



Teleperformance

Transforming Passion into Excellence

2015 Registration Document

Annual financial report

Shaping the



Teleperformance in 2015	2
Message from the Chairman	4
Message from the Chief Executive Officer	5

1	INTRODUCTION TO THE GROUP	7
1.1	Key financial figures	8
1.2	Company background	9
1.3	Operations and strategy	11
1.4	Real estate and facilities	20
1.5	Organization Chart	20
1.6	Risk factors	22
1.7	Legal and arbitration proceedings	28

2	INFORMATION ON THE COMPANY AND ITS SHARE CAPITAL	29
2.1	Information about the Company	30
2.2	Share capital	33
2.3	Shareholding	41
2.4	Stock market listing	43
2.5	Dividends	45
2.6	Financial communication	46

3	CORPORATE GOVERNANCE	49
3.1	The Board of Directors	50
3.2	The Executive Management	63
3.3	Report of the Chairman of the Board of Directors on the conditions for preparing and organizing the Board's works and on the risk management and internal control procedures	64
3.4	Statutory auditors' report prepared in accordance with Article L.225-235 of the French Commercial Code on the report of the Chairman of the Board of Directors	81
3.5	Remuneration of directors and executive directors	82
3.6	Transactions on Company's shares	93
3.7	Regulated agreements and commitments	95

4	ENVIRONMENTAL, LABOR AND SOCIAL INFORMATION	97
4.1	Introduction	98
4.2	Staff information	104
4.3	Environmental information	114
4.4	Social information	119
4.5	Social and environmental issues and targets	124
4.6	Assurance report by one of the statutory auditors, appointed as independent third party, on the consolidated environmental, labor and social information presented in the management report	125

5	COMMENTS ON THE FINANCIAL YEAR	127
5.1	Review of the Group's financial position and results	128
5.2	Review of the Company's financial position and results	132
5.3	Trends and outlook	134

6	CONSOLIDATED FINANCIAL STATEMENTS	135
6.1	Consolidated statement of financial position	136
6.2	Consolidated statement of income	137
6.3	Consolidated statement of comprehensive income	137
6.4	Consolidated statement of cash flows	138
6.5	Consolidated statement of changes in equity	139
6.6	Notes to the consolidated financial statements	140
6.7	Statutory auditors' report on the consolidated financial statements	177

7	PARENT COMPANY FINANCIAL STATEMENTS	179
7.1	Balance sheet	180
7.2	Income statement	181
7.3	Cash flow statement	182
7.4	Notes to the parent company financial statements	183
7.5	Schedule of subsidiaries and investments	200
7.6	Five-year summary	202
7.7	Statutory auditors' report on the financial statements	203

8	ADDITIONAL INFORMATION	205
8.1	Person responsible for the Registration Document	206
8.2	Statutory auditors	207
8.3	Cross-reference table of the Registration Document	208
8.4	Cross-reference table to the annual financial report	210
8.5	Cross-reference table to the management report	211
8.6	Cross-reference table on environmental, labor and social information	213
8.7	General observations	215

Teleperformance

Registration Document

Including the **Annual financial report**

Incorporation by reference

In accordance with Article 28 of European Regulation No. 809/2004 of April 29th, 2004, the reader is asked to refer to previous Registration Documents for certain information.

1. Relating to the 2014 financial year

- The management report, the consolidated and Company accounts as well as the corresponding statutory auditors' reports and the statutory auditors' special report on regulated agreements and commitments, contained in the Registration Document filed on February 27th, 2015 under number D.15-0092.

2. Relating to the 2013 financial year

- The management report, the consolidated and Company accounts as well as the corresponding statutory auditors' reports and the statutory auditors' special report on regulated agreements and commitments, contained in the Registration Document filed on February 28th, 2014 under number D.14-0102.
- Information included in these two Registration Documents other than that referred to above may have been replaced or updated by information included in this Registration Document.



This Registration Document was filed with the Autorité des marchés financiers on February 26th, 2016, in accordance with Article 212-13 of the AMF's General Regulation.

It may be relied upon within the scope of a financial transaction if supplemented by an information document approved by the AMF. It was drawn up by the issuer and is binding on its signatories.

This document is available online on the websites of Teleperformance (www.teleperformance.com) and the Autorité des marchés financiers (www.amf-france.org).

TELEPERFORMANCE IN 2015

GROUP PROFILE

Teleperformance, worldwide leader in outsourced multichannel customer experience, provides companies all over the world with expert solutions in customer care, technical support, customer acquisition, debt collection, social media, analytics solutions and business process outsourcing.

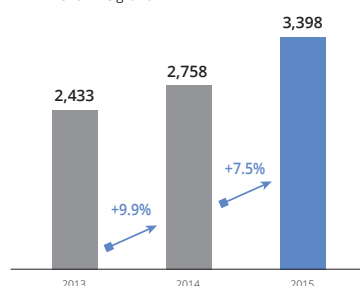
MISSION

"Teleperformance is a company of people serving other people by helping them find solutions to their daily problems. Every day across five continents, we provide an exceptional customer experience in the millions of interactions generated through 'our clients' customers'. We bring our unfailing commitment, passion and constant search for excellence to each of these interactions to create opportunities and value for our employees, our clients, our clients' customers and our shareholders."

KEY FIGURES

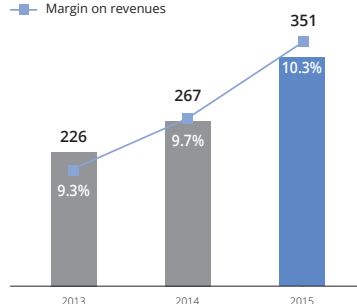
► Revenue (in millions of euros)

→ Like-for-like growth



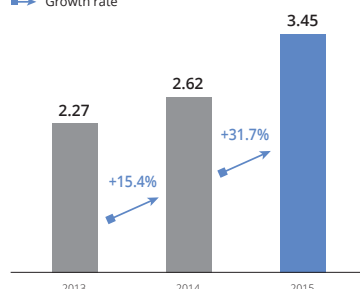
► Current EBITA (in millions of euros)

■ Margin on revenues

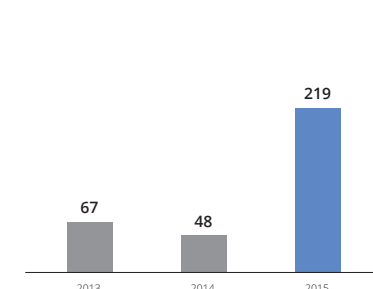


► Net earnings per share (in euros) and growth rate per year (%)

→ Growth rate



► Net free net cash flow* (in millions of euros)



* Free cash flow minus working capital minus net capital expenditure.

This information is provided in various chapters of the Registration Document.

Founded in
1978

190,000
employees

Operations in
65 countries

2015 revenue
€3.4 billion

147,000
workstations

January 2015

Teleperformance expands its global footprint by establishing an office in Guyana.

March 2015

Teleperformance takes root in Dubai and Suriname to serve clients in the Middle East and Netherlands respectively.

May 2015

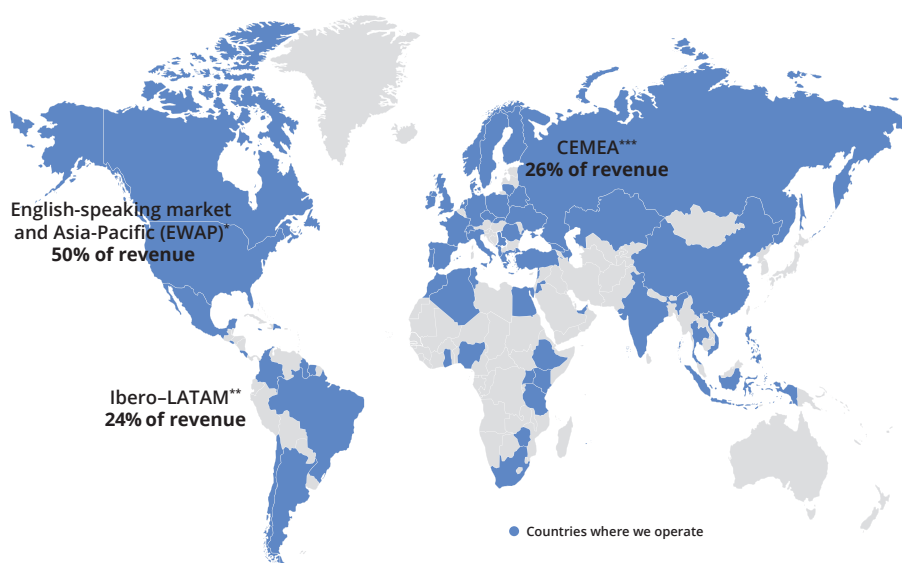
Teleperformance files a patent in the United States for its new ESP™ data processing solution combining efficiency and security.

August 2015

Teleperformance gains the Verego SRS label for corporate social responsibility.

IMPLEMENTATION

Present in 65 countries, Teleperformance serves more than 160 markets. As the only global player in the market we use our broad geographical footprint to satisfy its clients. The Group manages programs in 75 languages on behalf of major international companies operating in various industries.



* The English-speaking market and Asia-Pacific (EWAP) region includes mainly the USA, Canada, UK, the Philippines and China.

* The Ibero-LATAM region includes mainly Mexico, Brazil, Colombia, Portugal and Spain.

* The CEMEA region includes Continental Europe, the Middle East and Africa.

VALUES

"The five Teleperformance values are the pillars of our corporate culture and guarantee the excellence of our services and solutions."



Cosmos/Integrity
I say what I do & I do what I say



Earth/Respect
I treat others with kindness and empathy



Metal/Professionalism
I do things correctly the first time



Air/Innovation
I create and I improve



Fire/Commitment
I am passionate and committed

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Creation of a
European Works Council

47% of management positions are held by women*

28,542,457 training hours

Reduction of average carbon footprint per employee to **0.61t****

Reduced energy consumption:**
electricity (-1%),
water (-6%),
paper (-8%)
and air travel (-8%)

* Excluding the United States for legal local reasons.

** Excluding Aegis USA Inc.

September 2015

US-based UnitedHealthcare (Medicare & Retirement division) selects Teleperformance as the vendor of the year for its high quality services.

October 2015

Everest recognizes Teleperformance as world market leader for the 3rd year running.

November 2015

Teleperformance sets up operations in Vilnius, Lithuania to serve the Scandinavian and Russian markets.

MESSAGE FROM THE CHAIRMAN

Dear shareholders,

I am pleased to briefly summarize our 2015 performance including the following several notable areas of progress:

We Achieved Our Financial Goals; Overall, our excellent 2015 financial performance in an especially challenging year based on global conditions, reflects well on our intensive management approach and executive collaboration structure, our clear number one global leadership position and the tangible value of our innovative and complete solutions to the market across all world regions.

We Overcame Challenges; Teleperformance, along with the whole world, confronted serious obstacles during the year. These included heightened cybersecurity threats including hacking attempts and potential fraud incidents which had the potential to disrupt our momentum if not handled swiftly and properly. I am very pleased to report we not only overcame these challenges, but we used them to significantly strengthen the Group in terms of people, organization and process. By successfully doing this, we have set a new and very high bar for industry security standards that will serve us well going forward as a true differentiator while also benefitting our industry as a whole.

We strengthened Governance; The two-tiered governance structure set three years ago, with Paulo César Vasques and I, has been incredibly dynamic to the point the Board has decided to maintain our collaboration for the coming years to best leverage the Group leadership structure to maximize results. I am also excited that we are adding several new board members who will bring new energy and perspective to help our Group manage continued growth in this new business era. These new board appointments, once approved, will reflect not only a fresh capability to meet our board's needs, but I am very happy that our board composition will be younger, more feminized and more representative of the increasingly diverse face of our worldwide Teleperformance family.



Daniel Julien
Chairman

Our Future is Bright; Our markets continue to grow in all regions and the captive in-house market remains a real opportunity based on the intersection of client service expectation demands with client business delivery and financial management requirements. We have an unprecedented opportunity to continue consolidating this highly fragmented market through a combination of both organic growth and selective acquisitions and we intend to do so.

Absolute performance dependability and continued innovation including advanced analytics, omnichannel solutions, and research and development are critical factors to take full advantage of this great time in our business. I am extremely pleased to let you know we have the people, management structure, tools, processes, financial means and, most importantly, the expertise and passion to continue our amazing journey together. With Paulo I would like to thank and congratulate for his entire great job done so far, we are confident in the group's long-term outlook and the chance of becoming a €5billion revenue enterprise in 2020.

Daniel Julien

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Dear shareholders;

Teleperformance set yet another revenue record and outperformed the market with a + 7.5% organic growth. We also improved EBITA by +31.5% with a very strong 60 basis point improvement in operational margin while significantly strengthening our free cash flow. 2015 was a year that saw us meet challenges and our financial objectives, expand and strengthen our scale and solutions and extend our number one global market leadership position. We have now crossed through the threshold into a new digital era which promises us great opportunity and I want to summarize just a few of our many operational highlights that helped us deliver another market outperforming year, and equally as important, makes us even stronger for the future:

People and Clients; Our people strategy continues to pay off globally for the Teleperformance's teams and clients. We have 190,000 people in 65 countries serving more than 850 clients comprised of the world's top companies. Our clients are extremely sophisticated and highly selective when it comes to customer-facing partnerships because their brand reputations are at stake on every single interaction we conduct on their behalf in 75 languages across 160 markets. We focus on the nurturing and development of our people so they have an opportunity grow both professionally and personally while working in pleasant state-of-the-art facilities. It bears repeating; happy people make happy customers that make happy clients that make happy shareholders". Yes, even in this digital era of incredible technologies, people remain and will continue to remain at the heart of everything we do. We are particularly proud of the many client, Great Place to Work® awards we continue to be recognized with all around the world.

Extended Delivery Capabilities; Teleperformance is the only true global player in our space based on our geographic footprint, market reach, language capabilities and offshore network.



Paulo César Salles Vasques
Chief Executive Officer

At the end of 2015, we employed nearly 190,000 people in more than 300 facilities across 65 countries. We recently added or will add delivery capabilities in Guyana, Suriname, Australia, Dubai and Lithuania plus we are further scaling existing capabilities in Asia, notably China and Philippines. In short, we remain well-poised to serve the increasingly global needs of the world's largest and fastest growing companies, everywhere, on an omnichannel basis.

Innovation; Teleperformance has frequently been recognized in its market for its steady stream of innovative solutions, processes and proprietary technologies. In the new digital world, advanced analytical capabilities to measure customer propensities and channel interaction preferences to best position brands are essential differentiators in our strategy. We also provide clients timely and detailed intelligence by vertical industry, channel, country and product through our Customer Experience Lab (CX lab) capabilities. We continue to help drive powerful client value propositions like our pan-European multilingual hub solutions and our custom consumer interaction strategy development by market.

Recognition for the Group's Strategy; In 2015, Teleperformance again garnered many awards from prestigious institutions and well-known independent research firms from around the globe ranging from market leadership and excellent service to human development strategies, innovation and corporate social responsibility (CSR). Among others, we were recognized for the third year in a row as the top-performing leader by Everest Group in contact Center (CCO) delivery capabilities, and eleven separate Teleperformance operating countries received the Verego SRS certification for social responsibility in five categories; leadership, ethics, people, community and environment.

In summary, I am pleased with the year overall based on financial results, operational progress and our positioning to take full advantage of what promises to be a very bright future. I thank all the members of our Teleperformance family for a job well done and your continuing efforts and both our clients and our shareholders for your continuing faith and trust in Teleperformance. Moreover, I am extremely happy Daniel Julien and I will continue to work closely together to lead the Group to its full potential. Daniel is not only my friend and mentor, but together we are a dynamic team. There is no doubt our working effectiveness has benefitted the Group's overall performance - this structure simply works for us!

Paulo César Salles Vasques



Introduction to the Group

1.1	Key financial figures	8	1.5	Organization Chart	20
1.2	Company background	9	1.5.1	Teleperformance SE and its subsidiaries	20
1.3	Operations and strategy	11	1.5.2	Operational organization chart	21
1.3.1	Worldwide leader in outsourced customer experience management	11	1.6	Risk factors	22
1.3.2	The market and the Group's position	16	1.6.1	Financial risk management	22
1.3.3	Group's mission statement and strategy	17	1.6.2	Risks relating to operations	24
1.3.4	2015 highlights	18	1.6.3	General risks	26
1.4	Real estate and facilities	20	1.6.4	Insurance – Risk leverage	27
			1.7	Legal and arbitration proceedings	28



1.1 Key financial figures

	2015	2014	2013
KEY CONSOLIDATED FIGURES (in millions of euros)			
Revenue	3,398	2,758	2,433
Like-for-like growth (%)	+7.5%	9.9%	7.9%
Current EBITA*	351	267	226
% of revenue	10.3%	9.7%	9.3%
Operating profit	308	237	196
% of revenue	9.1%	8.6%	8.1%
Consolidated net profit	203	152	129
Net profit – Group share	200	150	129
DATA PER SHARE (in euros)			
Basic earnings per share	3.51	2.62	2.27
Diluted earnings per share	3.45	2.62	2.27
Dividend per share	1.20**	0.92	0.80
ASSETS (in millions of euros)			
Total non-current assets	1,902	1,817	1,103
including goodwill	1,123	1,019	674
Total current assets	1,197	1,110	788
TOTAL ASSETS	3,099	2,927	1,891
SHAREHOLDERS' EQUITY AND NET DEBT (in millions of euros)			
Equity attributable to owners of the Company	1,758	1,595	1,392
Non-controlling interests	-7	-5	4
Total shareholders' equity	1,765	1,600	1,396
Net debt (+) / net cash (-)	363	423	-87
CASH FLOW (in millions of euros)			
Internally generated funds from operations***	400	321	240
Net cash flow from operating activities***	391	205	193
Capital expenditure (net)	-172	-157	-126
Net free cash flow***	219	48	67

* EBIT before amortization of intangible assets on acquisitions, goodwill impairment and non-recurring items

** As recommended to the April 28th, 2016 shareholders' meeting

*** Excluding interest paid/received

1.2 *Company background*



1978

The Teleperformance Group was founded in Paris by Daniel Julien, current Chairman of the Group. During the initial years, the Company's principal activity consisted of providing telemarketing services to French clients operating mainly in the media, financial services and insurance industries.

1986

The Company became the French market leader and began to expand globally by opening subsidiaries in Belgium and Italy.

1988

The Company continued to expand in Europe, with new subsidiaries opened in Spain, Germany, Sweden and the UK.

1989

Daniel Julien and Jacques Berrebi joined forces at the head of Rochefortaise Communication, the parent company of Teleperformance International listed on the Paris Stock Exchange. Ten years later, Rochefortaise Communication and Teleperformance International merged to form SR Teleperformance. This company became Teleperformance in 2006.

1990

Teleperformance set up its first outsourced customer care centers and carried out its first customer satisfaction surveys.

1993

Teleperformance opened its first contact center in the US.

1995

Teleperformance became the European market leader and continued to strengthen its position in the following years with new subsidiaries in Switzerland, Norway, Greece, Finland, the Netherlands and Denmark.

1996

Teleperformance gained a foothold in Asia with the opening of contact centers in the Philippines, followed by Singapore. The Group thereby became a leading global player in outsourced customer management.

1998

Teleperformance began operations in Latin America by acquiring companies in Brazil and Argentina. Four years later, Teleperformance continued its growth through the acquisition of a company in Mexico.

2003

The Group shifted its operations focus back on contact centers, gradually selling off its marketing services and health communication operations. In the same year, Teleperformance became the No. 2 global customer experience management provider.

2004

The Group continued to expand by moving into Eastern Europe: Poland, Czech Republic and Slovakia, and two years later, Russia.

2007

The Group became the world leader in outsourced customer experience management thanks to the rapid growth of its international operations, both organically and through acquisitions.

2008

Teleperformance acquired The Answer Group, a high-level provider of technical support to the US market in the telecommunications, Internet access, cable TV, specialized retail and original equipment manufacturer (OEM) industries.

2009

Teleperformance reorganized its operations in France. The companies Cashperformance, Comunicator, Infomobile, TechCity Solutions France, Teleperformance France, Teleperformance Midi-Aquitaine, Teleperformance Nord and Teleperformance Rhône-Alpes were merged to form Teleperformance France.

2010

Teleperformance significantly strengthened its presence in the UK through the acquisition of beCogent, active in particular in the sectors of retail, financial services, telecoms and Internet service providers. At the same time, Teleperformance continued its expansion in Latin America: after the acquisition of Teledatos in Colombia in 2009, a company was created in Costa Rica.

2011

Teleperformance adopted a Board of Directors structure; Daniel Julien became Chairman and CEO.



2012

Teleperformance opened a new *"high tech-high touch"* multilingual hub in Portugal dedicated to customer experience management, supplementing its network of similar establishments in Athens, Cairo, Maastricht and Istanbul. These multilingual hubs are the cornerstone of the Group's growth strategy in Europe and enable client companies to cover all European markets from a small number of centers.

Co-Founder Jacques Berrebi resigned from his position as Board advisor, relinquished almost all of his operating duties within the Group and sold all of his shares in the Company.

2013

Teleperformance continued its rapid development at the international level in high-growth markets with the opening of eight new contact centers in Latin America, Portugal and Spain and 6 campuses in the USA and in the Philippines.

On May 30th, 2013, the Board of Directors decided to separate the roles of Chairman of the Board of Directors and Chief Executive Officer, and appointed Daniel Julien as Chairman and Paulo César Salles Vasques as CEO. Teleperformance thus complied with its commitment taken in 2011 with regard to its shareholders.

This new governance structure was supported by a three-year transition period which enabled an active and effective transmission of the founder's 35 years of in-depth knowledge of the Group, the different local situations, the management individualities and of the world markets.

2014

In August, Teleperformance reinforced its position as world leader and its presence on the North American market by acquiring Aegis USA Inc., a leader in the management of outsourced contact centers in the US.

The Group extended and diversified its debt with the issue of a private placement in the United States (USPP) totaling US\$325 million in December.

In April, TLScontact, a subsidiary of Teleperformance specializing in the management of outsourced services to governments, started up a contract signed with the British government's Visas and Immigration Department. As a result, Teleperformance strengthened its global presence by establishing visa application centers in 15 new countries.

2015

Teleperformance continued to consolidate its global footprint, in particular by expanding its integrated network of offshore/nearshore contact centers, opening centers in Latin America, in Guyana, Georgetown to serve the North American market, and in Paramaribo, Suriname to serve the Dutch market. The Company also opened centers in two new CEMEA countries: in Dubai (United Arab Emirates) and in Vilnius, Lithuania, to serve the Middle East and Scandinavia/Russia respectively.

In addition, the Group confirmed its global leadership by adopting the legal form of a European company and the name Teleperformance SE.

1.3 Operations and strategy



1.3.1 Worldwide leader in outsourced customer experience management

1.3.1.1 Outsourced customer experience management

The Group delivers integrated solutions to corporations and administrative bodies worldwide to manage all aspects of the customer relations cycle on their behalf. Teleperformance provides solutions in particular in the fields of customer relations (requests for information, subscriptions and signing-up, customer care, etc.), technical support (repair, optimization, etc.), customer acquisition (sales and marketing operations) and debt collection. Its offer is multichannel-based (telephone, email, chat, face-to-face, etc.) and can be applied to any business sector and in multiple languages.

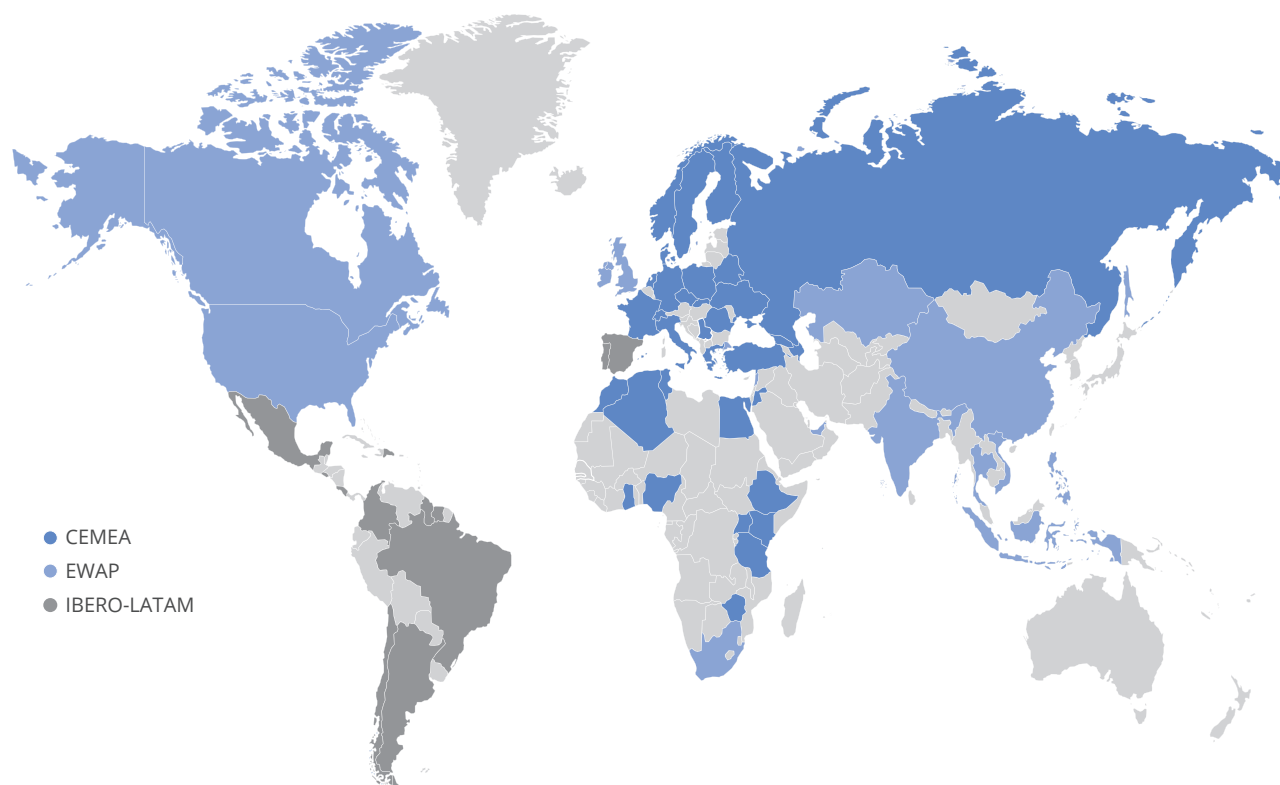
Teleperformance thus offers businesses its know-how in terms of human resource management, management of dedicated customer experience infrastructures as well as high-performance technology ensuring quality, security and reliability. The Group relies on its global network to serve a large number of markets from contact centers based locally or in a neighboring (nearshore) or remote (offshore) country.

1.3.1.2 A worldwide presence

Teleperformance's revenue in 2015 was €3.4 billion. The Group today owns approximately 147,000 computer workstations covering more than 160 markets and has nearly 190,000 employees at over 310 contact centers in 65 countries. The Group manages programs in 75 languages and dialects on behalf of major multinationals operating in various industries. In its structure as well as in its external communication, the Group is divided into three major linguistic regions:

- the English-speaking and Asia-Pacific region (EWAP);
- the Ibero-LATAM region; and
- Continental Europe, Middle East and Africa region (CEMEA).

► The Group's operations worldwide as of December 31st, 2015



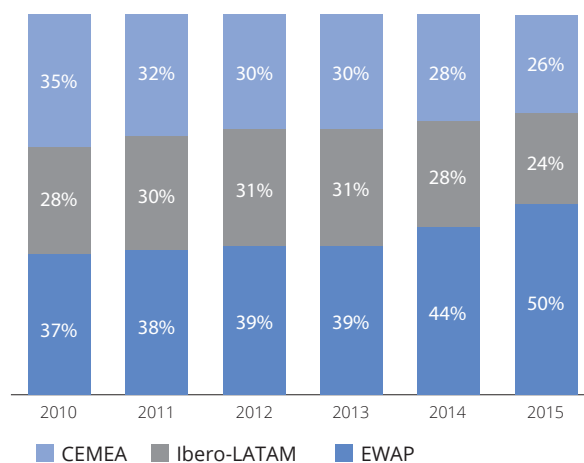
► Breakdown of countries where the Group operates by linguistic region

English-speaking & Asia Pacific (EWAP)	Ibero-LATAM	Continental Europe, Middle East & Africa (CEMEA)
South Africa	Argentina	French-speaking market
Australia	Brazil	France
Canada	Chile	Morocco
China	Colombia	Tunisia
United States	Costa Rica	Southern Europe
Guyana	Mexico	Albania
India	Portugal	Egypt
Indonesia	Dominican Rep.	United Arab Emirates
Jamaica	El Salvador	Greece
Philippines	Spain	Italy
Singapore		Lebanon
UK		Rumania
		Turkey
		Northern & Eastern Europe
		Germany
		Denmark
		Finland
		Lithuania
		Norway
		Netherlands
		Poland
		Czech Republic
		Russia
		Slovakia
		Sweden
		Switzerland
		Suriname
		Ukraine
		TLScontakt and GN Research activities*

* Subsidiaries of Teleperformance, TLScontakt is a government agency customer experience management specialist, notably in managing visa applications, and GN Research provides customer interaction analytics solutions.

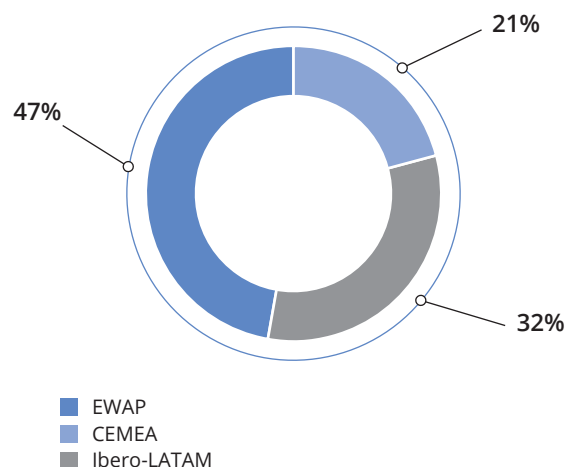
The Group's geographical mix is robust and globally balanced. English-speaking and Asia-Pacific revenues picked up pace over the last six years and in 2015 accounted for 50% of Group revenues, up from 37% in 2010.

► Breakdown of revenue over the last six years



With nearly 190,000 employees across the Group's three language regions at December 31st, 2015, Teleperformance ranks among the top 150 employers worldwide.

► Breakdown of total headcounts by linguistic region at December 31st, 2015

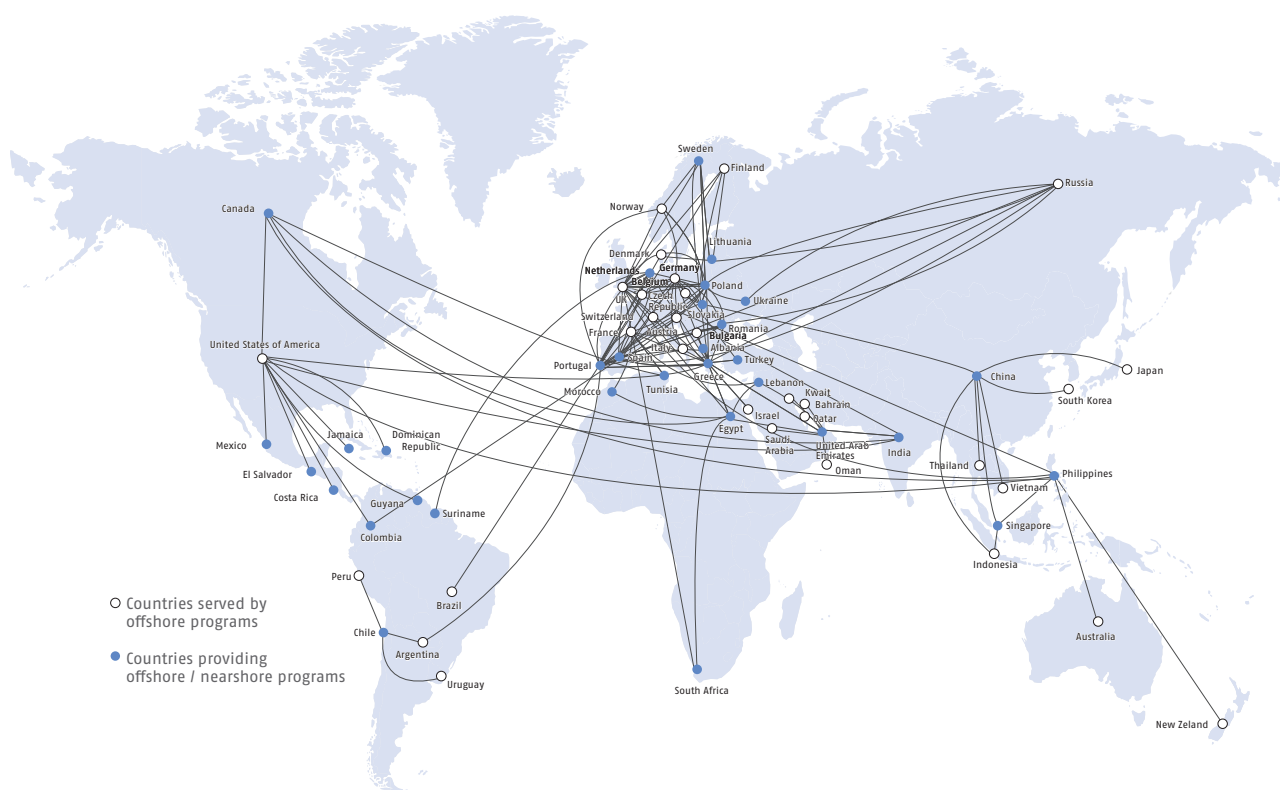


The Group's workforce is mainly deployed across high-growth strategic markets. The United States, the Philippines, Mexico and Brazil accounted for 51% of the Group's total workforce at December 31st, 2015.

► **Total headcounts of the Group's top 10 countries at December 31st, 2015**

Country	Number of employees
Philippines	38,197
United States	26,216
Mexico	15,800
Brazil	15,016
Colombia	10,507
UK	9,406
Tunisia	6,267
India	6,125
Portugal	5,833
Italy	4,515

► **Map of offshore/nearshore Group locations and main markets served at December 31st, 2015.**



Teleperformance's worldwide offering is based on high-performance technology characterized by integrated networks and excellence in terms of HR management and security standards.

► **Breakdown of revenue by program type**

(% of annual revenue)	2015	2014	2013
Domestic	65%	66%	71%
Nearshore/offshore	35%	34%	29%

1.3.1.3 A comprehensive domestic and offshore solutions offering made possible by an integrated global network

Teleperformance offers clients a unique range of customer experience management solutions worldwide thanks to an integrated domestic, nearshore and offshore operations network in more than 30 countries.

The offshore service is defined as the ability to serve a market from contact centers located in another country, using the language of the country where the market is located. Teleperformance's offshore solutions mainly serve the North American market from Mexico (nearshore) and the Philippines (offshore), in English and Spanish, and some European markets (nearshore solutions).

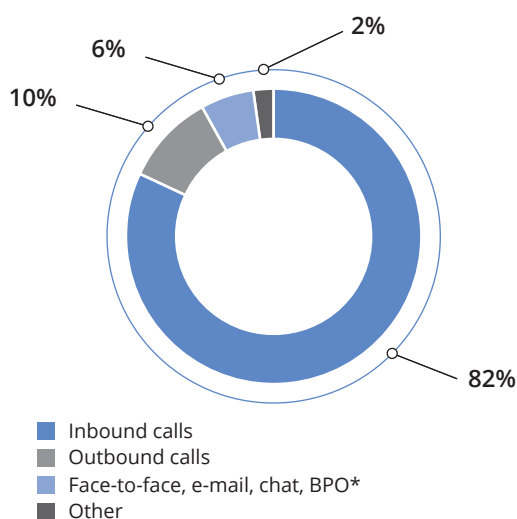
1.3.1.4 A balanced operations portfolio

For several years now, changes in consumer protection laws and regulations have prompted the Group to adapt by developing inbound call activities, which now account for the vast majority of the Group's operations.

The large proportion of inbound business in the Group's current revenue provides for stable ongoing income given the duration of the inbound call contracts, which is much longer than that of outbound call contracts.

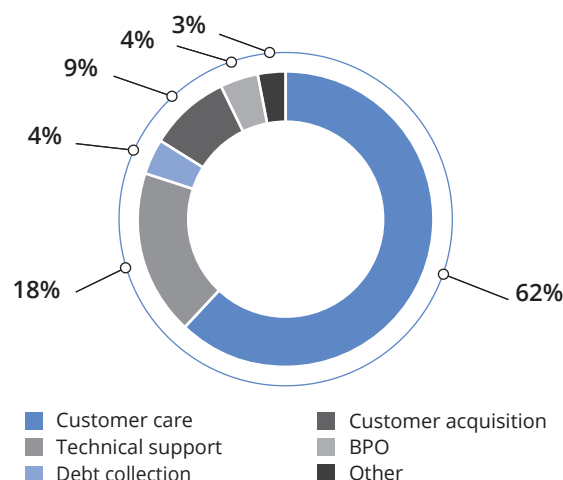
Though still a small proportion of Group revenue, the share of non-call services (face-to-face, email and chat) is growing steadily.

► Breakdown of 2015 revenue by contact type



* Excluding contracts combining voice and non-voice services

► Breakdown of 2015 revenue by service type



A diversified client portfolio

With more than 850 clients, Teleperformance has the most diversified portfolio in the industry.

Teleperformance develops offers meeting the specific needs of every business sector. The Group has significant shares of markets including the public sector, healthcare, insurance, energy, media, financial services, technology, telecommunications, Internet and pay TV.

► Breakdown of revenues by business sector

(% of annual revenue)	2015	2014	2013
Telecoms, Internet	23%	29%	33%
Technology, electronics, media	13%	14%	14%
Financial services	12%	10%	9%
Pay TV	10%	11%	14%
Healthcare and insurance	9%	7%	5%
Public sector	6%	5%	3%
Travel agencies, hotels, airlines	6%	5%	4%
Retail, e-commerce	5%	4%	4%
Energy	4%	5%	4%
Other	12%	10%	9%
TOTAL	100%	100%	100%

The development over the last three years of the client portfolio by sector shows wider diversification, with a marked decrease in the share of traditional sectors such as telecommunications, Internet and pay TV, and the rise of other sectors such as financial services, healthcare and insurance, public services, retail and travel agencies.

This diversification trend, which accelerated in 2014 with the Aegis USA Inc. acquisition, continued in 2015 with the ramp-up of large contracts acquired in financial services and healthcare.

The concentration of the client portfolio is tending to decrease. The Aegis USA Inc. acquisition accelerated this trend with the arrival of new major clients, particularly in the financial services, healthcare and travel agency sectors.

► Breakdown of client portfolio

	2015	2014	2013
Top client	6%	7%	7%
Top 5	20%	22%	22%
Top 10	31%	34%	34%
Top 20	45%	47%	48%
Top 50	63%	65%	68%
Top 100	77%	79%	83%

1.3.1.5 International organization and management

Organization

The Group is divided into three major linguistic regions: the English-speaking and Asia-Pacific market, the Ibero-LATAM region and Continental Europe, Middle East & Africa. The organization also includes directors with Group worldwide duties (e.g. finance,

business development, IT systems, R&D), who are posted in different regions of the world. All these executive officers, who come from various countries and are highly experienced in their specific fields, constitute the Executive Committee, which is chaired by the CEO.

► Senior management

Daniel Julien	Chairman of the Board of Directors
Paulo César Salles Vasques	Chief Executive Officer, Chairman of the Executive Committee

► Executive Committee

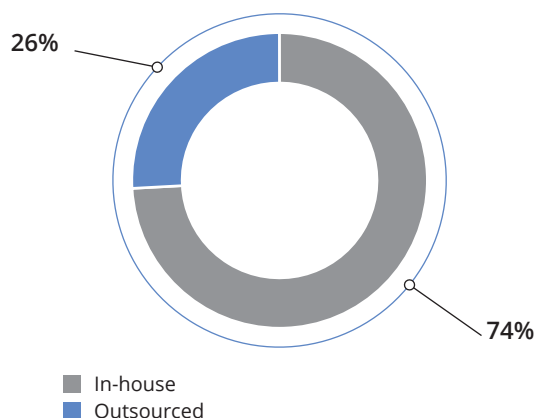
Fabricio Coutinho	Chief Research and Development Officer
Lyle Hardy	Chief Information Officer
Olivier Rigaudy	Chief Financial Officer
Leigh Ryan	Chief Legal and Compliance Officer
Yannis Tourcomanis	Chief Executive Officer of the Continental Europe, Middle East & Africa region (CEMEA)
Alan Truitt	Chief Business Development Officer
Brent Welch	Chief Executive Officer of the English-speaking and Asia-Pacific region (EWAP)

1.3.2 The market and the Group's position

1.3.2.1 Definition and outlook of the Group's markets

Customer experience management represents a worldwide market worth \$330 billion, of which 26% is outsourced.

► Customer experience management world market outsourcing rate (2015)



Internal source.

The outsourced market is worth \$86 billion. It is divided into two market segments: client interaction management and debt collection.

