

# Atos | Group

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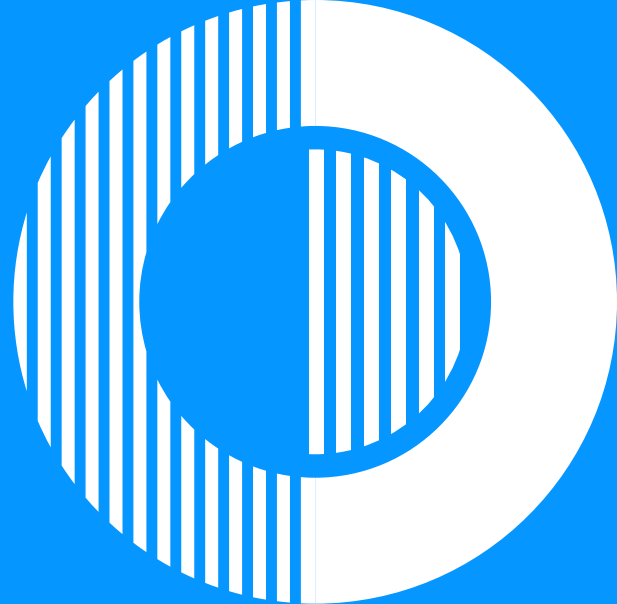
EVIDEN Atos

## Annual Compliance Review 2023



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# Foreword



*“Ethics and Compliance are the cornerstone of our operations”*



## Atos Group CEO Paul Saleh

As Atos Group CEO, I am pleased to introduce the 2023 Annual Compliance Review, a crucial occasion during which we come together to uphold our consistent commitment to the highest standards of ethics and compliance within Atos organization.

In the fast-paced world of business, we must always bear in mind our commitment to ethical principles as described in our Code of Ethics during our business dealings. I am proud to state that Ethics and Compliance are the cornerstone of our operations and among our key priorities, from the very top of the company to the heart of our operations.

Throughout the changes which have been seen both within Atos and in the external geopolitical environment in 2023, this commitment has stayed constant.

The commitment from top management to the compliance program continues as strongly as ever and is what leads us to do things right not just when someone is watching, but especially when no one is. It is about fostering a culture where integrity and respect are not negotiable but incorporated in our DNA.

The 2023 Annual Compliance Review illustrates to our stakeholders how we have developed over the year. Not only does it allow us to appraise our activity, it also guides us to see what we need to focus on for the year ahead.

For the future, as we follow our strategy to create two independent businesses, Atos Tech Foundations and Eviden, we will strive to embed in both businesses the ethical principles which have been core to the purpose of Atos.

For me, compliance is a pledge to our stakeholders – employees, customers, investors, and the community – that we are dedicated to conducting business ethically and responsibly. As such, it is inseparable from our Corporate Social Responsibility (CSR) governance: there can be no long-term sustainability without compliance.

Publishing our Annual Compliance Review externally as well as internally, thus openly sharing the initiatives taken by the Group to ensure the robustness of our compliance program, enables us to engage with our stakeholders on this important topic. I am therefore delighted to introduce our Annual Compliance Review, showing the progress that has been made during 2023.

# Atos culture of integrity



*“We must be reactive and leverage synergies between ethics, compliance, audit and internal control”*



## Group Deputy General Secretary and Head of Group Internal Audit & Risk Management

**Jean-Marie Pivard**

As Group Deputy General Secretary and Head of Group Internal Audit & Risk Management, it is to me of upmost importance that Ethics and Compliance guide how business is conducted at Atos, but also integrated throughout our internal policies, procedures, and the way we carry out internal controls and audits.

While the compliance program at Atos has grown from strength to strength over the years, it is essential keep moving forward and remain ahead of the curve by adapting our compliance measures in light of the ever-evolving legal framework, but also reflecting on our existing ethical practices.

Indeed, permanent monitoring and regular audits are key to validate the effectiveness of the internal controls in place and ensure that compliance and ethical standards are not just theoretical aspirations but lived realities.

We must be reactive and leverage synergies between ethics, compliance, audit, and internal control to detect potential weaknesses in full independence, report on findings to the highest instance of the organization and remedy them when required to guarantee the sustained success of the organization.

Our actions are not a matter of ticking boxes to meet regulatory requirements; it is about developing a culture where ethical behavior is ingrained in every facet of the business to sustain the group on the long term.

# Compliance 2023 activity in brief



## Group Head of Ethics & Compliance

Romain Dorison

In pursuance of the efforts conducted over the past years to develop a culture of compliance within Atos and ensure adequate trainings and knowledge sharing towards our employees, the 2023 activity conveyed a particular focus on the identification of risks through the leveraging of synergies with Group Internal Audit, Group Internal Control & Enterprise Risk Management support functions, and the reinforcement of the management of the due diligence conducted on third parties.

Our global network of Compliance Officers, who implement global compliance initiatives and drive improvement locally, have once again been key to delivering our projects and reach our commitments in 2023.

This collaborative approach allowed to design and implement a series of significant projects to further strengthen Atos' compliance program and governance.

You will find below some of the key compliance initiatives and highlights of 2023 conducted within the group:

- Completion of the 2023 Corruption Risk Mapping in collaboration with the Group Internal Control & ERM, Group Internal Audit and representative operational managers from the business lines and other support functions at all levels of the organization. Detailed results have been presented to the management and different internal forums to ensure everyone remains aware and at the forefront of the fight against corruption in their day-to-day responsibilities;
- Strengthening of the compliance due diligence process on third parties (including suppliers, clients and business partners) through the definition and use of an improved and stricter due diligence methodology and the centralization of all categories of third parties in a single tool. This large-scale project involved a large array of internal stakeholders from many functions and has a crucial positive impact on the group everyday activities to reinforce the management and monitoring of our third parties' operations;
- The digitalization of the Atos Group Alert System was pursued with the roll-out of a dedicated electronic system, already effective in Americas, Middle East, Africa and Turkey, through the inclusion of the APAC region in the tool perimeter. Furthermore, the preparation and launch of all relevant consultation and/or information process of the European and local work councils has been engaged where required.

This project is an example of not only improving the experience of employees and other stakeholders' interactions with the Compliance experts, but also improving the management of the alerts, through effective workflows and in real-time reporting;

- Close monitoring of geopolitical landscape evolution and its compliance consequences on international sanctions and embargoes, in particular with regard to the evolving legal framework regarding Russia and Belarus, as well as the US export control restrictions targeting China on advanced computing and semiconductor manufacturing;
- Consolidation of the internal policies and procedures related to Gifts & Invitations, and the preparation of a new policy on Charitable contributions (Donations and Sponsorships), notably to set up a mandatory step-by-step approval process to raise awareness internally about the risks it may represent as well as ensuring adequate due diligence is carried out on the potential contributions' recipients;
- The release of an updated Anti-Fraud Policy to provide visibility and practical guidance, manage the fraud risk, and reaffirm Atos' zero-tolerance policy on fraud.

Beyond the contribution of the Global Compliance Team and all local Compliance Officers, the effectiveness of Atos' compliance program is largely supported by all managers and employees at Atos, and their commitment to conduct their activity in accordance with the Code of Ethics and its complementary internal policies on a daily basis. In reminding everyone the importance of ethics & compliance for the organization, we aim at making all our employees to feel confident to report any concerns they have and ultimately to help ensure that Atos business is conducted to set ethical standards.

In this occurrence of the 2023 Annual Compliance Review, you will find more details about the key achievement conducted over the year, as well as interviews with Compliance Officers, General Counsels and other key compliance related functions such as Sales, Procurement, Human Resources, Communications and Atos IT showcasing some of the excellent work being done within our business units, countries and global functions. All of us have played a key role in developing the compliance program across the Group.

