Tour Eria, 5 rue Bellini - 92800 Puteaux
Atos Digital Security SAS	100	FC	100	50, avenue Daumesnil - 75012 Paris
Eviden France SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
GERMANY				
Atos Information Technology GmbH	100	FC	100	Otto-Hahn-Ring, 6 - 81739 Munich
Eviden Germany GmbH	100	FC	100	Otto-Hahn-Ring, 6 - 81739 Munich
CHG Communications Holding GmbH	100	FC	100	Otto-Hahn-Ring, 6 - 81739 Munich
Atos IT Dienstleistung und Beratung Gmbh	100	FC	100	Luxembourger Str. 3, 45131 Essen
Atos International Germany Gmbh	100	FC	100	Otto-Hahn-Ring, 6 - 81739 Munich
Eviden 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-straße, 27 - 51149 Cologne

	% of Interest	Consolidation method	% of Control	Address
Science + computing AG	100	FC	100	Hagellocher Weg, 73 - 72070 Tübingen
Energy4u GmbH	100	FC	100	Albert-Nestler Straße, 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	Luxemburger Str.. 3, 45131 Essen
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
CV Cryptovision GmbH	100	FC	100	Munscheidstr. 14 - 45886 Gelsenkirchen
THE NETHERLANDS				
Eviden Netherlands BV	100	FC	100	Burgemeester Rijnderslaan, 30 - 1185 MC Amstelveen
Atos Telco Services BV	100	FC	100	Burgemeester Rijnderslaan, 30 - 1185 MC Amstelveen
Atos Netherlands BV	100	FC	100	Burgemeester Rijnderslaan 30, 1185 MC Amstelveen
Motiv IT Masters BV	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
Eviden Technologies Beteiligungen GmbH	100	FC	100	Wagramer Straße 19, Stock 16, 1220 Vienna
Atos IT Solutions and Services GmbH	100	FC	100	Siemensstraße, 92 - 1210 Vienna
Atos Technologies Austria GmbH	100	FC	100	Wagramer Strabe 19, stock 16, 1220 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				
Eviden Belgium SA/NV	100	FC	100	Da Vincilaan, 5 - 1930 Zaventem
Atos Belguim BV	100	FC	100	Da Vincilaan, 5 - 1930 Zaventem
Bulgaria				
Atos IT Solutions and Services EOOD	100	FC	100	Oborishte Region, 2 Maria Luiza Blvd, TZUM Business Center, 4th floor 1000 Sofia

	% of Interest	Consolidation method	% of Control	Address
Eviden Global Delivery Center EOOD	100	FC	100	2 Knyaginya Maria Louisa Blvd TZUM Business Center, 4th floor 1000 Sofia
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	Stensmosevej 15 , 2620 Albertslund
Eviden Denmark ApS	100	FC	100	Langebjergvænget 18, 4000 Roskilde
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 Prague 4
Atos Czech Republic s.r.o.	100	FC	100	14000 Prague 4, Doudlebska 1699/5
DataSentics AS	100	FC	100	Washingtonova, 1599/17, Nové Město - 11000 Prague 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 Magyarorszag Kft	100	FC	100	Neumann János street 1. (Infopark) A building 1. floor 1117 Budapest
Eviden Hungary Kft	100	FC	100	Neumann János street 1. (Infopark) A building 1. floor 1117 Budapest
Ireland				
Atos IT Solutions and Services Limited	100	FC	100	Dundrum Town Centre, Sandyford Road Dublin 16
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
Luxembourg				
Atos Luxembourg PSF SA	100	FC	100	1, rue Edmond Reuter Contern - 5326 Luxembourg