The outsourced debt collection market was estimated at \$28 billion in 2015 – flat compared to 2014 (source: Kaulkin & Ginsberg). Teleperformance earns 4% of its revenue from this market.

The customer interaction market encompasses customer relations, technical support and customer acquisition. Teleperformance earns 96% of its revenue from this market. IDC estimated this market to be worth \$58 billion in 2015, up almost 4% over 2014, the 2015 rise in the US dollar having held back market growth as measured in US dollars. For the period 2014-2019, IDC estimates market growth in value at over 5% per year.

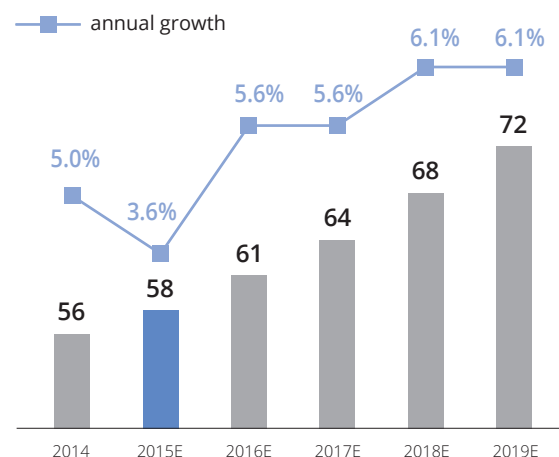
Market growth is expected to be bolstered by ongoing growth in interactions between consumers and brands, both by phone and especially *via* other channels such as email, SMS, social media and chat.

The ongoing expansion of the outsourcing market will continue to be underpinned by two trends:

- a permanent need for companies to improve customer service in a secure and controlled environment while minimizing costs by outsourcing customer experience management to a top class provider;

- outsourcing leaders now offer reliable services backed by long experience, in quality and security, and dedicated integrated resources (offshore/nearshore and omni-channel solutions).

► Customer interaction management market outlook (2014-2019E)



Source: IDC Worldwide – May 2015.

The mobile Internet revolution, reflected in rapid growth of mobile online devices such as smartphones and tablets, reinforces this outlook for growth. This explains the surge in interactions between brands, consumers and customer services in many markets including:

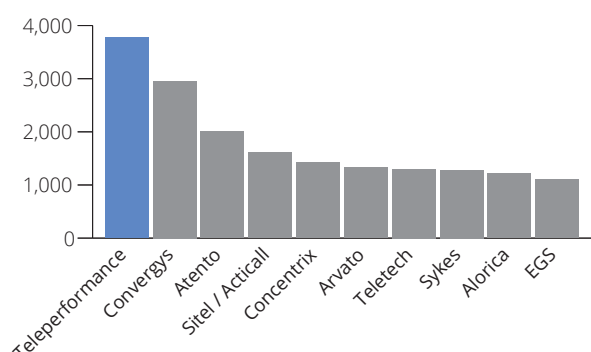
- recreation: books, music, photos, video games, news, etc.;
- finance: payment *via* mobile, Internet, credit cards; Tourism: online travel agencies, online check-in, etc;
- education: e-Learning, online studies ("MOOC");
- public sector: all-digital (identification, authorization and payment processes);
- logistics: all-digital (handling, tracking, parcel and goods delivery, claims service);
- healthcare: medical assistance, service offering, management of epidemics, etc;
- retail: e-commerce, supply chain.

1.3.2.2 Group's competitive environment and position

Teleperformance is the worldwide leader in the outsourced customer experience market, which remains highly fragmented. Backed by revenue of over €3.4 billion, the Group's worldwide market share stands at 4%. This increases to 6% if only customer interaction management is considered, excluding debt collection.

In 2015 the industry continued to consolidate. The principal deals included Alorica (US) buying the “Agent Services” business from West (US) in March 2015 and Acticall (France) buying Sitel (US) in July 2015. In 2014, Teleperformance consolidated its world leadership by acquiring Aegis USA Inc.

► **Ranking of the top 10 market players by revenue – 2015 published and estimated data* (US\$ millions)**



* Internal source and corporate data

The Group's worldwide market share gives it a big lead over most direct competitors – American and regional for the most part, both in revenue and number of operating countries.

► **Top 10 ranking by number of operating countries (2015)**

	Competitors	Country
1	Teleperformance	65
2	Convergys	31
3	Arvato (Bertelsman group)	27
4	Concentrix	25
5	Teletch	24
6	Transcom	23
7	Sitel*	22
8	Sykes	21
-	Webhelp	21
10	Sutherland	19

* including Acticall

Internal source and corporate data

1.3.3 Group's mission statement and strategy

1.3.3.1 Mission statement and strategic fundamentals

Teleperformance is a company of people serving other people by helping them find solutions to their daily problems.

To achieve this and develop its business, the Group's strategy rests on the development of its Human Resources and a culture of customer satisfaction. These two pillars guarantee the quality, security and reliability of the service provided and reflect the Group's five values:

- integrity;
- respect;
- professionalism;
- innovation;
- commitment.

The Group's human capital development strategy (*People Strategy*) is focused on a continuing quest for excellence in recruitment, building employee loyalty, developing talent and enhancing employees' skills. Our aim is to enable everyone to perform their duties well and for the Group to achieve its objectives. This policy relies on hands-on management and extensive employee

satisfaction surveys. Various initiatives have thus been launched to improve working conditions and employee induction while ensuring the professional and personal fulfillment of employees.

The customer satisfaction culture allows the Group to constantly anticipate client expectations and to meet them while guaranteeing world-class quality and security. This involves:

- searching for innovative solutions (multilingual platforms, e-Performance schemes, etc.);
- ongoing development of optimal processes and operational standards (K-sat quality of customer satisfaction indicators, dedicated management of strategic accounts etc.);
- developing a unique, strong, high value-added service offering (premium solutions, analytical marketing, management of social media, etc.);
- introducing security measures such as the Group's GESP (Global Essential Security Policies) – a set of security rules applicable worldwide and designed to anticipate any possible risk of fraud or violation of any legal security rule – regular internal and external audits, in-house development of appropriate software controls and establishing specific certifications;

- developing production capacity abroad to assist local and global customers in their operations and strengthening the Group's integrated domestic and offshore services offering (local and remote).

This culture is increasingly important to the Group's strategy today given that its markets are undergoing a mobile revolution that triggers new consumer habits ("connected everywhere, every time"), new client demands and new services in some markets such as mobile healthcare management, household equipment, online gaming, etc.

1.3.3.2 Development strategy

While leveraging its numerous competitive advantages, Teleperformance's development strategy aims to exploit the numerous growth opportunities in the markets in which it is the worldwide leader.

The Group has three sub-strategies as follows:

- regional expansion on high-potential markets primarily including the United States (the biggest market) and Asia (fastest growth);
- developing industry expertise to diversify business operations (health, financial services, retail, travel, the new economy,) in particular with better marketing and sales resources (R&D, staff and processes);
- building on the Group's multimedia offering (voice, chat, email, face-to-face, social media) to better address the specific features of certain industries (managing visa applications, e-commerce, etc.) and challenges arising from the mobile Internet revolution.

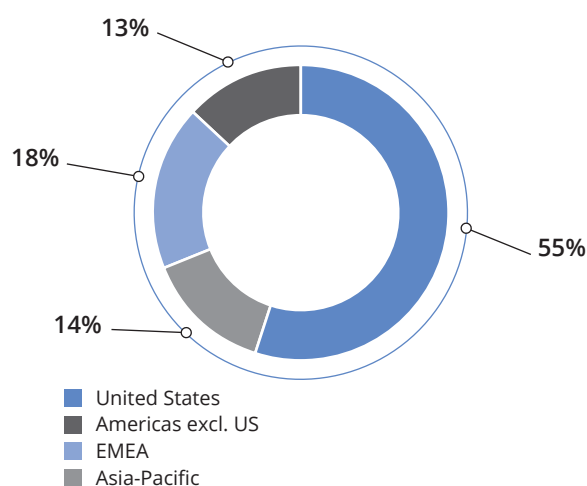
Success in carrying out the strategy is underpinned by the Group's values and competitive strengths largely arising from its leadership, including its integrated global chain of more than

30 offshore/nearshore centers and its People Strategy, as well as its customer satisfaction culture and its expertise in data and personal security.

The strategy's objective is to create value through sustainable and profitable development of the Group's operations, organic growth and targeted acquisitions.

The Group's acquisitions strategy primarily targets medium-sized companies offering a robust business and financial model and synergies with the Group's client base, operations and business activity. The United States, which accounts for 55% of the worldwide customer experience management market, is the primary region for acquisitions.

► Regional breakdown of the customer interaction management market (2015)



Internal source and IDC.

1.3.4 2015 highlights

1.3.4.1 Revenue and earnings

The annual objectives were attained with 7.5% like-for-like revenue growth and a 10.3% margin, up 60 basis points compared with the prior year. These figures confirm the relevance of the Group's strategic growth decisions. The 23.2% revenue increase as reported takes account of revenue from Aegis USA Inc., acquired on August 7th, 2014, and currency gains arising from the US dollar's appreciation versus the euro compared to the prior year.

The Group's 2015 revenue and margin growth arose due to the following:

- sustained growth in all the Group's linguistic regions;

- some European markets such as Greece, Russia and the Netherlands turned in good results, with a satisfactory rise in revenues earned with large multinationals;
- sharp revenue growth in activities of visa applications management (TLSccontact business);
- a boost in margin from a positive mix variance due to a surge in EWAP revenue (up 39.6% as reported) generating a high 10.1% margin and an ongoing recovery in European margins, particularly in France.

Net profit Group share came in at €200 million, up 33.3% from 2014. Diluted earnings per share (EPS) amounted to €3.45, up 31.7% from 2014.

The Group has a strong balance sheet with shareholders' equity of €1,765 million and €363 million in net debt at December 31st, 2015. The Group's debt-to-equity ratio amounted to 21% and the ratio of net debt to EBITDA before non-recurring items was 0.7.

1.3.4.2 Development, investments and capital expenditure

New sites and increasing production capacity

To support the rapid expansion of its business, the Group continued to expand its offshore facilities and its presence in high-growth markets in 2015 by opening and expanding locations in the Group's three linguistic regions.

The Group opened 16 new contact centers and installed new workstations at 16 existing locations. In total, this represents additional capacity of 12,000 workstations.

By region, the new locations break down as follows:

- in Continental Europe, Middle East & Africa, 6 primarily offshore centers were opened in Suriname, to serve the Dutch market, and in Dubai (United Arab Emirates), Albania and Egypt. In addition, the Group developed new teleworking solutions in Germany ("Work at Home");
- in the English-speaking and Asia-Pacific region, the Group opened 8 new contact centers in the United States, Canada, UK, Indonesia, China, the Philippines and Guyana. In 2015 Teleperformance invested most in the booming Asian market;
- in the Ibero-LATAM region, the Group opened 2 new locations in Lisbon, Portugal and Medellin, Colombia.

Capital expenditure

The ongoing growth in the Group's production capacity resulted in a sharp increase in Group capital expenditure in 2015 compared to previous years.

(in millions of euros)	2015	2014	2013
Net capital expenditure	172	157	126
% of revenue	5.0%	5.7%	5.3%

The Group strictly monitors the volume and return on capital expenditure per project, notably to support its rapid business growth in booming markets.

In 2016, the Group plans to pursue growth primarily in Asia and the United States.

Acquisitions of material and controlling interests

No new shareholdings in excess of 5% of the capital or voting rights and no new direct or indirect controlling interests were acquired in companies having their registered offices in France.

1.3.4.3 Awards

In 2015, Teleperformance once again received numerous awards from prestigious institutions and reputable independent consultancy firms across the world, both for its leadership and the excellence of its service in its market as well as for its human resource development strategy, innovation capacity, the transparency of its investor reporting and commitment to corporate social responsibility.

- The Transparency Award (*Grand Prix de la transparence*) awarded to Teleperformance for the transparency of its regulatory communication for the third consecutive year, in the Consumer Services category in 2015.
- Everest Group named Teleperformance as the worldwide leader in management of outsourced contact centers for the third consecutive year.
- Six 2015 Frost & Sullivan prizes awarded to Teleperformance:
 - *Offshore Market Leadership* – Latin America;
 - *Technology Innovation Leadership* – North America;
 - *Service Provider of the Year* – Asia-Pacific;
 - *Competitive Strategy Innovation and Leadership* – CEMEA;
 - *Product Leadership* – Chile;
 - *Company of the Year* – North America.
- 2015 *Great Place to Work*® (GPTW) prizes awarded to Group companies:
 - Teleperformance Portugal;
 - Teleperformance India.
- 2015 *Global Best Employers™ Program* prize awarded by AON Hewitt to Teleperformance in Albania, Chile, China, Egypt, India, Lebanon, Portugal, Slovakia, Switzerland and Ukraine.
- NelsonHall Neat named Teleperformance as the no. 1 in management of outsourced contact centers for the healthcare industry.
- 2015 Gold prize awarded to Teleperformance Brazil by Coca-Cola FEMSA for quality and sustainability.
- Teleperformance elected Supplier of the Year by UnitedHealthcare M&R Service Group.
- Teleperformance United States won AT&T's Supplier Diversity Crystal Prize for the third consecutive year.
- Teleperformance ranked among the best outsourced services providers at the IAOP's Global Outsourcing 100® 2015 prizegiving.





- Teleperformance gained the Verego SRS label in five categories: Leadership, Ethics, People, Community and Environment.
- Teleperformance awarded 11 medals by Contact Center World during the 2015 Top Ranking Performers Awards.
- 2015 *Leadership Strategy* prize awarded to Teleperformance India at the BPO Asia Summit.
- 2015 *Industry Champion* prize awarded to Sanjay Metha, Teleperformance India.
- Teleperformance Russia awarded four "Crystal Headset" nominations of the Call Center Guru professional association.
- Teleperformance Russia and Teleperformance Ukraine awarded 2015 *Most Secure European Company* prize.
- 2015 *Best Large Contact Center* awarded by Contact Center World to Teleperformance Rumania for the fifth consecutive year.
- 2015 *Jin Tang Design Prize* awarded to Teleperformance China.
- Barclays 2014-15 prize for the best customer experience initiative.

1.4 Real estate and facilities

Group companies' premises are generally leased, as it is the Group's policy not to own centers where it operates, save in exceptional cases. However, the Group owns the following premises:

English-speaking and Asia-Pacific:

- 8,733 sq.m. building in Shreveport (United States);
- 11,538 sq.m. building in Fort Lauderdale (United States);
- 12,356 sq.m. building in Killeen (United States);
- 12,821 sq.m. building in Dallas (United States).

Ibero-LATAM:

- 2,153 sq.m. building in Buenos Aires (Argentina);
- 4,330 sq.m. building in Bogota (Colombia).

Continental Europe, Middle East & Africa:

- 949 sq.m. building in Lyons (France);
- 4,000 sq.m. building in Le Mans (France).

The Group has 147,030 workstations and carries out its operations across 311 contact centers in 65 countries.

In 2015, the Group invested €37 million in fixtures, fittings and facilities for all operating locations.

1.5 Organization Chart (at December 31st, 2015)

1.5.1 Teleperformance SE and its subsidiaries

The parent company Teleperformance SE operates as a holding company vis-à-vis its subsidiaries while also performing management, control, support and advisory functions for the Group's companies, receiving fees for these services.

Moreover, Teleperformance collects a brand royalty charged to all subsidiaries. Note 22 *Relations with related companies* of the notes to the Company financial statements (page 199 of this Registration Document) gives details of the Company's relations with its subsidiaries.

The Company is also head of the French tax group, which includes the French subsidiaries that are more than 95% held.

Detailed information on Teleperformance's main subsidiaries is summarized in the table of subsidiaries and shareholdings in the notes to the Company financial statements (pages 200 and 201 of this Registration Document).

1.5.2 Operational organization chart



The percentage shareholdings are specified on pages 174 to 176 of the notes to the consolidated financial statements part 6.6. § L. *List of consolidated companies*.



1.6 Risk factors

1.6.1 Financial risk management

The Group is exposed to the following risks:

- credit risk;
- liquidity risk;
- market risk;
- equity risk.

This note provides information on the Group's exposure to each of the above risks, its objectives, policy and procedures for measuring and managing risk, as well as its share capital and equity management.

Quantitative disclosures appear elsewhere in the consolidated financial statements.

It is the Board of Directors' role to define and oversee the Group's risk management framework. Monitoring, measuring and overseeing financial risk is the responsibility of the Group's Finance Department, for the Group and each of the Group companies.

The objective of the Group's risk management policy is to identify and analyze the risks that the Group faces, to set appropriate risk limits and controls, and to manage the risks and ensure that the limits defined are respected. The policy and the risk management systems are reviewed regularly so as to respond to changes in the market and in the Group's activities. Through training and management rules and procedures, the Group aims to develop a rigorous and constructive control environment where all employees have a clear understanding of their role and duties.

The internal audit department performs both periodic and *ad hoc* reviews of risk management controls and procedures, reporting to the Audit Committee.

All strategic decisions relating to the hedging policy for financial risks are the responsibility of the Group's Finance Department.

1.6.1.1 Credit risk

Credit risk is the Group's risk of financial loss in the event that a customer or counterparty to a financial instrument fails to meet his contractual obligations. This risk primarily concerns customer receivables and short-term investments.

Trade receivables and other current assets

The Group's exposure to credit risk is mainly influenced by the individual characteristics of the customers. The Group's

largest client accounted for 5.7% of revenue. In addition, sales to telecommunications clients and Internet service providers represent a total of 23.1% of revenue. No country accounts for over 10% of trade receivables, with the exception of the United States which represents approximately 40% of total trade receivables at December 31st, 2015.

Credit risk is continuously monitored by the Group Finance Department, through monthly reports and quarterly Executive Committee meetings.

The Group does not require specific credit guarantees for its trade receivables and other current assets.

The Group determines the level of its impairment losses by estimating losses incurred on trade receivables and other current assets.

Guarantees

The Group provides performance guarantees on contracts when requested by certain customers. Guarantees are disclosed in note 1.4, *Guarantees and other contractual obligations*.

1.6.1.2 Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its liabilities when they fall due.

The Group policy in respect of its financing is to maintain, at all times, sufficient liquidity to finance Group assets, short-term cash requirements and development, both in terms of amount and duration, and at the lowest possible cost.

For several years now the Group has implemented a centralized cash management policy when allowed by local legislation. Companies included in the cash pooling represent approximately 71% of Group revenues.

In countries where cash pooling is not permitted, short-term cash management is provided by subsidiaries' operational management, which generally has access to short-term bank facilities, plus, in some cases, confirmed credit line facilities from the parent company.

All medium and long-term financing is authorized and overseen by the Group's Finance Department.

The Group obtains financing in the form of loans and credit lines from top-tier credit and financial institutions, repayment of which

falls due between 2017 and 2024 as stated under note G.4 *Financial liabilities*.

The available balance of the EUR/USD multi-currency syndicated credit line at December 31st, 2015 amounted to €210 million.

Net debt at December 31st, 2015 amounted to €362.7 million, down from €422.7 million at December 31st, 2014.

Note that cash and cash equivalents at December 31st, 2015 includes €2.6 million of net cash held by the Group's subsidiary in Argentina, where regulations have been introduced restricting transfer of funds to other countries.

Given the timing of our borrowings and the Group's ability to generate free cash flow, liquidity risk is very low.

Information relating to liquidity risk is provided in note G.4 of the consolidated financial statements (*Financial liabilities*).

1.6.1.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and the cost of equity instruments, will affect the Group's results or the value of its financial instruments. The objective of managing market risk is to manage and control the market risk exposure, keeping it within acceptable limits, while maximizing return.

Foreign exchange risk

The Group is particularly exposed to foreign exchange risk on revenues denominated in a currency other than each company's functional currency, *i.e.* principally the US dollar.

The Group hedges currency risk on sales, notably between the Mexican peso, the Philippines and Colombian peso and the US dollar. These hedges are more fully described in note G.5 (*Currency hedging operations*) of the consolidated financial statements.

The Group is also exposed to currency risk on its borrowings denominated in currencies other than the euro or the functional currency of Group companies.

Group policy is as follows:

- the Group hedges loans granted to subsidiaries with loans or advances in the same currency and with the same maturities, or with foreign exchange contracts;
- the principal bank loans granted to Group companies are denominated in the functional currency of the borrower;
- interest due on borrowings is denominated in the same currency as the cash flows generated by the underlying operations of the Group, primarily the euro, the US dollar and the £ sterling. This provides an economic hedge without resorting to derivatives.

Finally, the Group is exposed to foreign exchange risk when translating foreign subsidiaries' financial statements for consolidation purposes.

The translation difference on Group consolidated revenue is disclosed in note G.8 (*Exposure to exchange risk due to consolidation*) of the consolidated financial statements, which shows the breakdown of revenue by currency over the last two years.

The impact of changing foreign exchange rates on the Group's revenue, profit before tax and net profit Group share are disclosed in note G.8 (*Exposure to exchange risk due to consolidation*).

Sensitivity to interest rate changes

The Group is exposed to interest rate risk on its financial liabilities and on its cash holdings. However, a significant portion of its debt is at fixed rates. Amounts subject to interest rate risk are as stated below:

Net debt	12/31/2015	Fixed rate	Subject to	12/31/2014	Fixed rate	Subject to
			interest rate risk			interest rate risk
Total financial liabilities	620	350	270	639	289	350
Cash and cash equivalents	-257		-257	-216		-216
NET DEBT	363	350	13	423	289	134

Consequently, cost of net debt is hardly exposed to interest rate fluctuations. A 100 bp movement in interest rates would have a €0.1 million impact on 2015 earnings and €1.3 million on 2014 earnings.





1.6.1.4 Equity risk

The Group limits its exposure to equity risk by investing available cash reserves in short-term liquid investments, certificates of deposit, and low risk financial instruments such as mutual funds, while choosing top-tier financial institutions and avoiding significant concentration. Group management does not expect any counterparty to default.

Short-term liquid investments at December 31st, 2015 amounted to €19.8 million, principally represented by money market funds classified as “euro monetary” by the French stock exchange authority, the AMF.

Share capital and equity management

The Group's policy on share capital and equity management is to maintain a strong equity base so as to keep the confidence of investors, creditors and the market, and to support future business development. The Group pays close attention to its net debt and debt-to-equity ratio.

The debt-to-equity ratio is as follows:

(in millions of euros)	12/31/2015	12/31/2014
Net debt	363	423
Total shareholders' equity	1,765	1,600
Debt-to-equity ratio	0.21	0.26

From time to time the Group buys back its own shares on the market. Oddo Corporate Finance has acted on its behalf under a liquidity agreement since January 8th, 2007. The agreement complies with the Code of Conduct established by the AFEI (French Association of Investment Firms) as approved by the AMF. The amount of funds committed to this arrangement is €1.5 million. The number of treasury shares held at the end of the year is set out in note F.1 (*Share capital*) of the consolidated financial statements.

1.6.2 Risks relating to operations

Teleperformance's level of activity is contractually related to that of its clients. A decrease in a client's activity, whether or not arising from a general economic downturn, can affect the Group's activity.

Contractual clauses enable guarantees to be obtained in relation to certain criteria, such as volume, end-user satisfaction, as well as quality of services, IT infrastructure, security systems and feedback provided by employees.

Such criteria may however be amended by the customer. The price, which is a determining factor for certain business sectors (such as in the field of telecommunications), or allocation of entrusted volumes are other aspects that can impact the Group's business.

The duration of contracts in the inbound calls business, which accounts for most of the Group's revenue, varies between two and five years.

1.6.2.1 Competition risks

The outsourced contact center market is fragmented and competitive; however, the number of competitors operating worldwide remains limited (see 1.3.2.2 *Group's competitive environment and position*). In each of the countries where it is established, the Group is faced with strong competition comprising international, national and often local businesses.

These are generally companies specializing in the management of contact centers, or companies offering outsourced general services and developing niche activities that are incorporated in a package offer.

This environment may lead to certain constraints on prices, whether in connection with the award of a new contract or with the renewal of a contract with an existing client. The rise in such constraints in all of the Group's markets could affect its business and profitability.

In order to manage any risk of price constraints while catering for its clients' needs, the Group has developed several strengths to set itself apart from its competitors:

- time-tested management and unrivaled credibility;
- Human Resources development strategy that guarantees quality and reliability of service;
- highly customer-oriented culture;
- unique integrated network combining domestic, nearshore and offshore solutions;
- constant innovation strategy aimed at increasing the added value of the Group's services;
- worldwide presence to support the Group's global clients;
- secure processes in line with contractual clauses with clients (see 1.6.2.5 *Security and data protection risk*).



1.6.2.2 Risks from regulatory and legislative changes

In each country where the Group operates, the contact center business may be subject to specific statutes and regulations in the fields of labor law, competition and company law.

The enactment of any regulation having a restrictive effect on the Group's activity could impact growth.

For instance, governments and regulatory authorities may adopt regulations aimed at improving customer protection. This has been the case in numerous countries which have adopted regulations giving individuals the option not to receive telemarketing cold calls. Given the nature of the Group's current activities, this risk, which used to be considered material, is now much lower.

Indeed, for several years now the Group has implemented action plans to develop its inbound call or email activities aimed at increasing the recurrence of the activity. Indeed, these operations require longer contracts. Representing 82% of revenues, inbound call activities are now predominant in the Group (see 1.3.1.4 *A balanced operations portfolio*).

1.6.2.3 Risk relating to potential client dependency

Although Teleperformance's business depends on its ability to renew its contracts and to sign new ones on profitable terms, no Group client represents more than 6% of revenue.

With more than 850 clients, Teleperformance has the most diversified client base in the industry. Client concentration has tended to decrease over the last two years (see 1.3.1.4 *A balanced operations portfolio*).

1.6.2.4 Customer loyalty risks

Teleperformance's activity depends on its ability to retain and renew contracts with existing customers and to successfully win and negotiate new contracts. This ability is generally assessed in light of various criteria such as quality, security, cost and any item enabling differentiation from competitors. At December 31st, 2015, the average duration of a customer relationship is between 10 and 12 years depending on the sample used.

This loyalty is the result of a highly client-focused Group culture, reflected in rigorous procedures, a good understanding of client expectations and a highly responsive company structure: specific management of strategic accounts, regular activity reports, a marketing research laboratory, regular and detailed client satisfaction surveys and introduction of rapid response operational teams.

1.6.2.5 Risk relating to data security and protection

Securing the technological platform

Teleperformance delivers its services to its clients through a complex technological platform that integrates many aspects of information technology: powerful telephonics, hardware and software.

Almost all of the Group's subsidiaries (90%, representing 98% of work stations) are networked *via* dedicated data and voice phone lines. The Group ensures that requisite security and insurance cover are applied in the context of its activities. The Group requests that each subsidiary adhere to internal data security and protection standards, as well as to international security and quality standards, in particular ISO 27001 and ISO 22301. In addition, Teleperformance complies with PCI Data Security standards whenever it is required by our clients.

Personal data protection and security

The Group's activity requires subsidiaries to collect, process and transfer personal data regarding our employees. As data processor when acting on behalf of its clients, Teleperformance also collects and processes personal data of the customers of its clients.

The Group must not only meet any legal requirement as well as any contractual commitments toward its clients, but also more than 300 compliance criteria in the field of security. Non-compliance with statutory and contractual requirements could lead to adverse consequences for the Group's performance.

The year 2014 was marked by an increase in electronic fraud cases throughout the world, as evidenced by the most significant cases published in the international press. In addition, many other incidents are settled confidentially, in the normal course of business. Following an incident of fraud that occurred in 2014 in one of the Group's centers, one of Teleperformance's clients claimed the Company was liable for damages under a contract containing a confidentiality clause. Taking into consideration the available legal analysis and insurance coverage, management is confident that it can resolve this dispute and avoid significant financial loss.

The Group implemented in 2015 a set of security rules binding upon each subsidiary ("Global Essential Security Policies" or "GESP"), meant to anticipate any possible risk of fraud or violation of any legal security rule.

In addition, specific external auditors carry out annual audits, in order to assess the compliance of the GESP with any security processes implemented in our sites. The Group has also established a compliance internal audit function which reviews our operational sites on a rotating 24 month schedule for adherence to the established GESPs and client requirements.

Lastly, a Global Security Council, chaired by the Chief Compliance, Privacy and Security Officer (appointed in 2015) meets twice a month in order to analyze any fraud event, if any, ensure regular compliance with GESP and define an action plan if needed.



As Teleperformance places a special attention to all security matters, all regional CEOs, as well as regional legal officers and all relevant operational officers attend the Global Security Council.

In addition, as of February 8th 2016, Teleperformance appointed a Worldwide Chief Legal and Compliance Officer, who reports directly to the Group CEO.

1.6.2.6 Risks relating to Human Resources, employees and executive officers

The quality of the Group's services relies largely on its ability to attract, train, motivate and foster loyalty in the best talents and maintain a level of training aimed at constantly improving its standards.

Moreover, the staff turnover rate is closely and regularly monitored by the Group. It not only impacts hiring and training costs, but also the quality of the services delivered to clients, and therefore operating profit.

Staff turnover in Europe (Continental Europe, Middle East & Africa) is lower than in countries where economic growth is high and work conditions flexible.

In a business sector characterized by high staff turnover, the Group has sought to develop its hiring capacity (employees, executives, etc.) and loyalty programs. For this purpose, the Group is backed by strengths including its market leadership and ability to offer employees a first-class work environment that has received many awards, staff benefits, on-the-job training and career prospects within a global multinational.

The departure of some executive officers could have a negative impact on the Group's revenue and earnings. The Group thus introduced performance share plans in May 2011 and July 2013, in order to motivate and retain the best performing executive officers.

Moreover, in case of departure, executive officers are bound by non-compete clauses and undertakings not to hire employees away from the Group.

1.6.3 General risks

1.6.3.1 Risks relating to growth through Company acquisitions

As part of its outsourced growth strategy, Teleperformance takes all steps to identify acquisition targets, for reasons of country synergies, products or jobs, as well as identifying risks associated with these acquisitions.

The goodwill shown under the Group's balance sheet assets is subject to impairment testing every year. The assumptions made in estimating future earnings and cash flows at the time of these evaluations may not be confirmed by subsequent actual results.

Capitalized goodwill as of December 31st, 2015 amounted to €1,123 million and represents 36.2% of total assets.

No goodwill impairment was recognized for 2015.

1.6.3.2 Group risks due to foreign operations

As part of its development and due to the actual nature of its business, the Group carries out a major portion of its business outside France, particularly in emerging markets.

Risks inherent to conducting business in these countries, such as social, political and economic instability, late payments or unexpected changes to legislation, can have consequences on the Group's operations and thus affect its earnings.

On the basis of ratings published at the end of January 2016 by COFACE, which constantly monitors developments in emerging countries and releases ratings per country, the Group's concentrations per production zone are as follows:

- 77% of revenue in countries where the situation is regarded as favorable and low-risk or implying acceptable risks; these include the big contributors to Group revenue, notably the US, Philippines and UK. Portugal joined this category of countries in 2015;

- 9% of revenue in countries where the climate is uncertain, which include Tunisia, Turkey and El Salvador;
- 15% of revenue in countries where economic and political outlooks are considered to be very uncertain; these are mostly small countries as well as Russia, Greece, Argentina and Egypt. Brazil joined this category of countries in 2015.

1.6.3.3 Other risks

Suppliers

Our top five suppliers account for around 15% of Group purchases.

These are mainly temping agencies, IT hardware suppliers and telephone operators.

However, we consider our risk to be limited, since for a given service or product we contact several suppliers, all leaders in their market.

Legal risks

The Group operates in a certain number of countries where failure to comply with applicable domestic legislation could expose the Group to legal action by employees or shareholders.

The Company and its subsidiaries are not affected by specific legal regulations and/or licenses for the conduct of our business, with the exception of those mentioned above in the section on business-related risks.

Employment risks

Within the normal framework of its business, the Group is involved in a certain number of employment disputes.

In accordance with applicable accounting principles, these disputes are recognized under provisions for risks. They amounted to €9 million at December 31st, 2015 and mainly concerned disputes with former employees, in particular in Argentina and France.

In the future, the Group may further restructure or reorganize its business in some countries. These restructuring or reorganization operations may involve closing down or merging contact centers in order to adapt to the needs of an ever-changing market. Although Group management pays particular attention to such restructuring, it could nevertheless damage the Group's relationships with its employees, which could lead to employment disputes, particularly work stoppages, strikes or, generally, disruptions that might negatively impact the Group's reputation, revenue, financial position or earnings.

1.6.4 Insurance – Risk leverage

1.6.4.1 Overall Group insurance strategy

Teleperformance's insurance strategy is designed to safeguard the Group's assets in view of risks to which they might be exposed.

The strategy meets the aim to optimize coverage, manage the insurance policies centrally and manage the insurance costs

The Group has set up international insurance programs covering property damage, business interruption and civil liability. Insurance policies are taken out *via* brokers with top-class international insurance companies.

Coverage caps are established in line with the Group's inherent business risks, taking into account its claims experience and market conditions, and comply with local regulations.

A third-party organization may be entitled to audit and analyze the insurance programs to ensure the risk coverage is appropriate and sufficient.

The Group does not have a captive insurer and there are no material risks that the Group self insures.

Total premiums paid for 2015 amounted to €6.3 million.

1.6.4.2 Insurance programs

General and professional liability insurance

The Group has set up a centrally managed general and professional liability insurance program. In principle, all subsidiaries are covered by this program, either under the Group policy or under separate policies managed locally in accordance with local regulations.

Coverage for any new entity is always assessed in advance so as to establish insurance conditions and their inclusion in the global program.

The terms and conditions of this program can be amended to take into account changes in business activities, the insurance market and risks incurred.





Property damage and business interruption insurance

The Group has set up a property and business interruption insurance program in Europe also covering many non-European CEMEA countries. The scheme extends to subsidiaries in other parts of the world whenever this is possible with regard to local legislation and the opportunities for optimizing cover and costs.

Non-consolidated subsidiaries are insured separately in accordance with applicable local legislation and regulations.

Other risks

The Group is covered by other insurance policies. Depending on the type of risks involved, these policies are taken out either at local level, in accordance with the legislation in force in each country, or at global level in order to optimize insurance costs and the level of coverage required.

1.7 *Legal and arbitration proceedings*

In the ordinary course of business, the Group is involved or risks being involved in various administrative or court proceedings. Within the scope of some of these proceedings, monetary claims are made or might be made against the Group. Provisions have been booked for these claims pursuant to IFRS (various provisions totaling €28.5 million were booked at December 31st, 2015). The Group estimates that provisions booked for the risks, disputes and arbitration proceedings of which it is aware or that are already pending are sufficient so as not to affect the Group's consolidated financial position should the Group lose the cases.

To the Company's knowledge, there is not, to date, any other governmental or legal court action or arbitration, apart from what is mentioned in this section and in note I.5 *Litigation* to the consolidated financial statements, nor any court action of which the Company is aware that is pending or threatened, that may have or has had a material impact on the financial position or earnings of the Company or Group in the last 12 months.



Information on the Company and its Share Capital

2.1	Information about the Company	30	2.4	Stock market listing	43
2.1.1	General information about the Company	30	2.4.1	Listing references	43
2.1.2	Memorandum and articles of association	30	2.4.2	Information on traded volumes and share price movements	43
2.2	Share capital	33	2.5	Dividends	45
2.2.1	Amount of issued share capital	33	2.5.1	Dividend pay-out policy	45
2.2.2	Securities not representing share capital	33	2.5.2	Dividends paid in respect of the last five financial years	45
2.2.3	Authorized and non-issued share capital	34	2.6	Financial communication	46
2.2.4	Treasury shares	34	2.6.1	Financial communication policy	46
2.2.5	Potential share capital	37	2.6.2	Dedicated information accessible to all shareholders	46
2.2.6	Changes in share capital over the past five years	40	2.6.3	Regular meetings with institutional investors and financial analysts	47
2.3	Shareholding	41	2.6.4	Shareholders' meetings	47
2.3.1	Evolution of breakdown of share capital and voting rights	41	2.6.5	Registration of securities in the holder's name	47
2.3.2	Shareholders' agreements	42	2.6.6	Indicative schedule for financial publications	48
2.3.3	Change of control of the Company	42	2.6.7	Contact	48

2.1 Information about the Company

2.1.1 General information about the Company

Corporate name

Teleperformance S.E.

Registration location and number

Paris Trade and Companies Register No. 301 292 702

APE business activity code: 6420Z

Registered office and central administration

21-25, rue Balzac – 75008 Paris – France

Telephone: +33 1 53 83 59 00

Legal form – applicable law

The Combined shareholders' meeting held on May 7th, 2015 has approved the conversion of the legal form of the Company by adopting the form of a European Company (*Societas Europaea*). Since June 23rd, 2015, effective date of conversion, Teleperformance is a European Company having its registered office in France. It is governed by the provisions of the European Council Regulation (EC) No 2157/2001 dated October 8th, 2001 governing the statutes of European companies, the provisions

of the European Council Directive No 2001/86/CE of October 8th, 2001, the provisions of the French Commercial Code for companies in general and European companies in particular and by its articles of association.

Date of incorporation and term

The Company was incorporated on October 9th, 1910. It will expire on October 9th, 2059, except in the event of extension or early dissolution.

Financial year

From January 1st to December 31st every year.

Access to legal documents and regulated information

Legal documents relating to the Company are available for review at the Company's registered office (21-25, rue Balzac – 75008 Paris, France).

Permanent and occasional regulated information is available on the Company's website at www.teleperformance.com, section "Investor Relations".

2.1.2 Memorandum and articles of association

2.1.2.1 Corporate purpose

Under the terms of Article 3 of the articles of association, the Company's purpose in France and abroad is as follows:

1. all industrial, commercial, personalty and realty transactions of all kinds;
2. publishing and the publication of all documents, books, works, reviews and periodicals of all kinds as well as the direct and indirect promotion, merchandising, advertising and marketing of books, publications and films;
3. all activities as a service provider in the retail or specialized communication and advertising sector.
Within the scope of this business activity, designing and performing promotional, public relations, marketing, telemarketing and teleservices actions, purchase of advertising space, space brokerage, and the publication and production of audiovisual works;
4. the creation of branch offices and agencies in France and in all countries as well as directly or indirectly participating in any form whatsoever in all operations which may be connected

to the above-mentioned objects by creating new companies, subscribing to issues for companies being formed, or purchasing shares of existing companies or in any other way as well as taking of financial interests;

5. providing advice to third parties and its direct and indirect subsidiaries in financial, commercial, administrative and legal matters.

2.1.2.2 Administration and management of the Company

Board of Directors

The Company is managed by a Board of Directors comprising 3 to 18 members, subject to the statutory exception in the event of a merger. Board members may be individuals or legal entities.

Pursuant to Article 17 of the articles of association, the Board of Directors manages and administers the Company. Subject to the powers expressly reserved by law to general meetings of shareholders and within the limits of the corporate purpose, it examines any issue relating to the normal running of the

Company and through its deliberations, deals with matters that affect it. It has the powers and authority as specified under the French Commercial Code. The Board meets at least once a quarter in order to review the Company's operations and future outlook.

The Board of Directors' missions include, but are not limited to, the following:

- approving the annual company and consolidated financial statements;
- convening general meetings of shareholders;
- deciding to issue bonds;
- approving regulated related-party agreements;
- authorizing sureties, endorsements and guarantees;
- setting up all Committees and determining their powers;
- deciding on all interim dividend distributions.

Furthermore, the Board of Directors determines or authorizes expressly and prior to their completion:

- approval of consolidated annual budgets;
- any significant (commercial, industrial, financial, real estate or other) transaction that the general management plans, not comprised under the approved strategy or budget, including, in particular, moveable or immoveable investment by external or internal growth, where the amount represents more than 20% of the Group's net assets as reports in the latest consolidated financial statements approved by the Board of Directors;
- conclusion of alliances of any kind involving a material proportion of consolidated revenues;
- proposal of dividend distributions to general meetings of shareholders.

Executive management

Executive management structure

Under the terms of Article 19 of the articles of association, executive management is exercised under the responsibility of either the Chairman of the Board or another individual appointed by the Board of Directors and who has the title of Chief Executive Officer (*directeur général*).

The Board of Directors chooses between these two ways of exercising the executive management. The shareholders and third parties must be informed of this choice in accordance with the terms laid down by law.

The Chief Executive Officer has full powers to act in any circumstances in the Company's name. He must exercise his powers within the limits of the corporate purpose and subject to the powers expressly reserved by law to general meetings of shareholders and the Board of Directors.

2.1.2.3 Description of rights, privileges and restrictions, if any, on existing shares and each class of shares

Form of securities

Under the terms of Articles 6 and 10 of the articles of association, all bearer and registered shares, as decided by the shareholder, belong to the same class, except where legal or regulatory provisions impose, in certain cases, shares to be under the registered form.

Shares are fully negotiable unless legal or regulatory provisions provide otherwise.

Under Article 12 of the articles of association, shares are indivisible with respect to the Company. Joint owners of shares must be represented *vis-à-vis* the Company and at general meetings by only one of them who shall be deemed to be the sole owner, or by a single agent. In the event of a disagreement, the single agent can be designated by a Court on application from the first co-owner to act.

Unless the Company is notified of an agreement to the contrary, beneficial owners (*usufruitiers*) of shares validly represent bare owners (*nu-propriétaires*) *vis-à-vis* the Company. However, the voting right belongs to the beneficial owners in ordinary general meetings and to the bare owners at extraordinary or special general meetings.