# Atos Compliance Organization: A combination of global and local strengths

Atos' Compliance Organization is multi-layered to ensure that compliance is embedded in every part of the business, reflecting all operational business lines and geographies. The following section explains the role of all those involved in compliance management.



## Atos Board of Directors

The Atos Board of Directors is responsible for Atos' ethical framework at Group level and oversees the development of the group compliance program endorsing its key elements including the Code of Ethics.

Global Compliance reports to the Board on a half-year basis through a report on the progress of the compliance program, which is formally presented by the Group Deputy General Secretary, also in charge of Internal Audit. In addition, the Board is informed of the nature of compliance alerts raised and managed during the preceding year which guarantees that the Board is fully informed about the issues having been raised through the alert system.

Global Compliance also reports on a semesterly basis to the Audit Committee and a regular communication channel exists between the Group Deputy General Secretary, and the Chairman of the Audit Committee.

## The Ethics Advisory Body (Collège des Déontologues)

The Board has appointed a body of independent and highly expert external professionals to provide advices and recommendations to the Group on compliance issues requiring ethical judgements.

The Ethics Advisory Body (Collège des Déontologues) meets as often as necessary when the importance, sensitivity or difficulty of a topic so requires. Over the course of the previous years, the Ethics Advisory Board helped ensuring support and feedback on crucial compliance projects for the group.

## Group Executive Board

The Group Executive Board reports to the Board of Directors and sets the direction and priorities for compliance at Atos ensuring proactive identification, assessment, and prevention of compliance risks within the organization.

The Group Head of Ethics & Compliance and the Group Deputy General Secretary reported on the progress of the compliance program through regular reports and updates to the Group Executive Board over the course of 2023. The Group Executive Board also discussed and promoted compliance communication initiatives where their support was needed to set the right tone from the top and ensuring the take-up of mandatory compliance training by employees.

## Regional Business Unit (RBU) and Country CEOs

Day to day operational responsibility for implementing compliance within the local organizations rests with the RBUs and Country CEOs. Indeed, as part of their appointment process, Company CEOs are required to sign an "Acceptance of Compliance Form" which commits them to implementing the Code of Ethics and Global Ethics and Compliance Policy in their organization.

To deliver this commitment, the Company CEOs are responsible for:

- Resourcing the compliance function within their organization, which includes approving the appointment of the Compliance Officer proposed by the General Counsel of the organization concerned before they are validated by the Global Compliance Team;
- Working with the Compliance Officer to implement within their organization all the directives, policies, training and tools which have been set up by the Global Compliance Team as part of the compliance program;
- Setting the right tone from the top to ensure employees within their organization are fully aware of all directives, policies, training and tools through regular internal communication initiatives.

## General Counsels

The General Counsels provide legal advice to the RBU and Country CEOs and management teams, and support the Compliance Officers at local or regional level. General Counsels are responsible for:

- Providing Compliance Officers with legal support for the local implementation of the compliance program as needed, ensuring that local legal requirements are met;
- Ensuring compliance and export control clauses are included in commercial contracts and leading contractual negotiations;
- Supporting Compliance Officers in conducting internal investigations where needed;
- Working with Compliance Officers to provide virtual classroom training for key managers and the most exposed employees on compliance topics such as anti-corruption, fair competition, or trade regulations;
- Helping Compliance Officers convey messages to the local CEOs and management teams.



### General Counsel MEA & Turkey Pragma Bhardwaj

Around six months ago, I stepped into the role of General Counsel for the META region. This region encompassing several countries, many classified as "High Risk" or "Very High Risk" in terms of Compliance according to the Group Country at Risk Table and in such a complex and varied landscape spreading across several countries, ensuring adherence and implementation of the Atos compliance program and good governance practices is not just a responsibility, but a necessity. Working in collaboration with the local Compliance Officers and with Global Compliance Team has been a critical aspect for me to foster the goal that there should be a culture where compliance is viewed as an integral part of business strategy. This approach is vital in high-risk regions, where the cost of non-compliance can be exponentially higher, both in financial terms and reputational damage.

What has been particularly striking for me is the direct approach made by various teams towards our Compliance

Officers. This interaction pattern is a clear indication of the effectiveness of the compliance initiatives by the Compliance Officers in the region and how compliance and ethics is viewed as a critical aspect of every employee's day to day lives.

For me, it's not just about overseeing bids or handling critical one-time matters; it's about embedding a culture of compliance and integrity throughout all operations, and in my last 6 months experience of this region, I see this being implemented.

As I progress in my role within a region that is constantly changing in terms of compliance and legal requirements, I understand the significance of continuing our teamwork with the Compliance team and am interested in exploring new initiatives that could further improve our existing framework of legal, ethics and compliance.

## Global Compliance Team

Atos has a dedicated Global Compliance Team leading and co-ordinating the compliance program, recommending the compliance strategy to top management and managing projects to ensure its ongoing continuous improvement.

The Global Compliance Team works closely with the network of local Compliance Officers in the countries and the Compliance Officers for the global functions, to ensure that compliance initiatives are appropriately implemented across all Group operations and adapted where necessary.

To ensure that the compliance program is effectively implemented across the organization, the Global Compliance Team also works in close collaboration with Group Internal Control to review compliance related controls contained in the Book of Internal Control on a regular basis and support the control testing campaigns.

In addition, Global Compliance Team handles the management of the Group export control program and organization in providing guidance, recommendations and trainings on export control laws, regulations and contractual considerations to senior managers, general counsels and compliance officers as further described therein.

## 'Compliance Officers' network

The worldwide Compliance Officers' network is a key part of Atos compliance program. Dedicated Compliance Officers are present locally in each relevant country cluster and within each global relevant support function. They are appointed in addition to other functions they hold and based on their strong operational or functional background to ensure their ability in identifying risks and having the necessary level of seniority towards employees and local management. Their close links and presence with local or functional management

allow Compliance Officers to define and promote the group compliance program in alignment with business realities and in an accessible way to all employees.

The Compliance Officers are expected to present and report to local management committees on a regular basis to ensure executives' attention is drawn onto compliance risks and duties, raise potential issues, and support senior managers in fostering a business integrity culture within each local entity.

Communication is an important part of their responsibilities as they coordinate local compliance communication with local management and communications teams ensuring that local needs — including the relevant languages — are considered. Their key positioning allows to have a proper tone from the top set locally. Compliance Officers also manage compliance and ethics alerts reported through the alert systems.

During 2023, significant projects involved close co-operation and joint working between the Compliance Officers and the Global Compliance Team. These included the implementation of the new digitalized whistleblowing system where relevant (to ensure its communication and promotion to employees, and their training as recipients of the alerts raised through the system) and the improvement of third-party due diligence procedures in the sales and procurement processes.

A permanent flow of communication exists between Global Compliance and all Compliance Officers. The latter report in writing to Global Compliance on a semesterly basis regarding progress updates on the various measures of the compliance program, participation in the initiatives of the Group Compliance Team, monitoring of local actions, alerts, and any difficulties encountered.

The Global Compliance Team and local Compliance Officers attend regular meetings (monthly calls) aiming to collaborate on projects, support each other, and share knowledge and best practices.







## Compliance Officer Asia Pacific

Lily Fu

Joining Atos in January 2023, I could quickly feel, over the year, the challenges that the role of compliance officer entails.

Firstly, the Compliance Officer has the responsibility to convey the global compliance message to the APAC management team and then to set the correct tone from the top, making sure, for example, that messages are properly conveyed in terms of Atos zero tolerance of bribery, corruption or influence peddling, how to properly deal with a conflict of interest, how to use the Gifts & Invitations tool and more generally ensure local gifts & invitations practices are aligned with the group rules and applicable local laws, etc.