	% of Interest	Consolidation method	% of Control	Address
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
Eviden Technologies Maroc	100	FC	100	Casablanca - shore 7, 1100 boulevard Al Qods – quartier Sidi Maârouf,
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				
Eviden Polska SA	100	FC	100	Pulawska 180 02-670 Warsaw
Atos Poland Global Services Sp zoo	100	FC	100	ul. Kraszewskiego 1 85-240 Bydgoszcz
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				
Eviden Technologies SRL	100	FC	100	Calea Floreasca, 169A, Sector 1 - 014459 Bucharest
Atos Global Delivery Center SRL	100	FC	100	Municipul Timisoara, Piata Consiliul Europei 2A, Cladirea Unidted Business Center 1, et 2, 300627 Judet Timis
Atos Convergence Creators SRL	100	FC	100	Municipiul Braşov, Strada MIHAIL KOGĂLNICEANU, Nr. 21, Bloc C6, Judet Braşov
Senegal				
Bull Senegal	100	FC	100	Cité Keur Gorgui, Immeuble Khadimou Rassoul - BP 3183 Dakar
Serbia				
Atos IT Solutions and Services d.o.o.	100	FC	100	Danila Lekica Spanca 31 - 11070 Belgrade
South Africa				
Atos (PTY) Ltd	74	FC	100	Woodlands Office Park, Ground Floor Building 32 - 2144 Woodlands

	% of Interest	Consolidation method	% of Control	Address
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
Atos Holding Iberia SL	100	FC	100	ALBARRACIN 25, Madrid
MSL Technology SL	100	FC	100	C/ Marques de Ahumada, 7 - 28028 Madrid
Slovakia				
Eviden Slovakia SRO	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
Eviden AG	100	FC	100	Freilagerstarsse 28, 8047 Zurich
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 Ali, Dubai
Paladion Sharjah (Branch)	100	FC	100	Saif Suite X4 - 03 and SAIF Office P8-05-58, Sharjah Airport International Free Zone, Sharjah, 120398
Qatar				
Atos Qatar Llc	100	FC	100	Sheikh Suhaim bin Hamad Street - No.89858 Doha
Egypt				
Atos IT SAE	100	FC	100	Alex Desert Road, Smart Village, Concordia Building, Ground Floor, Cairo
Saudi Arabia				
Atos Saudi LLC	49	FC	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

	% of Interest	Consolidation method	% of Control	Address
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
Eviden Technology Services Limited	100	FC	100	44 Esplanade, JE4 9WG, St. Helier, St. Helier, Jersey
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
Ipsotek Ltd.	100	FC	100	Acre House, 11-15 William Road - NW13ER London
Cloudreach Europe Limited	100	FC	100	3rd Floor Saffron House 6-10 Kirby Street - EC1N8TS London
ASIA PACIFIC				
Australia				
Atos (Australia) Pty Ltd	100	FC	100	Mountain Highway, 885 - 3153 Bayswater Victoria
Eviden Australia	100	FC	100	75 Castlereagh street , 2000 Sidney , Suite 5,01
China				
Eviden Information Technology (Nanjing) Co Ltd	100	FC	100	Floor 12, Building 1B Powerise accelerator, High Tech zone Software park - Nanjing Jiangsu Province
Eviden Information Technology (China) Co Ltd	100	FC	100	Room 05.161, Floor 5, Building E No.7, Zhonghuan Nanlu Wangjing - Chaoyang District Beijing
Atos Enterprise Technology (Beijing) Co Ltd	100	FC	100	Room 101, 1/F, Building 3 No. 7, Wangjing Zhonghuan Nan Road, 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
Eviden Hong Kong Limited	100	FC	100	RM 1301, 13th floor, Harbourside HQ, 8, Lam Chak Street, Hong Kong
Bull Information Systems (Hong Kong) Limited	100	FC	100	RM 1401 - Hutchison House - 10, Harcourt Road
India				
Eviden India Pvt Ltd	100	FC	100	1402 /1403 Supremus, E Wing, Techno Campus, Kanjurmarg (East), Mumbai City Maharashtra - 400042
Atos Sol & Sys Pvt LTD	100	FC	100	Unit No. 1401 & 1409, 14th Floor, SupremusE Wing, Techno Campus, Kanjurmarg East 400042 Mumbai
Eviden IT Services Private Limited	99.99	FC	100	Plot 8b, RMZ Centennial, Camp-B, 5th Floor, ITPL Main Road, Whitefield, Bangalore Ka 560048
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
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	49, Shilpa Vidya, 3rd Phase, 1st Main, JP Nagar, Bangalore 560068
Japan				
Eviden KK	100	FC	100	6 F, Daisan Toranomon Denki Building - 1-2-20 Minato-ku Tokyo
Atos Technologies Japan	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
Philippines				
Atos Information Technology Inc	99.94	FC	100	23/F Cyber One Building - Eastwood City - Cyberpark - 1110 Libis, Quezon City