The voting right for pledged shares is exercised by the owner and not by the pledgee.

Voting rights of shareholders

Under the terms of Article 25 of the articles of association, each shareholder has as many votes as they possess or represent shares. However, a double voting right is granted to all paid up shares for which proof is provided of registration in the name of the same shareholder for at least four years.

The provision concerning double voting rights was introduced in the Company's articles of association by the Extraordinary shareholders' meeting held on June 26th, 1985. Said meeting established a five-year holding period, which was reduced to four years by a resolution of extraordinary shareholders' meeting held on June 17th, 1996.

The double voting right automatically ceases for any share that has been converted into a bearer share or transferred. The new owner recovers the double voting right only once the share has been registered in the shareholder's name for four years; however, the fixed time period is not interrupted and the acquired right is maintained when the transfer is from a registered owner to a registered owner as a result of a succession, a division of community of property between spouses, of donation *inter vivos* benefitting a spouse or a person with a degree of relationship which entitles them to inherit.

In the event of an increase in share capital by capitalization of reserves, profits or issue premiums, the double voting right is granted, as soon as they are issued, to the registered shares allotted free of charge to a shareholder in proportion to the old shares with respect to which he benefits from this right.

If the Company is merged or split up, the double voting rights can be exercised within the beneficiary company or companies if their articles of association provide for such voting rights.

2.1.2.4 Shareholders' meetings

Convening general meetings

Under the terms of Article 23 of the articles of association, general meetings are convened in accordance with the law and with the provisions of the European Council Regulation (EC) No 2157/2001 of October 8th, 2001 governing the statutes of European companies. Shareholders who have held registered shares for at least a month when the notice to attend is published are furthermore invited to attend any meeting by ordinary letter or, at their request and cost, by registered letter.

The Company publishes the information and documents required by law in the *Bulletin des annonces légales obligatoires* (legal gazette) and on its website, within the legal time limits.

If a meeting has been unable to deliberate because the required quorum was not reached, the second meeting, and if necessary the second adjourned meeting is convened in the manner and within the time period provided under current regulations. The notice and invitations to attend this second meeting must reproduce the date and the agenda of the first meeting.

Agenda

Under the terms of Article 14 of the articles of association, the agenda for meetings appears in the notice and convening letters. It is established by the party in charge of the convening.

However, one or more shareholders are entitled to have points or draft resolutions included in the agenda, pursuant to applicable legal and regulatory provisions.

The meeting cannot consider a matter which is not included in the agenda. Nevertheless, it can, in all cases, dismiss one or more directors and replace them.

An agenda for a meeting cannot be modified the second time it is convened.

Assistance or representation at general meetings (Article 25 of the articles of association)

In accordance with legal and regulatory provisions, any shareholder is entitled to participate in general meetings and to take part to its deliberations in person or through a proxy, regardless of the number of shares held, by simply providing proof of his or her identity, so long as the shares are fully paid-up and registered in an account in the shareholders' name or in the name of the intermediary registered on his or her behalf pursuant to the seventh paragraph of Article L.228-1

of the French Commercial Code, as at midnight (Paris time) on the second business day preceding the meeting, either in the registered securities accounts held by the Company, or in the bearer securities accounts held by the authorized intermediary.

A shareholder can be represented by another shareholder, by his or her spouse, by his or her civil partner (*partenaire pacsé*) or by any individual or legal entity it chooses. The proxy must provide evidence of his or her authority in this case.

2.1.2.5 Earnings

Under the terms of Article 32 of the articles of association, the net income for each financial year, after deducting the Company's overheads and other charges including amortization and provisions, constitutes the net profits or losses for the financial year.

At least one twentieth of net income less any retained losses brought forward shall be deducted from the net income to form a reserve fund known as "legal reserve". This withdrawal to the legal reserve shall cease to be compulsory when said reserve reaches an amount equal to one-tenth of share capital. It shall resume if the "legal reserve" falls below this proportion for any reason.

The balance, plus any retained earnings brought forward, constitutes earnings that may be distributed to shareholders by way of dividends.

However, shareholders' general meetings can deduct from the profit, before any dividends are paid, any sums it considers necessary, either to be carried forward to the next financial year, or to be entered into one or more general or special reserve accounts, for which the meeting shall freely determine the appropriation or use.

In addition, general meetings may decide to distribute sums from optional reserves, either to supply or supplement a dividend, or as an exceptional dividend. In this case, the general meeting resolution must expressly state the reserve accounts from which the amounts are withdrawn.

Shareholders' meetings, or otherwise the Board of Directors, lay down the dividend terms of payment.

However, dividends must be paid out within a maximum period of nine months after the financial year end. This period can be prolonged by judicial decision.

No dividends can be claimed back from shareholders, unless payments of fictitious dividends or fixed or interim interests, prohibited by law, provided that the Company proves that the beneficiaries know of the irregular nature of this dividend or could not have been unaware of it in the circumstances.

Dividends which are unclaimed within five years are time-barred.



Any retained losses, after the general meeting has approved the financial statements, shall be posted to a special reserve asset account, which will remain until they are offset and eventually written off against earnings of future financial years.

The general meeting called to approve the annual financial statements has the power to grant each shareholder the option to receive all or part of the dividend distributed, or any interim dividends, either in cash or in the form of shares.

2.1.2.6 Identification of holders of securities

Under the terms of Article 13 of the articles of association, the Company reserves the right, at any time and at its own expenses, to request from the central custodian, any and all information concerning its shareholders or holders of securities conferring immediately or in future the right to vote at general meetings, their identity and address, the number of securities held by each one and any restrictions affecting such securities.

2.1.2.7 Crossing shareholding thresholds

The articles of association do not include any disclosure requirements in the event of crossing shareholder thresholds, which remains governed by legal and regulatory provisions in force.

2.1.2.8 Changes in share capital, shareholder rights and articles of association

Share capital and shareholder rights can be changed under legal and regulatory provisions as the Company's articles of association do not provide for any more restrictive specific rules. Similarly, the articles of association are modified under the legal and regulatory provisions.

2.1.2.9 Provisions which have the effect of delaying, deferring or preventing a change in control

There are no special provisions in the articles of association, which have the effect of delaying, deferring or preventing a change in control of the Company.

2.2 Share capital

2.2.1 Amount of issued share capital

As of December 31st, 2015, the Company's share capital amounted to €143,004,225, divided into 57,201,690 fully paid-up shares of the same class, each with a par value of €2.50.

As of December 31st, 2015, these 57,201,690 shares represented 61,116,433 theoretical (or gross) voting rights and 60,970,186 actual (or net) voting rights. As of January 31st, 2016, they represent 61,114,672 theoretical (or gross) voting rights and 60,970,425 actual (or net) voting rights.

The difference between the number of shares and voting rights results from the existence of double voting rights.

The difference between the number of theoretical (or gross) voting rights and the number of actual (or net) voting rights corresponds to the number of treasury shares, as well as shares owned by Teleperformance Group Inc., 100% owned subsidiary of Teleperformance SE, which are deprived of voting rights.

2.2.2 Securities not representing share capital

None.

2.2.3 Authorized and non-issued share capital

Status of the delegations and authorizations approved by the combined shareholders' meetings held on May 30th, 2013 and on May 7th, 2015 and the propositions of delegations submitted to the combined shareholders' meeting to be held on April 28th, 2016:

	Date of shareholders' meeting (resolution No.)	Maximum nominal amount (in euros)	Duration (expiry)
ISSUES WITH PREFERENTIAL SUBSCRIPTION RIGHTS FOR SHAREHOLDERS			
Capital increase by issues of shares and securities giving access to the share capital, for which the primary security is not a debt instrument with maintenance of preferential subscription rights for shareholders*	May 7 th , 2015 (16 th)	40 million ⁽¹⁾	26 months (July 2017)
ISSUES WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS FOR SHAREHOLDERS			
Capital increase by issues of securities giving access to the share capital without preferential subscription rights for shareholders by public offering but obligation to confer a mandatory priority right of 5 trading days minimum*	May 7 th , 2015 (17 th)	28 million ⁽²⁾	26 months (July 2017)
ISSUES RESERVED FOR EMPLOYEES AND, WHERE APPLICABLE, EXECUTIVE DIRECTORS			
Free grants of performance shares to employees and/or executive directors	May 30 th , 2013 (21 st) April 28th, 2016 (16th)	2% of the share capital ⁽³⁾ 2.5% of the share capital	38 months (July 2016) 38 months (June 2019)
Capital increases reserved for members of a company or group savings scheme*	May 7 th , 2015 (18 th)	2 million	26 months (July 2017)
OTHER ISSUES			
Capital increase by capitalization of premiums, reserves or profits*	May 7 th , 2015 (15 th)	142 million	26 months (July 2017)

(1) On this amount is applied the maximum amount set in the 17th resolution approved by the shareholders' meeting of May 7th, 2015.

(2) This amount is applied to the maximum amount set in the 16th resolution approved by the shareholders' meeting of May 7th, 2015. Maximum of €300 million for debt instruments.

(3) Used in 2013 in respect of 840,000 shares, or 1.46% of the share capital and in 2014 in respect of 22,500 shares, or 0.04% of the share capital.

* Suspended during a public offering.

2.2.4 Treasury shares

2.2.4.1 Current authorizations

Authorizations approved by the combined shareholders' meeting held on May 7th, 2015 and propositions of authorization submitted to the combined shareholders' meeting to be held on April 28th, 2016:

	Date of shareholders' meeting (resolution No.)	Duration (expiry)	Terms
Share repurchases*	May 7 th , 2015 (13 th) April 28th, 2016 (15th)	18 months (Nov. 2016) 18 months (Oct. 2017)	Maximum purchase price per share: €90 Limit of 10% of the total number of shares Maximum purchase price per share: €100 Limit of 10% of the total number of shares
Cancellation of shares	May 7 th , 2015 (14 th)	26 months (July 2017)	10% of the total number of shares on date of cancellation decision

* Suspended during a public offering.

2.2.4.2 Treasury shares

As of December 31st, 2015, the Company held 73,461 treasury shares broken down as follows per objective:

- 19,000 shares in connection with the liquidity contract;
- 54,461 shares allocated to cover performance share plans.

No shares were held for the purposes of cancellation.

As of February 24th, 2016, the Company held 75,461 treasury shares broken down as follows per objective:

- 21,000 shares in connection with the liquidity contract;
- 54,461 shares allocated to cover performance share plans.

No shares were held for the purposes of cancellation.

2.2.4.3 Shares held by the Group

Teleperformance Group Inc. (TGI), a 100% US subsidiary of the Company owns Teleperformance SE shares. These shares were purchased by TGI pursuant to the agreement entered into with Oddo Corporate Finance, on August 3rd, 2015, with effect on September 4th 2015, in connection with the implementation of the long-term incentive plan decided by TGI (see section 3.5.2.4 *Grant of stock options and performance shares to executive directors*). Under the terms of this agreement, Oddo Corporate Finance, independent investment service provider, has purchased, for and on behalf of TGI, Teleperformance SE shares. As of February 24th, 2016, TGI owns 72,786 Teleperformance SE shares, purchased at a gross weighted average price of €64.7798 and for a total amount of €4,715,058.57.

2.2.4.4 Share buy-back program – Description of the new program

Update on the current buy-back program

The shareholders' meeting held on May 7th, 2015 authorized the Board of Directors to purchase its own shares, for an 18-month period, and terminated the previous authorization granted by the combined shareholders' meeting held on May 7th, 2014.

Pursuant to said authorization, the Board of Directors at its meeting held on May 7th, 2015 resolved to set up a new share buy-back program limited to 10% of the share capital with a maximum purchase price per share of €90.

The objectives of this share buy-back program are as follows:

- ensure the coverage of stock option plans and/or bonus share plans (or similar plans) in favor of Group employees and/or corporate officers, as well as all share allocations under Company or Group savings plans (or similar plans) and profit-sharing schemes and/or all other forms of share allocation to group employees and/or executive directors;
- ensure the coverage of securities giving rights to the share capital of the Company in accordance with the regulations in force;
- retain the purchased shares and subsequently deliver them as consideration of an exchange or a payment in connection with possible external growth transactions, it being specified that shares acquired for this purpose cannot exceed 5% of the Company's share capital;
- stimulate the secondary market or ensure the liquidity of the Teleperformance share through the activities of an investment service provider under a liquidity agreement compliant with the AMAFI Code of Conduct, as approved by the *Autorité des marchés financiers* (French Financial Markets Authority);
- possibly cancel the shares repurchased pursuant to the authorization granted by the shareholders' meeting held on May 7th, 2015 in its 14th extraordinary resolution;
- carry out, in general, any transaction permitted under current regulations.

Liquidity contract

On January 5th, 2007, the Company entered into a liquidity contract with Oddo Corporate Finance pursuant to the AMAFI Code of Ethics approved by the *Autorité des marchés financiers*, the French financial markets authority. On June 15th, 2015, the Company has decided to make an additional contribution of €3 million, bringing from €2 million to €5 million and to 1,500 shares the assets allocated to the liquidity contract.

As at December 31st, 2015, assets held in the liquidity account were as follows: 19,000 shares and €5,139,377.69.

Share repurchases or reallocations in connection with other objectives

None.

► Summary of the purchase and sale transactions on Company's own shares during 2015

Number of shares purchased	914,992
Average purchase price	€65.3646
Number of shares sold	903,992
Average sale price	€65.6244
Trading costs	€24,000 (excl. taxes)
Number of treasury shares held as of December 31 st , 2015	73,461
Percentage of share capital held by the Company as of December 31 st , 2015	0.13%
Book value of treasury shares held as of December 31 st , 2015*	€2,290,372.30
Market value of treasury shares held as of December 31 st , 2015**	€5,693,227.50
Total nominal value of treasury shares as of December 31 st , 2015	€183,652.50
Number of shares canceled over the last 24 months ⁽¹⁾	58,500

* Book value before impairment.

** Based on closing price as of December 31st, 2015, i.e. €77.50.

(1) No cancellation in 2015.

New share buy-back program

It will be proposed to the general meeting to be held on April 28th, 2016 to renew the authorization for the Company to buy back its own shares on the following terms:

Share buy-back program objectives

- ensure the coverage of stock option plans and/or bonus share plans (or similar plans) in favor of Group employees and/or corporate officers, as well as all share allocations under Company or Group savings plans (or similar plans) and profit-sharing schemes and/or all other forms of share allocation to group employees and/or executive directors;
- ensure the coverage of securities giving right to the share capital pursuant to executive directors;
- retain shares purchased for the purpose of subsequently delivering them as consideration of an exchange or payment in connection with possible external growth transactions; it being specified that the number of shares purchased for this purpose cannot exceed 5% of the Company's share capital;
- stimulate the secondary market or the liquidity of the Teleperformance share through the activities of an investment services provider under a liquidity contract in compliance with the practices authorized by the regulations;
- possibly cancel the repurchased shares, pursuant to the authorization granted by the May 7th, 2015 combined general meeting in its 14th extraordinary resolution;
- carry out, in general, any transaction permitted under current regulations.

Terms of repurchases

These shares purchases may be carried out by any means, including by the acquisition of blocks of trade, and at the times that the Board of Directors shall determine within the limits

and on terms and conditions provided for by applicable law and regulations. The Company retains the right to use optional mechanisms or derivative instruments pursuant to applicable regulations. The maximum portion of share capital that may be transferred by way of a block of trade may be equivalent to the entire share repurchase program. These repurchases shall not be executed during the period of a public offering.

Maximum proportion of share capital, maximum number and characteristics of the shares and maximum purchase price

The maximum percentage of shares which may be repurchased under the authorization proposed to the shareholders' meeting to be held on April 28th, 2016 is set at 10% of the total number of shares comprising the share capital (or 57,201,690 shares as of the date of the present Registration Document), it being specified that this limit shall be applied as of the date of purchase, in order to take account of any transactions that increase or reduce share capital occurring during the term of the program. The number of shares taken into account for the calculation of this limit shall be the number of shares purchased less the number of shares sold during the duration of the program in connection with the liquidity objective.

Given that the Company may not hold more than 10% of its share capital, and as the number of treasury shares held on January 31st, 2016 amounted to 71,461 (i.e., 0.12% of the share capital), the maximum number of shares that can be purchased stands at 5,648,708 representing 9.88% of the share capital unless existing treasury shares are transferred or canceled.

The maximum purchase price proposed to the shareholders' meeting to be held on April 28th, 2016 is set at €100 per share. Therefore, the maximum transaction amount is set at €572,016,900 based on a number of shares of 57,201,690.



Term of the program

In accordance with the resolution which will be submitted for approval to the shareholders' meeting to be held on April 28th, 2016, the share buy-back program will be implemented over a period of 18 months following the date of said meeting expiring on October 27th, 2017.

The Company declares that it complies with the provisions of Article L.225-210 of the French Commercial Code. The Company also agrees to maintain a sufficient float that complies with the thresholds defined by Euronext Paris.

2.2.5 Potential share capital

2.2.5.1 Securities giving access to the Company's share capital

None.

2.2.5.2 Stock options

Options granted by the Company

None.

Options granted by companies controlled by the Company

None.

2.2.5.3 Performance shares granted under no consideration

Pursuant to the authorizations granted by the combined general meetings dated May 31st, 2011 (37th resolution) and May 30th, 2013 (21st resolution), the Company's Board of Directors has implemented several performance share plans for the benefit of some Group employees and corporate officers.

Details of the performance share plans

Performance shares granted under no consideration are subject to a vesting period of two years, for the plans prior to 2013, or three years for the plans implemented as from 2013, running from the date of grant. The definitive grant is subject to the beneficiaries continued presence and achievement of performance criteria. Following the vesting period, depending on the actual increase in indicators set by the Board of Directors, the beneficiaries definitively acquire, depending of the plans regulations, either all, 75% (which only applies to Plan No. 5 dated July 30th, 2013 described below), 50% or none of the shares granted. The shares definitively vested must be retained by the beneficiaries for a period of two years.

Performance shares granted during 2011

Plan dated July 27th, 2011 (Plan No. 1)

At its meeting held on July 27th, 2011, the Board of Directors decided to set up a performance share plan subject to performance criteria, covering a total of 1,099,000 shares, including 929,000 performance shares to 98 employees of the Company and its subsidiaries and 170,000 performance shares to Daniel Julien, Chairman and Chief Executive Officer as of the date of allocation.

The term of the vesting period for this plan is two years.

The Board of Directors has decided that the definitive vesting shall be subject to the fulfillment of performance criteria linked to growth in consolidated revenue and growth in consolidated EBITA. In addition, the Board of Directors has decided that Mr. Julien must retain 30% of the total number of shares vested under this plan until expiry of his term of office.

The Board of Directors noted the fulfillment of said performance criteria at its meeting held on February 26th, 2013. Accordingly, all shares granted were definitively acquired by the beneficiaries who still met the attendance condition on the vesting date, i.e., July 27th, 2013. A total of 1,050,500 existing shares were transferred to the beneficiaries on this date.

Beneficiaries are required to hold the shares for a two-year retention period. This retention period ended on July 27th, 2015.

Plan dated November 30th, 2011 (Plan No. 2)

On November 30th, 2011, the Board of Directors decided to grant 30,500 performance shares for the benefit of 10 employees of certain subsidiaries. The final vesting of these shares is subject to the fulfillment of the aforementioned performance criteria applicable to Plan no. 1 above. The term of the vesting period for this plan is two years.

The Board of Directors noted the fulfillment of said performance criteria at its February 26th, 2013 meeting. Accordingly, all shares granted were definitively acquired by the beneficiaries who still met the attendance condition on the vesting date, *i.e.*, on November 30th, 2013. A total of 23,000 existing shares were transferred to the beneficiaries on this date. Beneficiaries are required to hold the shares for a two-year retention period. This retention period ended on November 30th, 2015.

Performance shares granted during 2012

Plan dated May 29th, 2012 (Plan No. 3)

On May 29th, 2012, the Board of Directors decided to grant 2,000 performance shares of the Company in favor of one employee of a subsidiary, with deferred effect as from the effective date of the beneficiary's employment contract, *i.e.* June 1st, 2012. The final vesting of these shares is subject to fulfillment of performance criteria consisting of the beneficiary's subsidiary achieving budgeted revenues for the 2012 and 2013 financial years. The term of the vesting period for this plan is two years.

The Board of Directors noted the fulfillment of said performance criteria at its meeting held on February 25th, 2014. Accordingly, all shares were definitively acquired by the beneficiary who still met the condition of presence at the vesting date, *i.e.* June 1st, 2014. A total of 2,000 existing shares were transferred to the beneficiary on this date. The beneficiary is required to hold the shares for a two-year retention period (*i.e.* until June 1st, 2016).

Plan dated July 30th, 2012 (Plan No. 4)

At its July 30th, 2012 meeting, the Board of Directors decided to grant 2,000 performance shares of the Company in favor of an employee of a subsidiary. The term of the vesting period for this plan is two years.

The Board of Directors decided to make the definitive vesting of the allotted shares conditional on the achievement of performance criteria consisting of growth in consolidated revenue and growth in consolidated EBITA, the results of which are not published for reasons of confidentiality.

The Board of Directors noted the fulfillment of said performance criteria at its July 28th, 2014 meeting. Accordingly, all shares allocated definitively belong to the beneficiary who still met the condition of presence at the vesting date, *i.e.* July 30th, 2014. A total of 2,000 existing shares were transferred on this date. The beneficiary is required to hold the shares for an additional two-year period (*i.e.* until July 30th, 2016).

Performance shares granted during 2013

Plan dated July 30th, 2013 (Plan No. 5)

At its meeting held on July 30th, 2013, the Board of Directors decided to grant a total of 840,000 performance shares of the Company in favor of 126 beneficiaries. The vesting period for this plan is three years, *i.e.* until July 30th, 2016. The retention period is two years, *i.e.* until July 30th, 2018.

The Board of Directors decided to make the definitive vesting of the performance shares conditional upon the achievement of performance criteria based on achievement at constant exchange rates of 16.0% growth in consolidated revenues and 27.0% in consolidated EBITA for the period from January 1st, 2013 to December 31st, 2015 and ROCE (Return on Capital Employed) of 12.5% as of December 31st, 2015. The number of shares definitively acquired by the beneficiaries is therefore determined as follows:

- 100% of the performance shares will be acquired if the following conditions are cumulatively met: the revenues growth is greater than or equal to 16.0% and the EBITA growth is greater than or equal to 27.0% and the ROCE is greater than or equal to 12.5%.
- 75% of the performance shares will be acquired if the ROCE is greater than or equal to 12.5% and if one of two following conditions is met:
 - The revenues growth is greater than or equal to 14.4% and lower than 16% and the EBITA growth is greater than or equal to 24.3%, or,
 - The revenues growth is greater than or equal to 14.4% and the EBITA growth is greater than or equal to 24.3% and lower than 27%.
- 50% of the performance shares will be acquired if the ROCE is greater than or equal to 12.5% and if one of two following conditions is met:
 - The revenues growth is greater than or equal to 12.8% and lower than 14.4% and the EBITA growth is greater than or equal to 21.6%, or,
 - The revenues growth is greater than or equal to 12.8% and the EBITA growth is greater than or equal to 21.6% and lower than 24.3%.
- No shares will be acquired if one of the three criteria is fulfilled: revenues growth is lower than 12.8% or the EBITA growth is less than 21.6% or the ROCE is less than 12.5%.

It is reminded that, in August 2014, the Teleperformance Group has acquired Aegis USA Inc., which perfectly fits into its long-term strategy and has thus strengthened its position as worldwide leader, by diversifying its portfolio of clients operating in key activity sectors. To the extent that this acquisition could have a temporary negative impact on the ROCE, the Board of Directors at its meeting held on May 7th, 2014, requested that its Remuneration and Appointment Committee study the analysis of such an impact with the help of an independent expert.

Therefore, upon recommendation of the Committee drawn up on the basis of this expert's conclusions, the Board of Directors, at its meeting held on April 8th, 2015, has decided that the completion of the ROCE criterion will be evaluated excluding the Aegis USA Inc. acquisition at the closing of the 2015 financial year and has considered that such decision did not have an impact on the other criteria which remained unchanged.

Furthermore, as the modalities of the long-term incentive plan (see section 3.5.2.4 *Grant of stock options and performance shares to executive directors*) were similar to those set by the Board of Directors for the performance share plan, the latter authorized the company Teleperformance Group Inc. to take a similar decision regarding the conditions of performance of the long-term incentive plan. It is specified that the executive directors which benefited from that plan did not take part to such decision.

The Board of Directors, at its meeting held on February 24th, 2016, has, upon recommendation of the Remuneration and Appointments Committee, examined the achievement of the performance criteria and noted that, taking into account the Group's results, 100% of the performance shares will be acquired by the beneficiaries who still meet the attendance requirement on the vesting date, i.e. on July 30th, 2016.

Performance shares granted during 2014

Plan dated February 25th, 2014 (Plan No. 6)

At its February 25th, 2014 meeting, the Board of Directors decided to grant 22,500 performance shares in favor of one beneficiary. The vesting period for this plan is three years, i.e. until February 25th, 2017. The retention period is two years, i.e. until February 25th, 2019. The definitive vesting of shares is subject to performance criteria based on financial targets of a subsidiary of the Group.

► Synthesis of the performance share plans

	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6
Date of shareholders' meeting	05/31/2011	05/31/2011	05/31/2011	05/31/2011	05/30/2013	05/30/2013
Date of Board meeting	07/27/2011	11/30/2011	05/29/2012	07/30/2012	07/30/2013	02/25/2014
Grant date	07/27/2011	11/30/2011	06/01/2012	07/30/2012	07/30/2013	02/25/2014
Total number of share rights granted	1,099,000	30,500	2,000	2,000	840,000	22,500
Total number of beneficiaries	100	10	1	1	126	1
of which total number granted to executive directors:						
■ Daniel Julien	170,000	-	-	-	-	-
■ Paulo César Salles Vasques*	n/a	-	-	-	-	-
Vesting date	07/27/2013	11/30/2013	06/01/2014	07/30/2014	07/30/2016	02/25/2017
End of lock-in period	07/27/2015	11/30/2015	06/01/2016	07/30/2016	07/30/2018	02/25/2019
Performance criteria	YES	YES	YES	YES	YES	YES
	Existing shares	Existing shares	Existing shares	Existing shares	New or existing shares	New or existing shares
Nature of shares granted						
Total number of share rights cancelled or lapsed	48,500	7,500	-	-	191,000	-
Number of shares definitively vested	1,050,500**	23,000**	2,000***	2,000***	-	-
Number of outstanding rights	-	-	-	-	649,000****	22,500

* Chief Executive Officer since May 30th, 2013.

** The Board of Directors at its meeting held on February 26th, 2013 noted that the performance criteria for these plans had been fully met.

*** The Board of Directors meetings held on February 25th, 2014 and July 28th, 2014 noted that the performance criteria for these plans had been fully met.

**** The Board of Directors at its meeting held on February 24th, 2016, noted that the performance criteria for this plan had been fully met. The shares will definitively belong to the beneficiaries who still meet the condition of presence at the vesting date.

As at December 31st, 2015, based on all plans, there were 671,500 outstanding rights to performance shares that may be acquired by beneficiaries (after deducting acquired shares or canceled shares due to beneficiaries' departures).

With regard to the plans No. 5 of July 30th, 2013 and No. 6 of February 25th, 2014, the vesting of shares may have no dilutive effect in respect of existing shares or, in the case of new shares, may lead to the issue of 671,500 new shares, representing a potential maximum share capital increase of €1,678,750 and a maximum potential dilution of 1.17%.

Performance shares granted to the top ten non-executive employees

No performance shares were granted in 2015.

Performance shares granted by companies controlled by the Company

In 2013, Teleperformance Group Inc., wholly-owned subsidiary of Teleperformance SE, implemented a long-term incentive plan based on Teleperformance SE shares to the benefit of two beneficiaries and involving a total of 300,000 shares. The definitive vesting of shares is subject to conditions of attendance and performance criteria similar to those adopted by the Company's Board of Directors for the July 30th, 2013 plan, described above. The terms of this long-term incentive plan are also described in section 3.5.2.4 *Grant of stock options and performance shares to executive directors* of the 2015 Registration Document.

2.2.6 Changes in share capital over the past five years

Description	Date	Amount			Cumulated share capital	
		Nominal (in euros)	Issue or contribution premium (in euros)	Number of new shares issued/ canceled	Shares	In euros
Share capital at 12/31/2009	06/30/2009	2.50	2,859,682.84	192,701	56,596,048	141,490,120.00
Performance share plan (January 10 th , 2008 plan)	01/11/2010	2.50	n/a	2,000	56,598,048	141,495,120.00
Payment of dividend in shares	07/12/2013	2.50	19,546,431.84	662,142	57,260,190	143,150,475.00
Cancellation of treasury shares	05/07/2014	2.50	n/a	-58,500	57,201,690	143,004,225.00

2.3 Shareholding

2.3.1 Evolution of breakdown of share capital and voting rights

The tables below show the number of shares and corresponding percentages of share capital and voting rights held by the principal known shareholders of Teleperformance SE during the last three financial years.

To the Company's knowledge, no material change occurred between December 31st, 2015 and the filing date of the present Registration Document except concerning the information presented in section 2.3.1.4 below.

2.3.1.1 Breakdown of share capital and voting rights at December 31st, 2015

As of December 31 st , 2015	share capital		theoretical voting rights		actual voting rights	
	number	%	number	%	number	%
NNIP Advisors BV*	3,312,500	5.8%	6,312,500	10.3%	6,312,500	10.4%**
BNP Paribas Asset Management	1,772,700	3.1%	1,772,700	2.9%	1,772,700	2.9%
HSBC Global Asset Management	1,658,200	2.9%	1,658,200	2.7%	1,658,200	2.7%
Tweedy Brown Company, LLC	1,553,500	2.7%	1,553,500	2.5%	1,553,500	2.5%
Dimensional Fund Advisors	1,254,400	2.2%	1,254,400	2.1%	1,254,400	2.1%
Daniel Julien	825,314	1.4%	1,480,628	2.4%	1,480,628	2.4%
Main identified shareholders	10,376,614	18.1%	14,031,928	23.0%	14,031,928	23.0%
other shareholders (public)	46,678,829	81.6%	46,938,258	76.8%	46,938,258	77.0%
treasury shares	146,247	0.3%	146,247	0.2%	0	0.0%
TOTAL	57,201,690	100%	61,116,433	100%	60,970,186	100%

* Controlled by ING Groep NV until May 26th, 2015.

** See section 2.3.1.4

2.3.1.2 Changes in the breakdown of share capital and voting rights in the last three years

At December 31 st	2015			2014			2013		
	number of shares	% shares	% actual voting rights	number of shares	% shares	% actual voting rights	number of shares	% shares	% actual voting rights
NNIP Advisors BV*	3,312,500	5.8%	10.4%**	3,257,800	5.7%	5.6%	3,268,600	5.7%	5.7%
BNP Paribas Asset Management	1,772,700	3.1%	2.9%	882,600	1.5%	1.5%	944,900	1.7%	1.6%
HSBC Global Asset Management	1,658,200	2.9%	2.7%	2,014,200	3.5%	3.5%	1,294,400	2.3%	2.2%
Tweedy Brown Company LLC	1,553,500	2.7%	2.5%	1,962,400	3.4%	3.4%	2,100,000	3.7%	3.7%
Dimensional Funds advisors	1,254,400	2.2%	2.1%	1,206,400	2.1%	2.1%	1,255,700	2.2%	2.2%
Daniel Julien	825,314	1.4%	2.4%	825,314	8.0%	2.4%	827,314	1.4%	2.6%
Main identified shareholders	10,376,614	18.1%	23.0%	10,148,714	17.7%	18.6%	9,690,914	16.9%	18.0%
other shareholders (public)	46,678,829	81.6%	77.0%	46,990,515	82.1%	81.4%	47,445,315	82.9%	82.0%
treasury shares	146,247	0.3%	0.0%	62,461	0.1%	0.0%	123,961	0.2%	0.0%
TOTAL	57,201,690	100%	100%	57,201,690	100%	100%	57,260,190	100%	100%

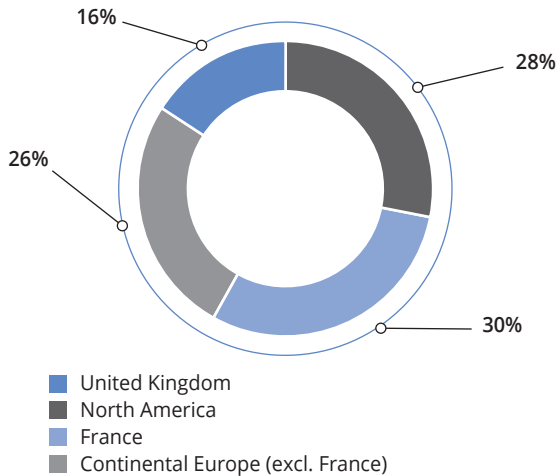
* Controlled by ING Groep NV until May 26th, 2015.

** See section 2.3.1.4

To the Company's knowledge, there is no other shareholder that directly or indirectly, acting alone or in concert, that holds over 5% of the Company's share capital or voting rights.

With regard to the breakdown of the share capital described above, no shareholder, either directly or indirectly, holds the control of the Company within the meaning of Article L.233-3 of the French Commercial Code.

► **Geographical breakdown of institutional shareholders at September 30th, 2015***



* Based on a Teleperformance SE shareholder identity study as of September 30th, 2015, which identified 8,148 shareholders, including 316 institutional investors.

At September 30th, 2015, institutional investors represented 90% of the share capital of the Company compared to 86% the previous year.

2.3.1.3 Company shares held by employees

In accordance with the provisions of Article L.225-102 of the French Commercial Code, as of December 31st, 2015, the employees of the Company and related companies within the meaning of Article L.225-180 of the French Commercial Code hold no share of the Company (it being specified that only the performance shares granted, in accordance with Article L.225-197-1 of the French Commercial Code, to employees, on the basis of an authorization granted after August 7th, 2015, are taken into account in this overview).

2.3.1.4 Major changes in the breakdown of share capital

In accordance with Article L.233-13 of the French Commercial Code, and in light of the information received pursuant to Articles L.233-7 and L.233-12 of said Code, the following threshold crossings occurred during the last three financial years:

Since the end of the last financial year

By letter dated February 22nd, 2016, completed by a letter dated February 23rd, 2016, the company NN Group NV stated,

for regularization purposes, that it crossed upwards, on July 12th, 2015, indirectly through the intermediary of controlled companies, the threshold of 10% of the voting rights of the company and that it held, at the same date, 3,299,144 shares representing 6,421,343 voting rights, *i.e.* 5.77% of the share capital and 10.50% of the voting rights. This crossing resulted from the grant of double voting rights. It is specified that the portion of voting rights exceeding 10% would be temporarily suspended pursuant to the applicable legal provisions. Furthermore, the company NN Group NV indicated that it held, as of February 22nd, 2016, indirectly through the intermediary of controlled companies, 3,291,016 shares of the Company representing 6,413,215 voting rights, *i.e.* 5.75% of the share capital and 10.49% of the voting rights.

By the same letters, a statement of intent has been made whereby the company NN Group NV and the entities members of its group stated, in particular, that they do not consider acquiring additional Teleperformance SE shares and do not consider requesting the appointment of representatives within the board of directors of Teleperformance SE.

The entirety of the statement of intent and the declaration of crossing are available on the website of the *Autorité des marchés financiers* (www.amf-france.org) in the notice n° 216C0551 dated February 24th, 2016.

In 2015

On June 1st, 2015, the Company ING Groep N.V. declared that, on May 26th, 2015, it crossed indirectly, by the intermediary of the Company NN Group N.V., downward the threshold of 5% of share capital and voting rights of the Company and declared that it no longer holds any shares and voting rights. This threshold crossing results from the loss of control of NN Group N.V. by ING Groep N.V.

As of May 26th, 2015, NN Group N.V. held 3,313,678 shares representing as many voting rights, *i.e.* 5.79% of share capital and 5.71% of voting rights of the Company.

In 2014

None.

In 2013

On May 6th, 2013, International Value Advisers LCC, acting on behalf of clients and funds under management, declared that on April 30th, 2013, it passed below the 10% shareholding threshold and held 2,931,258 shares representing the same number of voting rights, *i.e.* 5.18% of share capital and 5.10% of voting rights.

2.3.2 Shareholders' agreements

To the Company's knowledge, as of the date of this Registration Document, there is no agreement between shareholders of the Company.

2.3.3 Change of control of the Company

To the Company's knowledge, no agreement has been entered into that might entail a change of control of the Company if implemented.

2.4 Stock market listing

2.4.1 Listing references

Teleperformance SE shares (ISIN code: FR0000051807, Mnemo: RCF) have been listed on the Paris Stock Exchange (Euronext Paris, Compartment A) since January 18th, 2007.

They are eligible for the deferred settlement service (*service de règlement différé* or SRD) and for stock savings plans (*plan d'épargne en actions*).

Teleperformance SE shares are included in the following indexes: SBF 120, Next 150, CAC Mid 60, CAC All Shares, CAC Mid & Small, CAC Support Services.

Teleperformance SE shares are included in the Services Support sector (2790) according to the ICB European classification since 2012.

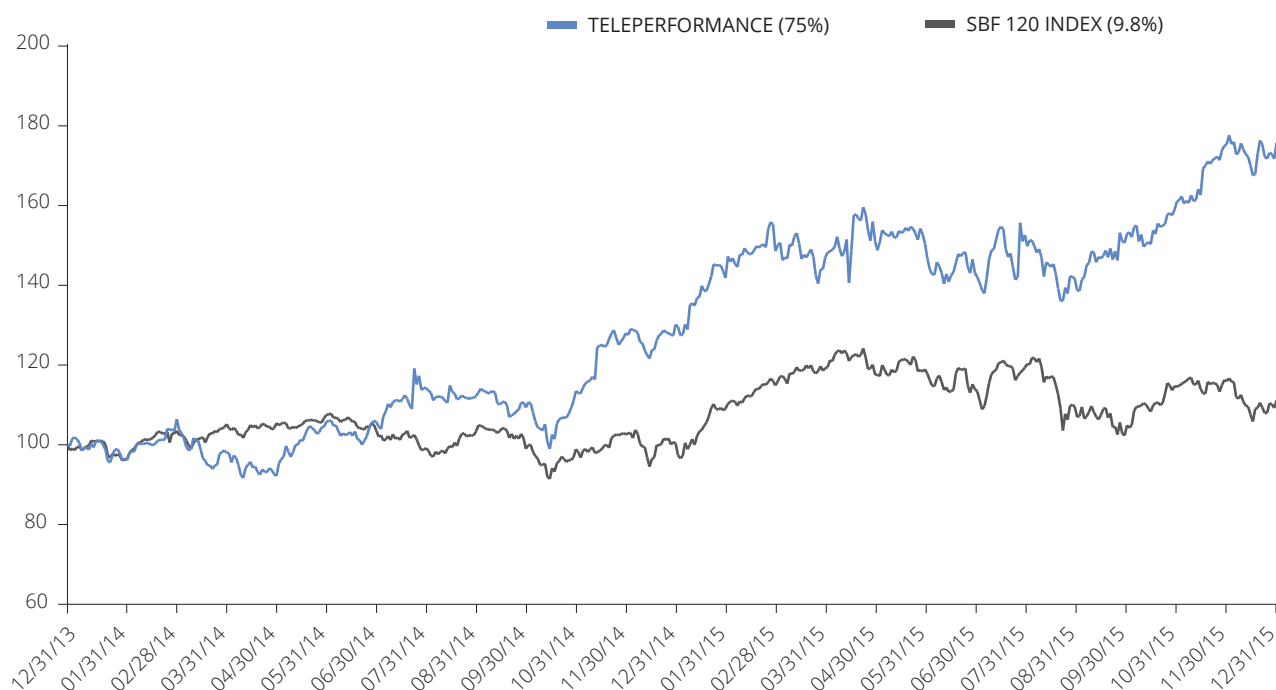
Teleperformance SE shares joined the Euronext Vigeo Eurozone 120 in December 2015, in relation to social and environmental responsibility and corporate governance matters.