Secondly, the compliance officer has a multi-faceted role and has to communicate with different people: we are required to work with many functions as compliance processes are directly integrated into internal processes. For instance, people may ask me for help to perform the

relevant due diligence and screening before entering into a commercial relationship with a Business Partner or when answering to a bid through the Rainbow Process where a compliance approval is required before being able to submit an offer. Good cooperation with other teams is also needed during internal investigations or when having to deliver employees trainings.

Finally, I have carried out the compliance training plan to the new joiners for all APAC countries, as this is at the utmost importance for the new joiner to get familiar as soon as possible with the company's policies.

In Atos, the compliance officer's job is challenging, as we need to know all the company's policies and make sure employees follow them, as well as staying alert on all the potential update on regulations that are applicable to our business; but for me it is also what makes the job even more exciting.



## Interim Compliance Officer North America

Jason Riddle

In my roles as North America Export Control SPOC and (Interim) North America Compliance Officer, I am involved in continuously improving the North America compliance program.

As Compliance Officer for the region, my aim is to help ensure the effective and efficient compliance of the North America region with Atos' compliance policies, especially the Code of Ethics and the Business Partner Policy which form the core of Atos' compliance program.

In my role as Export Control SPOC for the region, my aim is to help ensure that the compliance of the North America region with Atos' Group Export Control Compliance Guidelines and applicable U.S. export control laws and regulations.

I provide timely support to the Rainbow bid-management team and supplemental assistance to the Group Compliance team on specific U.S. export control items including International Traffic in Arms Regulations (ITAR) assessment and training, and specific export license applications with the Bureau of Industry and Security (BIS). My roles generally include training and responding to questions posed by employees on compliance and export control topics, raising compliance awareness, assessing compliance risks associated with the Rainbow bid-management process for all business partners and third parties involved and granting approval with appropriate mitigation actions.



## Compliance Officer Big Data & Security

Stela Cemalovic

In my role as Compliance Officer for Global BDS Compliance & Internal Audit, I am supporting business & operations for the implementation of the policies developed by Group Compliance, coordinating BDS Internal Audit Programs, performing internal audits, managing internal control program based on Internal Control Policy, as well as supporting Group Internal Audit (GIA) in audits and Enterprise Risk Management (ERM) process.

Updates on regulatory developments related to compliance issues are provided on a regular basis and coordination between compliance, data protection and export control topics must be done, to be sure information is correctly being shared and that BDS employees, exposed to compliance risks, easily find everything they need to know.

With aim to address the compliance risk associated with the use of Business Partners, I'm providing adequate

training for employees about processes and tools used and contribute to Business Partner due diligence screening when required.

BDS Export control team supports business and local compliance to comply with trade, export control and economic sanctions rules. This team, working together with BDS portfolio owners, ensures, from product design until the final delivery, validation of the potential export control constraints. I'm proud to be part of this team!

In my Compliance Officer role, I regularly participate in the Enterprise Risk Management process, providing insight and inputs about compliance risks and in my Risk & Internal Control Coordinator (RICC) role, I support GIA in various audits which include compliance controls. I'm contributing to the findings closure monitoring actions agreed. As an internal auditor, I'm identifying areas for improvements which may be linked to the mitigation of compliance risks.



# Atos' Compliance Program: 2023 achievements and highlights

Atos' compliance program is structured in accordance with a risk management cycle approach, which encompasses the necessary steps for identification and assessment of compliance related risk, how the group prevents compliance risks and ensure the improvement of the control measures in place, as well as how we monitor risks on an ongoing basis.

Atos' Compliance Program main pillars are organized around the following categories of compliance risks:



Anti-corruption



Sanctions and Export Control



Antitrust



Human Rights (in the context of the duty of vigilance)

The following sections cover the steps we have taken in 2023 to address the above.

## Identification and assessment of risks

### Corruption Risk Mapping

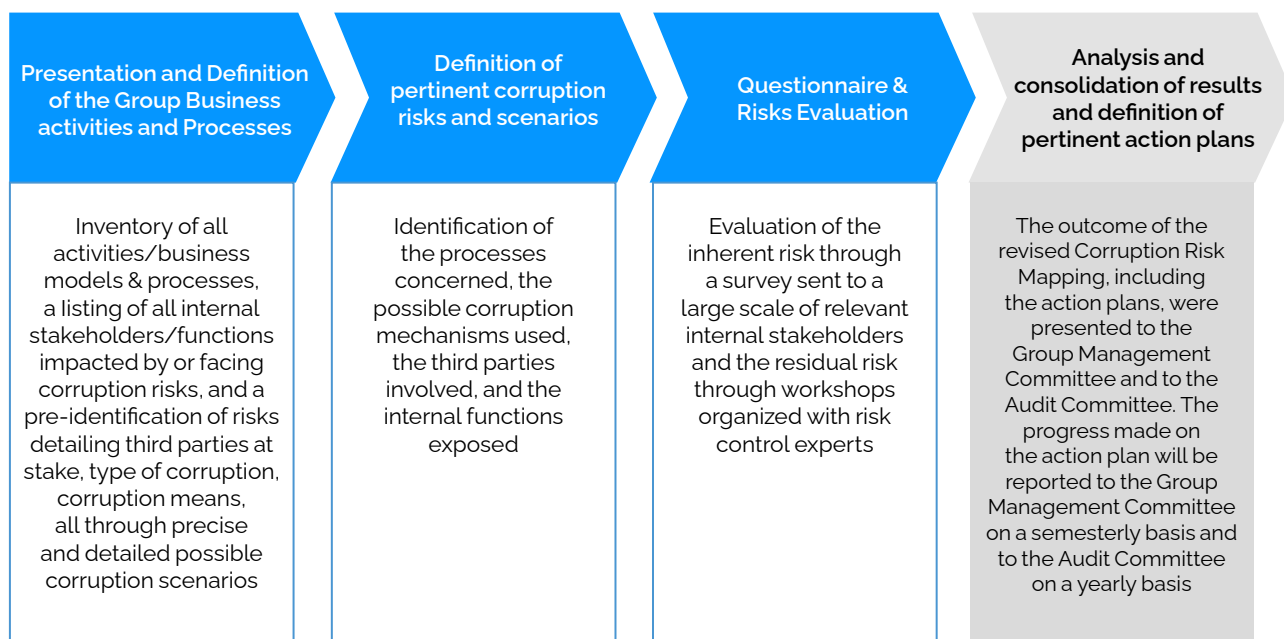
The Corruption Risk Mapping results from a cross-functional collaboration intended to define the actions and measures required to address corruption risks, including a monitoring performed by Global Compliance and Group Internal Control on a regular basis.

Atos pursued its commitments to reject any form of bribery, corruption or influence peddling through the review of its Corruption Risk Mapping methodology to ensure a complete understanding of corruption risks within Atos' business processes. This review was part of the continuous improvement and enhancement of the compliance program and its alignment with the key measures of the French anticorruption law

(known as "Sapin II"), as well as the recommendations of the French Anti-Corruption Agency.

The update of the Corruption Risk Mapping exercise initiated in 2022 was pursued and finalized over the course of 2023 through a strong collaboration between Group Compliance, Group Internal Audit, and Group Internal Control & Enterprise Risk Management departments as well as a representative sample of operational managers from the business lines and other support functions at all levels of the organization.