	% of Interest	Consolidation method	% of Control	Address
XBS Disposition Subsidiary 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
Eviden Singapore Pte Ltd	100	FC	100	988 TOA PAYOH NORTH #08-01 - 319002
Taiwan				
Atos (Taiwan) Ltd	100	FC	100	5F, No 100 Sec 3, Min Sheng E. Road - Taipei
Thailand				
Atos IT Solutions and Services Ltd	100	FC	100	2922/339 Charn Issara Tower II - 36th Floor - New Petchburi Road - Bangkapi - Huay Kwang - 10310 Bangkok
AMERICAS				
Argentina				
Atos Argentina SA	100	FC	100	Virrey Liniers 2250, C1241ABV – 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 Paolo
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 Paolo
Bull Ltda.	100	FC	100	Avenida das Nacoes Unidas, 12901 - Torre Norte, 19 Andar, PARTE B - Brooklin, CEP 04578-910, na Cidade de Sao Paolo
Canada				
Eviden Inc	100	FC	100	c/o Gowling WLG (Canada) LLP, One Main Street West ON L8P 4Z5 Hamilton
Atos Technologies Canada Inc	100	FC	100	5770 Hurontario Street, Suite B150, Missisauga, Ontario L5R 3G5
Eviden Services, 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

	% of Interest	Consolidation method	% of Control	Address
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
Eviden USA, Inc	100	FC	100	5920 Windhaven Pkwy, Suite 110, Plano, TX 75093
Atos IT Outsourcing Services, LLC	100	FC	100	5920 Windhaven Parkway, Suite 120 Plano, TX 75093
Eviden Technologies USA 3, LLC	100	FC	100	5920 Windhaven Pkwy, Suite 110, Plano, TX 75093
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
Eviden Technologies USA 2, LLC	100	FC	100	251 Little Falls Drive 19808 City of Wilmington, County of New Castle
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, Inc	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Atos Technologies USA, LLC	100	FC	100	5920 Windhaven Parkway, Suite 120 Plano, TX 75093
Pyramid Healthcare Solutions Inc	100	FC	100	One Lincoln Centre, Suite 200 - 5400 LBJ Freeway TX 75240 Dallas
Evidian Systems Inc	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Engage ESM Inc	100	FC	100	4851 Regent Boulevard - 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

	% of Interest	Consolidation method	% of Control	Address
Nimbix Inc	100	FC	100	800 E. CAMPBELL ROAD, SUITE 241, TX 75081 RICHARDSON
VisualBI Solutions Inc	100	FC	100	4851 Regent Boulevard - Irving, TX 75063
Cloudreach Inc	100	FC	100	230 Avenue of The Americas FL 19 New York, NY, 10020-1520 NY, 10020-1520 New York
Cloudamize Inc	100	FC	100	3340 Peachtree Rd NE, Suite 2550, Atlanta, GA 30326
Uruguay				
Bull Uruguay SA	100	FC	100	Av. Dr Luis A. de Herrera, 2802 - 1160 Montevideo

Note 19 Subsequent events

On January 9, 2024, the remaining amount available on the revolving credit facility was drawn, representing an additional drawdown of € 320 million (see Note 6.4).