2.4.2 Information on traded volumes and share price movements

2.4.2.1 Monthly evolution of the readjusted share prices over the last 18 months (source: Euronext Paris)

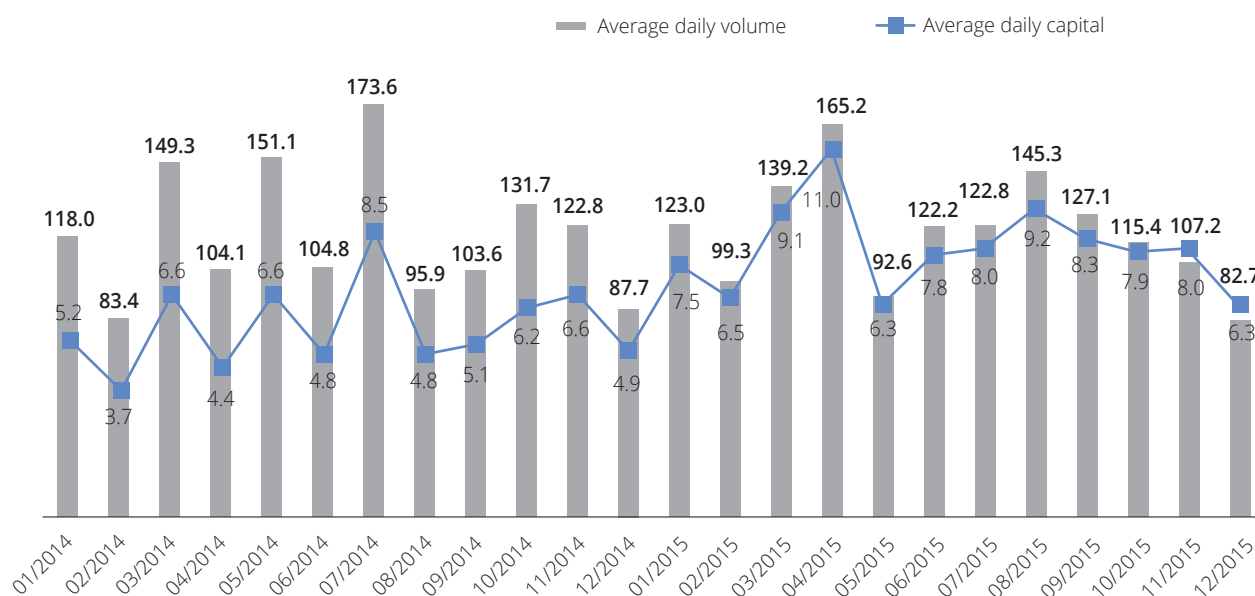
	Highest price (in euros)	Lowest price (in euros)	Closing rate (in euros)	Number of shares traded	Value traded (in euros)	Number of trading sessions
2014						
August	51.95	48.20	49.39	2,014,475	100,411,100	21
September	51.06	47.20	48.98	2,278,757	111,743,800	22
October	50.49	42.71	50.26	3,030,019	141,912,500	23
November	57.45	49.85	56.15	2,455,932	132,910,900	20
December	57.69	53.70	56.43	1,841,249	102,844,100	21
2015						
January	64.79	56.23	63.59	2,582,846	156,872,500	21
February	70.16	62.14	69.03	1,986,725	130,486,500	20
March	70.00	62.12	63.81	3,063,375	200,178,400	22
April	71.00	62.01	66.95	3,304,243	219,845,300	20
May	70.56	64.29	67.06	1,852,306	125,233,500	20
June	68.91	61.00	63.37	2,687,343	172,612,500	22
July	69.85	60.81	67.60	2,824,274	184,285,300	23
August	67.65	56.56	62.76	3,050,473	194,230,400	21
September	69.49	60.74	67.75	2,796,550	182,050,700	22
October	71.97	65.96	71.48	2,538,298	173,359,600	22
November	78.68	70.45	78.66	2,251,782	167,121,700	21
December	79.30	74.01	77.5	1,818,980	139,677,400	22
2016						
January	77.49	70.31	76.78	2,183,800	161,912,000	20

2.4.2.2 Changes in the Company's adjusted share price over 2 years, as compared to the SBF 120 index



2.4.2.3 Adjusted monthly average volumes traded per day

Change in volume (in 000 shares) and capital (in 000,000 €), daily average per month





2.5 Dividends

2.5.1 Dividend pay-out policy

The Board of Directors determines the dividend pay-out policy after review of various criteria including Group and Company earnings and financial situation.

In accordance with the law, unclaimed dividends lapse and are paid over to the State following a five-year period.

2.5.2 Dividends paid in respect of the last five financial years

Dividend for financial year*	Gross dividend per share	Total**	Distribution rate***
2010	€0.33	€18,677,355.84	26%
2011	€0.46	€26,035,102.80	28%
2012	€0.68	€38,486,672.64	30%
2013	€0.80	€45,808,152.00	35%
2014	€0.92	€52,625,554.80	35%

* Paid the following year.

** Including unpaid dividends on the Company's treasury shares posted to "Retained earnings".

*** Calculated on the basis of consolidated net profit.

Dividends distributed for the last three financial years were eligible for a 40% tax allowance.

It is reminded that the shareholders' meeting held on May 30th, 2013 approved, by its fourth resolution, the option to pay out the 2012 dividend either in cash or in Teleperformance shares. The period during which shareholders were able to opt between dividend pay-out in cash or in shares was extended from June 6th, 2013 to June 21st, 2013 inclusive. Following this period, the dividend pay-out in shares option resulted in the issue of 662,142 new shares each with a par value of €2.50,

which increased the share capital by a total nominal amount of €1,655,355.

In addition, the shareholders' meeting held on May 7th, 2014 fixed the gross amount of the 2013 dividend at €0.80 per share and the shareholders' meeting held on May 7th, 2015 fixed the gross amount of the 2014 dividend at €0.92 per share.

It is specified that the Board of Directors has decided to propose at the shareholders' meeting to be held on April 28th, 2016 to fix the gross amount of dividend for 2015 at €1.20 per share.

2.6 Financial communication

2.6.1 Financial communication policy

The Group is committed to maintaining a sustainable and trust-based relationship with all shareholders, including French and foreign individuals and institutional investors. The duties of the Group's investor relations team are to facilitate access to information regarding the Group's earnings, outlook and strategic developments.

To that end, and in order to ensure ongoing clarity and transparency, a number of dedicated documents have been set up and frequent meetings are organized throughout the year with the financial community.

The Group, which has signed the United Nations global charter, is also committed to informing the market of its policy in terms of social and environmental responsibility and has dedicated a whole section of this report (pages 97 to 126) to these topics.

A key feature of 2015 was the Group's continued efforts to improve the quality of its communication to the financial community.

This improvement initiative was recognized in October 2015 in Paris when it received the Transparency Award for the third consecutive year, in the *Consumer Services* category. In November 2015, the *Investor Relations* section of the Group's Internet site was also recognized in the classification of the best company sites in the SBF120 index. Lastly, the Company was listed in the top quartile of the Europe Services Business category in the Extel classification of the best investor relations.

The efforts of information and the initiatives taken by the Group in 2015 in terms of social and environmental responsibility and of corporate governance matters were rewarded by the integration in December 2015 of Teleperformance in the Euronext Vigeo Eurozone 120 which comprises all the companies more advanced in this matter.

2.6.2 Dedicated information accessible to all shareholders

The financial information and many dedicated documents are made available online to all shareholders in the *Investor Relations* section of the Teleperformance's website (www.teleperformance.com), which is an extensive database of the Group's financial communication.

This information includes:

- all financial and strategic information provided to the financial markets and Group shareholders: quarterly information, press releases, audio and video recordings and broadcasts of result presentations and conferences on dedicated topics, letters to shareholders;
- all regulated information circulated in compliance with the European Transparency Obligations directive of December 15th, 2004, which includes the Registration Document including the annual financial report and the half-

yearly report, filed with the French financial markets authority (*Autorité des marchés financiers*), the articles of association and information concerning corporate governance;

- the documents relating to the general meeting of shareholders (notice of meeting, draft resolutions, ballot paper, meeting brochure).

These documents can be sent by mail, on request or on the Group Internet site, or from the Investor Relations Department by email, telephone or mail.

The legal information (articles of association, minutes of general shareholders' meetings, statutory auditors' reports) can be consulted at the head office.

Furthermore, the Group regularly publishes financial advertising on its results and notices of shareholder general meetings in the national press.



2.6.3 Regular meetings with institutional investors and financial analysts

The investor relations team, together with various senior Group executives and in compliance with best practices in communication, regularly holds information meetings with institutional investors and financial analysts, including SRI (*socially responsible investing*) specialists, in France and abroad.

Every quarter, the Group presents its results and/or revenues to the financial community via:

- a conference call to present Q1 and Q3 revenues and a conference webcast for H1 results when senior management presents an update of operations during the period and answers questions from investors and analysts;

- a conference held in Paris on release of the annual results, with live streaming and subsequent download facility on the Group's website.

In addition, numerous meetings are organized throughout the year between Group senior management and the financial community: meetings, telephone conferences, site visits, investor roadshows and thematic conferences comprising in particular European companies of the corporate services and business process outsourcing sector, on the main financial markets in Europe and the USA.

In 2015, Teleperformance has thus organized more than 250 meetings as well as site visits for its shareholders, in Greece with the visit of a multilingual hub located in Athens, and in the United Kingdom with the visit of a Visa application management center located in London.

2.6.4 Shareholders' meetings

The annual shareholders' meeting, which took place in 2015 in the Etoile Saint-Honoré conference center in Paris, is a key moment of dialog between the shareholders and the management of the Group for an update on operations during the year. It is also, for the shareholders, the opportunity to play an active role through their vote, in the life of the Group.

Convening of shareholders' meetings, drafting and publication of agendas as well as rules for participation to general meetings are presented in section 2.1.2.4 *Shareholders' meetings*.

For the shareholders' meeting held in 2016, it will be proposed to the shareholders the possibility, in addition to the usual voting modalities, to vote before the meeting or to give power of representation, *via* Votaccess, online voting platform. This platform is available to registered shareholders as well as to shareholders having subscribed to online services offered by their financial institution if the latter offers the access to the Votaccess platform.

The investor relations team is also available to guide shareholders through the various attendance and voting procedures.

2.6.5 Registration of securities in the holder's name

Teleperformance SE offers its shareholders the benefit of direct registration of their securities in their names, which confers the following advantages:

No management fees

Registered shareholders are fully exempted from custody fees, as well as from the expenses inherent to the day-to-day management of their securities such as conversion into bearer securities, the transfer of securities, changes of legal status (transfers, donations, inheritance, etc.), securities transactions (capital increase, share allotments, etc.) and the payment of dividends.

Guaranteed personalized information

Registered shareholders are guaranteed personalized information regarding:

- notices to attend general meetings, with systematic dispatch of the meeting notice, single postal voting form and proxy voting form, admission card request form and the statutory information documents;
- the management of securities, taxation and the organization of the general meeting.

Furthermore, an online service is available to them to consult their share account and pass their market orders: www.planetshares.bnpparibas.com

Easier access to the shareholders' meeting

Similarly to all the Company's shareholders, registered shareholders are automatically called to attend the shareholders' meeting and benefit from the advantage of not being required to make a prior application for an attendance certificate in order to vote.

For the shareholders' meeting held in 2016, in addition to the usual voting modalities, the registered shareholders will have the possibility to vote before the meeting or to give proxy, *via* Votaccess, an online voting platform.

Registration modalities

In order to convert your securities into direct registered securities or to receive more information regarding security registration, please contact:

BNP Paribas Securities Services
Corporate Trust Services
Grands moulins de Pantin
9, rue du débarcadère
93761 Pantin cedex - France
Telephone: +33 1 57 43 02 30
Email: paris.bp2s.registered.shareholders@bnpparibas.com

2.6.6 Indicative schedule for financial publications

Q1 2016 Revenues	April 26 th , 2016
Shareholders' meeting	April 28 th , 2016
Ex-dividend date	May 16 th , 2016
Dividend payment	May 18 th , 2016
2016 half-year results	July 27 th , 2016
Q3 2016 Revenues	November 14 th , 2016

2.6.7 Contact

Teleperformance SE
Investor Relations Department
21-25 rue Balzac – 75008 Paris, France
Tel.: +33 1 53 83 59 87
Email: investor@teleperformance.com



3

Corporate Governance

3.1	The Board of Directors	50	3.5	Remuneration of directors and executive directors	82
3.1.1	Composition of the Board of Directors	50	3.5.1	Remuneration of directors	82
3.1.2	Organization and Functioning	61	3.5.2	Remuneration of executive directors	84
3.2	The Executive Management	63	3.5.3	Remuneration elements due or granted to each executive director of the Company in respect of the 2015 financial year, submitted to the vote of the shareholders	90
3.3	Report of the Chairman of the Board of Directors on the conditions for preparing and organizing the Board's works and on the risk management and internal control procedures	64	3.6	Transactions on Company's shares	93
3.3.1	Conditions for preparing and organizing the works of the Board of Directors – Corporate governance	64	3.6.1	Code of Conduct relating to securities transactions	93
3.3.2	Risk management and internal control procedures	72	3.6.2	Determination of black-out periods	93
3.4	Statutory auditors' report prepared in accordance with Article L.225-235 of the French Commercial Code on the report of the Chairman of the Board of Directors	81	3.6.3	Prohibition of hedging transactions	94
			3.6.4	Summary of securities transactions carried out during the 2015 financial year	94
			3.7	Regulated agreements and commitments	95
			3.7.1	Regulated agreements and commitments	95
			3.7.2	Statutory auditors' special report on regulated agreements and commitments	95

3.1 *The Board of Directors*

The combined shareholders' meeting held on May 31st, 2011 approved the Company's change of its governance from a two-level structure consisting of a Supervisory board and a Management board to a single governance structure consisting of a Board of Directors.

With the aim of implementing a proper governance, at its meeting held on May 30th, 2013, the Board of Directors decided to separate the roles of Chairman of the Board and Chief Executive Officer. On the same date, it decided to set up a 3-year handover period between Daniel Julien, founder and Chairman of the Board with an executive role within the Group and Paulo César Salles Vasques was appointed Chief Executive Officer.

This governance enables a clear distinction between strategic, decision-making and supervisory functions, which fall under the Board's remit, and operational and executive functions, which are the responsibility of the executive management. This structure is described in the report of the Chairman of the Board on the conditions for preparing and organizing the Board's work and on the risk management and internal control procedures described in section 3.3.1.2 of the Registration Document for 2015.

3.1.1 Composition of the Board of Directors

In accordance with the AFEP-MEDEF Corporate Governance Code for listed companies (the "AFEP-MEDEF Code"), the Board of Directors strives to comprise a majority of independent directors among its members. The classification as an independent director is reviewed by the Board every year, prior to the publication of the Registration Document. The Board adopts resolutions upon recommendation of the Remuneration and Appointments Committee. To qualify a director as independent, and prevent the risk of a conflict of interest between such director and executive management, the Company or the Group, the Committee and the Board review this quality in light of the following independence criteria of the AFEP-MEDEF Code:

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

Directors who represent major shareholders who do not have any control in the Company are assumed to be independent if the shareholders they represent do not hold over 10% of the share capital and voting rights. Above this 10% threshold, the Board has to decide on their independence, upon recommendation of the Remuneration and Appointments Committee.

For the purposes of interpreting this paragraph:

- the Group includes the Company and any related company;
- a related company is any company that controls the Company, or any company controlled by the Company;
- control is understood within the meaning of Article L.233-3 of the French Commercial Code;
- an executive director is any person who has been appointed as a member of a corporate body (Management Board, Supervisory Board or Board of Directors) and any person appointed to a Senior Management position.

The Board may consider that a given member who fulfills the above independence criteria should not, however, be classified as independent given their specific situation or that of the Company, and vice versa.

Term of office

Pursuant to the provisions of Article 14 of the articles of association, directors are appointed for a three-year term, which expires at the end of the ordinary shareholders' meeting called to approve the financial statements for the year ended and held in the year in which the appointment expires. Directors may be re-elected.

The ordinary shareholders' meeting may appoint one or several directors for a two-year term, on an exceptional basis, and solely to enable the implementation or continuation of the staggering of directors' terms. The Board of Directors shall seek to propose the appointment or re-appointment of directors to the ordinary shareholders' meeting on a rolling basis, in order to avoid the simultaneous expiry of all of the directors' terms.

3.1.1.1 List of directors in office as of December 31st, 2015

In accordance with the recommendations of the AFEP-MEDEF Code, the majority of directors are independent. The Board of Directors currently consists of 14 directors, 8 of whom are independent, *i.e.*, 57%.

The Board of Directors met 5 times in 2015, including a three-day seminar held for the purpose of reviewing operating strategy. The attendance rate at the Board of Directors' meetings was 96% (see table page 68).

Name	Position	Age	Date of first appointment* and last renewal	Expiry of term**	Member of a Committee	Number of shares at 12/31/2015
Daniel Julien ⁽¹⁾	Chairman of the Board of Directors	63	5/31/2011 5/07/2015	2018 AGM	-	825,314
Paulo César Salles Vasques ⁽¹⁾	Director and Chief Executive Officer	46	5/30/2013	2016 AGM	-	65,000
Emily Abrera ⁽¹⁾⁽²⁾	Director	68	BD 11/27/2012 5/07/2015	2018 AGM	-	1,000
Daniel Bergstein ⁽¹⁾	Director	72	5/31/2011 5/07/2015	2017 AGM	-	2,000
Alain Boulet ⁽²⁾	Director	66	5/31/2011 5/30/2013	2016 AGM	Audit Committee	1,000
Bernard Canetti ⁽²⁾	Director	66	5/31/2011 5/30/2013	2016 AGM	Audit Committee (Chairman)	1,000
Philippe Dominati	Director	61	5/31/2011 5/07/2015	2017 AGM	-	1,000
Philippe Ginestie	Director	73	5/31/2011 5/07/2015	2018 AGM	Remuneration and Appointments Committee	2,789
Jean Guez	Director	70	5/31/2011 5/07/2015	2018 AGM	Audit Committee	1,000
Robert Paszczak ⁽¹⁾⁽²⁾	Director	65	5/31/2011 5/30/2013	2016 AGM	Remuneration and Appointments Committee (Chairman)	1,014
Mario Sciacca ⁽¹⁾⁽²⁾	Director	73	5/31/2011 5/30/2013	2016 AGM	Audit Committee	1,000
Christobel Selecky ⁽¹⁾⁽²⁾	Director	60	5/07/2014	2017 AGM	-	1,000
Angela Maria Sierra-Moreno ⁽¹⁾⁽²⁾	Director	61	5/07/2014	2017 AGM	-	1,000
Stephen Winningham ⁽¹⁾⁽²⁾	Director	66	5/31/2011 5/30/2013	2016 AGM	Remuneration and Appointments Committee	1,000

* The date indicated is the date of the first appointment as director following the change in the Company's governance from a structure with a Management Board and a Supervisory Board to a Board of Directors, as adopted by the combined shareholders' meeting held on May 31st, 2011.

** The Company has adopted a system of staggering directors' appointments, which explains why expiry dates vary.

(1) Non-French director.

(2) Independent director.

For the purposes of their appointments, the directors and the executive management are domiciled at the Company's registered office.



Independent directors

The Board of Directors, at its meeting held on February 25th, 2015, reviewed the independence of its members and confirmed that Ms Emily Abrera, Christobel Selecky and Angela Maria Sierra-Moreno as well as Messrs. Alain Boulet, Bernard Canetti, Robert Paszczak, Mario Sciacca and Stephen Wittingham had the status of independent directors as defined by the AFEP-MEDF Code to which the Company refers and by the Board's internal regulations. The Board thus comprises 8 independent directors out of 14, representing 57% and therefore continues to comply with the AFEP-MEDF recommendations.

At its meeting held on February 24th, 2016, the Board reviewed the independence of its members and confirmed that the same directors continue to have this quality.

3.1.1.2 Main activities exercised by directors in office

Daniel Julien

Chairman of the Board of Directors

French and US nationalities

Daniel Julien was born on December 23rd, 1952, and holds an Economics Degree from Paris X University. In 1978, he founded the Teleperformance telemarketing company in a Paris office with only ten telephone lines, at the age of 25. By 1985, only a few years later, a series of organic growth transactions and acquisitions had boosted Teleperformance to the position of market leader in France. The Group opened subsidiaries in Belgium and Italy the following year. In 1988, the Group continued its European development by adding subsidiaries in Spain, Germany, Sweden and the United Kingdom, and in 1995 it became the European market leader. In 1993, under the leadership of its founder, the Group continued its international expansion by opening a call center in the United States, followed by Asia in 1996 and then Latin America, including Mexico in 2002 and Argentina and Brazil in 2004. The Group founded by Daniel Julien has been the global leader in the customer relations management market since 2007.

Daniel Julien was Chairman of the Management Board of the Company and then Chairman and CEO from May 2011 to May 2013. He was appointed Chairman of the Board of Directors on May 30th, 2013, following the separation of the positions of Chairman of the Board and Chief Executive Officer, in order to comply with the corporate governance recommendations as fully as possible and begin the process of handing over the reins to the next generation. In order to ensure a smooth transition, the Board unanimously asked Daniel Julien to remain fully involved and to retain his executive role at Teleperformance Group Inc. (operational headquarters in the United States) under the same conditions. Since the same date, he has an executive role within the Group in addition to his responsibilities and missions due to his office as Chairman of the Board. Since June 2013, as Executive Chairman, Daniel Julien has been actively passing on to Paulo César Salles Vasques his in-depth knowledge of the

Group and the specific features of its regions and management teams, as well as the knowledge of world markets that he has acquired over 38 years.

Current directorships

Teleperformance Group

- *Chairman of the Board and Co-Chief Executive Officer of Teleperformance Group Inc. (USA)*

Other

- *Director of Frens Inmobiliaria, S.A. de C.V. (Mexico)*
- *Director of DJ Plus Operadora Inmobiliaria, S. de R.L. de C.V. (Mexico)*
- *Director of DJ Plus S. de R.L. de C.V. (Mexico)*

Directorships expired within the last five years

Teleperformance Group

- *Chairman of the Board of Directors, Chairman of the Supervisory Board and Chief Executive Officer of Teleperformance SA*
- *Director of French and overseas subsidiaries of the Teleperformance Group*

Other

None.

Paulo César Salles Vasques

Director and Chief Executive Officer

Brazilian nationality

Paulo César Salles Vasques was born on November 6th, 1969. He holds a Degree in Chemical Engineering from Mackenzie University in São Paulo, Brazil, and a Postgraduate Degree in Management, with specialization in Marketing, from the Getúlio Vargas Foundation in São Paulo.

Paulo César Salles Vasques has acquired a wealth of experience over 15 years spent in the world of call centers with major companies including Contax S.A (Oi), CSU CardSystem SA, White Martins, Liquid Carbonic, Air Product and Teleperformance.

He joined the Teleperformance Group in 2005 and, as Chief Executive Officer of Teleperformance Brazil, succeeded in building one of the Group's most outstanding operating units in just a few years. Mr. Salles Vasques was appointed a member of the Management Board of the Company in January 2010. He was appointed director and Chief Executive Officer on May 30th, 2013.

Current directorships

Teleperformance Group

- *Chairman of Teleperformance CRM S.A. (Brazil)*
- *Director and Co-Chief Executive Officer of Teleperformance Group Inc. (USA)*
- *Director of SPCC, Sao Paulo Contact Center Ltda (Brazil)*

Other

None.

Directorships expired within the last five years

Teleperformance Group

- Member of the Management Board of Teleperformance SA
- Director of Citytech S.A. (Argentina)
- Chairman of SPCC, Sao Paulo Contact Center Ltda (Brazil)

Other

None.

Emily Abrera

Independent Director

Philippine nationality

Emily Abrera was born on August 6th, 1947, and holds a degree in Journalism and Mass Communications at the University of the Philippines. In 1979 Emily Abrera joined the Philippine subsidiary of McCann Erickson, a global advertising communications group, as creative director. She was appointed President in 1992, and became Chairman and Chief Executive Officer of the Company in 1999. Her exemplary management contributed to the agency's success and sustained leadership in a highly competitive environment. After retiring in May 2004, Ms. Abrera served as Chairman of McCann Worldgroup Asia-Pacific from 2008 to 2010, as well as Chairman Emeritus of McCann Worldgroup in the Philippines.

Ms. Abrera is involved in a number of public interest causes which include literacy, children's and women's rights and protection of the environment. She serves as Chairman of the Board of the Philippine Cultural Center since 2006 and the Children's Hour Philippines organization since 2009. She is also a Board member of the Philippine Eagle Foundation, the Philippine Board on Books for Young People and the Philippine Cancer Society.

Emily Abrera was co-opted to the Board of Directors of the Company on November 27th, 2012. This appointment (*cooptation*) was ratified by the shareholders' meeting held on May 30th, 2013.

Current directorships

Teleperformance Group

None.

Other

- Chairwoman of the Foundation for Communication Initiatives (Philippines)
- Chairwoman of the Board of CCI Asia
- Director of Pioneer Insurance
- Director of Splash Corporation

Directorships expired within the last five years

Teleperformance Group

None.

Other

- President of the Board of McCann Worldgroup Asia-Pacific Region
- Director of Aboitiz Transport Corporation and Bank of the Philippine Islands (BPI)

Daniel Bergstein

Director

US nationality

Daniel Bergstein was born on May 1st, 1943, and holds a Master's Degree from the City University of New York and a Ph.D. in Law from Brooklyn University (United States). Until 2010, Daniel Bergstein was a partner in the New York office of Paul Hastings, a major international law firm, specializing in corporate finance, mergers and acquisitions. Since 1992, Mr. Bergstein has been an active investor in private equity and has been a founder or co-founder of several successful companies in the cable television, cell tower, data centers, rural telephony and fiber businesses. Fairpoint communications which Mr. Bergstein co-founded grew up to be one of the ten largest rural telephony companies and publicly traded and was ultimately listed on the New York Stock Exchange. Suddenlink Communications, which Mr. Bergstein co-founded, has grown to be the seventh largest cable company in the United States and Tierpoint LLC has grown to become a significant data center provider in the U.S. In 2014, JED Communications Associates Inc., Mr. Bergstein's principal investment vehicle, acquired 100% of the issued and outstanding stock of Varcode Ltd. and commenced the process of refinancing and restructuring Varcode's activities. Daniel Bergstein was appointed to the Supervisory Board of the Company in September 2002, and was appointed director, following the change in the governance structure adopted by the shareholders' meeting held on May 31st, 2011.

Current directorships

Teleperformance Group

- Director of Teleperformance Group Inc. (USA)

Other

- President of JED Communications Associates, Inc. (USA)
- Chairman of Varcode Ltd (USA)

Directorships expired within the last five years

Teleperformance Group

- Chairman of the Supervisory Board of Teleperformance SA

Other

- Partner at Paul Hastings LLP (USA)
- Director of Cebridge connections LLC & Towervision Ltd (USA)
- Director of Cequel Data Center LLC (USA)
- Director of Cequel III LLC (USA)
- Director of Foundation Fighting Blindness (USA)



Alain Boulet

Independent Director and member of the Audit Committee

French nationality

Alain Boulet was born on June 24th, 1949, and holds a Degree in Psychology from Nanterre University. In 1986, he became the founding Chairman of the ONE agency. He became Chairman of the SR Marketing Services group in 2003.

As a specialist of Relationship Marketing, data processing and analysis, he works, since 2008, as a web marketing consultant for companies integrating e-commerce in their marketing and sales approach.

He was appointed director of the Company on May 31st, 2011.

Current directorships

Teleperformance Group

None.

Other

None.

Directorships expired within the last five years

Teleperformance Group

None.

Other

None.

Bernard Canetti

Independent Director and Chairman of the Audit Committee

French nationality

Bernard Canetti was born on May 7th, 1949, and graduated from the ESCP Europe Business School in 1972. Bernard Canetti's career has been focused on publishing and innovation. He was Chief Executive Officer of Éditions Robert Laffont's mail-order business until 1984, when he joined the Guilde Internationale du Disque, which he merged with the Editions Atlas group in 1986. As CEO, then Chairman and CEO, over 25 years he turned the Company into a profitable and powerful group operating in 29 countries and market leader for online and mail-order sales of cultural collections and mass-market textile products. In 2010, he founds *Comme J'aime* and becomes the Company's Chairman. *Comme J'aime* is currently the leader in France of nutritional re-education programs for overweight people. At the end of 2012, he repurchases the *Centre Européen de Formation* (European Training Centre) and becomes the Company's Chairman. He transforms the Company into one of the main private establishments providing remote professional training and correspondence courses on the French market. In 2015, he sets up and presides over Xynergy Group, a holding company which owns and manages *Comme J'aime* and the *Centre européen de Formation*.

Bernard Canetti was appointed to the Supervisory Board of the Company on June 23rd, 2005, and became a director on May 31st, 2011, following the change in the governance structure adopted by the shareholders' meeting.

Current directorships

Teleperformance Group

None.

Other

- *Chairman* of Comme J'aime SAS (France)
- *Chairman* of Centre Européen de Formation SAS (France)
- *Chairman* of Xynergy Groupe SAS (France)
- *Director* of Productions Jacques Canetti and Editions Majestic (France)

Directorships expired within the last five years

Teleperformance Group

- *Member of the Supervisory Board* of Teleperformance SA

Other

- *Chairman* of Provea SAS, Éditions Atlas SAS and Éditions Atlas Inc.
- *Director* of Marathon SAS

Philippe Dominati

Director

French nationality

Philippe Dominati was born on April 12th, 1954, and holds a Degree in Law from Paris II-Assas University and a Degree in Political Science from Metz University.

Philippe Dominati was a Councilor in Paris (8th District) from 1989 to 2001 and a Regional Councilor for Ile-de-France (Paris region) from 1992 to 2004. He has been senator from Paris and a member of the French Finance Commission since September 2004. Philippe Dominati chaired the Senatorial Investigation Committee on the flight of capital and assets from France.

He was appointed to the Supervisory Board of the Company in June 1996, and became a director on May 31st, 2011, following the change in the governance structure adopted by the shareholders' meeting.

Current directorships

Teleperformance Group

- *Chairman of the Supervisory Board* of Teleperformance France SAS (France)

Other

- *Manager* of Isado SARL (France)
- *Manager* of Trocadéro SCP (France)

Directorships expired within the last five years

Teleperformance Group

- *Member of the Supervisory Board* of Teleperformance SA

Other

- *Director* of Caisse d'Épargne SLE Paris-Ouest

Philippe Ginestié

Director and member of the Remuneration and Appointments Committee

French nationality

Philippe Ginestié was born on January 1st, 1943, and is a graduate of the HEC Business School, Harvard Business School and Harvard Law School. He also holds a Higher Diploma in Law and a Higher Diploma in Economics from Montpellier University.

From 1967 to 1968, he taught at the law faculty of La Paz (Bolivia). He was a member of the Peat Marwick Mitchell group's legal and tax department from 1969 to 1971. Philippe Ginestié founded the Ginestié legal advisory firm in 1973. In 1982, the firm became Ginestié-Paley-Vincent and then Ginestié-Magellan-Paley-Vincent in 2005. He was the majority shareholder of Dictionnaires Le Robert from 1978 to 1981.

He also specializes in the application of artificial intelligence to contracts. In 2002, he founded Ginerativ, a company that specializes in developing contract and complex contractual framework management systems.

Philippe Ginestié was appointed to the Supervisory Board of the Company on June 2nd, 2010, and became a director on May 31st, 2011, following the change in the governance structure adopted by the shareholders' meeting.

Current directorships

Teleperformance Group

None.

Other

- Director of Cotrafi
- Director of Gontrand Hong Kong (China)
- Manager of Ginerativ EURL (France)
- Manager of SCI Château de Montaren (France)
- Joint-manager of GMG SARL (France)

Directorships expired within the last five years

Teleperformance Group

- Member of the Supervisory Board of Teleperformance SA

Other

- Member of the Supervisory Board of Aurel Leven and NextStage Private Equity
- Director of Dynaction and CG Group

Jean Guez

Director and member of the Audit Committee

French nationality

Jean Guez was born on November 25th, 1945, and is a graduate of the Montpellier Business School and the Paris Institute of Corporate Administration. He also holds a Degree in Chartered Accountancy. From October 1967, he worked as a trainee

chartered accountant at SETEC (Paris), and then at Peat Marwick Mitchell (KPMG) from December 1968. In 1972, after qualifying as a chartered accountant and statutory auditor, he joined SO.CO.GE.RE as Chief Executive Officer, a position he held until 1982, when he joined Sofintex as a Managing Partner. He then became a partner of the BDO France group in 2000, and then of the Deloitte group in 2006. He is currently a Managing Partner at Conseil CSA.

Jean Guez was appointed to the Supervisory Board of the Company on January 29th, 2010, and became a director on May 31st, 2011, following the change in the governance structure adopted by the shareholders' meeting.

Current directorships

Teleperformance Group

- Director of Société Tunisienne de Telemarketing (Tunisia)
- Director of S.M.T. SA (Tunisia)
- Director of SAMAC SA (Morocco)
- Director of LCC (Luxemburg)

Other

- Manager of Cabinet SCA
- Co-manager of SCI Sinimmo

Directorships expired within the last five years

Teleperformance Group

- Member of the Supervisory Board of Teleperformance SA

Other

- Director of Société fiduciaire d'expertise comptable de gestion et de révision

Robert Paszczak

Independent Director and Chairman of the Remuneration and Appointments Committee

US nationality

Born on August 10th, 1950, Robert Paszczak received a degree in Finance at Northern Illinois University (United States) in 1972. Having risen through the ranks in a national commercial finance company, he became Vice-President of the Gary-Wheaton Bank group in 1981, and then became the director of commercial lending in 1982, a position he held until 1991, when he was appointed director of the Gary-Wheaton Corporation. In 1993, following the acquisition of Gary-Wheaton Bank by First National Bank of Chicago, he continued to serve as Vice-President in charge of commercial banking of Gary-Wheaton Bank. As a result of mergers, between 1995 and 2009, he held successive positions as senior Vice-President at First National Bank of Chicago, American National Bank & Trust Company of Chicago, Bank One Corporation and JP Morgan Chase Bank. He was appointed vice-Chairman of Wheaton Bank & Trust (Wintrust Financial) in March 2010, and became Chairman of the Board in 2013. Robert Paszczak is very involved in charitable organizations.

Robert Paszczak was appointed to the Supervisory Board of the Company on June 2nd, 2010, and has been a director since May 31st, 2011, following the change in the governance structure adopted by the shareholders' meeting.

Current directorships

Teleperformance Group

None.

Other

- *Chairman of the Board* of Wheaton Bank and Trust (Wintrust Group) (USA)
- *Director* of Euclid Beverage (USA)

Directorships expired within the last five years

Teleperformance Group

- *Member of the Supervisory Board* of Teleperformance SA

Other

None.

Mario Sciacca

Independent Director and member of the Audit Committee

Italian nationality

Mario Sciacca was born on January 25th, 1943, and is one of the leading European experts in below-the-line marketing (sales promotions, incentive events, direct marketing, web and digital marketing). He began his career organizing conferences and conventions, and in 1970, he joined the E.F. MacDonald group in Dayton (Ohio), which was the global leader in sales promotions at that time. He was appointed Chief Executive Officer of the group's Italian subsidiary in 1972, and then became deputy director and a member of the European Board in 1973. He left E.F. MacDonald in 1978 to take over a small incentives agency, Promoplan. Promoplan became the Italian BTL market leader in five years through organic growth and acquisitions, as well as a major European player.

Since the 1980s, Mario Sciacca has been involved in the expansion of professional sales promotion organizations. Since 2000, he has been a Board member of Assocomunicazione, the Italian communications industry association. In 2010, he became Chairman of Shux Srl, a luxury goods retail website, and was Vice-Chairman of Next Group SpA and of B2U srl, one of the main Italian operators in the events, sales promotion and customer loyalty market.

Mario Sciacca was appointed to the Supervisory Board of the Company on January 29th, 2010, and has been a director since May 31st, 2011, following the change in the governance structure of the Company.

Current directorships

Teleperformance Group

None.

Other

None.

Directorships expired within the last five years

Teleperformance Group

- *Member of the Supervisory Board* of Teleperformance SA

Other

- *Vice Chairman* of Jakala group and B2U SRL Milan-Italy
- *Chairman* of Catitutura Spa, Gala Events Srl, JP Solutions, Shux-LE Srl, Next Spa Rome-Italy and Next Group

Christobel Selecky

Independent Director

US nationality

Christobel Selecky was born on March 9th, 1955, and holds a Bachelor's Degree in Political Science and Philosophy from the University of Delaware (United States) and a Masters' Degree in Public Relations and Communications from Syracuse University (New York). Ms. Selecky has over 30 years' experience in the healthcare sector as a director, manager and company founder. In 1981, she joined FHP International Corporation, a NASDAQ-listed company that administered managed healthcare plans, operated medical and dental clinics, hospitals, and pharmacies, and sold health and workers compensation insurance. She became the President of FHP's largest business unit, the California Health Plan, with US\$2 billion in annual revenues serving more than 1 million Medicare, Medicaid, and Commercial health plan members. In 1996, she became co-founder, Chairman, and Chief Executive Officer of LifeMasters Supported Selfcare Inc., a company that provided outsourced, call center-based disease and care management services as part of health care plans and benefits granted by employers, and by public sector employee retirement schemes, unions and trusts. The Company provided its services to more than 1 million people in the United States. She has been working as an independent consultant since 2010, and provides strategic advice and recommendations to teams of managers and investors involved or seeking to become involved in the healthcare sector at both national and international level.

Ms. Selecky also serves on the Board of Directors and chairs the Quality and Compliance Committee of American Specialty Health, a \$200+ million privately held, national for-profit healthcare services company providing specialty network management and population health management programs to more than 30 million individuals through self-funded employers and health plans. She was also recently elected to serve on the Board of Directors of Satellite Healthcare, one of the United States' leading not-for-profit providers of kidney dialysis and related services since 1974.

Deeply involved in the charitable sector, Christobel Selecky is a member of the Board of trustees and Audit Committee Chair of United Cerebral Palsy, a US national non-profit organization for people with disabilities and the chair of the Board of Directors of Population Health Alliance, a nonprofit organization promoting public health care activities through advocacy, research and education, and is an Advisory Committee member of URAC, an association promoting health care quality.

Christobel Selecky was appointed director by the shareholders' meeting held on May 7th, 2014.

Current directorships

Teleperformance Group

None.

Other

- Director of American Specialty Health Inc. (USA)
- Director of Satellite Healthcare Inc. (USA)
- Director of United Cerebral Palsy Inc. (USA)

Directorships expired within the last five years

Teleperformance Group

None.

Other

- Director of LifeMasters Supported Selfcare Inc. and Memorial Care Innovation Fund (USA)
- Member of the Advisory Committee of Houlihan Lokey (USA)

Angela Maria Sierra-Moreno

Independent Director

Colombian nationality

Angela Maria Sierra-Moreno was born on August 30th, 1954, and holds a Degree in Bacteriology from the Colegio Mayor de Antioquia University (Colombia) and a Masters' Degree in Science from the University of Ohio (United States).

Angela Maria Sierra-Moreno has acquired over 20 years' experience in the customer management field in various business sectors. From 1995 to 2002, Ms. Sierra-Moreno was Vice-President in charge of Services at ACES, where one of her main tasks was to coordinate initiatives aimed at changing the Company's culture, in accordance with its requirements and those of the outside environment.

In 2002, she joined Avianca as Vice-President in charge of Services and Human Resources. In this capacity, she contributed to developing a corporate strategy aimed at setting up a customer-centric organizational structure by designing and implementing processes, tools and mechanisms dedicated to customer service for the Company's global operations. Ms. Sierra-Moreno has been an organizational management consultant since 2010, and advises companies and organizations

operating in various business sectors on customer relationship management, Human Resources, and cultural and organizational change.

Angela Maria Sierra-Moreno was appointed director by the shareholders' meeting held on May 7th, 2014.

Current directorships

Teleperformance Group

None.

Other

- Director of LASA SA (Colombia)
- Director of Prestigio (Colombia)
- Director of Dinamica (Colombia)

Directorships expired within the last five years

Teleperformance Group

None.

Other

- Director of ARCESA

Stephen Winningham

Independent Director and Member of the Remuneration and Appointments Committee

US nationality

Stephen Winningham was born on December 1st, 1949, and holds a Masters in Business Degree (Finance & marketing) from Columbia University and pursued additional studies in Economics at New York University. He has thirty years of international experience in the banking field. He began his career in the investment banking sector at Citibank, before moving to Drexel Burnham Lambert. He then held management positions at Paine Webber Inc. and Kidder Peabody & Co. in New York, which have since then merged with the UBS Group. He was managing director of Salomon Brothers-Citigroup from 1996 to 2007, when he was based in New York and Hong Kong. He became managing director of Lloyds Banking in London in 2007, specifically responsible for global finance institutions, and then for key accounts in 2009. Stephen Winningham has been a managing director and Co-Head of the Group Finance Department at Houlihan Lokey in London since February 2012.

Stephen Winningham was appointed to the Supervisory Board of the Company on June 2nd, 2010, and has been a director since May 31st, 2011.

Current directorships

Teleperformance Group

None.

Other

- Managing Director of Houlihan Lokey (United Kingdom)

Directorships expired within the last five years

Teleperformance Group

- *Member of the Supervisory Board of Teleperformance SA*

Other

- *Managing Director of Global Communications Group (Citigroup Investment Banking) and Lloyds Banking Group*
- *Director of Guaranteed Export Finance Corporation Plc, First Securitisation Company Ltd and Lloyds TSB Mtch Ltd*

3.1.1.3 Proposals to the shareholders' meeting on the composition of the Board of Directors

It is proposed to the shareholders' meeting to be held on April 28th, 2016 to appoint Ms. Wai Ping Leung, Pauline Ginestié-de Robert and Leigh P. Ryan as directors and to renew the terms of office of five directors which are expiring. In order to maintain the number of directors at fourteen, Messrs. Daniel Bergstein and Philippe Ginestié have presented their resignation, which will be effective at the end of the shareholders' meeting to be held on April 28th, 2016 and Mr. Mario Sciacca did not request the renewal of his term of office.