The updated Corruption Risk Mapping relied on a staged approach unfolding in four main limbs:



The cooperative work conducted in the frame of the Corruption Risk Mapping update included:

- The review of the Group processes covering all business lines and geographies to identify opportunities for improvement;
- The identification of corruption risks relevant to Atos' current organization and activities through a bottom-up approach for both global functions and the regions; As a result, 58 scenarios among 25 risk areas were identified, along with 14 corruption mechanisms. For each corruption mechanism identified, a control card identifying and detailing the corresponding controls and mitigating measures in place was created;



- An assessment of all scenarios to obtain a fair representation of the inherent risk exposure of the organization, taking into account aggravating factors where relevant, followed by the analysis of the efficiency of the controls and measures in place to obtain the residual risk exposure using objective criteria;
- Consequent prioritization of the risks and development of action plans at the relevant levels in the organization to address issues or bring improvements.



## Group Internal Controller

### Serik Orazaly

As Group Internal Controller, I work within the Group Internal Control (GIC) and Enterprise Risk Management (ERM) Department. This department is responsible for conducting the annual Group risk assessment, a process in which a questionnaire is distributed to more than 500 Group managers to gather their insights and assessments regarding the risks Atos is facing. Each year, approximately 30 major risks are identified and ranked, with corresponding action plans developed for their mitigation. The findings of this evaluation are subsequently presented to the Global Executive Board and the Group Audit Committee on a global scale, while also being communicated to the Regional Business Units (RBUs) and Central Functions.

In addition to that, the GIC and ERM Department collaborates with various other departments to facilitate their respective risk assessment processes by offering

methodology, tools, and support, like with the Group Compliance Department to carry out the Corruption Risk Mapping exercise. Indeed, Atos is required to regularly conduct an internal risk evaluation related to anti-corruption concerns through risk mapping activities and interviews, in compliance with the French anti-corruption law (known as "Sapin II"). Within this framework, my collaboration with the Group Compliance team involved enhancing the assessment methodology and developing essential tools to address AFA recommendations by creating a PowerApps questionnaire, as well as implementing a PowerBI reporting system for more efficient and accurate assessment processes. Participating to that exercise enables us to enhance our ERM methodology and check adequacy of internal controls in managing corruption risks.

# Prevention of risks

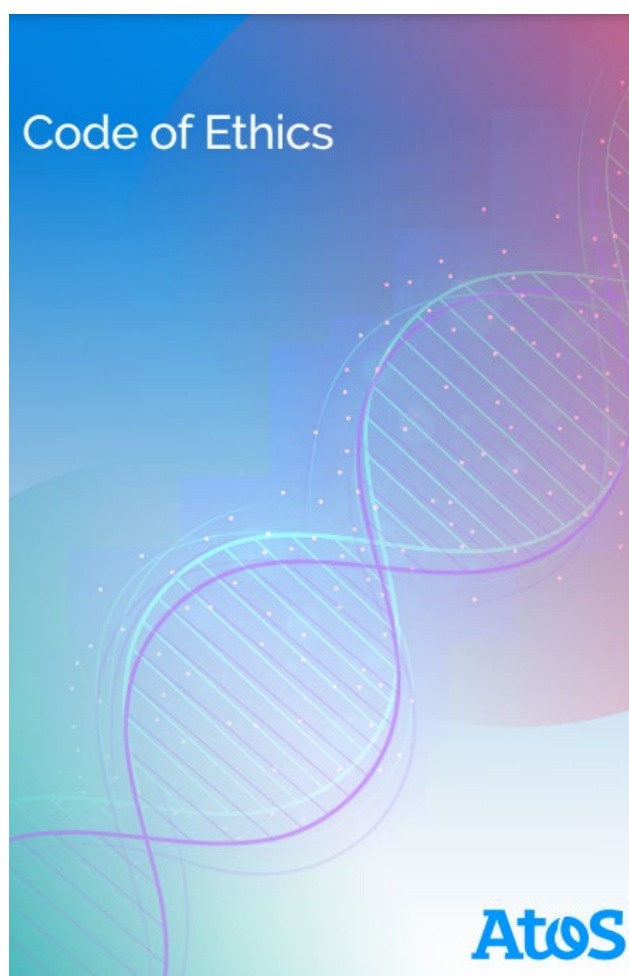
## Training

The effectiveness of Atos' compliance program relies on every employee always carrying out their duties in line with the ethics and rules of the organization. This can only happen if employees are fully informed and have received good quality training.

This is why Atos has implemented a comprehensive compliance training program that targets different roles and needs.

### Code of Ethics training

The cornerstone of the compliance program is the Atos Code of Ethics, which sets out the Group's ethical standards and approach. To ensure awareness and adherence across the Group to the Code of Ethics principles, an online mandatory training explaining each section of the Code was created, which all employees (regardless of their seniority, position, or location) must undertake annually.



### Ethics in a Tier One Organization School (ETO<sup>2</sup>s)

To supplement the mandatory Code of Ethics training for all employees, the Global Compliance Team have developed a training course for managers through a dedicated virtual classroom training — Ethics in a Tier One Organization School (ETO<sup>2</sup>s) — which uses a practical approach and interactive discussions to provide a thorough understanding of what ethical behavior is and how to apply it on a day-to-day basis focusing on their role as managers of the organization. It is delivered by the General Counsels & the local Compliance Officers in each Country Cluster.

### Doing Business Without Bribery

In addition to the Code of Ethics training and as part of its zero-tolerance approach to corruption, Atos has made the e-learning module "Doing Business Without Bribery" developed by Transparency International available for all employees. Key employees exposed to an enhanced level of risk due to the nature of operations they conduct are mandatorily required to partake the training.

### Compliance Officer Induction Program

Once appointed, each Compliance Officer receives training as part of an induction program to learn about Atos' compliance program and their role as a new member of the Compliance Officer network. The program covers topics such as anti-corruption, conflict of interest, antitrust, international sanctions, third-party due diligence, and the assessment of compliance risks.

### Financial integrity training

Since 2021, an e-learning dedicated to financial integrity has been rolled out in the group, first in North America and then to all the entities worldwide. The objective of this training is to raise awareness of Atos employees on all aspects of financial integrity, granting them the knowledge to identify red flags to ensure the right behavior at all levels of the organization and guide them on how to take the right actions that uphold our commitment to ensure accurate financial information.

## Communication

Internal communication ensures that the compliance program is known, understood and followed by all employees. An annual communication plan for compliance is developed in cooperation with the Internal Communications team, and includes regular communications such as newsletters, as well as messages based around news and events, so that the communications are adapted and relevant to their daily work.



### Regular communications

Having in mind the need for managers and leaders to receive relevant and practical information regarding compliance, the Global Compliance Team sends a dedicated regular Compliance Newsletter to management teams across the global organization. The newsletter includes internal compliance news and campaigns about internal compliance projects, as well as compliance news from outside Atos of relevance and interest to senior managers in a practical format allowing them to have necessary information at a glance. It is attractively designed with a navigable format and is sent to around 2,000 managers across the Group.

Communication campaigns led by Compliance Officers have included campaigns to encourage completion of the mandatory training on the Code of Ethics and someone the Financial Integrity training.

### Communications based around news and events

In December, Atos maintain its engagement to promote the UN Anti-Corruption Day with a dedicated communication campaign. At global level, an online interactive game designed to engage employees' attention and re-enforce learning about the importance of always acting ethically was made available to all employees. A high interest of employees was noted which demonstrated a very good employee engagement. At local level, Atos business unit CEOs were invited to cascade messages to their employees, reiterating our zero-tolerance policy for all types of corruption and reinforcing the need to follow the rules and operating procedures designed to ensure Atos conducts its business ethically.

Compliance Officers have also run local communication campaigns and initiatives based on local needs and priorities. For

example, in the lead up to festivals like Christmas, Diwali and the Chinese New Year, reminders were sent to ensure that giving and receiving gifts and invitations remains appropriate and in line with approved guidance.