On January 19, 2024, the rating agency Standard and Poor's downgraded Atos rating from BB- to B- placing Atos on CreditWatch Developing. On February 9, 2024, Atos rating was further downgraded from B- to CCC with negative outlook.

On January 29, 2024, the first 6-month extension of the €1.5 billion Term Loan A took effect (see Note 6.4).

On February 5, 2024, Atos announced that a mandataire ad hoc had been appointed to frame the discussions with the banks with a view to reaching a refinancing plan for its financial debt.

On February 28, 2024, Atos announced that, in the context of its exclusive negotiations with EP Equity Investment ("EPEI") for the potential sale of Tech Foundations announced on August 1, 2023, the parties have not reached a mutually satisfactory agreement. The discussions and the put agreement have therefore been terminated by mutual consent, with no indemnification on either side.

On March 13, 2024, the United States District Court for the Southern District of New York, as part of Syntel's ongoing litigation with Cognizant and its subsidiary TriZetto, vacated the remaining compensatory damages judgments entered in this case: (i) the $142,427,596 New York trade secret misappropriation award and (ii) the $59,100,000 copyright infringement award. Therefore no compensatory damage will have to be paid by Atos. The District Court granted TriZetto's motion for attorney's fees in the amount of $14,548,992. The decision is not final yet. As a result, the Group considers that the amount of the provision remaining at Decembre 31, 2023 is still adequate.

On March 19, 2024, Atos announced it has been informed by Airbus that discussions related to the sale of its BDS (Big Data & Security) business will not proceed.

On March 25, 2024, an amicable conciliation procedure was opened at the request of Atos SE for a limited period of four months, which may be extended by one month.

Note 20 Auditors' fees

	Grant Thornton				Deloitte			
	Grant Thornton		Other Grant Thornton member firms		Deloitte & Associés		Other Deloitte member firms	
(in € thousand and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	1,128	40%	-	0%	1,537	34%	-	0%
Subsidiaries	954	34%	4,316	77%	1,397	31%	1,383	85%
Sub-total Audit	**2,083**	**74%**	**4,316**	**77%**	**2,934**	**65%**	**1,383**	**85%**
Non audit services*								
Parent company	435	16%	-	0%	1,103	25%	-	0%
Subsidiaries	285	10%	1,301	23%	448	10%	237	15%
Sub-total Non Audit	**720**	**26%**	**1,301**	**23%**	**1,551**	**35%**	**237**	**15%**
Total fees 2023	**2,802**	**100%**	**5,617**	**100%**	**4,485**	**100%**	**1,620**	**100%**

(*) In 2023, non audit services related to services provided at the Company's request and notably corresponded to (i) certificates and reports issued as independent third party on human resources, environmental and social information pursuant to article of the French Commercial Code, (ii) tax services, authorized by local legislation, in some foreign subsidiaries, and (iii) services related to the group restructuration.

	Grant Thornton				Deloitte			
	Grant Thornton		Other Grant Thornton member firms		Deloitte & Associés		Other Deloitte member firms	
(in € thousand and %)	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	1,035	59%	-	0%	1,229	48%	-	0%
Subsidiaries	717	41%	3,802	75%	1,218	48%	1,124	76%
Sub-total Audit	**1,752**	**100%**	**3,802**	**75%**	**2,447**	**96%**	**1,124**	**76%**
Non audit services*								
Parent company	-	0%	-	0%	103	4%	-	0%
Subsidiaries	4	0%	1,292	25%	-	0%	347	24%
Sub-total Non Audit	**4**	**0%**	**1,292**	**25%**	**103**	**4%**	**347**	**24%**
Total fees 2022	**1,756**	**100%**	**5,093**	**100%**	**2,550**	**100%**	**1,471**	**100%**

(*) In 2022, non audit services related to services provided at the Company's request and notably corresponded to (i) certificates and reports issued as independent third party on 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