If the shareholders' meeting approves the propositions submitted:

- Ms Wai Ping Leung, Pauline Ginestié-de Robert and Leigh P. Ryan will be appointed for a 3-year term; the information related to them are presented hereafter;
- the terms of office of Messrs. Paulo César Salles Vasques, Alain Boulet and Robert Paszczak will be renewed for 3 years;
- the terms of office of Messrs. Bernard Canetti and Stephen Winningham will be renewed for 2 years.

The Board of Directors will then have:

- a rate of independent directors increasing from 57% to 64%. The Board of Directors, upon proposal from its Remuneration and Appointments Committee, has indeed considered that Ms. Wai Ping Leung and Pauline Ginestié-de Robert will be qualified as independent in application of the independence criteria of the AFEP-MEDEF Code; Ms. Leigh P. Ryan, employee of one of the Group's subsidiaries does not meet one of these criteria and therefore is not qualified as independent;
- a percentage of women rising from 21% to 43%, thus complying with the AFEP-MEDEF Code recommendation on this matter;
- the average age of directors reduced from 65 to 61.5 years old;
- a continued strong internationalization of its composition with six nationalities represented and 64% of non-French directors.

Information related to directors whose appointments are proposed to the shareholders' meeting to be held on April 28th, 2016

Wai Ping Leung

British nationality

63 years old

Born on November 3rd, 1952, Ms. Wai Ping Leung holds a master of science in biology from the Northeastern University.

She has been in the apparel industry since 1982 and has experience in supply chain management, retail and marketing. In 1994, she served as regional director responsible for export sales of apparel to European countries at Inchcape Buying Services, which was a global sourcing network and acquired by the Li & Fung group in 1995. From 2000 to 2010, she served as an executive director and was appointed member of the Li & Fung board, a company listed in the Hong Kong Stock Exchange in charge of the exports to Europe and the USA.

Since 2011, she is the President of LF Fashion, a company of the Li & Fung group, and manages a sales turnover of US\$ 1 billion in 2015 with a staff force of about 900 employees.

Ms. Wai Ping Leung has also served on advisory boards for the Hong Kong Exporters' Association, the Hong Kong Trade Development Council, the Clothing Industry Training Authority, the Hong Kong Export Credit Insurance Corporation, and currently Chairman of the vetting Committee for the Professional Services Development Assistance Scheme of Commerce and Economic Development Bureau of the Hong Kong Government.

As of the date of the present document, Ms. Wai Ping Leung does not own shares of the Company.

Current terms of office:

None.

Terms of office that expired over the last five years:

None.

Pauline Ginestié-de Robert

French nationality

46 years old

Born on December 30th, 1970, Pauline Ginestié-de Robert is a graduate in English Literature from the Paris X University and in Economics and Finance from Sciences-Po Paris. She holds a MBA from the Columbia Business School from the Columbia University in New York.

She started her career as an auditor with Price Waterhouse Coopers in Paris.

In 1999, she joined NetValue USA as product and project manager then Register.com in 2001.

Starting 2002, she became a freelance digital business consultant. In 2008, she obtained a Master of Sciences in human computer interaction and ergonomics from University College London, then joined Foviance, a user experience consultancy. She holds expertise in usability and customer experience acquired over the past 14 years. Since 2012, she has been an independent customer experience consultant.

As of the date of the present document, Ms. Ginestier-de Robert does not own shares of the Company.

Current terms of office:

None.

Terms of office that expired over the last five years:

None.

Leigh P. Ryan

American nationality

62 years old

Ms. Leigh P. Ryan was born on November 6th, 1953, and holds a Bachelor's degree in International Relations from Pomona College in Claremont, California. She also holds a Juris Doctorate degree in Law from Georgetown University, where she was an editor of *Law and Policy in International Business*. Until February 1st, 2016, she was a partner with Paul Hastings LLP, an international law firm with 20 offices in the United States, Europe and Asia. Ms. Ryan has over 35 years of experience at Paul Hastings in corporate finance transactions, securities offerings, mergers and acquisitions, and corporate governance. She has substantial transactional experience in the telecommunications, technology and media industries, as well as the apparel and aircraft industries. In addition to practicing law full-time, Ms. Ryan was Global Chair of Talent Acquisition (attorney recruiting) at Paul Hastings for over 10 years.

Ms. Ryan has served as outside counsel to Teleperformance for over 20 years, including advising on numerous acquisitions in the US, Mexico and Colombia.

Ms. Ryan is a member of the New York and California Bars. She has written and spoken frequently on securities laws, corporate governance, mergers and acquisitions, and other corporate matters. She is an Honorary Member of the Board of Directors of La Jolla Music Society, having served on the Board for 12 years, including 2 years as Chair of the Board. She also served as a member of the Advisory Board of the Corporate Counsel Institute in Washington, D.C. for over 13 years.

On February 8th, 2016, Mrs. Ryan is appointed Worldwide Chief Legal Officer and Worldwide Chief Compliance Officer of the Teleperformance Group.

As of the date of the present document, Ms. Ryan does not own shares of the Company.

Current terms of office:

None.

Terms of office that expired over the last five years:

None.

3.1.1.4 Statements on the situation of members of the administrative, management and supervisory bodies

Family ties

To the Company's knowledge, there are no family ties between the directors.

Absence of conviction for fraud, responsibility for a bankruptcy or indictment and/or public sanction

To the Company's knowledge, as of the date of the present Registration Document, during the past five years, none of the directors or members of the executive management:

- had been convicted for fraud, or indicted and/or sentenced to an official public sanction by any statutory or regulatory authority;
- had been involved in a bankruptcy, a sequestration of assets or a liquidation procedure;
- had been prevented by a court order from acting in the capacity of a member of an issuer's administrative, management or supervisory body or from being involved in the management or conduct of an issuer's business affairs.

Absence of conflicts of interests

The internal regulations of the Board of Directors states that each director must inform the Chairman of the Board of any conflict situation, even potential, between the Company's interests and his or her direct or indirect interests, or those of the shareholder group that they represent. In addition, said director must abstain from the discussions and corresponding deliberations.

To the Company's knowledge, as of the date of this Registration Document, no director or member of the executive management has a conflict of interest between their duties to the Company and/or the Group and their private interests.

To the Company's knowledge, as of the date of this Registration Document, no arrangement or agreement exists with the



principal shareholders, customers or suppliers wherein one of the members of the Board of Directors or the executive management has been selected in such capacity.

To the Company's knowledge, as of the date of this Registration Document, no restriction has been accepted by members of the Board of Directors or the executive management concerning the transfer of their holdings in the Company, other than restrictions attached to performance shares granted to them or in connection with the long-term incentive plan.

3.1.1.5 Agreements entered into between the Company and one of its directors, service agreements and interests held in the Group companies

Service agreements or agreements entered into with a director

The agreements listed below are ordinary agreements concluded on normal terms. They indirectly concern directors who are not qualified as independent.

The consulting firm, in which Jean Guez, director, is a partner, entered into a technical assistance agreement with the subsidiary LCC on January 1st, 2010; this agreement was terminated on June 30th, 2012. On July 1st, 2012, a technical assistance agreement was entered into with the Company, which was terminated on June 30th, 2015. For the 2015 financial year, the fees invoiced under this agreement amounted to €75,000 excluding tax. There are no more services agreements between, directly or indirectly, the Group and Mr. Guez.

Philippe Ginestie, director, is a partner in a law firm that provides a range of legal services for the Group. Fees invoiced amounted to €104,062.08 (excl. tax) for the 2015 financial year. This amount corresponds to works and services on projects in business law and labor law (except items concerning remuneration of executive directors). This amount is not material neither for the law firm nor the Company.

Daniel Julien, Chairman of the Board of Directors, is a shareholder:

- holding 30% of a company that owns a building leased to Merkafon de Mexico S.A. de C.V. (Mexico). The total rental income for said building amounted to US\$645,913 in 2015 compared to US\$1,586,738 in 2014. It is specified that the lease was terminated on January 10th, 2015 and that the Group definitively left the premises in June 2015;
- holding 35% in companies that own a building leased to Servicios Hispanic Teleservices S.C. (Mexico). The total rental income for said building amounted to US\$564,172 in 2015 compared to US\$564,516 in 2014.

In September 2013, a study commissioned by the Group from an independent real estate valuation firm showed that the aforementioned rent transactions were carried out at below-market prices.

Loans and guarantees granted to directors

The Company has not granted any loans or guarantees to one of its directors.

It is reminded that, during 2012, Teleperformance Group Inc., a 100% US subsidiary of the Company, granted a loan of US\$5 million to Paulo César Salles Vasques under market conditions, well before his appointment as director and Chief Executive Officer of Teleperformance SE. As of December 31st, 2015, the balance, repayable in 2016 at the latest, amounted to US\$ 1 million.

Interests in Group companies held by directors

Daniel Julien holds (i) 10% of the share capital of GN Research SA (Luxembourg), (ii) 7% of the share capital of Hong Kong Asia CRM Ltd (Hong Kong), and (iii) 1.17% of the share capital of Costa Rica Contact Center S.A. (Costa Rica).

To the Company's knowledge, no other director or member of the executive management has investments or interests in Group companies, either directly or indirectly.

3.1.2 Organization and Functioning

3.1.2.1 Missions and duties

Pursuant to legal and regulatory provisions, the articles of association and its internal rules, the Board of Directors has the following duties:

- approving the annual and consolidated financial statements;
- drafting management forecasts;
- convening and setting the agenda for the shareholders' meeting;
- deciding to issue of bonds;
- authorizing sureties, endorsements and guarantees;
- prior authorization of regulated agreements and commitments;
- setting up specialized committees and determining their missions;
- deciding to pay any interim dividends;
- reviewing and determining the guidelines for the Company's business;
- selection of the organization structure of Executive Management;
- appointing and dismissing the Chairman, the Chief Executive Officer, and the Deputy Chief Executive Officers;
- co-opting members of the Board under the conditions determined by the regulations in force;
- defining the remuneration policy for executive directors and distribution of directors' fees within the global amount decided by the shareholders' meeting amongst Board members;
- determining the number of performance shares or shares resulting from the exercise of options that executive directors are required to retain until the end of their term of office, in the event of the award of options or performance shares;
- approving the Chairman of the Board's report.

Furthermore, the Board of Directors determines or authorizes expressly and prior to their completion the following issues:

- approving consolidated annual budgets;
- any significant (commercial, industrial, financial, real estate or other) transaction that the general management plans, not comprised under the approved strategy or budget, including, in particular, moveable or immovable investment by external or internal growth, where the amount represents more than 20% of the Group's net assets as reports in the latest consolidated financial statements approved by the Board of Directors;
- concluding alliances of any kind involving a material proportion of consolidated revenues;
- proposing dividend distributions to general meetings of shareholders.

3.1.2.2 Functioning

During its deliberations on May 31st, 2011 and modified in particular in July 2015, the Company's Board of Directors adopted its internal rules aimed at explaining its role and procedures, in accordance with the legal and statutory provisions and corporate governance rules applicable to listed companies.

The main provisions of these internal rules are described below.

Directors' rights and obligations

The Board of Directors may perform any checks and controls that it deems appropriate at any time. It may ask the Company to forward to it any documents of any kind that are useful for the performance of its assignment, regardless of whether such documents are issued by the Company or are intended for it. The directors are entitled to have any documents and information forwarded to them, in order to perform this assignment. This right shall be exercised *via* the Chairman of the Board of Directors; the directors may not personally interfere in the management of the Company or directly request the documents and information required.

The Board of Directors' internal rules also set out the obligations incumbent on directors, specifically with regard to corporate ethics, confidentiality, conflicts of interest and the possession of insider information.

Members of the Board of Directors and of the Committees, together with any persons attending the meetings of the Board and its Committees are bound by a general confidentiality obligation regarding the discussions of the Board and its Committees, as well as regarding any information of a confidential nature or presented as such by its Chairman.

Managing conflicts of interest

As part of the management of conflicts of interest, the Board of Directors authorizes regulated agreements and commitments and settles any potential situation of conflict of interest involving common directors within the Group.

The internal regulations of the Board provide that every director is required to inform the Chairman of the Board of Directors of any conflict situation, even a potential situation, between the Company's interests and their direct or indirect interests, or those of the shareholder group that they represent. In addition, they must abstain from participating in the discussions and deliberations.



Board meetings

The Board of Directors meets at least once a quarter, in order to discuss the progress of the Company's affairs and their foreseeable development. It is convened by the Chairman or by the Vice-Chairman, where applicable. If the position of Chairman is vacant, or if the Chairman is prevented from attending, the Board of Directors may be convened on a given agenda by the Chief Executive Officer, the appointed Vice-Chairman, where applicable, or by any director.

Meetings may be held in any location, as indicated in the notice. An attendance register is kept and is signed by the members of the Board of Directors attending the meeting. At least half of the Board members must be physically present for the Board's decisions to be valid.

Decisions are taken by majority vote of the members who are present or represented; each member who is present or represented has one vote, and each member who is present may only hold one proxy. The Chairman of the meeting has the casting vote in the event of a tied vote.

The Board of Directors may invite anyone that it chooses to attend all or part of its meetings. The Board decides whether to hear these speakers individually or collectively.

Directors may attend the Board meetings by means of videoconferencing or telecommunications facilities, in accordance with the applicable statutory and regulatory provisions. These attendees are considered present for the calculation of the quorum and majority, except in the case of meetings relating to the approval of the annual parent company financial statements and the management report.

Minutes of proceedings

The Board of Directors' discussions are recorded in minutes that are entered into a special ledger held at the registered office. The minutes shall mention the use of the videoconference and telecommunication systems described in the previous subparagraphs, where applicable.

The minutes are signed by the Chairman of the meeting and by at least one director; in the event that the Chairman of the meeting is prevented from attending, the minutes are signed by at least two directors. In addition to the information required by law, these minutes specify the nature of the information provided to members of the Board of Directors, and provide a summary of the discussions, as well as an indication of the manner whereby each of the members present or represented voted on each item in the agenda.

At each Board meeting, the Chairman shall provide each member in attendance with a copy of the minutes of the previous meeting as approved by the Board of Directors.

Committees

The Board of Directors may decide to set up internal Committees, for which it determines the membership and remits, and which perform their activities under its responsibility. The Board decided to create two permanent specialized committees: The Audit Committee and the Remuneration and Appointments Committee.

Each Committee reports to the Board of Directors on its work and informs the Board of any points that it considers problematic or requiring a decision, thereby assisting the Board's discussions. At each Board meeting, the Chairman of each Committee shall provide each Board member in attendance with a report on the Committee's work since the last Board meeting.

Assessment

In accordance with the AFEP-MEDEF Code recommendations, once a year the Board of Directors assigns one item on its agenda to a discussion of its works and that of its specialized committees. It reviews its composition, as well as the organization and functioning of the Board and the Committees. In addition, a formal assessment of the Board's work is performed every three years, with the support of the Remuneration and Appointments Committee or by an independent director assisted by an outside consultant. The purpose of the assessment is to check that important issues have been appropriately prepared and discussed, and to assess each member's contribution to the Board's work.

The conclusions of these assessments, yearly discussions and discussions conducted without the presence of executive directors are presented in the report of the Chairman of the Board of Directors presented in section 3.3 *Report of the Chairman of the Board of Directors on the conditions for preparing and organizing the Board's works and on the risk management and internal control procedures* of the present Registration Document.

3.2 The Executive Management

On May 30th, 2013, the Board of Directors decided, after due consideration, to separate the roles of Chairman of the Board of Directors and Chief Executive Officer. This governance ensures a clear distinction between strategic, decision-making and supervisory functions, which fall under the Board's remit, and operational and executive functions, which are the responsibility of the executive management.

The Chief Executive Officer has been granted full powers to act in the Company's name in all circumstances. He exercises his powers within the scope of the corporate objects and subject to the powers expressly conferred by law on the general meeting of shareholders and the Board of Directors. In addition, the Chief Executive Officer represents the Company in its relation with third parties and exercises his powers within the limits provided for by the articles of association and the Board of Directors' internal rules, which act as internal organization rules (see section 3.1.2.1).

The Chief Executive Officer is assisted by an Executive Committee, of which he is the Chairman, comprising the Group's key managers. Under the authority of the Chief Executive Officer, Mr. Paulo César Salles Vasques, the Executive Committee is responsible for the Group's operational management. It implements the strategic orientations, ensures the coherence of the actions undertaken by all of the subsidiaries and discusses the major operational initiatives necessary to the development of the Group and to its performance.

As of the date of the present Registration Document, the members of the Executive Committee are:

Paulo César Salles Vasques

Chief Executive Officer and Chairman of the Executive Committee

Fabricio Coutinho

Chief Research and Development Officer

Lyle Hardy

Chief Information Officer

Olivier Rigaudy

Group Chief Financial Officer

Leigh Ryan

Worldwide Chief Legal Officer and Chief Compliance Officer

Yannis Tourcomanis

Chief Executive Officer of the Continental Europe, Middle-East and Africa region (CEMEA)

Alan Truitt

Chief Business Development Officer

Brent Welch

Chief Executive Officer of the English-speaking and Asia-Pacific region (EWAP)



3.3 *Report of the Chairman of the Board of Directors on the conditions for preparing and organizing the Board's works and on the risk management and internal control procedures*

This report will be presented to the general meeting of shareholders of Teleperformance SE to be held on April 28th, 2016, in accordance with the provisions of Article L.225-37 of the French Commercial Code. Its purpose is to report on:

- references made to a Corporate Governance Code;
- membership of the Board and balanced representation of men and women;
- the conditions for preparing and organizing the works performed by the Board of Directors;
- particular details of shareholder participation in the shareholders' meeting;
- any limits imposed on the powers of the Chief Executive Officer (see section 3.1.2.1);
- principles and rules decided for remunerations and any benefits granted to corporate officers; and
- the internal control and risk management procedures implemented by the Company.

This report was drawn up with the assistance of senior management, the Legal Department and the Internal Audit Department. The work required for drawing up this report necessarily relied on interviews with the managers of the various departments and on written information feedback (description of organizations and procedures, audit plans etc.). This report was presented to the Audit Committee prior to its approval by the Board of Directors at its meeting held on February 24th, 2016, and sent to the statutory auditors.

All the information included in this report regarding the conditions for preparing and organizing the work performed by the Board of Directors, and the internal control and risk management procedures implemented by the Company and the Teleperformance Group, concerns the financial year ended December 31st, 2015.

3.3.1 **Conditions for preparing and organizing the works of the Board of Directors – Corporate governance**

3.3.1.1 **Corporate Governance Code**

The Company refers to the AFEP-MEDEF Code of November 2015 and available on the MEDEF website (www.medef.com). In accordance with Article L.225-37 of the French Commercial Code, the Chairman's report specifies the provisions of the

AFEP-MEDEF Code that have been set aside and the reasons therefore. The table below shows recommendations of the Code that have not been applied by the Company, the practices of Teleperformance and their justifications.

Recommendations of the AFEP-MEDEF Code set aside or not applied**Teleperformance's practices and their justifications****Representation of men and women (§6.4)**

As regards to the representation of men and women, the aim is that each Board reaches and then maintains a percentage of at least [...] 40% as of the shareholders' meeting of 2017.

The Board of Directors is currently composed of fourteen members, of which three women.

The Board of Directors, upon recommendation of the Remuneration and Appointments Committee, has decided to propose to the shareholders' meeting of April 28th, 2016 the appointment of three women as directors. Subject to the approval of this shareholders' meeting, the Board will be composed, due to the resignation of two directors and the non-renewal of the term of office of a third director, of fourteen directors, of which six women, *i.e.* a feminization rate of 43%, thus complying with the recommendation of the AFEP-MEDEF Code.

Grant of performance shares (§23.2.4)

Subject performance shares granted to executive directors to the purchase of a specified quantity of shares when granted shares become unlocked.

Given the share lock-in requirement imposed upon executive directors (described in section 3.5.2.4 of the 2014 Registration Document) and the large number of shares already held by Daniel Julien (825,314 shares at December 31st, 2015) and Paulo César Salles Vasques (65,000 shares at December 31st, 2015), the Board of Directors, upon recommendation of the Remuneration and Appointments Committee, deems it unnecessary, when awarding the performance shares granted to executive officers, to require the purchase of a number of shares while such performance shares are available.

Non-compete compensation (§23.2.5)

- Non-compete compensation must not exceed a limit of two years' remuneration (fixed + variable).
- The Board must provide for a stipulation authorizing non-implementation of this agreement when the director leaves.

The Board considers that the two-year period set out in the AFEP-MEDEF recommendations is not appropriate in the particular case of a founder-director, and that the amount of the non-compete compensation must take into account the legitimate interests of the Company and the Group.

The Board of Directors, upon recommendation of the Remuneration and Appointments Committee, decided not to challenge the terms governing the non-compete agreement undertaken by Paulo César Salles Vasques prior to his appointment as CEO and the modification of the AFEP-MEDEF Code of June 2013, and that such a stipulation should thus not be introduced.

**3.3.1.2 Governance structure**

The combined shareholders' meeting held on May 31st, 2011 approved the change of the Company's governance from a dual structure, consisting of a Supervisory Board and a Management Board to a structure with a Board of Directors.

The Board of Directors, at its meeting held on May 30th, 2013, decided to separate the functions of Chairman of the Board of Directors and Chief Executive Officer to prepare the future and better comply with best governance recommendations. The Board of Directors unanimously took the view that a three-year internal and external knowledge transmission period was necessary and crucial.

Indeed, the geographic scope of the Group, the complexity of the business, the critical impact of the management on the results and the intimate 38 years knowledge of our founder and Chairman requires a smooth active and dynamic executive responsibilities transition.

As a result, the Board requested him to remain fully involved and to act as Executive Chairman. Thus, Mr. Julien was appointed Chairman of the Board with executive functions while Paulo César Salles Vasques was appointed Chief Executive Officer.

As the Board regularly assessed the relevance and effectiveness of this two-headed governance, it came to the conclusion that it was not only adapted to the Group's needs but also very profitable to all stakeholders. As the leadership duo proved to be exceptionally efficient and complementary, the Board unanimously decided on February, 24th, 2016, upon recommendation of its Committee, to continue to implement the same governance structure, maintaining both executives' functions and responsibilities.

Henceforth, as an Executive Chairman, Mr. Daniel Julien organizes and directs the works of the Board while ensuring a full compliance with best governance practices. He also proactively participates in the development of the Group, by leading any external growth and key strategic project. On a daily basis, he also shares his market's knowledge and deep experience, bringing his strategic and operational recommendations to the Chief Executive Officer and the Executive Committee. As Executive Chairman, Daniel Julien is systematically consulted by the Chief Executive Officer on any significant transaction. All his assignments are taken into account when reviewing and defining the elements of his remuneration.

Mr. Paulo César Salles Vasques, as the Chief Executive Officer, has been granted full powers to act in the Company's name in all circumstances. He implements the operational and organizational orientation of the Group, with the support of the Executive Committee that he chairs.

He leads the harmonious integration of newly acquired entities and manages all subsidiaries with the support of the Executive Committee and the operational teams. He constitutes the link between the Executive Committee and the Board as he meets with the Executive Chairman on regular basis.

3.3.1.3 Composition of the Board of Directors

Composition

The Board of Directors consists of fourteen members. Nine of its members are foreign nationals, representing 64% and eight have the status of independent directors in 2015 as defined by the internal regulations of the Board and the recommendations of the AFEP-MEDEF Code. The independent directors are: Emily Abrera, Alain Boulet, Bernard Canetti, Robert Paszczak, Mario Sciacca, Christobel Selecky, Angela Maria Sierra-Moreno and Stephen Winningham.

The Board conducts an annual review of the independence of its members, upon recommendation of the Remuneration and Appointments Committee. The Board of Directors endeavors to ensure that at least half of its members meet the definition of independence in the AFEP-MEDEF governance Code, according to which a member of the Board of Directors is classified as independent "when he or she has no relationship of any kind whatsoever with the corporation, its group or its management that may compromise the exercise of his or her free judgment".

With respect to this definition, the Board of Directors designates as independent or not its members according to a preliminary recommendation submitted by the Remuneration and Appointments Committee tasked with examining the personal situation of the director in question, and based on the criteria for independence set out in paragraph 9.4 of the AFEP-MEDEF Code. The Committee, for the preparation of his opinion, endeavours that all the officerships held by members of the Board in other companies having business relationships with the Company will not be of a nature as to compromise the independence and/or the performance of the duties of the directors concerned while taking into account the transaction entered into by the Group with those companies. Indeed, if applicable, those are concluded at arms' length and their amounts are not significant for each party.

Such agreements and contracts are described in section 3.1.1.5 of the Registration Document for 2015 and only concern directors that are not qualified as independent. Thus, none of the directors qualified as independent have contracted directly or indirectly business relationships with the Company or the Group.

Information on the Company's individual directors, and specifically the list of their offices and positions, is provided in sections 3.1.1.1 *List of directors in office as of December 31st, 2015*, 3.1.1.2 *Main activities exercised by directors in Office* of the Registration Document for 2015.

Term of office

Directors are appointed for a 3-year term expiring at the closing of the ordinary shareholders' meeting called to approve the financial statements for the year ended and held in the year

in which the appointment expires. The ordinary shareholders' meeting may appoint one or several directors for a 2-year term, on an exceptional basis, and solely to enable the implementation or continuation of the staggering of directors' terms.

Gender balance

The Board of Directors currently consists of 14 directors, including 3 women, representing a feminization rate of 21%. Upon recommendation of its Remuneration and Appointments Committee, the Board of Directors will propose to the shareholders' meeting to be held on April 28th, 2016 to appoint 3 women as new directors. If the shareholders' meeting approves such proposals, the Board will be comprised of 14 directors, including 6 women, representing 42% of women. Such composition will comply with the AFEP-MEDEF Code recommendations and with the provisions of the law dated January 27th, 2011 related to the balanced representation of women and men in boards of directors.

Age limit

The number of directors aged 70 or above may not exceed one-third of the number of directors in office.

The chairman of the board of directors may remain in office until the age of 76, and the chief executive officer and deputy chief executive officers may remain in office until the age of 70.

Ownership of shares in the Company

Pursuant to the internal regulations, each director must hold at least 1,000 shares in the Company during his or her term of office.

The number of shares held by the directors is presented in section 3.1.1 of the 2015 Registration Document and amounts to the equivalent of more than one year's directors' fees.

3.3.1.4 Functioning of the Board of Directors and Committees

The Board of Directors' internal regulations

The Board of Directors has adopted internal regulations that primarily cover the following points:

- the role, operation and resources of the Board of Directors;
- the independence criteria of directors;
- the obligations of directors, in particular regarding confidentiality and the management of conflicts of interest;
- the Board of Directors' Committees.

The main provisions of the Board of Directors' internal rules are set out in section 3.1.2.2. of the 2015 Registration Document.

Information – Formation – Conditions for preparing the works of the Board – Confidentiality

Members of the Board of Directors receive all the documents, technical materials and information that are appropriate and necessary for the performance of their mission and prepare their discussions. The Board may ask for any reports, documents and research prepared by the Group prior to any meeting, and may commission any external technical studies at the Company's expenses. The annual timetable for the Board of Directors' meetings is communicated to the directors and the statutory auditors several months in advance.

The Board of Directors is continually informed by its Chairman, by any means, of all material events and transactions relating to the Company. In addition, where the Chairman considers it necessary, the Board of Directors may hear the Group's key officers, in order for them to present their specific area of activity within the Group or the situation of the regional subsidiaries for which they are responsible.

When appointed to the Board, each director receives the information regarding the Company and the Group and a formation, adapted to his or her specific needs. Interviews are set up with the Chairman of the Board, the Chief Executive Officer or the Group Chief Legal Officer. The formation of directors continues beyond their appointment, in particular through site visits and constitutes a continuing process.

The Board of Directors is a collegiate body; its decisions are binding on all of its members. Directors and any person who

attends its meetings are bound by a strict non-disclosure obligation and duty of discretion on information disclosed by the Company, and received during the discussions of the Board and its Committees, and those of a confidential nature, or presented as such by the Chairman of the Board of Directors. In addition, if the Board of Directors is aware of confidential and precise information that is likely to have a material impact on the share price of the Company or of the companies controlled by the Company when it is published, within the meaning of Article L.233-3 of the French Commercial Code, the directors must refrain from disclosing this information to a third party as long as it has not been made public, and refrain from performing any transactions involving the Company's securities.

Meetings and works of the Board of Directors in 2015

The Board of Directors met five times in 2015, including a three-day seminar held for the purpose of reviewing operating strategy. The directors' attendance rate was 96%. Board meetings lasted between three to four hours.

The Company's statutory auditors were invited to and attended the Board of Directors' meetings called to approve the half-yearly and annual financial statements.

The Group Chief Financial Officer and the Group Chief Legal Officer regularly attend these meetings, primarily to present the financial statements and their reports, to receive any authorizations required and to provide any explanations and information enabling the Board to make decisions knowingly.



The following table provides a breakdown of individual members' attendance rate in 2015:

Directors	02/25/2015	04/08/2015	05/07/2015	07/28/2015	12/11/2015	Total
Daniel Julien	Yes	Yes	Yes	Yes	Yes	100%
Paulo César Salles Vasques	Yes	Yes	Yes	Yes	Yes	100%
Emily Abrera	Yes	No	Yes	Yes	Yes	80%
Daniel Bergstein	Yes	Yes	Yes	Yes	Yes	100%
Alain Boulet	Yes	Yes	Yes	Yes	Yes	100%
Bernard Canetti	Yes	Yes	Yes	Yes	Yes	100%
Philippe Dominati	Yes	Yes	Yes	Yes	No	80%
Philippe Ginestié	Yes	Yes	Yes	No	Yes	80%
Jean Guez	Yes	Yes	Yes	Yes	Yes	100%
Robert Paszczak	Yes	Yes	Yes	Yes	Yes	100%
Mario Sciacca	Yes	Yes	Yes	Yes	Yes	100%
Christobel Selecky	Yes	Yes	Yes	Yes	Yes	100%
Angela Maria Sierra-Moreno	Yes	Yes	Yes	Yes	Yes	100%
Stephen Winningham	Yes	Yes	Yes	Yes	Yes	100%
ATTENDANCE RATE	100%	93%	100%	93%	93%	96%

In addition to recurring issues relating to the business review, adjustment of annual forecasts, authorizations to be granted and the review of ongoing growth transactions, the Board of Directors specifically decided on the following points during its five meetings:

- examination and approval of the parent company and consolidated financial statements for the year ended December 31st, 2014, of the management report and the examination of management forecast documents;
- review of directors' independence criteria and re-examination of the independence of directors;
- proposal to renew directorships;
- convening of the general meeting of May 7th, 2015, setting of the agenda for the meeting and approval of the reports and resolutions including the advisory votes on remuneration due or granted in connection with financial year 2014 ("say on pay");
- approval of the Chairman of the Board's report on the conditions for preparing and organizing the work of the Board and on the risk management and internal control procedures;
- renewal of the authorization given to the Chief Executive Officer for sureties, endorsements and guarantees;
- setting of the remuneration for 2014 and of the remuneration for 2015 for Daniel Julien, Chairman of the Board of Directors, and Paulo César Salles Vasques, Chief Executive Officer;
- implementation of the share repurchase program;
- determination of the directors' fees for the 2014 financial year and of the allocation rules of the directors' fees due for the year 2015 paid in 2016;
- reflection and analysis of the impact of the Aegis acquisition in 2014 on the implementation of the calculation of the ROCE for the July 2013 performance share plan;

- examination and approval of the consolidated accounts at June 30th, 2015, the half-yearly financial report and management forecast documents;
- formal assessment of the Board of Directors;
- 2015 forecasts and 2016 budget;
- discussion of the professional and employment equal treatment policy;
- review of the remuneration structure and elements of the Chairman of the Board of Directors and the Chief Executive Officer in particular in connection with the results of the advisory votes submitted to shareholders at the general meetings held on May 7th, 2014 and on May 7th, 2015;
- review of the operational running of the Group's activities and internal and external growth prospects for the Group and key initiatives and strategic opportunities.

The Committees of the Board of Directors

In the execution of its missions and duties, the Board is assisted by two specialized committees: the Audit Committee and the Remuneration and Appointments Committee.

The work performed by the Committees, which report on their work after each of their meetings, assists the Board of Directors in its discussions and decision making. The Board Committees work on assignments entrusted to them by the Board. They actively prepare their works and inform the Board of all points which appear to raise an issue or require a decision, thus facilitating its deliberations. They also provide such advice and recommendations to the Board as falls within their remit, but have no power of decision.

The Audit Committee

The internal regulations of the Audit Committee have been drafted in accordance with the AMF working group on audit committees dated June 14th, 2010.

Composition

The Audit Committee is composed of at least three members of the Board of Directors, as chosen by the Board. No executive director sits on this Committee.

The Audit Committee members are appointed for the term of their office as members of the Board of Directors.

As of the date of this report, the Audit Committee consists of four members, three of whom are independent. It does not comprise any executive director:

Bernard Canetti	Chairman, <i>independent</i>
Alain Boulet	Member, <i>independent</i>
Jean Guez	Member
Mario Sciacca	Member, <i>independent</i>

In accordance with the recommendations of the AFEP-MEDEF Code, at least two thirds of the Audit Committee's members are independent.

The four members have the specific financial and accounting skills required to perform their duty of due diligence and to accomplish their duties. The skills are characterized by their professional experience, which they have acquired in senior management positions, working for an audit firm or in the capacity of chartered accountant or statutory auditor, as described in section 3.1.1 of the 2015 Registration Document.

Responsibilities

The Chairman of the Audit Committee reports to the Board of Directors on all of the Committee's works.

Missions

The Audit Committee's overall remit is to monitor issues relating to the preparation and control of financial and accounting information. It prepares the background work for the Board's

approval of the annual (parent company and consolidated) financial statements and its review of the half-yearly financial statements, at least two days prior to the relevant Board meeting.

As part of its specific remit, the Committee is primarily responsible for monitoring:

- the financial information preparation process;
- the effectiveness of the internal control and risk management systems;
- the statutory audit of the parent company and consolidated accounts performed by the statutory auditors;
- the independence of the statutory auditors.

The purpose of this statutory assignment is to prepare and facilitate the oversight work of the Board of Directors, anticipate potential problems, identify all risks, notify the Board of those risks and issue appropriate recommendations to the Board.

The Audit Committee manages the process for selecting and reappointing the statutory auditors when their term of office expires.

The Committee may invite anyone that it chooses to take part in some or all of its meetings, and decides whether to hear its invitees individually or as a group.

In practice, the Committee invites to its meetings the statutory auditors, the Company's Chief Financial Officer, the Chief Audit Officer and the Consolidation director as well as other members of the financial management team, as and when required.

The Audit Committee may use external experts when circumstances so require, once it has informed the Chairman of the Board or the Board itself.

Meetings of the Audit Committee in 2015

The Audit Committee met four times in 2015; the meetings were attended by all of its members.

Meetings of the Audit Committee were held over two days before the meetings of the Board of Directors to review accounts, in accordance with the recommendations of the AFEP-MEDEF Code.

The statutory auditors attended all four meetings.

Members	02/23/2015	04/28/2015	07/23/2015	11/25/2015	Total attendance
Bernard Canetti	Yes	Yes	Yes	Yes	100%
Alain Boulet	Yes	Yes	Yes	Yes	100%
Jean Guez	Yes	Yes	Yes	Yes	100%
Mario Sciacca	Yes	Yes	Yes	Yes	100%
ATTENDANCE RATE	100%	100%	100%	100%	100%

The Audit Committee reviewed the following items in particular in 2015:

- the statutory audit of the parent company and consolidated financial statements performed by the statutory auditors:
 - the Group Chief Financial Officer's presentation of the financial statements. The exposure to financial risks and off balance sheet commitments contained in the annexes of the accounts provided to Committee members;
 - the program of reviews carried out by the statutory auditors, the findings of those reviews and the accounting options selected;
 - the parent company and consolidated financial statements as of December 31st, 2014;
 - the half-yearly summary consolidated financial statements as of June 30th, 2015;
 - the statutory auditors certified without qualification the consolidated financial statements as of December 31st, 2014 and identified no misstatements in the summary consolidated financial statements as of June 30th, 2015.
- the effectiveness of the internal control and risk management systems:
 - review of the draft report of the Chairman of the Board on the work of the Board and internal control;
 - organization of the internal control and risk management procedure based on the Group's management model;
 - review of the internal audit plan for the 2015 financial year;
 - overview of the assignments performed by the Internal Audit Department;
 - presentation of the 2015 internal control self-assessment questionnaires;
 - results and follow-up of the self-assessment questionnaires completed by the subsidiaries;
 - presentation of the Group insurance coverages.
- the financial information preparation process:
 - point of information by the statutory auditors on the closing procedure of the 2014 financial year.
- the independence of the statutory auditors:
 - delivery to the Committee of the statutory auditors' annual independence declaration in respect of the year ended December 31st, 2014;
 - review of the amount and breakdown of the statutory auditors' fees;
 - the statutory auditors' overview of the prior authorization process for services performed by their network offices.

The Remuneration and Appointments Committee

Composition

In accordance with the recommendations of the AFEP-MEDEF Code, the Committee does not include any executive directors and consists mostly of independent directors. It is also chaired by an independent director.

As of the date of this report, the Remuneration and Appointments Committee is comprised of three members, including two independent members:

Robert Paszczak	Chairman, <i>independent</i>
Philippe Ginestié	Member
Stephen Winningham	Member, <i>independent</i>

The Committee can invite anyone that it chooses to take part in some or all of its meetings. The Committee decides whether to hear its invitees individually or as a group. The Committee's meetings take place in the absence of the executive directors, except if the Committee wishes to hear or associated them to the works on selection and appointments.

Assignments

The Remuneration and Appointments Committee issues opinions and recommendations regarding:

- all the remuneration and benefits granted to executive directors, including determining the variable portion by assessing the definition of the rules for setting this variable portion and the annual application of these rules;
- the overall policy for granting performance shares, together with the conditions attached to the final vesting of these shares;
- succession plans;
- candidates for membership of the Board of Directors, their status as independent and annual review of such quality in accordance with the criteria defined by the AFEP-MEDEF Code or the renewal of terms of office of directors.

Meetings of the Committee in 2015

The Remuneration and Appointments Committee met three times in 2015, and the attendance rate was 100%.

Members	02/23/2015	03/18/2015	12/11/2015	Total
Robert Paszczak	Yes	Yes	Yes	100%
Philippe Ginestié	Yes	Yes	Yes	100%
Stephen Winningham	Yes	Yes	Yes	100%
ATTENDANCE RATE	100%	100%	100%	100%

The Committee's work and discussions focused mainly on the following issues in 2015:

- reviewing the independence of the directors;
- renewal of directorships and new appointments to be proposed to the shareholders' meeting;
- the fixed and variable 2014, 2015 and 2016 remuneration for the executive directors;
- analysis, in conjunction with an independent expert, of the impact of the Aegis acquisition in 2014 on the implementation of the calculation of the ROCE for the share performance plan of July 2013;
- the review of the remuneration structure of executive directors in particular in connection with the results of the advisory votes submitted to shareholders at the general meeting held on May 7th, 2015;
- the governance structure of the Company and the Group.

During one of its meetings, the Committee requested the attendance, expertise and advice of the Chairman of the Board, it being specified that the latter was not consulted for the examination and recommendations concerning the elements of his remuneration.

Assessment of the functioning and works of the Board of Directors

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors carries out a formal assessment of its functioning and works and that of its Committees on a regular basis, and at least once every three years, with the assistance of the Remuneration and Appointments Committee. The Committee may request that an assessment is carried out by an external consultant on this occasion. Moreover, in accordance with the recommendations of the AFEP-MEDEF Code, the Board assigns an item on the agenda to a discussion or debate on its functioning every year.

A formal assessment was performed in July 2015 on the basis of a questionnaire sent to each of the directors. The conclusions of this assessment were presented and discussed by the Board of Directors at its meeting held on July 28th, 2015. This formal assessment highlighted a unanimous and very positive appreciation from the directors questioned concerning both the composition and the organization of the functioning of the Board and its Committees.

The directors considered, in their majority, that the size of the Board as well as its composition in terms of nationality, diversity and experience were very satisfactory, while wishing to have more women and younger members included, in particular on the occasion of renewals of terms of office. They point out that the strong complementarity of the skills and experiences, the involvement of its members and the great capacities of adaptation of the Board.

Concerning the governance structure articulated around the Executive Chairman and the Chief Executive Officer, the directors have unanimously considered, on the occasion of said formal assessment, annual discussions and review of the qualitative criteria of the variable remuneration, that such structure particularly fits the Group. It is important to note that certain discussions were held without the presence of executive directors.

All directors welcomed the way meetings of the Board are conducted allowing good communication and an effective contribution from each member. Individual speaking and discussion times during meetings are satisfactory. It also appears that all directors are fully involved in the works of the Board and its Committees of which they appreciate the atmosphere and climate of trust that prevails among its members. Some directors would like to develop in particular strategic discussions.

The frequency and duration of Board meetings, even though they are deemed satisfactory, could be prolonged, if necessary, due to the length of time between meetings. Unanimously, the directors highlighted that relations between the Chairman and the Chief Executive Officer are excellent and all communication between them is carried out under the best possible conditions. They appreciate that the governance set up at the time of the separation of the functions is taking place under such profitable conditions for the Group and all of its stakeholders.