Compliance awareness can only be maintained through both global messages around key compliance standards and principles, and regular local or functional messages tailored for a specific audience on a particular area of vigilance. For that reason, compliance communications during 2023 have been delivered through a range of channels at a global and local level and using different media, to maintain employees' attention and ensure compliance remains at the forefront of their minds.



## Third-party due diligence

Atos Compliance program is designed to ensure that the assessment of the integrity and business practices of our commercial partners always remains a crucial aspect of Atos business dealings.

### Third-party management processes

As per our third-party management processes, customers and prospects, suppliers and other business partners or intermediaries are thoroughly vetted using compliance screening software and databases prior to engagement. The evaluation aims at identifying third parties subject to international sanctions, representing a potential corruption risk exposure, subject to legal breaches, as well as identifying human rights abuses to comply with our Duty of Vigilance obligations. The third parties are then categorized according to a detailed guidance on the interpretation of screening results for different findings, to ensure consistency of judgment between the different teams analyzing the results of screening customers and suppliers. Specific mitigations actions are then implemented according to the categorization.

In the continuity of previous years' actions, improvements in this part included the review and update of the relevant policies and processes related to the management of third parties, and the reinforcement of communication and training on the topic. In this regard, the integration of all types of third parties into a single screening solution was conducted in 2023 to ensure a uniformed framework for the assessment and monitoring of third parties and facilitate the differentiation according to the risk represented by each.

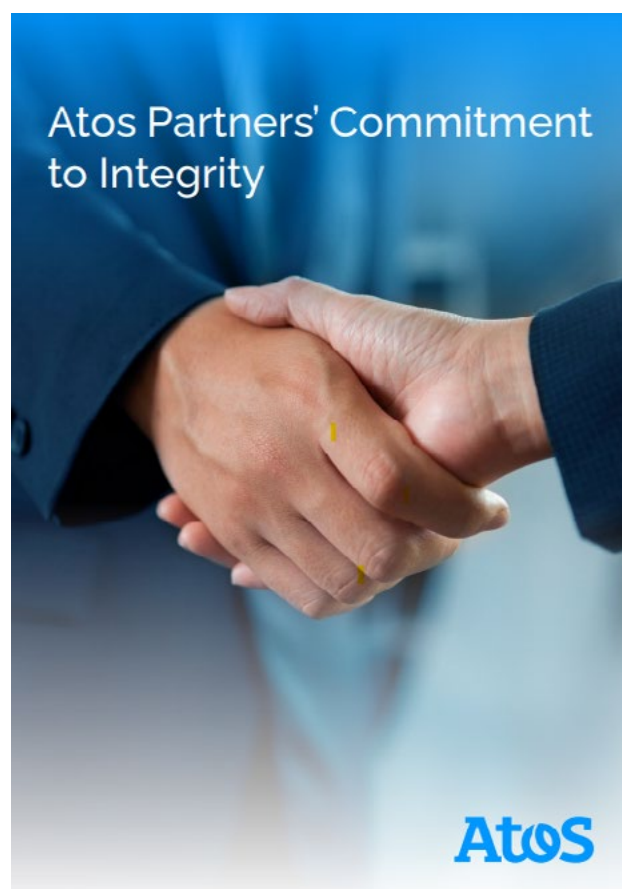
This project involved co-operation between many different parts of the Atos organization, and a joint project team was established including Global Compliance, Global Sales Operations, Global Procurement, Atos IT (to integrate the tool with existing Atos systems and processes) as well as close collaboration with the team of the supplier of the screening tool (to configure it according to Atos' needs).

### Atos Partners' Commitment to Integrity

The Atos Partners' Commitment to Integrity sets forth the ethical commitments that all Atos partners (such as suppliers, subcontractors, clients, and other business partners) are expected to take and maintain when entering into a contract with Atos. It covers human rights, health and safety of individuals, business integrity and the environment and clearly acknowledges that a breach of the principles enacted therein could lead to the termination of their contract with Atos.

As part of these commitments, they are expected to follow the ten principles of the UN Global Compact with respect to human rights, labor standards, protection of the environment and anticorruption, and to inform and encourage their direct business partners to follow these principles.

The Atos Partners' Commitment to Integrity is published externally on the Atos website here: <https://atos.net/wp-content/uploads/2022/06/atos-commitment-integrity-en.pdf>





## Global Procurement Compliance Officer

Marta Iwicka

Francesca Oreto

In the Global Procurement Compliance Officer role, we are both involved in evaluating the compliance of potential and existing suppliers with Atos' ethical principles.

In 2023 Atos Global Procurement has continued to strengthen compliance checks in the supply chain which are embedded into all key Procurement processes of sourcing, vendor onboarding, contracting, bidding, and ordering. Indeed, compliance approvals have been for instance implemented into the ordering process to make sure every Purchase Request, raised with suppliers presenting higher risk of being under sanctions, is evaluated by Compliance Export Control Experts.

The new market leading compliance screening tool, implemented in 2022, has been continuously adapted to Procurement processes in order to support Atos in engaging only with reliable, healthy, and ethical suppliers.

Procurement does not only screen suppliers at the time of the initial engagement, but also monitors them on

an ongoing basis. As Global Procurement Compliance Officers, we are alerted of critical changes in the supply chain and can react immediately if required.

In 2023, Atos has completed the project to review the whole active supplier base, in line with the defined methodology, based on geographical and sectorial risk factors. In addition to that, Procurement actively monitors the top 250 vendors, representing over 70% of Atos' total spend.

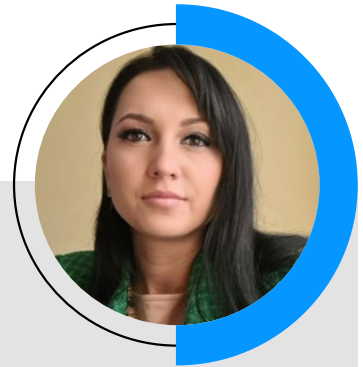
Once a year, Procurement runs category risk mapping to identify and monitor additional suppliers, that are in a combination of high-risk Procurement categories and high and medium risk countries. That gives us a high level of certainty we cover all relevant areas of compliance risk.

Risk mitigation actions may be necessary when risks are identified and are duly monitored.

We are always given full support to fulfill our recommendations as everyone understands the importance of having an ethical and compliant supply chain.







## Global Sales Compliance

### Oana Turcin

I joined Sales Operations at Eviden in June this year, as Sales Compliance Single Point of Contact. Having 14 years of experience in the Legal field and 3 years in Compliance, I embraced this role with a lot of enthusiasm and confidence. Here I found a strong team ready to give me all the support I needed for a smooth and fast integration and helped me feel the sense of belonging.

The presence of Sales Operations Department as part of the Compliance activity comprises the Customer due diligence carried out to reduce the risk of legal, financial, and reputational exposure of our company and to protect the business. This form of due diligence is also a legal requirement in many of the countries where we operate. In all our compliance activity we align with Group Compliance, as one team.

The process involves many departments and tools and consists of three main missions: the prescreening process (which is automated and is based on certain criteria like country risk level, industry, a.s.o), the screening process, checking for international sanctions and watchlists, export

control regulations compliance, the beneficial ownership, Politically Exposed Persons (PEPs), and running a wide check of legal, criminal and commercial wrong-doing, which leads us to have a clear image of each one of our customers, to be able to determine the risk level and to take risk mitigation actions as well as monitoring any new findings on the existing customers in our portfolio. The compliance status determined further to these checks is then updated in the relevant ERP System (process managed by the Finance team) for all the accounts and the result of the analysis is stored accordingly.