The December seminar dedicated to strategy is unanimously appreciated. The directors have indeed appreciated the value, importance and quality of this seminar, which gave them an opportunity to spend time together in particular without the presence of the executive directors. They feel that this seminar helps to improve their knowledge and understanding of the Group. Some directors would like to be able to hear more regularly from the managerial teams and talents from the Group's business units.

The Board members unanimously appreciated the value, importance and quality of the information sent by the Chairman between Board meetings. They are satisfied with the fact that they are informed by the Chairman in this manner of all matters that could affect the Group's future.

The Board members, in their majority, feel that the work done by the Board and the Committees is highly professional and, in this respect, appreciate the quality of the decisions made. They found that of the functioning of the Committees, their composition and dynamics are very satisfactory.

3.3.1.5 Executive management structure

The executive management structure is described in section 3.2 *The Executive Management* of the 2015 Registration Document.



3.3.1.6 Remuneration policy

The remuneration policy of directors and executive directors as well as the breakdown of the remuneration are described in section 3.5. *Remuneration of directors and executive directors* of the 2015 Registration Document.

3.3.1.7 Specific conditions relating to the attendance of shareholders at general meetings

The terms and conditions of shareholder participation in general meetings are set out in chapter 2, section 2.1.2.4 *Shareholders' meetings* of the 2015 Registration Document.

3.3.1.8 Factors liable to have an impact in the event of a public offering

In accordance with the provisions of Article L.225-100-3 of the French Commercial Code, the elements below are liable to have an impact in the event of a public offering:

- capital structure: see section 2.3 *Shareholding*;
- restrictions provided for by the articles of association on the exercise of voting rights and share transfers or clauses in agreements brought to the Company's notice in application of Article L.233-11 of the French Commercial Code: none;
- direct or indirect holdings in the Company's capital of which it is aware under Articles L.233-7 and L.233-12 of the French Commercial Code: see section 2.3 *Shareholding*;

- the list of holders of any security providing special rights of control and a description thereof: none (subject to double voting rights described in section 2.1.2.3 *Description of rights, privileges and restrictions, if any, on existing shares and each class of shares*);
- the means of control provided for in a putative employee shareholding system when the rights of control are not exercised by the employees: none;
- shareholders' agreements known to the Company that may involve restrictions on share transfers and the exercise of voting rights: see section 2.3.2 *Shareholders' agreements*;
- rules applying to the appointment and replacement of members of the Board of Directors and to amendments to the Company's articles of association: see sections 2.1.2.2 *Administration and management of the Company* and 2.1.2.8 *Changes in share capital, shareholder rights and articles of association*;
- the powers of the Board of Directors, particularly in relation to share issuance or buyback: see section 2.2.4.1 *Current authorizations* and 2.2.4.4 *Share buy-back program - Description of the new program*;
- company agreements that are modified or terminated by any change of control except where such disclosure, unless required by law, would cause serious detriment to its interests: see section 2.3.3 *Change of control of the Company*;
- agreements providing for compensation to Board members or employees if they resign or are dismissed without real and serious cause or if their employment terminates as the result of a public offering: none.

3.3.2 Risk management and internal control procedures

3.3.2.1 Choice of reference framework

The Group relied on the enhanced edition of the *Reference Framework* drawn up by the AMF, which was originally published in January 2007 and revised in July 2010, in order to prepare this section on risk management and internal control procedures.

Accordingly, the *General Risk Management and Internal Control Principles* contained in the *Reference Framework* are set out below, in a summary of the system put in place by the Group. Firstly, the risk management and internal control systems are defined and their objectives set out. Then, the components of the system and the key players involved are explained.

Finally, the *Application Guide* included in the *Reference Framework* is taken into account in order to define the risk management and internal control procedures with regard to financial and accounting information published by the Group.

The scope of application for the risk management and internal control procedures described above cover the parent company and all of its consolidated companies. In the event that new entities are consolidated, these procedures are systematically and progressively implemented.

3.3.2.2 Risk management and internal control definition and objectives

Definition of internal control

The Group has adopted the definition of internal control in the AMF *Reference Framework*:

Internal control consists of a set of resources, behaviors, procedures and actions that contribute to the management of the Group's activities, the effectiveness of its operations and the efficient use of its resources. It should enable it to manage in an appropriate manner

any significant risks, be they operational, financial or relating to compliance.

The system that has been defined and implemented within Teleperformance, that is, the parent company and all companies included in the consolidated accounts, allows the Group to ensure in particular:

- compliance with laws and regulations;
- implementation of the instructions and directions given by management, following discussions and in agreement with the Board of Directors;
- proper functioning of the Group's internal processes, especially those relating to the protection of its assets; and
- reliability of financial information.

The definition of internal control does not cover all of the initiatives taken by the executive or management bodies, such as defining the Company's strategy, setting objectives, making management decisions, dealing with risks and monitoring performance.

Furthermore, internal control cannot provide an absolute guarantee that the Company's objectives will be achieved (...). It cannot, in itself, prevent Group's personnel from committing fraud, contravening legal or regulatory provisions, or communicating misleading information outside the Company about its situation.

Internal control and risk management

Risk management and internal control systems complement each other in controlling the Company's activities.

The internal control system relies on the risk management system to identify the main risks that need to be controlled. The risk management system includes controls that are part of the internal control system.

The risk management system is a component of internal control.

3.3.2.3 Risk management and internal control system components

Introduction

The main directions for internal control are determined in accordance with the Group's objectives.

These objectives were communicated to the relevant managers and employees in the Group in order that they understand and comply with the general policy of the organization. These include in particular the Group's market positioning, its mission, its values, its management model and its Human Resources and social responsibility policy.

The risk management and internal control systems rely on these elements.

Control environment and organization

The control environment is a fundamental component of risk management and internal control systems and forms the common basis of the systems.

The control environment relies on values, organization, responsibilities, behaviors, information systems and procedures.

Teleperformance values

The internal control system of the Group is based on five core values: *Integrity, Respect, Professionalism, Innovation and Commitment*. These values infuse the Group's leadership strategy and form the key value charter for our employees and our subsidiaries.

The Group's values are brought to the attention of all Teleperformance personnel. Teleperformance lays great stress on our managers' ability to live up to these values on a daily basis. We conduct training sessions specifically focused on these values, so that every manager may understand how they translate into actions and decisions.

A Code of Ethics has been drawn up covering Teleperformance's values and principles for respecting diversity in dealings with third parties with which the Group is involved.

Furthermore, in July 2011, Teleperformance joined the United Nations Global Compact. This Compact invites businesses to adopt, uphold and apply a series of fundamental values in the areas of human rights, labor, environment and anti-corruption in their zones of influence. To achieve this goal, the Group has circulated internally a specific policy concerning the issue and has set up specific training programs.

Organization and responsibilities

The Group is split into three broad linguistic regions: the English-speaking and Asia-Pacific region, the Ibero-LATAM region, and the Continental Europe, Middle-East & Africa region.

All of the senior managers and executives of corporate functions, including finance, marketing, development and IT, make up the Executive Committee, which is headed by the CEO.

The Executive Committee's role mainly consists of implementing decisions taken by the Board of Directors and senior management. Among the roles of the Executive Committee is to advise the CEO and oversee the development and monitoring of policies which enable the Group to attain its various objectives, both in terms of global growth, technological decisions, the implementation of identical operating procedures for the entire network, as well as development of Human Resources.

Within the linguistic regions, the Group's organization relies on matrix management structures to establish a direct link across countries, business lines, sales teams and support functions.

The objective is to foster the Group's expansion, in a uniform fashion, whose performance is regularly and closely monitored by the Board of Directors.



Human Resources management

Human Resources management is a major component of the internal control system, the more so because our business consists of “people serving people”.

Our Human Resources policy for the 188,000 Teleperformance employees is defined by a constant quest for excellence in recruiting, building employee loyalty, developing talent and enhancing employees’ skills. Our aim is to enable everyone to perform their duties well and for the Group to achieve its objectives.

This policy relies on hands-on management and employee satisfaction surveys across the Board. In 2015, these surveys were completed by more than 100,000 employees in 41 countries. This enabled the Group to continue rolling out numerous processes in order to improve working conditions and employee integration while ensuring the professional and personal fulfillment of employees, which serves as a guarantee of a quality service.

Over the past few years, this policy has led the Group to be awarded a certification, in a number of geographical regions, from the international program of best employers by an internationally recognized firm specializing in Human Resources management.

The Group continues to improve the working environment and conditions in its contact centers, and was awarded international quality labels in several countries.

Managers receive training in order to acquire and develop their skills. This ensures that everyone within the Group shares the same values and understands our corporate culture.

Owing to a career development program for Contact Center Advisors, which aims to promote our business and the expertise of senior staff, we are able to identify employees with significant potential and prepare them to take up supervisory and managerial positions within the Company.

The Group also provides high-level online training to allow employees to streamline and improve their expertise and train future managers.

The international Teleperformance University program was also created to train senior managers in the management of key areas of our business, as well as to prepare them for the implementation of changes in their company in line with the Group's objectives.

These activities aim to ensure the required level of competence in all areas. They contribute to the development of employees, so that the Group continues to be a rewarding company for them, while giving them the ability to quickly take on a management role in any of its contact centers.

Information systems

Group Management and the Information Systems Department determine the Group's strategic directions for production tools and information systems for subsidiaries. They ensure that the development of information systems is consistent with Group objectives.

The Group continued to streamline the architecture of systems and technological standards. Within this framework, the Group continued to roll out an integrated contact center management software package (Contact Center Management System – CCMS) in the Group's main entities. This will help to standardize operational processes and provide greater security in the reporting process.

The Information Systems Department also issues directives on security, data protection and business continuity. These directives are based on compliance with international standards, ISO 27001, PCI (Payment Card Industry), HIPAA (Health Insurance Portability and Accountability Act) or the European Data Protection Directive in order to satisfy regulatory requirements specific to each business sector or to obtain the certifications requested by clients.

Management and industry procedures

The internal control system also depends on subsidiaries implementing *TOPS* (*Teleperformance Operational Processes and Standards*), *BEST* (*Baseline Enterprise Standard for Teleperformance*), as well as business standards such as the *COPC* (*Customer Operations Performance Centers*) standard or the French Customer Contact Center Service standard.

The system is also based on international management standards such as ISO 9001.

The standardization and application of these procedures and standards enable us to make our global network more internally consistent, while providing greater control over our operations.

TOPS (Teleperformance Operational Processes and Standards)

TOPS are a process used to manage daily performance. The *TOPS* process allows performance and quality to be optimized, while managers are able to dedicate the majority of their working time to their agents. It was designed by the Group to manage its operations in a standardized manner in each subsidiary. It allows for improved quality control.

The *TOPS* process has been deployed in all subsidiaries. These processes can use the Group's integrated software suite for service management (*CCMS*). *TOPS* provides the Group with a reference framework for all its operations.

BEST (Baseline Enterprise Standard for Teleperformance)

These standards are guidelines as to quality standards that guarantee a high level of service and performance and proactive management of existing and future programs. *BEST* also reinforces best practice in Human Resources management and projects for all Teleperformance operations worldwide.

COPC (Customer Operations Customer Centers): a business standard

The *COPC-2000®* standard supplies contact center management teams with the necessary information to improve their operational performance. The *COPC* certification also provides a model for global performance management linking all business areas of the Company. It also ensures operational consistency by meeting the high performance criteria required by the *COPC* standard.

Our Company develops its own team of Chartered coordinators and *COPC*-certified internal auditors. Teleperformance continues to have its programs and inbound call centers annually certified at subsidiary level worldwide.

NF Service Customer Contact Center Standard

The characteristics of the *NF Service Customer Contact Center* certification are based on new European standard NF EN 15838. This certification provides clients with service quality benchmarks and optimizes the management of contact centers. It meets the expectations of consumers and professionals and is a guarantee of the quality, reliability and credibility of the service we provide. It also meets social requirements to enhance expertise in the customer contact business. Our companies in France and Tunisia have been awarded this certification.

ISO 9001: a quality management standard

The ISO 9001 standard is applied in a number of major Group subsidiaries. It provides clients with assurance as to our ability to meet their requirements in terms of quality and to increase client satisfaction in client-supplier relations.

It sets forth what is required in terms of quality assurance systems. The requirements of this standard cover numerous aspects, including employee skills, process management and assessment, monitoring, as well as a constant endeavor to improve quality management systems.

Information-sharing

The Group has a policy of releasing internally all relevant financial or operating information that enables everyone to perform their job.

Under the responsibility of a dedicated department, key employees can share knowledge, know-how and best practices within the Group via intranet. This global knowledge management system encourages those involved to exchange and circulate useful information.

Group information and procedures are also regularly communicated to the managers of all subsidiaries at international seminars or presentations. These rules are also reiterated at company Board meetings. Subsidiary executives are expected to communicate instructions from Group Management to their employees.

The heads of corporate support departments also inform their teams of specialized personnel at meetings and training sessions.

Risk management system**Definition**

In the operation of its business, the Group is exposed to a variety of risks *that could affect the Company's personnel, assets, environment, objectives or reputation.*

Risk management objectives

Risk management is a lever for anticipating the main potential threats to the Group, whether internal or external, *in order to preserve its value, assets and reputation, help it achieve the objectives it has set itself, ensure that actions taken are consistent with Group values and rally employees in support of a shared vision of key risks.*

Organizational framework

The risk management system depends on dedicated management tools, procedures and risk managers. All those tools are indicated in the Group management system, *TP Umbrella*.

Group Management is particularly vigilant when preparing and circulating these management tools. These tools enable each subsidiary to implement the measures and procedures necessary to manage our business and prevent risks, with regard to the rules that define Teleperformance's objectives and strategy.

This monitoring process, along with the operating priorities and the management controls to be adopted with respect to the analysis of these risks, are reviewed with all Group managers, meeting together as a group or at the time of Board meetings or management meetings.

Process

Key risks are identified and analyzed in the section 1.6 *Risk Factors* section of the Registration Document along with the measures that can be used to limit the consequences.

The organization of the risk management system was outlined in a presentation to the Audit Committee in February 2015.

This presentation documents the main risks identified with the help of the Group's management model that aims to reduce those risks, whether the risk is an accounting, financial, Human Resources, technological or sales development risk or a risk that relates to our business sector.

In addition, a formal analysis of the key procedural points for oversight related to the financial information of subsidiaries was again carried out in February 2015. The results of this analysis, as well as related monitoring, were presented during the Audit Committee meetings in April, July and November 2015. These procedures cover the main risks identified as being liable to affect the preparation of the published financial and accounting information. This formal analysis relies on the self-assessment system implemented by each subsidiary as described in section 3.3.2.5 of this report.

Management

Group management regularly monitors risk management to ensure continued improvement through the introduction of various systems and procedures.

Control activities

In addition to measures already listed in section 1.6 *Risk factors*, the current paragraph indicated centralized and decentralized activities taken in order to limit the risks liable to affect the achievements of our objectives. Control activities are designed both by the Group's management through centralized control processes and by local management through decentralized control processes.

Centralized control procedures

The internal control procedures centralized at headquarters level cover areas common to all companies within the Group. These procedures involve finance, legal, IT and sales activities.

Financial procedures

The financial procedures relating to the management of financial information are detailed in section 3.3.2.5 of this report.

The Group's policy for managing foreign exchange and interest rate risks, and which is meant to limit these risks, preserve sales margins and control interest charges, is presented in the section 1.6 *Risk Factors*.

Legal procedures

As part of its responsibilities, the legal division of the Group enforces the laws and regulations in effect in countries where the Teleperformance Group operates, through its local network of lawyers. It also has a central role to play in legal monitoring and advising the various entities of the Group.

The Group's Legal Department has for several years implemented a monitoring system for the trademarks used and registered by companies within the Group, and in particular a system for a worldwide monitoring of our corporate name, our domain names, the "Teleperformance" brand name and other flagship brands of the Group. The purpose is to be able to contest registrations of trademarks or other intellectual property rights by competitors and to avoid misuse of these assets, especially on the Internet.

A procedure defining the powers of the subsidiary CEOs to commit their subsidiaries legally vis-à-vis third parties has been implemented under the supervision of the holding company's Legal Department and the Group's senior management.

In a drive to reduce the legal risks inherent in contracts, the Group defined a series of best practices for drafting certain provisions that present a particular risk and for drafting bids in response to requests for proposals. Any departure from these rules requires specific approval from the relevant internal body. In addition, all global contracts with clients are reviewed by the Group's lawyers before being signed, such that risks are limited and drawn to the attention of management.

Major litigation or litigation risks are monitored directly or coordinated by the Group Chief Legal Officer, who is assisted by a local network of lawyers.

With respect to the protection of personal data, the Group applies a global policy in order to ensure that personal data is collected, processed and transferred within the Group in accordance with applicable legislation.

In 2013, the Group's Legal Department introduced a system to monitor and manage the legal affairs and legal teams of its subsidiaries and holdings throughout the world.

IT and security procedures

The Group has streamlined its security technology to reflect best market practices and to introduce the technology contractually required by its clients or the technology required pursuant to applicable regulations. This technology aims to reduce the introduction of malware, protect personal data and detect and prevent intrusions.

All personal data is collected and processed in accordance with applicable laws and in accordance with all essential security standards applicable at each Teleperformance site ("Global Essential Security Policies" or "GESPP"), specifically in order to prevent any potential acts of fraud or breaches of the security standards.

The certifications requested by clients also serve as a guarantee that strict control procedures will be applied in order to ensure compliance with security and/or quality standards and processes at all times.

The Group has a large, dedicated global operational Fraud Prevention and Detection team, trained to deal with security issues.

This IT security team implements comprehensive anti-fraud programs for customers throughout the entire business relationship. These programs focus on technological innovation, such as rapid detection of fraud and secure exchange of identifiable personal information between the caller and the customer.

Physical security procedures are also in place in our centers.

Sales procedures

To manage its sales processes, Teleperformance has created a set of best practices to follow in order to standardize the approach to managing requests for proposals. Key international RFPs are handled directly by specialized staff.

Decentralized procedures

Local internal control procedures are decentralized at the individual subsidiary level, where the management team is responsible for their implementation to prevent risks and comply with local legislation. The team also ensures that these procedures operate smoothly, in accordance with instructions given by senior management, which are reviewed at the meetings of each subsidiary's Board of Directors or equivalent body.

Oversight of the internal control system

Group senior management

The Executive Committee monitors the internal control system to ensure that the system is relevant and suited to the Group's objectives. The Committee incorporates the Group's support functions and linguistic regions management and is supervised by the Board of Directors.

This includes regular reviews on the part of management and supervisory staff. It falls within the scope of their day-to-day activities and ensures that each organizational process is consistent with the Group's vision and strategy.

The role of internal audit

In 2015, audit assignments were carried out in the subsidiaries of the Group or in respect of specific matters by the Internal Audit Department, according to the annual audit plan and priorities set by management during the year. These audits focused primarily on the control procedures implemented at the local level.

As part of its work, the Internal Audit team defines action plans with each subsidiary's management, under the supervision of Group management, to ensure that internal control procedures are continually improved.

3.3.2.4 The parties involved in internal control

The risk management and internal control departments form an integral part of the Group's organization.

The Board of Directors

The Board of Directors is charged with several tasks: it upholds the interests of employees, implements the Company's policy and performs the necessary controls and checks. The Board also represents shareholders.

Pursuant to its duties, the Board of Directors closely monitors the Group's results on a regular basis, and reviews all types of risks relating to its business whether they are financial, commercial, operational, legal or personnel-related risks.

The Audit Committee

The Audit Committee, the organization and functions of which are explained in the previous section, is responsible for preparing for the Board of Directors' review.

The Audit Committee actively monitors areas within its remit. Based on the information it receives, this monitoring allows it to intervene at any time deemed necessary or appropriate and may lead it, where it detects warning signals as part of its mission, to discuss the matter with senior management and to convey the appropriate information to the Board.

The Executive Committee and local management

The Executive Committee includes the linguistic region and support managers.

The Executive Committee is responsible for devising and monitoring policies and procedures to enable the Group to achieve its various objectives, and control procedures to make sure that these internal rules, together with all the rules governing the Group's business and corporate activities, are followed.

Guidelines and procedures are communicated to the subsidiaries' local management, who are responsible for carrying them out with the support of regional, operating and support managers.

The Compliance and Security Committee

A global committee for security, chaired by the Chief Compliance, Privacy and Security Officer, meets twice a month to analyze potential risks with regard to fraud. Senior managers in each of the Group's regions as well as all staff competent in dealing with these matters (legal directors, IT directors, security analysts) also attend the Committee meeting.

Furthermore, on February 8th, 2016, the Group created the function of Worldwide Chief Legal and Compliance Officer, who reports directly to the Group's Chief Executive Officer.

The Group Internal Audit Department

The Group is audited internally by a central team that reports to the Group Chief Financial Officer, who is a member of the Executive Committee. The Internal Audit Department also reports to the Audit Committee as part of its duties.

The operating rules of the Internal Audit Department are defined in its charter, which refers to the IFACI (*French Audit and Internal Control Institute*) professional standards. This charter sets out

internal audit guidelines and the manner in which the main corporate bodies involved in monitoring the Group's internal control system operate.

The Internal Audit Department helps develop internal control tools and benchmarks. It carries out the missions included in the annual planning cycle approved by Group Management and reviewed by the Audit Committee. The summary report on the accomplishment and findings of the assignments together with the stage of completion of action plans are presented to the Audit Committee and shared with the auditors.

Departments and Employees

Each department is involved in internal control by drafting and following policies and procedures designed to meet the Group's various goals, as well as by ensuring compliance with related control procedures and rules concerning the Group's business and operations.

Each employee is also involved in the internal control process, according to their respective level of expertise and access to information, so as to ensure its effective operation and regular review.

3.3.2.5 Description of the risk management and internal control system for published accounting and financial information

This section derives from the *Application Guide for Internal Control Procedures Related to the Accounting and Financial Information Published by the Issuers*, taken from the *AMF Reference Framework*.

Firstly, the accounting and financial risk management and internal control system is defined and described in terms of its scope, then the main information management and preparation processes are described. Information is also provided on how the AMF's *Application Guide* was used with the implementation of a self-assessment system for each subsidiary.

Definition and scope

The accounting and financial information risk management and internal control system ensures the preparation of reliable information that fulfills legal and regulatory requirements.

The internal accounting and financial control system encompasses the processes used to manage and produce published information as well as the risk management system that could affect these processes, *i.e.* that could affect the reliability, proper transmission and completeness of the information.

Within the scope of preparation of the consolidated financial statements, the internal accounting and financial control process encompasses the parent company and consolidated companies ("the Group" as defined above).

Management processes in the accounting and financial organization

Organization and responsibilities

General organization

The Finance Department has a corporate practice and an operational practice. These two practices manage the organization of accounting and financial matters within the Group.

Corporate and operational practices

Within the corporate practice, dedicated teams of specialists ensure the implementation of accounting and financial management, under the supervision of senior management in the following areas: consolidation and reporting, treasury, internal audit and financial communication.

The consolidation and reporting teams have joined together and are now managed by a single department, which also supervises the accounts of the holding company in Paris.

The Treasury Department processes and centralizes movements of the Group's funds, manages its means of financing and hedges exchange rate and interest rate risks.

The Internal Audit Department reviews the internal control processes inherent in published accounting and financial information.

The department dedicated to investor relations and the market communication system is described below in the paragraph entitled *Financial communication*.

The operational practice includes the regional Chief Financial Officers in charge of the linguistic management regions.

Responsibilities

The preparation of the Group's consolidated financial statements is the responsibility of the Group Chief Financial Officer, who relies on the Group's regional and subsidiary Chief Financial Officers, who, along with senior management, are in charge of implementing a financial structure that conforms to Group best practices and that ensures that accounting and financial information is reliable and consistent for the purpose of the financial statements published by the parent company.

The information system and management tool

The consolidation of accounting information, monthly reports and budgets are managed on a single information system used by all Group subsidiaries.

This Group information system was implemented in order to meet information security and reliability requirements. It enables a detailed monthly financial report to be produced using the Group's model. It also allows a precise analysis of the formation of financial cash flows and of the results by comparing them with the budgets.

The Group information system is continually being updated in line with the Company's requirements in terms of organization and management indicators.

In terms of controls, the objectives of the consolidation and management system are:

- to automatically control the consistency of financial data reported by subsidiaries;
- to accelerate and ensure the reliable processing of reported information; and
- to increase consistency through reporting tables and the production of formatted information.

Accounting standards

The Group's accounting standards comply with IFRSs issued by the IASB and adopted by the European Union. These standards are basis for the consolidated accounts since 2005. All consolidated subsidiaries are obliged to apply them.

The Chief Financial Officers of all subsidiaries are made aware of accounting definitions and principles, which are available on the Group consolidation and management system, to ensure that they are applied consistently across the Group and that all financial information complies with such standards. An Accounting Guide setting out the standards applied in the preparation of the consolidated financial statements may be downloaded from the Group intranet site.

The Group Finance Department, with the help of the statutory auditors, keeps itself informed of new IFRSs under development, in order to alert management and anticipate their impact on the Group's accounts.

The statutory auditors

The statutory auditors of the parent company carry out a limited review of the consolidated financial statements for the six months ended June 30th and audit the annual parent company and consolidated financial statements ended December 31st.

Senior managers must concert with the auditors as they are responsible for the preparation of the financial statements and the implementation of internal accounting and financial control systems.

The auditors took part in all Audit Committee meetings. They informed the Audit Committee of their work on Group procedures, presented the Committee with their conclusions on the financial statements and also reported on the key points raised during the audit. The auditors also presented their audit strategy to the Audit Committee.

The Audit Committee

Matters related to financial information that were reviewed at Audit Committee meetings in 2015 are described in the section concerning the work of the Board of Directors.

Process of preparing accounting and financial reporting

Operational processes related to the production of accounting and financial information

Group procedures and best practices have been established in respect of the main operational processes used by subsidiaries for the production of accounting and financial information, particularly sales, payroll, purchases and fixed assets, in order to ensure that such entries are monitored and that they comply with the authorization and accounting rules set out in the *Application Guide* of the AMF Reference Framework.

Use of the Application Guide

The Group uses the *Application Guide* to review internal control procedures for the main processes used to post entries in the accounts by implementing a self-assessment system for each subsidiary.

Self-assessment questionnaires taken from the *Application Guide* and adapted to the Group and its business are completed yearly by all Group managers and Chief Financial Officers. The action plans put in place following this self-assessment are monitored by the Internal Audit Department. The results of the questionnaires and information on the monitoring of action plans are provided to Group Management and presented to the Audit Committee. A selection of the answers to the questionnaires from the main subsidiaries is also checked by those subsidiaries' auditors.

These questionnaires enable each subsidiary to review its internal financial and accounting information control procedures and to prepare the confirmation letters signed by the subsidiaries' directors and transmitted to Group Management.

Accounts closing

The process of closing the Group's accounts involves checks at every information reporting and processing stage, to a schedule set by the Finance Department and communicated to all subsidiaries.

Information forwarded by subsidiaries is inspected by the head office consolidation staff, who eliminate internal transactions, test for consistency and check the items that pose the greatest risk.

The accounts are consolidated at Group level, without any intermediate consolidation stage. The Group's Finance Department therefore has sole authority to make consolidation entries.

The published consolidated financial statements are prepared by the Finance Department on the basis of the subsidiaries' audited financial statements.

The main accounting options and estimates used by the Group are discussed with the auditors before the accounts are finalized.



Approval of the accounts

The subsidiaries' Chief Executive Officers give Group Management a formal commitment, expressed in a letter of representation, that their financial statements present a true and fair view of the subsidiary, that they use the AMF *Reference Framework*, that no fraud has been detected and that all legal and regulatory provisions have been complied with.

Finally, the consolidated financial statements are presented by the Group Chief Financial Officer to the Audit Committee, which examines them in preparation for the meetings and deliberations of the Board of Directors, which reviews and approves them.

Financial communication

The Group Finance Department sees that all information is provided in accordance with market requirements, within the legal time frames and under the conditions stipulated by law and regulations in force, thus satisfying market requirements.

Teleperformance applies best market practices in this area. The Group provides shareholders with an extensive database of information on its activities and the latest news via its website at www.teleperformance.com.

As a result of this work, Teleperformance was awarded a prize by the jury of the *Grand Prix de la Transparence* Award in 2015 for the third consecutive year, in recognition of the transparency of its regulated communication. The Group won this prize in the category of Consumer Services.

The Group also organizes regular meetings with the financial community, not only on the occasion of result disclosures, but throughout the year at the major European and US stock exchanges.

February 24th, 2016

The Chairman of the Board of Directors

3.4 Statutory auditors' report prepared in accordance with Article L.225-235 of the French Commercial Code on the report of the Chairman of the Board of Directors

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.



For the year ended December 31st, 2015

To the shareholders,

In our capacity as statutory auditors of Teleperformance SE, and in accordance with article L. 225-235 of the French Commercial Code, we hereby report on the report prepared by the Chairman of your Company in accordance with article L. 225-37 of the French Commercial Code, for the year ended December 31st, 2015.

It is the Chairman's responsibility to prepare and submit to the Board of Directors, a report on the internal control and risk management procedures implemented by the Company, and containing the other disclosures required by article L. 225-37 of the French Commercial Code related to, in particular, corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report with respect of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and
- to attest that this report contains the other disclosures required by article L. 225-37 of the French Commercial Code, it being specified that we are not responsible for verifying the fairness of these disclosures.

We have performed our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the

preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control and risk management procedures for the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weakness in internal control procedures relating to the preparation and processing of financial and accounting information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of financial and accounting information, contained in the report prepared by the Chairman of the Board of Directors, in accordance with article L. 225-37 of the French Commercial Code.

Other disclosures

We hereby attest that the Chairman of the Board of Directors' report includes the other disclosures required under article L. 225-37 of the French Commercial Code.

Paris La Défense and Neuilly-sur-Seine
February 24th, 2016

The statutory auditors

KPMG Audit IS
Éric Junières
Partner

Deloitte & associés
Philippe Battisti
Partner

3.5 *Remuneration of directors and executive directors*

3.5.1 Remuneration of directors

3.5.1.1 Rules for allocation of directors' fees

Within the overall limit of €600,000 decided by the shareholders' meeting held on May 7th, 2014 (until further decision), the Board of Directors decides of the allocation rules of directors' fees amongst its members. In compliance with the recommendations of the AFEP-MEDEF Code, these rules take into account (i) the membership to the Board and its specialized Committees, (ii) the effective attendance of directors at meetings of the Board and its Committees and (iii) the directors' place of residence. They thus contain a significant variable portion. The payment of the directors' fees for a financial year is done the following year.

The Chairman of the Board of Directors and the Chief Executive Officer, as a director, do not receive any directors' fees from the Company or any of its subsidiaries.

For the 2013 financial year, the directors' fees were allocated as follows: in a full year, each director received a fee with a gross fixed portion of €2,000, or €10,000 if resident abroad and a gross variable portion of €3,000 for each meeting attended. Members of the Audit and the Remuneration and Appointments Committees received a variable fee of a gross amount of €3,000 per meeting, paid subject to attendance. The Committee Chairmen received an annual additional fee of a gross amount of €4,000. The payments were made in 2014.

For the 2014 financial year, the allocation rules approved by the Board of Directors, at its meeting held on November 25th, 2013, are as follows: each director received an annual fixed fee of €20,000 and a variable amount of €5,000 per meeting subject to attendance. Each Committee member received a variable fee of €2,500 per meeting attended. The Committee Chairmen received an additional annual fixed fee of €5,000. An additional fee of €2,500 per meeting was paid for directors travelling from a country traveling outside Europe to attend a Board or Committee meeting. The payments were made in 2015.

The gross amount of directors' fees paid in 2014 (in respect of the 2013 financial year) amounted to €254,000 and €579,167 paid in 2015 (in respect of the 2014 financial year).

For the 2015 financial year, the following rules were decided by the Board at its meeting held on July 28th, 2015: each director receives an annual fixed fee of €20,000 and a variable amount of €3,500 per meeting subject to attendance. Each Committee member receives a variable fee of €2,500 per meeting attended. The Committee Chairmen receive an additional annual fixed fee of €5,000. A fee of €1,500 is paid for participating to a Board or Committee meeting for directors traveling from a country outside Europe. These directors' fees will be paid in 2016.

3.5.1.2 Directors' fees and other remuneration paid to directors

► Table 3 of the AMF Recommendations – Individual breakdown of the amount of directors' fees and other remuneration paid to directors (gross amounts)

	Amounts paid in 2014	Amounts paid in 2015
Daniel Julien, Chairman of the Board of Directors ⁽¹⁾		
■ Directors' fees	n/a	n/a
■ Other remuneration	see section 3.5.2	see section 3.5.2
Paulo César Salles Vasques, director and Chief Executive Officer ⁽²⁾		
■ Directors' fees	n/a	n/a
■ Other remuneration	see section 3.5.2	see section 3.5.2
Emily Abrera, <i>director</i>		
■ Directors' fees	€22,000	€47,500
■ Other remuneration	-	-
Daniel Bergstein, <i>director</i>		
■ Directors' fees	€35,000	€45,000
■ Other remuneration	-	-
Alain Boulet, <i>director</i>		
■ Directors' fees	€26,000	€55,000
■ Other remuneration	-	-
Bernard Canetti, <i>director</i>		
■ Directors' fees	€30,000	€60,000
■ Other remuneration	-	-
Philippe Dominati, <i>director</i>		
■ Directors' fees	€11,000	€45,000
■ Other remuneration ⁽³⁾	€76,800	€76,800
Philippe Ginestié, <i>director</i>		
■ Directors' fees	€17,000	€45,000
■ Other remuneration	-	-
Jean Guez, <i>director</i>		
■ Directors' fees	€26,000	€55,000
■ Other remuneration	-	-
Robert Paszczak, <i>director</i>		
■ Directors' fees	€31,000	€60,000
■ Other remuneration	-	-
Mario Sciacca, <i>director</i>		
■ Directors' fees	€34,000	€50,000
■ Other remuneration	-	-
Christobel Selecky, <i>director</i> ⁽⁴⁾		
■ Directors' fees	-	€30,833
■ Other remuneration	-	-
Angela Maria Sierra-Moreno, <i>director</i> ⁽⁴⁾		
■ Directors' fees	-	€38,833
■ Other remuneration	-	-
Stephen Winningham, <i>director</i>		
■ Directors' fees	€22,000	€47,500
■ Other remuneration	-	-

(1) Chairman of the Board of Directors since May 30th, 2013.

(2) Chief Executive Officer and director since May 30th, 2013.

(3) As Chairman of the Supervisory Board of Teleperformance France SAS.

(4) Director since May 7th, 2014.

3.5.2 Remuneration of executive directors

3.5.2.1 Remuneration policy for executive directors

The remuneration policy for executive directors and the remuneration paid to each of them are approved by the Board of Directors upon recommendation of the Remuneration and Appointments Committee, in the absence of the corporate officers concerned. The Board refers to the recommendations of the AFEP-MEDEF Code in order to determine the remuneration and benefits awarded to executive directors.

The Board endeavors to adjust the remuneration in accordance with the position and duties held and the responsibility assumed. The remuneration must be competitive in order to attract, motivate and retain executive directors. In addition, the variable portion must reflect the Group's performance and a number of qualitative criteria. Share-based profit-sharing schemes (performance shares, long-term incentive plan, etc.) are offered with a view to involving these individuals in the Company's long-term value creation, in the same way as for the employees who benefit from these schemes.

The remuneration structure of the executive directors is reviewed every year by the Board of Directors, based on the work of the Remuneration and Appointments Committee. At that time, the Board of Directors discusses the appropriateness of reviewing fixed remunerations or their structure in light of specific events affecting the Company, the Group or its organizational structure. In any event, the Board of Directors

ensures that the core principles of its remuneration policy, as set out in paragraph 23.1 of the AFEP-MEDEF Code, are followed.

3.5.2.2 Remuneration paid to executive directors for the 2014 and 2015 financial years

The remuneration paid to the executive directors is determined by the Board of Directors, upon recommendation of the Remuneration and Appointments Committee.

For the 2014 financial year, the remuneration of Daniel Julien, Chairman of the Board and Paulo César Salles Vasques, Chief Executive Officer, were determined by the Board of Directors at its meetings held on November 25th, 2013 and February 25th, 2014. The remuneration for 2015 was approved by the Board at its meetings held on November 25th, 2014 and February 25th, 2015.

In accordance with the remuneration policy described in paragraph 3.5.2.1 *Remuneration policy for executive directors*, the Board approves a global maximum amount. This remuneration is paid, in its entirety or in its majority, by the US subsidiary, Teleperformance Group Inc., of which Mr. Julien and Mr. Salles Vasques are executive directors (it being specified that the Chief Executive Officer receives part of his fixed remuneration from Teleperformance SE). The individual items comprising these overall amounts are set out below.

► **Table 1 of the AMF recommendations – Summary table on remuneration and stock options and shares granted to each executive director (in euros)**

	2015*	2014*
Daniel Julien, Chairman of the Board of Directors		
Remuneration due in connection with the financial year (detailed in Table 2)	4,787,648	3,998,226
Value of multi-year variable remuneration granted during the financial year	n/a	n/a
Value of stock options granted during the financial year	n/a	n/a
Value of performance shares granted during the financial year	-	-
TOTAL	4,787,648	3,998,226
Paulo César Salles Vasques, Chief Executive Officer		
Remuneration due in connection with the financial year (detailed in Table 2)	3,616,097	2,541,726
Value of multi-year variable remuneration granted during the financial year	n/a	n/a
Value of stock options granted during the financial year	n/a	n/a
Value of performance shares granted during the financial year	-	-
TOTAL	3,616,097	2,541,726

* Remuneration denominated in a foreign currency for a given year is converted into euros at the average exchange rate for the year.

► Table 2 of the AMF recommendations – Summary remuneration table (in euros)

	2015 ⁽¹⁾		2014 ⁽¹⁾	
	Amounts due	Amounts paid ⁽²⁾	Amounts due	Amounts paid ⁽²⁾
Daniel Julien, Chairman of the Board of Directors				
Fixed remuneration	3,378,378	3,378,378	2,821,670	2,994,106
Annual variable remuneration	1,351,351	1,351,351	1,128,668	1,015,801
Multi-year variable remuneration	n/a	n/a	n/a	n/a
Exceptional remuneration	n/a	n/a	n/a	n/a
Directors' fees	n/a	n/a	n/a	n/a
Benefit in kind	57,918	57,918	47,888	47,888
TOTAL	4,787,648	4,787,648	3,998,226	4,057,795
Paulo César Salles Vasques, Chief Executive Officer				
Fixed remuneration	2,594,595	2,606,757	1,787,810	1,746,714
Annual variable remuneration	1,009,009	832,432	695,260	365,011
Multi-year variable remuneration	n/a	n/a	n/a	n/a
Exceptional remuneration	n/a	n/a	n/a	n/a
Directors' fees	n/a	n/a	n/a	n/a
Benefit in kind	12,494	12,494	58,656	58,656
TOTAL	3,616,097	3,451,683	2,541,726	2,170,381

(1) Remuneration denominated in a foreign currency for a given year is converted into euros at the average exchange rate for the year.

(2) The remuneration paid includes the portion of the remuneration payable in respect of the current financial year and the balance of the remuneration payable in respect of the previous financial year and not paid during that year.

Details of remuneration paid to the executive directors for the 2015 financial year

For the financial year 2015, at its meetings held on November 25th, 2014 and February 25th, 2015, upon recommendations of its Remuneration and Appointments Committee, the Board of Directors decided to maintain unchanged the proportion between the fixed and variable parts of the remuneration of Mr. Julien and Mr. Salles Vasques.

The Board of Directors also decided to maintain the global amount (fixed and maximum variable part) unchanged since 2013 for Mr. Daniel Julien, i.e. a gross amount of US\$ 5,250,000. With regard to the global remuneration of Mr. Paulo César Salles Vasques, particularly in light of the significant increase in the size and complexity of the Group following the acquisitions achieved, the Board has decided to set the maximum amount of his global gross remuneration (fixed and maximum variable part) at US\$4 million. The breakdown is described hereinafter.

Fixed remuneration

The Board of Directors set the fixed remuneration for the 2015 financial year as follows, upon recommendation of the Remuneration and Appointments Committee:

- for Mr. Daniel Julien, a gross fixed annual amount of US\$3,750,000, unchanged since 2013;

- for Mr. Paulo César Salles Vasques, a gross fixed annual amount of US\$2,880,000 (compared to US\$2,376,000 for 2014), including a net amount of €100,000 for his position as Chief Executive Officer of Teleperformance SE and paid by the latter.

Variable remuneration

Upon recommendation of the Remuneration and Appointments Committee, the Board of Directors set the maximum amount of variable remuneration for the 2015 financial year as follows:

- for Mr. Daniel Julien, the maximum variable amount was set at US\$1,500,000 (unchanged since 2013), subject to performance criteria;
- for Mr. Paulo César Salles Vasques, the maximum variable amount was set at US\$1,120,000 (compared to US\$924,000 for the year 2014) subject to performance criteria.

The maximum variable amount represents 28% of their total remuneration.

The Board of Directors set the quantitative and qualitative performance criteria presented below, which enable the calculation of the 2015 variable remuneration. It has introduced a point-based calculation system, in order to determine the full or partial fulfillment of said criteria. The maximum number of points that may be awarded for the various quantitative and qualitative criteria is 80 and 20 points respectively.