Over the course of 2023, an important achievement of the due diligence on Customer entities was reached by allocating a risk level to all the customers from our portfolio that were presenting a potential risk.

At the same time, we focused on continuous improvement and adaptation of the sales screening process to new Group Compliance requirements (e.g. export control regulations, use-case of customer unknown beneficial owners or controlling shareholders).

## Antitrust



Antitrust is an integral component of Atos' legal framework, aimed at ensuring fair competition and prevention of any anti-competitive practices to occur when doing business.

On competition law topics, the Global Compliance Team works together with the business units on an ongoing basis to advise and provide them all the support they need, both in terms of responding to their questions, and in providing pro-active guidance notes. Internal guidelines are available to all and cover key topics to ensure Atos employees have all necessary guidance when facing specific situations: what

rules need to be respected and strictly followed when joint tendering or participating in business alliances, how ensuring compliance of vertical agreements in light of the applicable anti-competitive regulations, rules to live by when participating to an external event where representatives of competitors might be present, etc.

Where necessary, or as a reminder, trainings are given to specific population should they be deemed to benefit the most from specific risks they may encounter in the course of their work.

## International sanctions and export control

Atos' presence spread approximately within seventy countries and operates projects on a global scale for clients ranging from international organizations and government institutions to private sector multinationals and local businesses. Within the scope of its business activities, Atos undertakes an active role in the circulation of hardware, software and technology among people located in different countries or territories. In so doing, Atos has the obligation to comply with a vast array of laws and regulations, and furthermore, takes responsibility for ensuring that controlled items or services are transferred in compliance with applicable laws and regulations.

This year was definitely an important year from an export control perspective because the US and the EU significantly increased the list of items and services subject to special authorizations and licenses, with a tailor approach guided mostly by the US.

In 2023, economic warfare between the USA and China drastically intensified. Indeed, the US Administration refined rules aimed at keeping advanced chips and manufacturing gear out of China. The goal behind the tightening of the US sanctions framework focused on strengthening the controls regarding graphic chips and their use in artificial intelligence application and advance chipmaking by Chinese firms.

In parallel, several countries have put in place counter-measures, such as China and Russia, on their export control framework with the release of specific new laws (such as the Foreign Trade law of China) and an enhanced form of diligence to evaluate specific impact from export control perspective, which inevitably made the regulatory landscape more complex.

With the continuing war in Ukraine and EU/US economic sanctions frameworks, Atos ensured a continuous monitoring of the evolving landscape to provide an enhanced support to internal teams and deliver valuable services and advises to all its stakeholders to maintain compliance in the frame of these diverse international regulations.

These changes highlight the importance of maintaining a close monitoring of the export control and sanctions compliance program, and of structuring commercial processes to ensure compliance with appropriate laws and regulations.

In 2023, the Global Compliance Team improved the export control governance by strengthening the network, pursuing regular and largely spread awareness initiatives with the provision of dedicated trainings and publication of internal guidelines, as well as optimizing key tasks such as screening third parties, collecting classification information, reviewing transactions, and adapting existing workflows.





## Export control & Custom Manager

Marina Neau

## Export control & Custom Expert

Chloé Lazareth

Since March 2022, we are in charge of dealing with the export control and customs matters for the Atos site located in Angers, in France. We are drawing on our expertise in export and customs control to ensure the smooth execution and compliance of all import and export operations and processes for Bull SAS.

The products assembled and manufactured in Angers are high-tech goods that can be sensitive and classified as dual-use or military goods. The exports or re-exports of these goods, such as HPC supercomputers or solutions containing cryptology, are controlled by the French government, the European commission and the American Bureau of Industry and Security.

Our role is to keep a constant watch on EU, US and Chinese legislations, geopolitical developments, and international trade agreements. We guarantee the application of these regulations for Bull products by defining their export control classification and by checking the classification of items purchased from our suppliers worldwide. To achieve

this, we work closely with the BDS export control, R&D and product management and purchasing teams.

We guarantee that company processes comply with these export control rules, and therefore we interface with multiple stakeholders around the supply chain: bid management, sales, purchasing, procurement, project management, sales administration, transport, logistics, spares parts management... all teams and individuals exposed to specific export Compliance requirements or risks.

We liaise with French control bodies (SBDU, ANSSI, DGA, Customs) and American authorities (BIS), we submit export license applications to them and handle frequent reporting.

Finally, we work closely with the compliance group, particularly for all Rainbow and deals involving high-risk or very high-risk countries and give advice regarding dual use goods classifications.

## Detection measures

### Accounting controls

Accounting controls are a critical component of Atos compliance program as they help the company in ensuring its operations and finance practices are conducted in accordance with all applicable laws and regulations, such as the International Financial Reporting Standards (IFRS) and the internal control framework (standards set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework). By implementing and maintaining effective accounting controls, Atos reduces the risk of fraud, improve the accuracy and reliability of its financial reporting, and protect its assets for the benefit of all its stakeholders.

The stringent accounting controls implemented within Atos contribute heavily to the compliance program through different controls embedded within its operations, in particular:

- **Segregation of duties** to maintain the tasks of authorizing, recording, and executing financial transactions separated. This reduces the risk of fraud by preventing one individual from having complete control over a financial process.
- **Recordkeeping controls** to make sure that financial transactions are accurately and completely recorded. This includes maintaining accurate accounting records and supporting documentation and regular accounts reconciliations.
- **Authorization controls** to ensure that financial transactions are properly authorized by authorized personnel. This is done through a variety of means, such as requiring approvals for certain types of transactions, setting up approval limit, using electronic approval systems, etc.
- **Financial asset safeguards** to mitigate cash theft and misuse risks. This includes measures such as electronic security controls (e.g., access controls and encryption), delegation of authority and segregation of duties controls.

- **Monitoring controls** to regularly review the company's financial activities and systems to identify any potential problems. This is done through processes and controls review, internal audits, or data analytics.

These accounting controls also help Atos to comply with a wide range of laws and regulations, including:

- **Securities laws and regulations:** For example, the stock market regulator in France (AMF) requires public companies to maintain effective internal controls over financial reporting. Accounting controls help the company to comply with this requirement and to ensure the accuracy and reliability of its financial reporting.
- **Anti-fraud laws:** Accounting controls help the company to prevent and detect fraud. This is important because fraud can have a significant financial impact on the company and can also damage its reputation.

- **Industry and country specific laws and regulations:** Many industries and countries have specific laws and regulations that the company must comply with. For example, Atos is subject to the Loi Sapin II law and must establish and implement an anti-corruption program. Accounting controls help the company to comply with these industry and country specific laws and regulations accord the board.

In pursuance of the work engaged in the previous years, Group Finance and Global Compliance continued in 2023 to work together on accounting controls related to compliance topics. The enhanced accounting controls developed during the past few years are fully integrated in the monthly review cycle of the month-end close.

Group Finance and Atos IT are continuously engaged to further improve automated controls into our SAP system, to reduce manual handling and increase further compliance with defined processes and controls.



## Alert system

Atos has implemented a reporting system (Group Ethics Alert System) enabling any employee or third party to raise an alert if they suspect that a law, regulation, or one of the principles set out in Atos Code of Ethics has been or is about to be breached, or in the event of a threat or serious prejudice to the general interest. It is vital that employees and third parties can raise issues and concerns, safe in the knowledge that these will be treated with strict confidentiality and that they will be protected from retaliation, as long as they reported in good faith and selflessly.

The Group Ethics Alert System is key to ensuring that compliance potential issues are raised, investigated and dealt with effectively. Beyond dealing with the immediate issues raised in the alerts, the review of the cases and the findings from investigations provides valuable information about our risks and where we need to educate employees and ensure appropriate controls are in place.

In 2023, Atos pursued the improvement of the alert system and associated processes and policies (including the digitalization of the system) to modernize the management of

alerts and improve the user experience, both for employees and stakeholders using the system, and for the compliance team managing the alerts. A team comprising members of Global Compliance, Human Resources, IT and Data Protection departments are working together on the rolling out of the new digitalized system, which is now effective in Americas, India, Middle East, Africa, Turkey, and the APAC region (Information regarding the launch of the new platform has been made with dedicated communication campaigns and detailed explanations to users on how to use the new system). For EU countries, relevant consultation and/or information process of the European and local work councils has been initiated, in line with the changes in the legal and regulatory framework further to the adoption of the Directive (EU) 2019/1937 on the protection of whistleblowers.

Nevertheless, the use of the digitalized tool supporting the whistleblowing system remains an option to the whistleblower who may always report their concerns through any other means available (Line manager, HR, Legal, Global Compliance, [GroupComplianceOfficer@atos.net](mailto:GroupComplianceOfficer@atos.net)).

## Analysis of 2023 compliance alerts

A key aspect of Atos detection measures in relation to Compliance relies on the Group Ethics Alert System deployed within the organization. This section summarizes the compliance alerts that were that were raised in 2023 and notified to the compliance team through the Group Ethics Alert System, either at global or local level and/or examined according to the compliance alert procedures. For clarity, this section does not include alerts that were raised before 2023 but which investigations continued into 2023.

With regards to compliance alerts, a decrease in terms of activity has been observed over 2023. Indeed, 50 alerts were raised during the year while the figures had been stable over the previous two-years at 73 annual occurrences, despite the efforts made in terms of awareness, training and communication about the Group's standards and policies.

On the other hand, the alert admissibility rate increased and the regional split between the different Regional Business

Units remains consistent and comprehensive of all regions. Both considerations allowed to determine that the Group Ethics Alert System has good global coverage and awareness across the organization and that employees and third party using it understand appropriately its purpose and the framework for its use.

A detailed analysis of the alerts is prepared and presented to the Board of Directors and the Group Executive Board every year.

Additionally, the detailed alerts analysis is shared with different management organizations to ensure management's awareness and will be used in both the updating of the Corruption Risk Mapping, and in determining the Group Internal Audit plan providing information regarding subjects of alerts such as geographies and main processes affected by substantiated alerts.



# Control measures

The monitoring of the compliance program is managed in cooperation between Global Compliance and Group Internal Control and Enterprise Risk Management (ERM).

In all its operations, Atos operates a three-tier control system with three lines of defense:

- **First line of defense**

The purpose of the first line of defense is to execute internal controls to ensure that processes are performed in compliance with the Group's internal policies. They are performed by designated employees as part of their daily activities.

- **Second line of defense**

The purpose of the second line of defense is to ensure that the first-line controls have been properly carried out. The effectiveness of these controls is regularly assessed through self-assessment questionnaires and testing campaigns organized by the Group Internal Control & ERM Team.

- **Third line of defense**

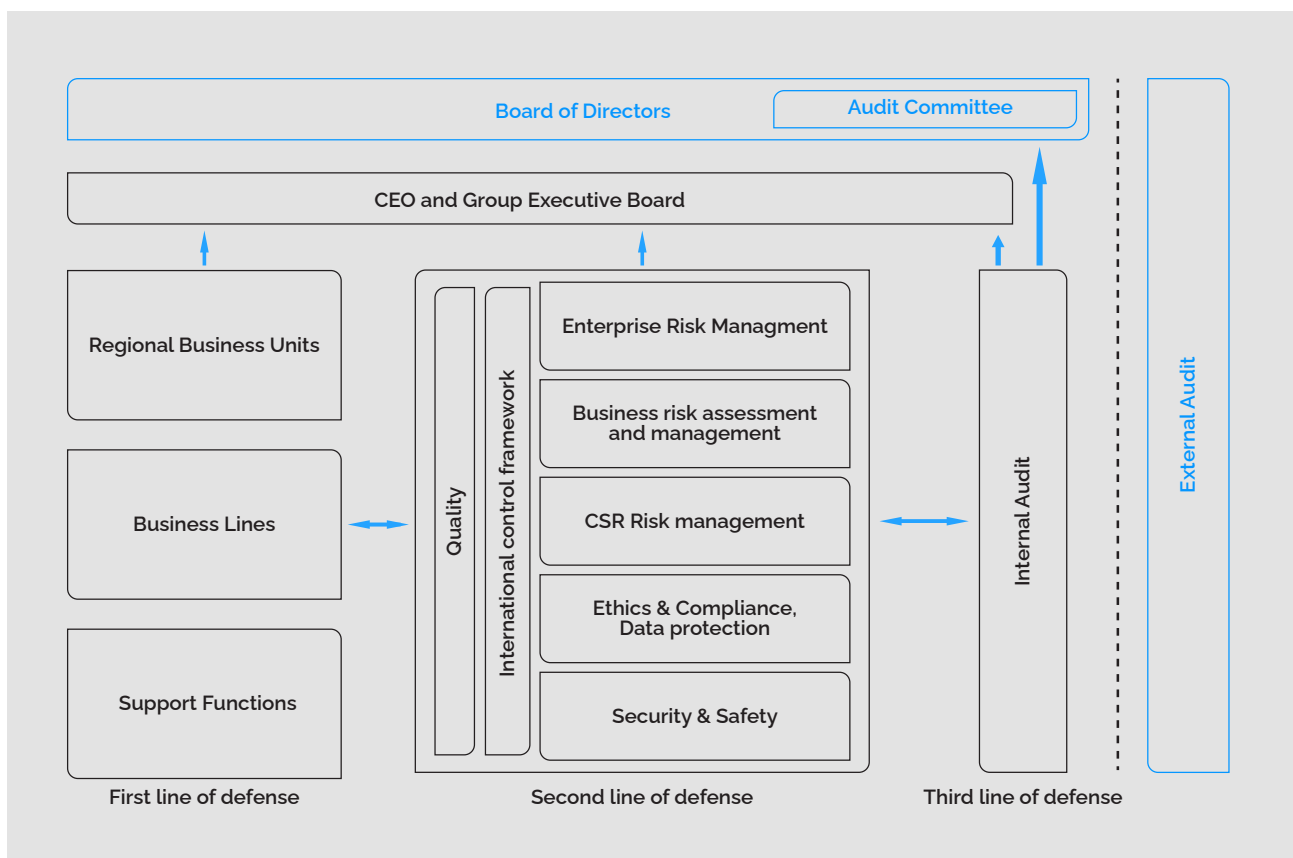
The purpose of the third line of defense is to ensure that the control system complies with the Group requirements and is implemented effectively. This is the role of Group Internal Audit, which is responsible for conducting entity reviews and process reviews, as per the approved annual audit plan.

All entity reviews conducted by Group Internal Audit contain checkpoints related to compliance risks. Process reviews may also contain checkpoints on compliance matters, depending on the subject matter of the review.

As for any internal control system, this mechanism can only provide reasonable assurance, not an absolute guarantee against risk.

Critical to this system are the internal control measures described in the Atos Book of Internal Control (BIC), a mandatory framework that lists the internal control activities that must be implemented throughout the Group. The BIC identifies the key controls to be executed by the first line of defense, as well as the control procedures for the second line of defense within each Atos Key Transversal Process, and Key Transversal Activity. It is reviewed on a continuous basis and new versions are published at least once per year.

In 2023, compliance controls in the BIC were fully integrated in the internal control approach. First, the design of such controls has been reviewed as part of a recurring and productive cooperation between Global Compliance and Group Internal Control. The effectiveness of compliance controls was then tested through a Group-wide control testing campaigns covering 38 controls which included compliance controls. Further to this, corrective actions have been taken with management to ensure improved effectiveness and follow-up. An evaluation of the maturity level of 154 internal controls was also carried out through a self-assessment questionnaire.