Quantitative criteria

The quantitative criteria, which have an 80-point weighting, relate to the growth rate in revenue and the EBITA, related to the performance achieved by the Group throughout the network and excludes the impact of currency effects for the turnover criterion and excludes non-recurring items with respect to the criterion related to EBITA.

At its meeting held on February 24th, 2016, the Board of Directors reviewed the level of achievement of the quantitative targets and criteria, upon recommendation of its Remuneration and Appointments Committee, which met on February 22nd, 2016, and concluded that the level achieved was equivalent to 80 points.

The table below sets out the number of points, the targets set by the Board and the level of achievement confirmed by the Board at its meeting held on February 24th, 2016.

► Current EBITA margin ratio

Number of points awarded	Target
0 points	less than 9.6%
10 points	equal to 9.6% and less than 9.8%
20 points	equal to 9.8% and less than 10.0%
30 points	equal to 10.0% and less than 10.2%
40 points	greater than 10.2%

► Reported revenue growth (excluding currency gains and losses)

Number of points awarded	Target
0 points	less than 6%
10 points	equal to 6% and less than 8%
20 points	equal to 8% and less than 10%
30 points	equal to 10% and less than 12%
40 points	greater than or equal to 12%

As to the quantitative criteria, upon recommendation of the Remuneration and Appointments Committee, and following the approval of the financial items by the Audit Committee, the Board of Directors noted that the EBITA margin amounted to 10.3%, *i.e.*, 40 points, while reported revenue growth amounted to +15.9% *i.e.*, 40 points.

The total number of points awarded was therefore 80 out of the 80 points allocated to these quantitative criteria.

Qualitative criteria

The qualitative criteria, which have a 20-point weighting, relate to the successful completion of each stage of the transmission period between the Chairman of the Board and the Chief Executive Officer, this period was set up at the time of the

separation of the functions of Chairman and Chief Executive Officer. These pre-established qualitative criteria aimed at motivating and uniting the teams, are not published for reasons of confidentiality.

With regard to these qualitative criteria, the Board, in particular, on the basis of the conclusions of its formal assessment made at its meeting held on July 28th, 2015, and on its discussions concerning the supervision and management of operational performance, has unanimously reapproved the smooth and effective transmission in place between Daniel Julien, the Group founder, and Paulo César Salles Vasques. It also considered that their performance and their personal contribution during this phase of the transmission of knowledge and know-how were very satisfactory. Upon recommendation of the Remuneration and Appointments Committee, it has thus noted that the number of points awarded was of 20 out of the 20 points allocated to these qualitative criteria.

Therefore, upon recommendation of the Remuneration and Appointments Committee, the Board of Directors set the amount of variable remuneration payable to Mr. Daniel Julien for 2015 at the gross sum of US\$1,500,000 equivalent to €1,351,351 and Mr. Paulo César Salles Vasques at the gross sum of US\$1,120,000 equivalent to €1,009,009. These amounts will be paid in March 2016.

Benefits in kind

The benefits in kind granted to Mr. Daniel Julien consist in a company car, a healthcare insurance plan and the matching contribution for 2015 paid as part of the *non-qualified deferred compensation plan* (description follows).

The benefits in kinds of Mr. Paulo César Salles Vasques comprise a company car and a healthcare insurance scheme.

Daniel Julien and Paulo César Salles Vasques are eligible to a *non-qualified deferred compensation plan* set up by the US subsidiary, Teleperformance Group Inc. This plan enables them to defer, at their own initiative, a portion of their remuneration, limited to US\$200,000 per year. Teleperformance Group Inc. then matches 25% of the amount deferred. This deferred amount and the matching contribution can only be paid to them if they leave the Group.

As of December 31st, 2015, Daniel Julien deferred the payment of US\$200,000 and Teleperformance Group Inc. matched that sum to a total of US\$50,000. Paulo César Salles Vasques did not defer remuneration under this plan in 2015.

Details of remuneration paid to executive directors for 2016

In preparing its recommendations on remuneration for 2016, the Remuneration and Appointments Committee notably discussed the results of the advisory votes of shareholders at the meetings held on May 7th, 2014 and May 7th, 2015. It concluded that the structure of remuneration of executive directors was appropriate to the particular nature of the Group and its governance structure.

Upon proposal by the Committee, the Board at its meetings held on December 11th, 2015 and February 24th, 2016, decided to maintain unchanged the breakdown between fixed and variable portions of the remuneration of Mr. Julien and Mr. Salles Vasques.

The Board of Directors also decided to maintain the amount of total remuneration (fixed and maximum variable portion) of Daniel Julien unchanged for 2016.

Regarding the global remuneration of Mr. Paulo César Salles Vasques, the Board decided, in light of, in particular, the integration of new significant clients, the continuation of the

integration of the acquisitions and the new sites of the Group, to increase it to a sum consisting of a gross annual fixed portion of US\$3,096,000 (compared to US\$2,880,000 for 2015) and a variable portion of a maximum of US\$1,204,000 (compared to US\$1,120,000 for 2015).

The determination of the variable portion is subject to performance conditions based on quantitative criteria (achievement of revenues and EBITA levels) and qualitative criteria (relating, in particular, to the harmonious corporate leadership development). The expected levels of achievement were set by the Board of Directors in a precise manner and are not made public for reasons of confidentiality.

3.5.2.3 Undertakings in favor of executive directors

► **Table 11 of the AMF recommendations – Summary of undertakings in favor of the Chairman of the Board of Directors and the Chief Executive Officer**

Executive director	Employment contract	Additional pension scheme	Payments or benefits due or to be due upon termination or change of responsibilities	Payments relating to a non-compete agreement
Daniel Julien	No	No	No	Yes
Paulo César Salles Vasques	No	No	No	Yes

Employment contract

The Chairman and the Chief Executive Officer are not bound to the Company or any of its subsidiaries by an employment contract. It is reminded that Paulo César Salles Vasques' employment contract with Teleperformance Group Inc. was terminated on May 30th, 2013, when he was appointed Chief Executive Officer.

Additional pension scheme

The Chairman and the Chief Executive Officer do not benefit from any additional pension scheme.

Payments or benefits due or to be due upon termination or change of responsibilities

The Chairman and the Chief Executive Officer are not entitled to any payments or benefits due or to be due as a result of termination of their appointment or a change in their responsibilities.

Payments relating to a non-compete agreement

Non-compete agreement of Mr. Daniel Julien

Mr. Daniel Julien is bound by a non-compete agreement, which was entered into in 2006, approved by the shareholders' meeting dated June 1st, 2006 and amended by decision of the Board of Directors at its meetings held on May 31st, 2011 and

November 30th, 2011. These amendments were approved by the shareholders' meeting held on May 29th, 2012. The main features of this agreement are as follows:

- a mutual nine-month notice period in the event of termination of his duties within the Group;
- in the event that his duties are terminated, a non-compete agreement and an undertaking not to hire away any of the Group's senior managers will be entered into, on the understanding that this undertaking is limited to countries where the Group has operations at the time when Mr. Julien's duties are terminated;
- the term of this non-compete and non-solicitation agreement will be set at either two years (with a payment corresponding to 2.5 years' remuneration) or three years (with a payment corresponding to three years' remuneration), at the Board's discretion;
- the payment for the first year has been set at an amount equal to Mr. Julien's total remuneration, including all the expenses paid during the calendar year prior to the first day of the notice period, minus the amounts withheld and expenses of any kind relating to this payment; this payment will be increased to 150% of said amount for the second year;
- the non-compete agreement will come into force as of the termination of all of Mr. Julien's duties within the Group and will extend over the next two or three years, at the Board's discretion.



Non-compete agreement of Mr. Paulo César Salles Vasques

Mr. Paulo César Salles Vasques is subject to a non-compete agreement with terms similar to those governing the non-compete clause contained in his employment agreement before his appointment as Chief Executive Officer and amendments to the AFEP-MEDEF Code of June 2013.

The agreement was authorized by the Board of Directors on November 25th, 2013 and includes commitments from Mr. Salles Vasques regarding confidentiality, non-poaching and competition. In this regard, Mr. Salles Vasques will refrain from (i) collaborating with, (ii) taking part in, and (iii) investing in a business activity and/or company that competes with the Teleperformance Group in any way, with no restrictions on the country, for a period of two years following his departure.

In the event of departure for any reason whatsoever, Mr. Paulo César Salles Vasques would be entitled to receive an indemnity capped at two years' gross remuneration determined on the basis of either (i) the aggregate annual gross remuneration (fixed + variable) received over the calendar year preceding his departure, or, if higher, (ii) the average annual gross remuneration over the past three years.

This non-compete agreement was approved by the shareholders' meeting of May 7th, 2014.

3.5.2.4 Grant of stock options and performance shares to executive directors**a. Stock subscription or purchase options**

Stock subscription or purchase options granted to or exercised by executive directors during the financial year (information required in Tables 4 and 5 of the AMF recommendations)

None.

History of grants of stock options (information required in Table 8 of the AMF recommendations)

None.

Stock subscription or purchase options granted or exercised by the top 10 beneficiaries other than executive directors (information required in Table 9 of the AMF recommendations)

None.

b. Performance shares and equivalent schemes

During the 2015 financial year, no performance shares were granted to Daniel Julien or Paulo César Salles Vasques.

Performance shares that became available during financial year 2015 (Table 7 of the AMF Recommendations)

Performance shares that became available for each executive director	Plan No. and date	Number of shares which became available during the financial year	Vesting conditions
Daniel Julien	Plan No. 1 dated July 27 th , 2011	170,000	Yes (conditions of performance and of presence)
Paulo César Salles Vasques ⁽¹⁾	n/a	n/a	n/a

(1) Chief Executive Officer since May 30th, 2013

► Table 10 of the AMF recommendations – Overview of performance share plans granted by Teleperformance SE

The characteristics of the share performance plans are described in section 2.2.5.3 of present Registration Document.

	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6
Date of shareholders' meeting	05/31/2011	05/31/2011	05/31/2011	05/31/2011	05/30/2013	05/30/2013
Date of Board of Directors meeting	07/27/2011	11/30/2011	05/29/2012	07/30/2012	07/30/2013	02/25/2014
Grant date	07/27/2011	11/30/2011	06/01/2012	07/30/2012	07/30/2013	02/25/2014
Total number of share rights granted	1,099,000	30,500	2,000	2,000	840,000	22,500
Total number of beneficiaries	100	10	1	1	126	1
of which total number granted to executive directors:						
■ Daniel Julien	170,000 ⁽¹⁾	-	-	-	-	-
■ Paulo César Salles Vasques*	n/a	-	-	-	-	-
Definitive vesting date	07/27/2013	11/30/2013	06/01/2014	07/30/2014	07/30/2016	02/25/2017
End of lock-in period	07/27/2015	11/30/2015	06/01/2016	07/30/2016	07/30/2018	02/25/2019
Performance criteria**	Yes	Yes	Yes	Yes	Yes	Yes
Nature of shares granted	existing shares	existing shares	existing shares	existing shares	new or existing shares	new or existing shares
Total number of share rights cancelled or lapsed	48,500	7,500	-	-	191,000	-
Number of shares definitively vested	1,050,500 ⁽²⁾	23,000 ⁽²⁾	2,000 ⁽²⁾	2,000 ⁽²⁾	-	-
Number of rights outstanding	-	-	-	-	649,000 ⁽³⁾	22,500

* Chief Executive Officer since May 30th, 2013.

** The performance criteria are described in section 2.2.5.3.

(1) The Board of Directors has decided that Daniel Julien must retain a number of shares equivalent to 30% of the total number of performance shares vested under this plan until the end of his appointment.

(2) The Board of Directors noted the fulfillment of said performance criteria at its meetings held on February 26th, 2013, February 25th, 2014 and July 28th, 2014. As a result, all the shares allotted were definitively vested to those beneficiaries who still fulfilled the employment condition as of the definitive vesting dates.

(3) The Board of Directors at its meeting held on February 24th, 2016 noted that the performance criteria for this plan had been fully met. As a result, 100% of the shares will be definitively vested to the beneficiaries who will fulfill the attendance criteria as of the definitive vesting date, i.e. July 30th, 2016.

It is reminded that during the 2013 financial year, the US subsidiary, Teleperformance Group Inc., implemented a long-term incentive plan settled in Teleperformance SE shares and involving the allotment of 150,000 shares each to Daniel Julien and Paulo César Salles Vasques, following approval of the plan by the Board of Directors of Teleperformance SE.

The definitive vesting of the shares is subject to employment and performance conditions that are similar to those approved by the Board of Directors at its meeting held on July 30th, 2013 regarding the allotment of performance shares to the Group's main managers and executives. At the end of the three-year vesting period, Teleperformance Group Inc. will be required to deliver to the beneficiaries the shares which would have been previously purchased. The number of shares definitively vested will be determined in accordance with the achievement of the aforementioned growth indicators and will amount to 100%, 75%, 50% or 0% of the amount allotted.

These performance conditions as well as the levels of achievement are described in section 2.2.5.3 *Performance shares granted under no consideration - Plan dated July 30th, 2013* of the 2015 Registration Document.

The Board of Directors, at its meeting held on February 24th, 2016, has, upon the recommendation of the Remuneration and Appointments Committee, examined the achievement of the performance criteria and noted that, taking into account the Group's results, 100% of the shares freely allocated will be acquired by the beneficiaries who still meet the attendance requirement as of July 30th, 2016.

In addition, Mr. Julien and Mr. Salles Vasques will be required to retain, under the registered form, a number of shares equivalent to 30% of the number of shares allotted as part of this long-term incentive plan until the end of their appointment.



3.5.3 Remuneration elements due or granted to each executive director of the Company in respect of the 2015 financial year, submitted to the vote of the shareholders

In accordance with the recommendations of the AFEP-MEDEF Code, as amended in November 2015 (paragraph 24.3), to which the Company refers pursuant to Article L.225-37 of the French Commercial Code, the remuneration elements due or granted to each executive director in respect of the year ended are submitted to the shareholders' vote.

It is then proposed to the shareholders' meeting to be held on April 28th, 2016 to issue a favorable opinion on the remuneration elements due or granted to Daniel Julien, Chairman of the Board of Directors, and to Paulo César Salles Vasques, Chief Executive Officer, in respect of the year ended December 31st, 2015.

3.5.3.1 Remuneration due or granted to Daniel Julien, Chairman of the Board of Directors, in respect of the 2015 financial year

► Remuneration elements due or granted in respect of 2015

	Amounts or book value subject to vote*	Comments
Fixed remuneration	€3,378,378	The gross fixed annual remuneration of Mr. Daniel Julien was approved by the Board of Directors at US\$3,750,000, for his offices as Chairman of the Board and his strategic role, his investment and his responsibilities within the Group. This amount is unchanged since 2013.
Annual variable remuneration	€1,351,351	At its meeting held on February 24 th , 2016, the Board of Directors, upon recommendation of the Remuneration and Appointments Committee, and after approval by the Audit Committee of financial items, approved the amount of variable remuneration of Daniel Julien for the 2015 financial year as follows: - with regard to the quantitative criteria (increase in revenues excluding currency gains and losses, and increase in the current EBITA margin ratio), the number of points awarded was 80 out of the 80 points assigned to these quantitative targets; - with regard to the qualitative criteria relating to the progress of the transition period, the number of points awarded was 20 out of the 20 points assigned. The Board unanimously welcomed the smooth progress and efficient transmission between the Chairman of the Board and the Chief Executive Officer, and noted the achievement of the transition period. The efficiency and relevance of this governance have also led the Board to maintain this governance structure. The amount of the 2015 variable remuneration of Daniel Julien has, accordingly, been set at US\$1,500,000 <i>i.e.</i> , €1,351,351. The performance criteria and their expected and recorded fulfillment levels are set out in section 3.5.2.2 of the 2015 Registration Document.
Deferred variable remuneration	n/a	Daniel Julien does not benefit from any deferred variable remuneration.
Multi-year variable remuneration	n/a	Daniel Julien does not benefit from any multi-year variable remuneration.
Exceptional remuneration	n/a	Daniel Julien does not benefit from any exceptional remuneration.
Stock purchase and subscription options, performance shares or other components of long-term remuneration	n/a	Daniel Julien does not benefit from any grant of stock purchase or subscription options. During the year 2015, no performance shares or equivalent scheme were granted to Daniel Julien by the Company or one of its subsidiaries.
Directors' fees	n/a	Daniel Julien does not receive any directors' fees from the Company or its subsidiaries.
Benefits in kind	€57,918	The benefits in kind granted to Daniel Julien comprise a company car, healthcare insurance plan and the matching contribution for 2015 paid under the non-qualified deferred compensation plan described in section 3.5.2.2 of the 2015 Registration Document.

* Remunerations in foreign currencies are converted into euros at the average annual rate.

► **Remuneration due or granted for 2015 financial year that are or have already been voted upon by the shareholders' meeting under the procedure for regulated agreements and commitments**

	Amounts or book value subject to vote	Comments
Termination payments	n/a	Daniel Julien does not benefit from any indemnity or payment in connection with the termination of his position.
Non-compete compensation	No payment	As founder of the Group, Daniel Julien is entitled to receive compensation under a non-compete agreement. This non-compete agreement has already been approved by the combined shareholders' meeting held on May 29 th , 2012 (5 th resolution) and is detailed in section 3.5.2.3 of the 2015 Registration Document.
Additional pension scheme	n/a	Daniel Julien does not benefit from any additional pension scheme.

3.5.3.2 Remuneration due or granted to Paulo César Salles Vasques, Chief Executive Officer, in respect of the 2015 financial year

► **Remuneration elements due or granted in respect of 2015**

	Amounts or book value subject to vote*	Comments
Fixed remuneration	€2,594,595	The gross annual fixed remuneration of Mr. Paulo César Salles Vasques was set by the Board of Directors at US\$2,880,000 for 2015, taking into account the significant increase of the Group's growth and complexity following the acquisitions achieved in 2014. It is reminded that this amount includes a net amount of €100,000 relating to his position as Chief Executive Officer of Teleperformance SE and paid by the latter.
Annual variable remuneration	€1,009,009	At its meeting held on February 24 th , 2016, the Board of Directors, upon recommendation of the Remuneration and Appointments Committee, and after approval by the Audit Committee of financial items, approved the amount of variable remuneration of Paulo César Salles Vasques for the 2015 financial year as follows: ■ with regard to the quantitative criteria (increase in revenues excluding currency gains and losses, and increase in the current EBITA margin ratio), the number of points awarded was 80 out of the 80 points assigned to these quantitative targets; ■ with regard to the qualitative criteria relating to the progress of the transition period, the number of points awarded was 20 out of the 20 points assigned to this target. The Board unanimously appreciated the smooth progress and the efficiency of the last year of transmission. It considered that the latter was very satisfying. The quality of the management, the motivation of the teams and the successful implementation of the integration process for new acquisitions were in particular noted. The amount of the 2015 variable remuneration of Paulo César Salles Vasques has, accordingly, been set at US\$1,120,000 <i>i.e.</i> , €1,009,009. The performance criteria and their expected and recorded fulfillment levels are set out in section 3.5.2.2 of the 2015 Registration Document.
Deferred variable remuneration	n/a	Paulo César Salles Vasques does not benefit from any deferred variable remuneration.
Multi-year variable remuneration	n/a	Paulo César Salles Vasques does not benefit from any multi-year variable remuneration.
Exceptional remuneration	n/a	Paulo César Salles Vasques does not benefit from any exceptional remuneration.

* Remunerations in foreign currencies are converted into euros at the average annual rate.



	Amounts or book value subject to vote*	Comments
Stock purchase and subscription options, performance shares or other components of long-term remuneration	n/a	Paulo César Salles Vasques does not benefit from any grant of stock purchase or subscription options. During the year 2015, no performance shares or equivalent scheme were granted to Paulo César Salles Vasques by the Company or one of its subsidiaries.
Directors' fees	n/a	Paulo César Salles Vasques does not receive any directors' fees from the Company or its subsidiaries.
Benefits in kind	€12,494	The benefits in kind awarded to Paulo César Salles Vasques comprise a company car and the participation in a healthcare insurance scheme.

* Remunerations in foreign currencies are converted into euros at the average annual rate.

► **Remuneration due or granted for 2015 financial year that are or have already been voted upon by the shareholders' meeting under the procedure for regulated agreements and commitments**

	Amounts or book value subject to vote	Comments
Termination payment	n/a	Paulo César Salles Vasques does not benefit from any indemnity or payment in connection with the termination of his position.
Non-compete compensation	No payment	Paulo César Salles Vasques is entitled to receive compensation under a non-compete agreement. This non-compete agreement has already been approved by the shareholders' meeting held on May 7 th , 2014 (4 th resolution) and is detailed in section 3.5.2.3 of the 2015 Registration Document.
Additional pension scheme	n/a	Paulo César Salles Vasques does not benefit from any additional pension scheme.

3.6 Transactions on Company's shares

3.6.1 Code of Conduct relating to securities transactions

The Company complies with the recommendation issued by the AMF (French Financial Markets Authority) on November 3rd, 2010 and with the AFEF-MEDEF Code. The Board of Directors adopted a Code of Conduct regarding securities transactions at its November 30th, 2011 meeting. This Code strictly prohibits

insiders and related persons from using and/or disclosing insider information, and from advising another person to trade in the Company's financial instruments on the basis of insider information.

The Company has appointed a Compliance Officer, whose opinion may be requested prior to any transaction on the Company's securities. A Committee consisting of the following individuals assists the Market Ethics Compliance Officer with their assignment:

Maud Junoy	Market Ethics Compliance Officer	Chief Legal Officer
Olivier Rigaudy	Committee member	Chief Financial Officer
Philippe Ginestié	Committee member	Director

3.6.2 Determination of black-out periods

Transactions involving the purchase or sale of the Company's securities or financial instruments are prohibited during the periods included between the date when insiders⁽¹⁾ become aware of specific information regarding the course of business or outlook which could have a material influence on the share price if it were to be made public, and the date when that information is made public.

In addition, transactions are also prohibited during a period of:

- 30 calendar days prior to the publication date (inclusive) of the (parent company and consolidated) annual and half-yearly financial statements; this period expires on the day following publication (at midnight); and
- 15 calendar days prior to the publication date (inclusive) of the quarterly reporting; this period expires on the day following publication (at midnight).

Regarding the sale of performance shares in accordance with the Code of Conduct relating to securities transactions as amended on February 2015, it is strictly forbidden for beneficiaries of performance shares allocated free of charge to transfer their shares following the end of the lock-in period during the blackout periods defined below:

- the period beginning 15 calendar days before the date (inclusive) set for the publication of annual and consolidated financial statements and expiring 5 calendar days after the date of publication (inclusive) of such financial statements;
- the period beginning 15 calendar days before the date (inclusive) set for the half-year consolidated financial statements and the publication of quarterly financial information and expiring 5 calendar days after the date of publication (inclusive) of such financial statements;
- the period beginning when the beneficiary becomes aware of insider information (other than the quarterly financial statements and information referred to above) and expiring 15 calendar days after the date (inclusive) on which this information is made public.

The Company draws up and issues at the beginning of each calendar year a timetable setting out periods during which transactions on Company's securities are prohibited. This timetable also specifies that the indicated periods do not affect the existence of other black-out periods arising as a result of awareness of specific information directly or indirectly relating to the Company, which could have a material impact on the Teleperformance share price if it were to be made public.

(1) Executive officers and equivalent persons, as well as any person who has access to insider information on a regular or occasional basis.

3.6.3 Prohibition of hedging transactions

In accordance with the recommendations of the AFEP-MEDEF Code and AMF Recommendation No. 2010-07 of November 3rd, 2010, hedging transactions involving the Company's securities

are prohibited. The executive directors have given a formal undertaking not to use transactions that hedge their risk on the shares arising from performance shares.

3.6.4 Summary of securities transactions carried out during the 2015 financial year

Pursuant to Article 223-26 of the AMF General Regulation, a summary statement of securities transactions performed in 2015 and until the filing date of this Registration Document, as reported to the Company and to the AMF, is provided below:

	Nature	Date	Number of shares	Average Unit price
Alan Truitt Member of the Executive Committee	Sale	08/04/2015	25,645	€66.44
Lyle Hardy Member of the Executive Committee	Sales	08/06/2015	750	€67.30
		08/10/2015	1,500	€65.94
		08/21/2015	1,500	€60.46
		08/24/2015	4,500	€58.47
		08/25/2015	2,500	€62
		09/09/2015	4,250	€65.88
Person related to Lyle Hardy Member of the Executive Committee	Sales	09/21/2015	500	€66
		10/06/2015	500	€68.50
Brent Welch Member of the Executive Committee	Sales	09/03/2015	7,000	€62.50
		09/04/2015	5,000	€63
		09/07/2015	5,000	€64
		09/08/2015	5,000	€64.50
		09/09/2015	9,000	€65.69
Jeff Balagna Member of the Executive Committee	Sales	08/04/2015	3,000	€66.80
		08/07/2015	18,500	€66.72
		08/10/2015	6,600	€66.76
Olivier Rigaudy Member of the Executive Committee	Sale	11/24/2015	16,100	€75.58
Persons related to Olivier Rigaudy Member of the Executive Committee	Sale	11/24/2015	1,300	€75.29
	Sale	11/24/2015	1,300	€75.29
	Sale	11/24/2015	1,300	€75.29
Legal entity related to Daniel Bergstein Director	Sale	12/10/2015	2,000	\$83.23

3.7 Regulated agreements and commitments

3.7.1 Regulated agreements and commitments

No new regulated agreements or commitments were authorized by the Board of Directors during the 2015 financial year. Pursuant to legal and regulatory provisions, the Board of Directors, at its meeting held on February 24th, 2016, carried out the annual review of the regulated agreements and commitments.

The statutory auditors' special report on regulated agreements and commitments referred to in Articles L.225-38 *et seq.*, and L.225-42-1 *et seq.* of the French Commercial Code is provided in section 3.7.2 *Statutory auditors' special report on regulated agreements and commitments* below.

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.



3.7.2 Statutory auditors' special report on regulated agreements and commitments

Shareholders' Meeting held to approve the financial statements for the year ended December 31st, 2015

To the shareholders,

In our capacity as statutory auditors of your company, we hereby report to you on its regulated agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, of the principal terms and conditions of those agreements and commitments, and the reasons for the interest of the company brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, under the terms of article R. 225-31 of the French Commercial Code, to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements and commitments previously approved by the shareholders' meeting, if any.

We conducted the procedures we deemed necessary in accordance with relevant professional guidelines issued by the French Institute of Auditors relating to this engagement.

Regulated agreements or commitments submitted for the approval of this shareholders' meeting

Regulated agreements or commitments authorised during the year

We hereby inform you that we have not been advised of any agreement or commitment authorized during the year to be submitted to the approval of the shareholders' meeting pursuant to article L. 225-38 of the French Commercial Code.

Regulated agreements or commitments which were approved in prior years by the shareholders in general meeting

We hereby inform you that we have not been advised of any agreement or commitment previously approved by the shareholders' meeting which remained in force during the year.

Paris La Défense and Neuilly-sur-Seine
February 24th, 2016

The statutory auditors

KPMG Audit IS

Éric Junières

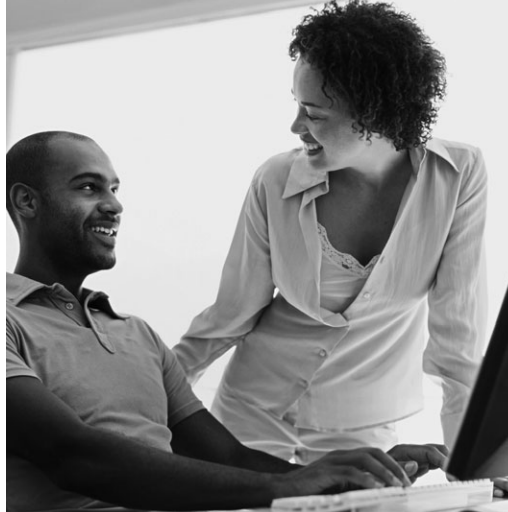
Partner

Deloitte & associés

Philippe Battisti

Partner





Environmental, Labor and Social Information

4.1	Introduction	98	4.4	Social information	119
4.1.1	Methodology	98	4.4.1	The local, economic and social impact of our business	119
4.1.2	Adherence to the United Nations Global Compact	100	4.4.2	Support, partnership and sponsorship initiatives	120
4.1.3	Compliance with and promotion of ILO fundamental conventions	100	4.4.3	Subcontractors and suppliers	122
4.1.4	Clinton Global Initiative	103	4.4.4	Fair practices	122
4.1.5	Certification Verego SRS	103	4.4.5	Measures taken to promote consumer health and safety	123
4.2	Staff information	104	4.4.6	Other actions in support of human rights	123
4.2.1	Breakdown of workforce	104	4.5	Social and environmental issues and targets	124
4.2.2	Workforce changes	104	4.5.1	Staff issues and targets	124
4.2.3	Staff incentive schemes	105	4.5.2	Social issues and targets	124
4.2.4	Work organization	105	4.5.3	Environmental issues and targets	124
4.2.5	Labor relations	106	4.6	Assurance report by one of the statutory auditors, appointed as independent third party, on the consolidated environmental, labor and social information presented in the management report	125
4.2.6	Health, safety and security	108			
4.2.7	Training	111			
4.2.8	Diversity and equal opportunities	112			
4.3	Environmental information	114			
4.3.1	Global environmental policy	114			
4.3.2	Pollution and waste management	115			
4.3.3	Sustainable use of resources	116			
4.3.4	Climate change	117			



4.1 Introduction

Pursuant to the provisions of Article L.225-102-1 of the French Commercial Code, as specifically amended by the Article of Act No. 2010-788 of July 12th, 2010 (Grenelle 2 Act), Article 12 of Act No. 2012-387 of March 22nd, 2012 (Warsmann 4 Act), the Decree of April 24th, 2012 and the subsequent Order of May 13th, 2013, the Group must provide information on the measures that have been adopted with regard to the social and environmental consequences of its activity.

The Group has undertaken this endeavor since 2006, first by initiating and leading *Citizen of the World*, a program of charitable, humanitarian and collective welfare action plans, then in 2008 *Citizen of the Planet*, with an environmental focus.

By adhering to the United Nations Global Compact in July 2011, Teleperformance was confirming its intent to position itself as a responsible corporate citizen, thereby undertaking to abide by the charter of values drawn up by the United Nations. Every year since then we have renewed our commitment, publishing the three elements of the "Communication on Progress" on our website:

- statement signed by the chief executive expressing continued support for the Global Compact;
- detailed description of improvement measures implemented in each issue area and the procedures employed;
- quantitative measurement of outcomes obtained or expected.

Our business is not industrial and does not generate any air, water or ground pollution; we neither manufacture transformed products nor consume raw materials.

Given the tertiary nature of the Group's business as a service provider of call centers, our issues with regard to social, labor and environmental responsibility are essentially human.

Consequently, we have decided that this chapter on the CSR theme should focus mainly on the human aspects, regarding, on the one hand, our employees and stakeholders and on the other hand, the territorial and social impact of our activity and our actions in favor of communities, territorial development, etc...

The issues listed below have not been dealt with, as they are considered irrelevant at Group level in view of the fact that our activity consists of the provision of services:

- resources dedicated to preventing environmental risks and pollution;
- the amount of provisions and guarantees for environmental risks;
- land use;
- measures implemented to preserve or promote biodiversity;
- prevention, reduction or compensation measures regarding atmospheric, aqueous and terrestrial pollution seriously affecting the environment.

4.1.1 Methodology

Scope and collection of information

Data reported by the subsidiaries is verified internally to ensure consistency. It is then audited by KPMG's CSR specialists.

- The **quantitative staff information** is collected in the Group's reporting and consolidation tool for all subsidiaries included in the consolidation scope (see note L. of the Notes to the Consolidated Financial Statements). The data is valid as of 12/31/2015.

This data is monitored by the Reporting and Consolidation Department, mainly *via* consistency checks and a comparative analysis with the previous year. It covers 100% of the workforce.

- The **quantitative environmental information** is collected *via* a monthly reporting process.

For a given year N, the period covered runs from October 1st, year N-1 to September 30th, year N.

This data is checked by the Group *Citizen of the Planet* officer, who collects the supporting documents and performs consistency checks and a comparative analysis with the previous year.

The scope of the published information covers 76% of Group revenues, except in the case of water consumption, regarding which some countries (France, Argentina, Spain) lack the requisite information. Accordingly, water consumption data covers only 67% of Group revenues.

- All of the **qualitative information** included in the CSR report is collected *via* a specific questionnaire sent to the Finance Departments of the Group's largest subsidiaries.

This data is valid as of 12/31/2015.

This data is checked *via* a comparative analysis and collection of supporting documentation.

The qualitative information was collected from the subsidiaries that are most representative of the Group, covering 91% of the workforce.

Main indicators

To guarantee the consistency of the information reported, guidelines were introduced and circulated to all Group subsidiaries. These guidelines specify the exact definitions and formulas to use for the feedback of quantitative information. In some cases, a given subsidiary may not monitor a requested indicator internally and therefore cannot provide the relevant information.

Further information on the indicators set out in this report are provided below:

■ Year-end workforce

The year-end workforce includes all persons who had an employment contract and were in salaried employment at the Group's various subsidiaries, together with all temporary employees as of December 31st.

■ Average workforce

The average workforce was calculated by dividing the number of hours scheduled for the year by the normal number of hours worked during that period. The normal number of hours worked is specific to each country, depending on local regulations.

■ Training hours

The number of training hours indicated may have been slightly underestimated, due to the fact that some subsidiaries only monitor the training hours offered to agents. However, given that agents account for around 84% of the workforce and are clearly the main recipients of training, this difference is unlikely to be significant.

■ Industrial accident frequency index

Number of accidents resulting in time off work divided by the average employee workforce multiplied by 1,000. The number of industrial accidents does not include accidents that occurred during travel between home and work.

■ Rate of absenteeism

This is the number of hours related to unscheduled absences divided by the number of remunerated production hours and unscheduled absences (not remunerated). Scheduled absences (holiday, maternity leave, training, etc.) are excluded from the calculation. The rate of absenteeism only concerns agents. The rate provided in this report is the weighted average

of the absenteeism rates of subsidiaries (depending on their workforce).

■ Management

This encompasses all functions other than those of agents and supervisors.

■ Lay-offs

These are positions eliminated by the employer for economic reasons or due to internal restructuring, or due to gross negligence or incompetence leading to dismissal at the employer's initiative.

■ Other departures

This includes departures due to termination of contract by mutual agreement, expiry of contract, resignation or the transfer of an employee to another Group entity.

■ Energy consumption

Total annual consumption in kilowatts.

Emission factors are specific to each country and are taken from the International Energy Agency (IEA) website.

■ Water consumption

Total annual mains water consumption in cubic meters.

■ Paper consumption

Total annual paper consumption (printer and toilet paper) in tons.

1 ton of paper = 400 reams of A4 or 200,000 sheets. One ton = 2,200 rolls of toilet paper.

Three countries (Italy, Greece and Mexico) have not reported their toilet paper consumption.

The conversion factor is 0.41t of CO₂ per ton of paper consumed (source: ADEME).

■ Air travel

Number of kilometers traveled. This is calculated by multiplying the total number of journeys made by the "average distance in kilometers per country" (the most frequent return flight in the subsidiary is taken as the benchmark) using the following website: <http://www.carbonneutralcalculator.com/flightcalculator.aspx>.

The Group uses the distance from Paris to London as the benchmark given that the sales staff, who are the most frequent travelers within the Group, mainly take domestic flights. The conversion factor for air travel is 0.18 kg of CO₂ per kilometer traveled. This is calculated by dividing the CO₂ emissions generated by the Paris-London trip (0.07t of CO₂) by the same distance (377 km).

■ Carbon footprint

Carbon footprint corresponds to greenhouse gas emissions related to energy and paper consumption and the number of air kilometers traveled.



4.1.2 Adherence to the United Nations Global Compact

Like more than 8,350 companies in over 162 countries, Teleperformance is committed to adopting, supporting and applying ten universal principles relating to human rights, employment standards, the environment and anti-corruption within its sphere of influence.

The United Nations Global Compact, which is the most important global initiative to promote sustainable development, is based on a commitment made by corporate directors to implement ten principles of sustainable development.

A poster showing the Ten United Nations Global Compact principles is displayed at each facility, once it has been signed by the director of each new subsidiary, thereby underlining their personal commitment to comply with the Ten Principles and to ensure compliance.

The Ten Principles of the United Nations Global Compact

Human rights

1. *Businesses should support and respect the protection of internationally proclaimed human rights; and*
2. *Ensure that they are not complicit in human rights abuses.*

Labor

3. *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
4. *The elimination of all forms of forced and compulsory labor;*
5. *The effective abolition of child labor; and*
6. *The elimination of discrimination in respect of employment and occupation.*

Environment

7. *Businesses should support a precautionary approach to environmental challenges;*
8. *Undertake initiatives to promote greater environmental responsibility; and*
9. *Encourage the development and diffusion of environmentally friendly technologies.*

Anti-corruption

10. *Businesses should work against corruption in all its forms, including extortion and bribery.*

Principles 3, 4 and 6 of the United Nations Global Compact regarding employment law reciprocally correspond to ILO fundamental conventions Nos. 87 and 98, 29 and 105, 100 and 111.

4.1.3 Compliance with and promotion of ILO fundamental conventions

Teleperformance respects and defends human rights during the course of its operations and economic activities and undertakes not to be involved in any violation of human rights.

The Group's operations are governed by a set of procedures that guarantee respect for human rights.

In addition to the Group's adherence to the Ten Principles of the United Nations Global Compact, each subsidiary of Teleperformance is strictly compliant with local laws.

In 53 of the countries where Teleperformance is established (*i.e.* 78% of our footprint), the State has ratified the 8 ILO fundamental conventions, converting the fundamental conventions into statutory provisions:

- Nos. 29 and 105: the elimination of all forms of forced or compulsory labor;
- Nos. 138 and 182: the effective abolition of child labor;
- Nos. 87 and 98: the freedom of association and effective recognition of the right to organize and collective bargaining;
- Nos. 100 and 111: equal remuneration and elimination of discrimination in respect of employment and occupation.

Only 15 countries in which Teleperformance has subsidiaries have not ratified all of the ILO fundamental conventions.

- Eight have ratified 100% of the fundamental conventions with the exception of one.

- Six of these (Jordan, Kenya, Uzbekistan, Morocco, Lebanon and Brazil) have not ratified convention No. 87 on freedom of association.

Nevertheless, according to the report of the 325th session of the ILO Governing Body which took place between October 29th and November 12th 2015, five of them have notified their intention to ratify it:

- Jordan has requested technical cooperation from the International Labor Office “to strengthen the capabilities of the employer and worker organizations”;
- Kenya has requested cooperation from the ILO to “organize a three-party workshop attended by parliamentarians on the declaration and fundamental principles in the workplace, and more specifically on convention No. 87”;
- The government of Uzbekistan “has signed a memorandum of understanding with the ILO regarding its DWCP (Decent Work Country Programme), which envisages ratification by 2016”;

- Morocco's government has informed the ILO that "talks are underway with the parties concerned",
- the Lebanese government states that "a Labor Code designed to facilitate the ratification of convention No. 87 has been submitted to Parliament for approval".

The Brazilian government "is continuing talks with worker and employer organizations with a view to amending the laws prior to ratification, but is facing opposition from the General Union of Workers (UGT), which considers that the ratification of convention No. 87 would be a step backwards for Brazil's trade unions given their specific situation and power of collective bargaining".

Notwithstanding this fact, in these six States, Teleperformance promotes dialog with its employees and is in no way opposed to worker representation:

- in Jordan, Kenya and Uzbekistan, Group employees are free to join a union;
- in Morocco, 9 of the subsidiary's 18 staff representatives are members of the UMT (Union marocaine du travail – Morocco Labor Union) and meet the Human Resources director once a month;
- in Lebanon, through our partner, meetings with staff representatives are held at least once every quarter, and more frequently if necessary;
- in Brazil, an annual collective agreement is signed by unions and management and then submitted to employees for approval.
- Australia has not ratified convention No. 138 on the minimum age for admission to employment.

The Australian government "considers that ratification is not a priority, but nevertheless mentions several actions and measures implemented in relation to the amendment of laws, practices and legislation, in particular regarding the protection of child artists in the states of New South Wales and Victoria".

As part of its hiring process, the Group's Australian subsidiary checks that each candidate is at least 16 years old.

- Mexico has not ratified convention No. 98 on the right to organize and collective bargaining. Nevertheless, "after amendments had been made to the federal labor law to bring it into line with the requirements of the ILO fundamental conventions, in April 2014 (the Mexican government) organized talks with social partners and the authorities responsible for implementing the provisions of the convention, in order to collect the elements required for assessing the feasibility of ratification and if necessary, submit the question to the Senate".

In any event, collective bargaining is perfectly effective in the Group's Mexican subsidiaries: collective bargaining agreements are signed with staff representatives and trade unions on an annual basis.

- Canada has not ratified two conventions, No. 98 (right to organize and collective bargaining) and No. 138 (minimum age for admission to employment).

According to the report of the 325th session of the ILO Governing Body:

- "Canada, which has for long been examining the possibility of ratifying convention No. 98, is currently taking specific steps in this direction and the convention was submitted to Parliament in May 2015".