## Duty of vigilance approach



For several years now, a large array of laws has been enacted with the aim to regulate what is now commonly referred to as the “duty of care” or “duty of vigilance” of companies. It usually targets only some of them, considered by their size and due to their activities to have a significant external impact on society and the environment. The countries (France, UK, Germany, etc.) or organizations (EU) enacting these laws have established various thresholds based on different elements, but undeniably overlapping, to determine exactly which companies are being required to measure their actions. The goal behind is then to encourage these companies to take action to limit their potential negative externalities resulting from their existence.

In France, the Duty of Vigilance Act establishes a legal obligation for prudent and diligent behavior relating to social responsibility, not only in a company’s own business but also throughout the supply chain. It applies to large organizations that employ more than 5,000 employees in France or 10,000 employees worldwide, bringing Atos well within the scope of the law.

This Duty of Vigilance involves establishing, implementing and publishing “reasonable vigilance measures to identify, assess and report on the risks and to prevent serious human rights abuses, and fundamental freedoms, the health and safety of persons and the environment.”

Such vigilance measures include, but are not limited to: risk mapping, third-party evaluation procedures, mitigation actions, an alert mechanism and a monitoring system. They shall apply to all Group entities, as well as all sub-contractors and suppliers with whom an established business relationship is maintained. The measures must be formalized in a Vigilance Plan, made available to the public; the one from Atos being formalized and published in its Universal Registration Document.

The revision of the methodology conducted in 2020 allowed Atos to improve the effectiveness, governance and ongoing monitoring of its Vigilance Plan. This process involved full coordination of key stakeholders who are directly participating in the prevention and mitigation of the targeted risks, including Group CSR, Global HR, Group Security, Legal and Compliance, as well as the Procurement functions. As a result, all actions and contributions now form part of a unified and improved program, which is further detailed in Section 5.4.8 of the Atos 2023 Universal Registration Document.

In accordance with the Duty of Vigilance Act, a collaborative review of the Group Ethics Alert System was conducted with the unions in 2021 to assess the existing system and identify areas for improvement — notably, but not only, in terms of legitimacy, transparency, accessibility and effectiveness. In 2022 and 2023, the improvement of the alert system and associated processes and policies, as well as its digitalization through the progressive roll-out of a web-based tool, notably to improve the reporting and tracking of the alerts, allowed to reinforce Atos commitment towards the Duty of Vigilance Act.

Regarding human rights, the due diligence process and evaluation program on third parties was strongly reinforced in 2023. Indeed, customers and prospects, suppliers and other business partners or intermediaries are thoroughly vetted using compliance screening software and databases prior to engagement, as well as adherence to stringent ethical undertakings. The evaluation aims at identifying third parties subject to international sanctions (such as the Global Magnitsky human rights sanctions, import/export bans based on human rights violations, investment bans for Chinese companies responsible for, or complicit in, human rights violations, etc.), subject to legal breaches (notably convictions for human rights violations), as well as identifying human rights abuses. Depending on the findings, a level of risk will be attributed, and decisions/actions taken.

# Duty of vigilance: Focus on the new German Supply Chain Act

## Sustainability Manager Germany

Andreas Köller

## Legal Counsel Germany

Christine Köhncke

On January 1, 2023 the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz) has come into force in Germany. It requires companies to conduct appropriate human rights and certain environmental due diligence in their supply chains. The Act applies for companies in Germany with at least 3,000 employees and from January 1, 2024 on also companies in Germany with at least 1,000 employees.

The due diligence obligations comprise a large set of actions that companies must implement, starting with the establishment of a risk management system. Atos engaged this journey by expanding the existing processes.

Firstly, we appointed a Human Right Officer, Andreas Köller, nominated for all the legal entities located in Germany.

Secondly, we were able to build on what already existed: risk analyses are carried out on a regular basis by various departments each year (Internal Control, Procurement, etc.), on the same basis as the due diligence requirements from the German law. The risk assessment performed

notably by the Procurement, based on Atos' country and industry sector-based risks, identify suppliers considered as "high risk", which are then individually assessed. This assessment considers the risks, among others, related to the individual human rights and environmental obligations. Besides, preventive measures arising from the identified risks were already implemented and will continue to be deepened. We ensure at minimum the supplier's commitment to human rights and environmental protection goals, going up to the possible conduction of audits.

To identify potential violations, Atos is continuously monitoring its high-risk suppliers via the Compliance Catalyst tool at group level, and in case of complaints, we have for years now a whistleblowing system available to all internals and externals.

Finally, we did document and reported to the Federal Office for Economic Affairs and Export Control (BAFA), as we fulfilled the online questionnaire they are providing through their platform with approximately 400 questions. The document generated from this questionnaire is to be published on the Atos homepage for a duration of seven years.





# More information about compliance at Atos

Additional information about compliance at Atos can be found in the following corporate publications:

The Atos Code of Ethics

<https://atos.net/wp-content/uploads/2022/07/BR-Code-of-ethics.pdf>

The Atos Partners' Commitment to Integrity

<https://atos.net/wp-content/uploads/2022/06/atos-commitment-integrity-en.pdf>

The Atos Human Rights Policy Statement

<https://atos.net/wp-content/uploads/2023/06/atos-human-rights-policy-statement.pdf>

The Privacy Information Notice for the Group Ethics Alert System

[https://atos.net/wp-content/uploads/2021/10/GDPR-for-the-Atos-Group-Apert-System\\_En.pdf](https://atos.net/wp-content/uploads/2021/10/GDPR-for-the-Atos-Group-Apert-System_En.pdf)

Investors' page of the Atos website to access the Universal Registration Document

<https://atos.net/en/investors/financial-information/financial-reports>

## **About Atos**

Atos is a global leader in digital transformation with c. 105,000 employees and annual revenue of c. € 11 billion. European number one in cybersecurity, cloud and high-performance computing, the Group provides tailored end-to-end solutions for all industries in 69 countries. A pioneer in decarbonization services and products, Atos is committed to a secure and decarbonized digital for its clients. Atos is a SE (Societas Europaea) and listed on Euronext Paris.

The purpose of Atos is to help design the future of the information space. Its expertise and services support the development of knowledge, education and research in a multicultural approach and contribute to the development of scientific and technological excellence. Across the world, the Group enables its customers and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space.

## **About Eviden**

Eviden is a next-gen technology leader in data-driven, trusted and sustainable digital transformation with a strong portfolio of patented technologies. With worldwide leading positions in advanced computing, security, AI, cloud and digital platforms, it provides deep expertise for all industries in more than 47 countries. Bringing together 53,000 world-class talents, Eviden expands the possibilities of data and technology across the digital continuum, now and for generations to come. Eviden is an Atos Group company with an annual revenue of c. € 5 billion.

Eviden business is operated through the following brands: AppCentrica, ATHEA, Cloudamize, Cloudreach, Cryptovision, DataSantics, Edifixio, Energy4U, Engage ESM, Evidian, Forensik, IDEAL GRP, In Fidem, Ipsotek, Maven Wave, Profit4SF, SEC Consult, Visual BI, Worldgrid, X-Perion. Eviden is a registered trademark. © Eviden SAS, 2024.

## **About Tech Foundations**

Tech Foundations is the Atos Group business line leading in managed services, focusing on hybrid cloud infrastructure, employee experience and technology services, through decarbonized, automated and AI-enabled solutions. Its 52,000 employees advance what matters to the world's businesses, institutions and communities. It is present in 69 countries, with an annual revenue of € 6 billion.