In Teleperformance's Canadian subsidiary, Focus Groups and regular CEO Webcasts ensure open and transparent dialog with all of its employees;

- convention No. 138 was submitted to the Canadian Parliament for ratification in May 2015.

The minimum age required to be hired by Teleperformance is 16 in Canada.

- Four countries have not ratified 3 of the 8 fundamental conventions:

- Thailand, Vietnam and Singapore have not ratified convention No. 87 on freedom of association.

The Thai government has said that "the National Council for Peace and Order organized a meeting on July 30th, 2014 to examine the question of ratification. It was agreed to continue with the ratification process".

The government of Vietnam stated that "the National Assembly had adopted a new constitution and two laws guaranteeing workers the right to establish trade unions, seek consultations with employers and carry out collective bargaining".

Singapore has confirmed that "the legislation is currently under review as part of the tripartite consultation procedure", but has "drawn attention to incompatibilities with domestic legislation".

Notwithstanding, Group employees in Vietnam, Singapore and Thailand are all free to join a trade union;

- Thailand and Vietnam have not ratified convention No. 98 (right to organize and collective bargaining)

The Thai government has confirmed its intention to ratify convention No. 98 and says that, "to this end, the Council of State has reviewed draft amendments to two laws for which the draft versions have been submitted to the cabinet and the National Legislative Assembly for approval".

The Vietnamese government has informed the ILO "that, following the successful outcome of the pilot programs, proposals for amending the procedure for establishing trade unions have been presented in order to switch from an approach without consultation to a participative approach, in order to ensure that workers really are involved in the creation of trade unions within companies and to minimize the involvement of employers in this process."

Group employees in Vietnam and Thailand are perfectly free to form an association;



- Suriname, Thailand and Singapore have not ratified convention No. 111 on discrimination (employment and occupation).

While the Surinamese government has confirmed its intention to ratify convention No. 111, it has stated that “legislative amendments will be required in order to go ahead with the ratification process”. The governments of Singapore and Thailand affirm that ratification is still under review.

Nevertheless, in all three countries, governments and employer and worker organizations state that they have organized promotional initiatives (campaigns, training and social dialog) on the themes of discrimination and equality. The Teleperformance workforce in these three countries is in strict compliance with principle No. 6 of the United Nations Global Compact: *The elimination of discrimination in respect of employment and occupation*;

- The governments of Singapore and Vietnam have not ratified convention No. 105 on the abolition of forced labor. Vietnam has told the ILO that it has “initiated the process of ratifying the convention” and has requested the ILO’s technical cooperation in terms of raising awareness, training and strengthening capabilities. Singapore’s National Trade Union Congress (NTUC) has stated that “progress has been made with a view to bringing domestic laws into line with the provisions of convention No. 105”, and that this convention “is expected to be ratified in 2016”.

Naturally, the Group’s subsidiaries in Singapore and Vietnam make no use of forced labor;

- Lastly, Suriname has not ratified conventions No. 138 (minimum age for admission to employment) and No. 100 (equal remuneration)

The Surinamese government has told the ILO that it has “implemented several measures to reduce school drop-out rates and prevent child labor” and, moreover, that it has “organized promotional initiatives regarding discrimination and equality but lacks the relevant data on wages and disadvantageous socio-cultural factors”.

At Teleperformance, there is no difference between the treatment of male and female employees in equivalent positions, even if this is permitted under local legislation. Finally, the Group’s subsidiary in Suriname does not employ any worker under the age of 16.

- China has not ratified 4 of the 8 ILO fundamental conventions, namely:

- the conventions on freedom of association and recognition of the right to collective bargaining (87 and 98), Nevertheless, the ACFTU (All-China Federation of Trade Unions) boasts several hundred million members and their number is growing steadily;
- the conventions on forced labor (29 and 105), despite the repeal of laws and decisions related to “re-education through work”.

Firstly, Teleperformance’s Chinese subsidiaries are clearly not involved in the forced labor issue. Secondly, worker consultation takes place at various levels (quarterly round tables, possibility of sending direct emails to all levels of management, etc.) and fosters constructive and satisfactory social dialog.

- Paradoxically, the United States has only ratified 2 of the ILO fundamental conventions.

At the 325th session of its Governing Body held between October 29th and November 12th 2015, the ILO stated that the United States, which has long stated that it did not wish to ratify any further fundamental conventions, is currently reviewing the legal feasibility of ratifying conventions Nos. 87, 98, 29 and 138 as well as convention (No. 100) (...) and is working to step up the process of ratifying convention (No. 111), which is still on its priority list of conventions to be ratified.

Nevertheless:

- federal legislation and practices are mostly compliant with ILO conventions 87 and 98 (freedom of association and the right to organize and collective bargaining);
- with regard to the fight against discrimination, the EEO law (Equal Employment Opportunity) is one of the most stringent in the world;
- various federal laws prohibit child and forced labor. In addition, the TVPRA 2013 law (Trafficking Victims Protection Reauthorization Act) signed by the US President in March 2013, reactivated protection measures for victims of human trafficking and vulnerable children.

Further details on the Group’s in-house initiatives to promote freedom of association and the effective recognition of collective bargaining rights (conventions 87 and 98), as well as the elimination of discrimination in respect of employment and occupation (conventions 100 and 111) can be found in sections 4.2.8 *Diversity and equal opportunities*, 4.4.1 *The local, economic and social impact of our business*, and 4.2.5 *Labor relations*.

4.1.4 Clinton Global Initiative

Established in 2005 by President Bill Clinton, the Clinton Global Initiative (CGI) convenes world leaders to create and implement innovative solutions to the most pressing challenges of the planet. According to their website, the annual meetings brought together more than 190 heads of state, 20 Nobel prize laureates and hundreds of leading CEOs, heads of foundations and NGOs, major philanthropists, and members of the media. To date, more than 3,200 commitments have been made by members of the

Clinton Global Initiative and have improved the lives of more than 430 million people in more than 180 countries.

Teleperformance makes an annual commitment to the Clinton Global Initiative (CGI) to raise US\$1 million in cash, in-kind donations and services until 2016. We are pleased to report that each year Teleperformance has exceeded its annual commitment since the creation of *Citizen of the World*.

4.1.5 Certification Verego SRS

In 2015, Teleperformance obtained Verego SRS (Social Responsibility Standard) Certification, a comprehensive global social responsibility model compatible with the specific operational features of most organizations and value chains.

This certification has been awarded to 17 locations: Athens (Greece); Boca Raton, Edinburgh and Sandy (USA); Bogota (Colombia); Gurgaon, Jaipur and Indore (India); Istanbul (Turkey); Lisbon (Portugal); Ljusdal (Sweden); Maastricht (Netherlands); Neubrandenburg (Germany); San José (Costa Rica); Sao Paulo (Brazil); Temara (Morocco); Volgograd (Russia).

Created in 2010, the Verego SRS assessment systems define a set of core social responsibility requirements designed to serve as a framework for organizations wishing to establish and manage their own social responsibility programs and objectives.

Teleperformance received certification in all five Verego SRS areas: Leadership, Ethics, People, Community and Environment. Performance is assessed according to specific criteria in each of the five certification areas.

- *Leadership* certification confirms the organization's commitment to social responsibility, focus on customers and ability to communicate this commitment to key stakeholders;

- the *Ethics* area focuses on the organization's conduct towards suppliers and on its procurement processes;
- the *People* assessment focuses on protection of human rights and the handling of critical employment issues;
- the *Community* area focuses on the organization's engagement and investment in the local communities in which it operates;
- the *Environment* area focuses on the organization's ability to measure and efficiently improve the organization's impact on the environment.

During the assessment process Teleperformance tightened the requirements imposed on its suppliers in order to ensure fair remuneration for all parts of the value chain. For the sake of transparency, the Group also posted its supplier policy online. In addition, a questionnaire for suppliers was drawn up to facilitate the assessment and monitoring of their performance in terms of social responsibility.

With regard to human rights, the requirements were extended to the right to collective bargaining, the abolition of forced and child labor and equal treatment of employees. The Group human rights policy was posted online, an illustration of the Group's total transparency with regard to all stakeholders.





4.2 Staff information

4.2.1 Breakdown of workforce

The information contained in this section concerns all Group consolidated companies.

4.2.1.1 Breakdown of total workforce by age, gender and linguistic region at December 31st, 2015

	Men	Women	Total	< 25 years old	< 35 years old	< 45 years old	> 45 years old
English-speaking and Asia-Pacific region (excl. USA)	28,851	33,413	62,264	25,030	27,177	6,901	3,156
Ibero-LATAM	27,652	32,232	59,884	25,631	22,386	8,593	3,274
Continental Europe, Middle-East & Africa	18,087	21,935	40,022	9,456	19,289	7,649	3,628
Holdings	29	26	55	2	10	24	19
Total excluding USA	74,619	87,606	162,225	60,119	68,862	23,167	10,077
USA			26,201				
TOTAL			188,426				

The breakdowns by age and gender exclude the US subsidiaries, as local regulations prohibit the verification of the data collected.

4.2.2 Workforce changes

4.2.2.1 Breakdown of average workforce by linguistic region

	2015 workforce	Payroll expenses (in millions of euros)	2014 workforce	Payroll expenses (in millions of euros)
English-speaking and Asia-Pacific region	71,293	1,114	60,559	917
Ibero-LATAM region	53,926	527	52,326	500
Continental Europe, Middle-East & Africa	30,773	611	28,630	570
Holdings	54	17	52	16
TOTAL	156,046	2,269	141,567	2,003

Salaries are determined in accordance with the laws in effect in the countries in which the Group operates.

4.2.2.2 Changes in 2015 in the Group's workforce by category

	Permanent contract	Fixed-term contract	Temporary	Total
AS OF 01/01/2015	143,027	29,604	8,972	181,603
Change in scope	-6	4	-1	-3
Hiring	128,972	43,097	8,329	180,398
Lay-offs	-36,907	-6,295	-450	-43,652
Transfers	680	-933	253	0
Other departures	-92,339	-28,996	-8,585	-129,920
AS OF 12/31/2015	143,427	36,481	8,518	188,426

The Group is unable to determine the exact number of disabled employees, given the fact that this information is considered to be discriminatory in some countries, like the United States and Italy.

4.2.3 Staff incentive schemes

Given that it employs less than 50 people, Teleperformance SE has no staff incentive scheme in place.

A number of subsidiaries however have set up such schemes.

For example, Teleperformance France has set up a staff profit-sharing scheme. Introduced in 2009 for a three-year period, it is now subject to an open-ended agreement.

4.2.4 Work organization

4.2.4.1 Organization of working hours

The following statement forms part of the Group's human rights charter: "Working hours are capped at 48 hours per week, except for overtime, which is applied on an individual basis and always in compliance with local legislation".

Accordingly, the work of staff employed in call centers and sales and administrative offices is organized in strict compliance with the working time legislation, which varies from country to country.

Group employees work according to different procedures, depending mainly on clients' needs and local preferences, but always in compliance with the applicable statutory and regulatory provisions of each country. Thus, the Group uses both employees under full-time and part-time contracts and also resorts to temporary workers in order to achieve the degree of flexibility required by its business operations, essentially in Continental Europe, Middle-East and Africa.

Consequently, the statutory number of daily and weekly working hours varies considerably from one employee or country to the next.

In fact, the statutory number of weekly working hours ranges, for example, from 35 hours in France, 39 hours in Spain, 40 hours in China and 44 hours in Morocco to 48 hours in Canada and Egypt.

In the United States, the concept of statutory working hours as defined in France does not exist as such, although the usual practice is 40 hours per week.

4.2.4.2 WAHA programs

Teleperformance's WAHA (Work At Home Agents) platform combines the services of highly qualified and effective advisors, a flexible organizational structure, leading-edge communications technology and the strictest security standards in the market.

This service model enables all kinds of applicants to become Contact Center Advisors, regardless of whether they are in remote locations (rural areas), disabled persons (who find it difficult to travel), or persons with a specific profile who do not wish to operate in a traditional call center (seniors, men or women acting as family carriers).

The WAHA training model guarantees that the Contact Center Advisors will be operational before they support each consumer from their home. The management of remote advisors, which is the result of several years of practice, has become particularly effective in creating close ties, developing loyalty to the Company and to the brand, and maintaining a high standard of quality when dealing with contacts.

In France, a successful trial with a client has been in progress for six years, at three facilities: Lyons, Le Mans and Villeneuve d'Ascq.

In the United States, WAHA agents, generally promoted to this function after having proven their abilities in a traditional call center, provide services to ten clients by working from home. However, around half of our agents remain administratively attached to six centers: Augusta (Georgia), Columbus (Ohio), Shreveport (Louisiana), Sandy (Utah), Lauderdale and Pensacola (Florida).

Although the proportion of Teleperformance agents working under the WAHA (Work At Home Agent) scheme remains marginal, it practically doubled over the course of one year: as of October 31st, 2015, 1,241 employees were under the scheme.

4.2.4.3 Absenteeism

Given the Group's business activities, which by their very nature generate a high staff turnover rate, absenteeism is an indicator that is measured on a daily basis, and is subject to a monthly monitoring process, as well as a specific assessment for each subsidiary, facility and region. This index is reviewed by each subsidiary at its Board meetings.

The average rate of absenteeism is 7.3% (versus 7.1% last year), with a number of regional differences depending on the local social and regulatory environment: thus the English-speaking and Asia-Pacific region posted a rate of 8%, the Ibero-LATAM region 6.8% and Continental Europe, Middle-East & Africa 6.6%.





4.2.5 Labor relations

4.2.5.1 Social dialog

Multiple channels of dialog and communication

The Group has defined social dialog as follows in its human rights statement:

"Social dialog takes place at different levels within the Company and may exist in different forms depending on the culture, customs, practices and applicable legislation in each country."

Teleperformance has set up a number of initiatives in its subsidiaries that are monitored periodically, at the time of the budget review.

These initiatives include:

- the opportunity for all employees – anonymously or not – to submit any request or feedback they may have directly to their center director during a monthly or sometimes quarterly "chat"; these *chats with the CEO* are held regularly in Egypt, Argentina, Indonesia, Russia and elsewhere;
- in the United States, the 24/7 We Care Helpline enables employees to anonymously discuss their concerns by phone or email;
- in 2015, Albania introduced quarterly *focus groups* involving agents and managers: managers listen to the agents' concerns and suggestions;
- in the United Kingdom, monthly staff meetings are now held at each center;
- regular meetings, most often on a monthly basis, are organized between Management and staff representatives or, where they exist, trade unions.

Employee satisfaction

A wide-ranging employee satisfaction survey is conducted every year. In 2015, this survey was completed by 101,229 employees in 41 countries (54% of the workforce) and was aimed at improving working conditions and promoting professional and personal development. Actions plans are drawn up and implemented on the basis of the results, while project progress is monitored on a monthly basis.

Strict compliance with the legislation

Given the practices and legislation specific to each country, less than one quarter of the subsidiaries included in the scope of this CSR report have their own collective bargaining agreement. These are essentially the Group's European subsidiaries.

If there is no specific agreement, the employment law in the country in question applies and is often supplemented by collective bargaining agreements signed with the staff representatives on an annual basis. These fix the working hours or the notice period in case of resignation, salary increases, vacations and often the duration of maternity/paternity leave, the payment of public holidays and team rotations, etc.

Creation of a Works' Council in the European company

As an employer of more than 33,000 employees located in 17 countries in the European Economic Area, in 2014 the Teleperformance Group decided to set up a Works' Council at Teleperformance SE.

In this regard, as part of the conversion of Teleperformance SA into a European company, the Company entered into an agreement on employee involvement at Teleperformance SE with a special negotiating group (*Groupe spécial de négociation* – GSN) created for this purpose and comprising staff representatives from all 17 European countries where Teleperformance SE operates. The GSN held three plenary meetings in Brussels and Paris to negotiate this agreement.

Executed on June 9th, 2015, the agreement established and set out the operating rules for a Works' Council comprising 22 standing members.

4.2.5.2 Community service

Community service schemes are managed locally, depending on the usual practices in effect in each country, and cover four main areas:

Health

Most employees of Teleperformance and its subsidiaries benefit from subsidized supplementary health insurance; for example, in Italy, this subsidy covers 80% of the total cost of the supplementary policy.

In parallel, three-quarters of our employees can benefit from predefined or particularly advantageous prices with medical or paramedical service providers: preferential rates at dental surgeries and medical analysis laboratories in Morocco and Tunisia, nutritionists in Mexico, at a clinic in Greece and Russia, etc. In Colombia, in addition to reductions for Teleperformance employees and their families at a health clinic, in 2015 the Company signed further agreements with opticians and dentists.

In the same area, a number of local initiatives on health issues and the importance of taking care of one's health are conducted on a regular basis towards employees.

These initiatives, which the Group encourages at global level, are rolled out in accordance with individual cultures and the healthcare issues specific to the various regions in which the Group operates.

For instance, in 2015:

- half of our employees were able to benefit from vaccination programs directly in their workplace: against influenza in Mexico and Spain, pneumococcal disease and cancer of the uterus in the Philippines, etc. The vaccinations offered are selected in accordance with local health authority recommendations.
- In some places, vaccination could not be carried out in the workplace, but Teleperformance used its different means of communication to inform and raise awareness among employees. For example, our Tunisian subsidiary organized vaccination awareness days, while our Canadian subsidiary communicated the addresses where vaccinations could be provided free of charge;
- all Group subsidiaries are encouraged to organize initiatives on World No Tobacco Day on May 31st. In 2015, 2/3 of Group employees benefited from various awareness campaigns regarding the harmful effects of smoking, including the opportunity to join a program to help give up smoking in Morocco;
- most employees had the opportunity to take part in cancer awareness programs during the year: an extensive internal and external information campaign in Albania, a mustache-growing competition in France to coincide with the Movember charity event, participation in a race, the proceeds of which are donated to cancer research in Canada as part of the "pink October" campaign, etc.

Healthcare prevention measures sometimes take the form of optional medical checks; for instance, in 2015:

- female employees at Teleperformance's Jamaican center now benefit from monthly visits by an obstetrician-gynecologist at particular low rates;
- 540 employees at the Greek subsidiary were given a free on-site breast ultrasound screening for which they were able to apply as part of an information campaign on breast cancer;
- in Mexico, three cancer information and awareness meetings were organized on October 19th: 75 cancer screening tests were carried out and 750 information leaflets on self-examination were handed out.

In addition, Teleperformance regularly opens the doors of its facilities to blood transfusion centers, organizing blood donor campaigns, in which employees enthusiastically participate every year. Three quarters of the employees therefore had the opportunity to donate blood directly in their workplace in 2015.

Lastly, a large number of health initiatives are paired with the goal of fostering employee awareness of the importance of maintaining good health through healthy nutrition and physical activity.

These may involve regular schemes, such as:

- daily provision of free baskets of fresh fruit for the 1,200 employees working at our centers in Sweden and Denmark; this system has been in place for around ten years;
- provision of free gymnastics lessons for employees at one of our Chinese subsidiaries, thus encouraging them to do regular physical exercise.

Or one-off events, such as:

- the *Fruit and Vitamin Days*, when fresh fruit is offered to employees in Russia;
- *Health Week*, during which various healthcare and paramedical providers visit our Mexican subsidiary and present their products and services to the employees;
- various awareness campaigns on healthy eating in Turkey...

Extra holidays

One third of Teleperformance employees benefit from extra holidays in addition to the local statutory allowance. The amount of this extra holiday time varies in accordance with the corporate agreement specific to each subsidiary; for instance it involves 2-4 additional days in the United Kingdom, 4-8 days in Germany, and may amount to up to 12 days in China and 25 days in the United States depending on seniority.

Subsidized meals

Two third of our employees benefit from wholly or partly subsidized meals or food in the form of a Company canteen, meal vouchers or food purchase vouchers, depending on local laws and customs.

In a few countries, such as France, this is a statutory obligation. In other countries, such as Jamaica, Mexico and China, it is a benefit offered by Teleperformance to its employees.

Lastly, many subsidiaries negotiate reduced rates for their employees, usually with owners of restaurants located near the office. Three quarters of employees benefited from these reduced restaurant rates in 2015.

Preferential rates

At most Group subsidiaries, employees benefit from negotiated or reduced rates on various services, and sometimes enjoy them free of charge. These reduced rate or free services are offered through the works councils (where they exist) or are directly managed by the HR Department at each subsidiary, sometimes in partnership with our clients.

These include Internet connection agreements in Egypt and Tunisia, preferential prices for purchasing motorcycles in Colombia, agreements giving employees in Portugal and Morocco advantageous conditions with several banks and insurance companies, discounts at travel agencies for employees in the Philippines, UK, El Salvador and Russia, etc.





These preferential rates primarily apply in two priority areas:

Subsidized cultural activities

Three quarters of our employees benefit from individual or family discounts or free admission to cultural events.

Accordingly, in Greece, under the *Teleperformance Family* scheme, Teleperformance Hellas has offered free summer camps for its employees' children for the last four years. In 2015, 118 children aged 6 to 12 were able to enjoy a wide range of activities spanning a period of over two months. Employees of Teleperformance Mexico benefit from an agreement with a science and technology museum, while employees in El Salvador benefit from discounts on concerts subsidized by Teleperformance. In Morocco, employees are entitled to reductions at bookstores, both for purchasing books and with regard to payment facilities for buying stationery and other accessories for the start of the school year.

Encouragement to take up a sport

In many regions, Teleperformance negotiates preferential rates with sports clubs. Nearly all of our employees can participate in sporting activities at a reduced cost: these reductions are primarily granted by fitness clubs, but also include baseball in Mexico and swimming in China. From this year, employees at our El Salvador subsidiary have been offered free zumba lessons at the workplace.

Lastly, employees are sometimes invited to sporting events, such as ice hockey competitions and soccer matches in Canada, etc.

Elsewhere, the Group promotes friendly sports matches between employees, by subsidizing the creation of in-house Company teams (see further details under section 4.4.2.3 *Teleperformance Sport Club*).

4.2.6 Health, safety and security

Passion 4U is a global initiative for promoting well-being and better quality of life at work by fostering awareness of issues related to employee health and stress reduction.

The main strengths of this scheme are:

- creation of a great work environment;
- increased employee awareness of the benefits from healthy habits and stress reduction;
- long-term viability of our business;
- shared best practices as encouraged by our Global strategy.

4.2.6.1 An appropriate working environment

To guarantee a healthy and pleasant working environment in all centers, a layout guide for the premises has been drawn up at Group level since 2009. This guide includes the standards and recommendations covering all areas in our premises: common areas, work areas, training areas, leisure and catering areas (cafeterias, break rooms etc.). It also provides recommendations for lighting, acoustics, information and communication technology, safety, local management, sustainable development and well-being.

The aim is to provide specially designed areas for the well-being of employees that comply with building and layout safety standards specific to each country.

The layout guide for the centers is supplemented by a guide on employee and infrastructure safety and security. This guide, which was compiled by a team based at the Company headquarters, lays down strict rules of safety and security. This

team ensures the proper application of these standards and supports and advises subsidiaries in their center creation and refurbishment projects. It is assisted on the ground by a network of 70 layout experts who receive training to assess and measure compliance with standards, as well as numerous webinars throughout the year. To guarantee constant improvement in centers, each country is assessed annually and develop action plans, using a dedicated tool.

The profession of Contact Center Advisor is not physically dangerous. Nonetheless, Teleperformance affords high priority to the provision of suitable equipment to its agents. Part of the guide provides instructions on workstation ergonomics: desks, chairs and accessories must meet specific criteria guaranteeing comfort and practicality.

4.2.6.2 Prevention of occupational hazards

The prevention of occupational hazards is addressed using different methods depending on local legislation and in accordance with the Group global health and safety policy.

Most of the Group's European and North African subsidiaries as well as some international subsidiaries have signed agreements with staff representatives on health and safety at work.

These agreements result from regular Committees generally comprising members of the management team and Human Resources Department, staff representatives and, occasionally, trade union representatives.

In the absence of risks relating to Group business activities, the Committees primarily deal with general health policies,

evacuation procedures, access card issues, building security, paying for the occupational health practitioner, workplace ergonomics, etc.

In some subsidiaries, such as Norway, the health and safety policy is part of initial training and each employee signs a form on evacuation procedures in case of incidents. An AMU, equivalent to a Health and Safety Committee, meets four times a year to review the work environment, health, safety, risks, etc.

In Denmark, strictly speaking there are no agreements signed with regard to health and safety at work but staff representatives are involved in changes and negotiations for everything concerning the layout and environment of the work position.

In other subsidiaries, the country's legislation precisely defines the standards for health and safety in the workplace.

This is the case in Romania, where the constitutional law introduced in 1991 stipulates the measures to prevent occupational hazards, protect health and safety, eliminates risk factors and sets out the means of consultation, information, participation and training of employees.

Similarly, in Brazil, the law NR 17 stipulates the parameters which enable working conditions to be adapted to the psycho-physiological characteristics of employees.

In Italy, the law 81/2005, applied by Teleperformance down to the smallest details, regulates safety at work, risk assessment and health monitoring. It also indicates how to protect and prevent mental and physical health problems in the professional environment and encourages meetings and dialog with staff representatives.

Three Group subsidiaries have the British BS OHSAS 18001 certification (*British Standard Occupational Health and Safety Assessment Series*): two of our German centers since 2007, Teleperformance Italy since 2010 and Teleperformance UK since 2013. This is a model for the management of health and safety at work, i.e. for the prevention of occupational hazards.

4.2.6.3 Accidents at work

The working environment is not dangerous. Excluding commuting accidents, most of the rare industrial accidents (993 in 2015, i.e. a frequency index of 6.36%, versus 1,097 in 2014 and an index of 7.96%) were the result of slips or falls resulting in bruises or fractures.

The Group's business activities do not therefore give rise to material safety risks.

4.2.6.4 Occupational illness

For these same reasons, recognized or declared occupational illness is extremely rare at Teleperformance. Most declared cases of occupational illness concern hearing problems or cases of musculo-skeletal troubles.

In terms of optimizing conditions in the workplace, special attention is paid to preventing damage to hearing. Accordingly, the Group's call centers are acoustically designed in strict compliance with the applicable employment law requirements.

As a preventive measure, some subsidiaries organize training and information campaigns related to potential occupational health risks, such as *Voice Day* in Spain and *Voice Week* and *Hearing Week* in Brazil.

4.2.6.5 Stress prevention

The main occupational health challenge in the business is stress prevention. The Group recommends a series of measures to its subsidiaries to promote well-being and minimize agents' stress, based on three themes:

- *Passion for you*: Health Drive;
- *Teleperformance For Fun*: Arts Drive;
- *Sports Club*: Sports Drive.

This is reflected in various initiatives:

- in Portugal and Russia, yoga exercises are offered to employees;
- in Brazil, a team of around 15 therapists has been offering shoulder and hand massages to agents directly at their workstations for the past few years;
- 15-minute "seated massages" were also provided for employees at the Blagnac facility in France;
- in France, some sites are fitted out with quiet rooms, relaxation rooms where mobile telephones are banned so that employees can "switch off" and relax;
- "nap areas" in the Philippines: 10 facilities provide bunk-beds so that agents can have a rest.

Other practices focus on the psychological aspect of stress *via*, for example:

- in Spain, regular work sessions with employees to provide advice and best practices concerning stress management;
- in Greece, during Anti-Stress Week, employees are given various practical tips for reducing stress;
- in the United Kingdom, a guide on this issue can be consulted online and is a reference for agents.

In the medium term, the Group aims to apply these practices globally and exchange experiences on a wide scale.





4.2.6.6 Employee well-being

Teleperformance places a major emphasis on employee well-being, as a result of which the Company receives regular awards from recognized independent institutions and assessment firms.

Accordingly, for the last six consecutive years, the Portuguese and Brazilian subsidiaries have had the honor of receiving the Great Place to Work For Award. This prize has also been awarded to our subsidiaries in India in 2011 and China in 2012. In 2013, the Great Place to Work Institute awarded the One of the Best Companies to Work For prize to the Brazil, Portugal, India and Greece subsidiaries. In 2014, two new Teleperformance subsidiaries were recognized: El Salvador and Mexico. This year, and for the first time, Teleperformance received the AON Hewitt Best Employer award for its sites in ten countries. This prize recognizes companies who have won the approval of their employees, who – considered precious assets – work in coherence with the Company's objectives, are rewarded for their efforts and are openly proud to be part of the Company.

A large number of initiatives to promote employee well-being are implemented at all centers.

They revolve around three principles: promoting loyalty, encouraging recognition and promoting integration, friendliness and harmony, all of which are major factors of well-being at work.

Loyalty

Teleperformance places great emphasis on every employee forming a strong bond with the organization. By promoting values like: communication, respect and consideration, the quality of the service provided to customers, the clarity of procedures, fulfillment and effectiveness, Teleperformance recognizes every employee within its management framework, and increases their feeling of belonging to the Group.

Recognition

The organization focuses on maintaining and improving any aspects that enable it to make its employees grateful and satisfied. Every employee is evaluated on a regular basis, informed of how their performance is progressing and of their own targets and successes as defined by our management of daily performance (TOPS) procedures. In regions where such a scheme is permitted by law, rewards such as trips or dinners are handed out as employee incentive and center management tools.

Friendliness and cohesion

To cultivate a friendly atmosphere and strengthen team cohesion, our centers frequently organize or take part in in-house and external activities and events.

Social life at the centers

Most of our centers have set up relaxation areas where agents on a break can play foosball, table tennis, billiards, pinball and board games or watch television, play video games, have access to computers with free Internet, lounge on the sofa, read books, etc.

Theme days to celebrate events or share moments with colleagues take place regularly in Group centers. These events include: "Summer Day" in Greece, a Christmas cake competition in Germany, a communal breakfast in Italy, St Valentine's Day celebrations in Russia and Spain, Mothers' Day in Colombia, a pancake tasting at Candlemas in France, a special Halloween party in Morocco, quizzes and presents on the national feast day in Portugal, etc. Some events are open to employees' families.

Other on-site initiatives aim to create ties between family and professional life, like the "Bring Your Kid Day" in Canada, when employees are invited to bring their children to the office to show them their working environment. With the same aim of pulling back the curtains on employees' professional life in order to promote a more balanced lifestyle, our Turkish and Spanish subsidiaries organize a family open day at each of their centers.

Off-site social life

At the initiative and with the support of Teleperformance, employees also come together for activities outside of work, sometimes with their families. Accordingly, in August Teleperformance Colombia organizes *Cometas en Familia*, a day dedicated to kite flying, while our Egypt subsidiary organizes a bike ride for employees and their families and friends. In Italy, a restaurant is hired in order to organize a *MasterChef*-type competition between employees, while in Tunisia external premises are rented to organize the end of Ramadan feast for employees and their children.

Many of these joint activities outside of the Company concern actions for charity or events revolving around sports.

The charitable activities are described in further detail in section 4.4.2.1 *Citizen of the World*, while those relating to the many sporting activities offered by Teleperformance are described in section 4.4.2.3 *Teleperformance Sport Club*.

The driving idea remains colleagues meeting up for a common purpose in the spirit of mutual support.

4.2.6.7 Individual safety and security

In terms of individual safety and security, specific initiatives may be adopted in certain countries depending on the circumstances. On the whole, all centers are equipped with secure access and camera surveillance facilities. Where necessary, some centers also have security guards and, in some cases, employee transportation is company organized.

4.2.7 Training

Training is a major component in our Human Resources management, especially in the Group's business, which aims to put *people at the service of other people*.

Training at Teleperformance is provided via two separate entities:

- *Teleperformance Academy* for the training of Contact Center Advisors;
- *Teleperformance Institute* for the training of managers;
- *Teleperformance Institute* for high-potential employees in the Group.

In 2015, 28,542,457 training hours were provided, i.e. 179 hours per agent, versus 22,040,464 hours in 2014 or 142 hours per agent.

4.2.7.1 Teleperformance Academy

Locally, training programs intended for Client Advisors are delivered on recruitment and/or for new clients/products which require specific skills. In agreement with the client, these training sessions are, on average, of a duration of one week for the simplest operations up to five weeks for the more complex products, requiring broader knowledge of the product.

Since 2014, all new hires have systematically taken part in an induction seminar on Group culture and values as of their first day at Teleperformance.

4.2.7.2 Teleperformance Institute

At the central level, the Teleperformance Institute provides all Group management staff (supervisors, platform managers, operational directors, etc.) with e-learning and "face-to-face" training.

In view of its global presence and desire to involve a maximum number of employees, the Group has focused particularly on developing e-learning. For the sake of greater independence, the e-learning platform has been developed in-house since late 2011, and is available in the main Group languages. Teleperformance employees were able to develop their leadership, communication, time management and project management skills thanks to the e-learning process. 144,131 training hours were provided in 2015, accounting for 0.5% of total 2015 training hours.

In 2015, the Teleperformance Institute focused on five areas:

- programs focusing on the Group's operational standards, which promote client success and the due conduct of their operations;
- the launch of a global induction scheme for supervisors aimed at ensuring that all newly hired supervisors implement

the same hiring process and cover the same core training objectives during their first six months;

- training in key Group policies (e.g. launch of the Group global safety policy);
- continued roll-out of the internal training quality standard (improving the training of trainers), and certifying the Group's subsidiaries in terms of the standard;
- more general training programs targeting a wider audience, including Microsoft Office® training and foreign language courses.

4.2.7.3 Teleperformance University

Teleperformance University is an executive program divided into six modules taking place in different locations:

- culture and People management (Lisbon, Portugal);
- marketing and solutions (Sao Paulo, Brazil);
- business Development (Guadalajara, Mexico);
- operations, IT & Security (Salt Lake City, USA);
- finance (Athens, Greece);
- excellence in Operations + Final Project (Manila, Philippines).

Each module has a duration of one week and the complete program is completed in ten months.

80% of the classes are delivered by senior leaders from Teleperformance but we also have external professors from renowned universities delivering the academic perspective.

Our target are middle managers with the potential to become senior leaders in the Company.

During the training, we stress the multi-cultural/global scope of our Company.

In 2015, 15 participants from 14 countries attended the training.

4.2.7.4 JUMP

JUMP is a development program created to identify and prepare high-potential employees to take on leadership management positions in the Company.

The objective is to prepare employees to become leaders at all levels of operation by progressing from agent to supervisor, from supervisor to coordinator and finally, from coordinator to manager.

The JUMP program is based on a training program that offers technical and behavioral training, as well as personal development plans.





JUMP guarantees the recognition of talent, quality of leadership and the best possible use of our training methodologies. The program clearly shows all our employees what the Company expects from them and how they may progress within our organization.

Teleperformance also offers employees special support and orientation in the development of their career plans.

4.2.7.5 External training

All of our Latin American subsidiaries have signed agreements with universities located in cities where we operate to offer Teleperformance employees, and in some cases members of their families, reductions on education costs. Under certain circumstances Teleperformance will even subsidize part of the cost.

In the Philippines, partnerships have been set up, including with the US and French chambers of commerce.

4.2.8 Diversity and equal opportunities

The Group's subsidiaries strictly apply all the principles of the United Nations Global Compact, and specifically Principles 1, 2 and 6, which deal with respect for human rights and eliminating discrimination in employment:

1. *Businesses should support and respect the protection of internationally proclaimed human rights;*
2. *Ensure that they are not complicit in human rights abuses; and*
6. *The elimination of discrimination in respect of employment and occupation.*

The guidelines for hiring and promoting employees drawn up by the Group specify:

"Selection shall be based on work-related factors and shall offer equal opportunities to all candidates, independently of personal characteristics such as race, color, gender, religion, political opinion, nationality, social origin, age, health, union membership or sexual orientation."

Furthermore, employees will be selected on the basis of their ability to perform the work, and no distinction, exclusion, or preference based on other criteria shall be acceptable.

4.2.8.1 Measures taken to promote gender equality

All the quantified data presented in this Chapter excludes the subsidiaries in the United States, for which information on employees' gender is not available due to local legislation.

The Group indiscriminately employs men and women, the latter representing 54.00% of employees at 12/31/2015 (versus 53.59% at 12/31/2014).

The Group has introduced a set of procedures and guidelines in order to promote equal treatment of men and women. These measures include:

- gender is not specified in JUMP, Teleperformance's internal hiring process, and therefore cannot influence the recruiting officer;

- salary bands, classification, career opportunities and work schedules are not based on gender;
- Teleperformance affords special importance to gender equality and, to prevent any violation, the annual employee satisfaction survey includes an alert whenever a correlation is detected between the level of satisfaction expressed and the gender of respondents.

This results in a very high proportion of women in management positions: 47.4% at December 31st, 2015, a positive trend compared to December 31st, 2014 (47.2%).

Each subsidiary rolls out additional initiatives geared towards gender relations in accordance with local cultural issues:

In this regard:

- Teleperformance India has set up a Sexual Harassment Complaints Committee comprising staff and NGO representatives; the Committee meets even if there are no complaints, in order to implement preventive measures;
- in January 2013 the Spanish subsidiary signed an equality plan to ensure equal career opportunities for men and women;
- the HR Departments of our US subsidiaries organize anti-favoritism webinars, etc.

4.2.8.2 Measures taken in favor of employment and integration of disabled workers

The Group employs disabled workers and ensures compliance with applicable local legislation on hiring, non-discrimination, workstation layout and access for disabled persons.

A large number of local initiatives are implemented to promote the hiring of disabled workers.

- Thus, the El Salvador subsidiary participates in Job Fairs exclusively reserved for disabled job-seekers.

- For its part, Teleperformance Colombia has signed agreements with governmental and private foundations that put us into contact with disabled personnel, essentially amputees and people who move with crutches. Job stations are regularly reorganized in collaboration with the employees concerned.
- As part of a diversification drive, Teleperformance Brazil allocates grants for training disabled persons in order to provide them with job opportunities.
- In the United Kingdom, Teleperformance proactively collaborates with several government agencies and NGOs that represent disabled people returning to work.
- In the USA, job offers are posted on sites that target disabled people and veterans. In parallel, we work with schools for disabled children and other organizations that specialize in employment placement for disabled people.
- Every year, Teleperformance Salvador organizes a Company visit for a group of disabled persons, in order to show them the kind of jobs that the Group can offer them.
- *Handiperformant* is a special program designed by Teleperformance France in order to show that disability is not an obstacle to getting a job. This program includes daily support, reorganization of workstations and a true internal policy of raising awareness so that each person's differences and specificities are considered as assets to working better together.
- Teleperformance France organizes regular awareness campaigns and initiatives relating to disability. In 2015, all employees at all centers took part in "European Disability Employment Week" in partnership with schools, professional organizations and L'ADAPT (French Association for the Social and Professional Inclusion of People with Disabilities). Two major initiatives were organized:
 - "Portes ouvertes à Teleperformance" (Open doors at Teleperformance), during which other companies and associations were invited to our centers to see what the Company is doing to promote employment suitable for disabled people;
 - "Vis ma vie" (Live my life) workshops, in which employees experienced what life is like for disabled people.

In addition, a national coordinator is responsible for looking after disabled employees in liaison with a local officer appointed for each center. Every six months, these local officers meet their disabled employees and check whether their workstation is sufficiently adapted to their disability. If not, they ensure that the required adjustments are made. In collaboration with Sameth, an independent organization providing ergonomics advice and support for maintaining disabled workers in employment, around 150 workstations were adapted in 2015: large screens, screen magnification software, ergonomic mice and chairs, foot and wrist rests, etc. Thanks to these different schemes organized under the umbrella of the *Handiperformant* program, at December 31st, 2015, 6.15% of the Teleperformance France workforce consisted of officially recognized disabled workers.

4.2.8.3 Measures taken to promote the hiring and retention of senior workers

The Group's sector of activity naturally attracts a young population. This results in a high proportion of students, which is particularly significant in certain regions. For example, at the Colombian and Russian centers, respectively 70% and 43% of new hires are students.

However, Teleperformance makes sure that the senior age group is not left out. Employees over 60 years of age benefit from an additional week of vacation in Norway and a similar system is in place in Switzerland. Similarly, Teleperformance Greece participates in specific programs organized by employment agencies to promote the employment of seniors.

4.2.8.4 Anti-discrimination policy

Teleperformance centers naturally hire people of different nationalities and cultures.

Group companies comply with current legislation concerning non-discrimination; some subsidiaries are particularly proactive in this area, such as Teleperformance USA which has employed a diversity manager since the beginning of 2010.





4.3 Environmental information

4.3.1 Global environmental policy

Teleperformance's activity is non-polluting. However, Teleperformance is aware of the responsibility incumbent on each citizen and pursues a policy of minimizing the negative impact of its activity on the environment by acting in a sustainable way so as to ensure that future generations are able to satisfy their own needs.

Citizen of the Planet (COTP), which was launched in 2008, is a global corporate initiative aimed at ensuring that Teleperformance manages its business activities in a responsible and environmentally-friendly way.

The Group's primary objectives are to reduce energy consumption, paper and packaging waste and travel (air and local) in all of our subsidiaries.

Teleperformance also places great importance on promoting global awareness on the part of its employees. They are therefore encouraged to apply a set of environmentally friendly principles to all aspects of their professional and personal life.

In the welcome guide provided to newly employed agents, a chapter is dedicated to the protection of the environment. Advice and information are provided and new recruits are encouraged to participate in *Citizen of the Planet* initiatives which vary according to local sensibilities. The following sections include descriptions of some of these initiatives aimed at preserving the planet.

In each employee's everyday life, there are numerous reminders about initiatives to help preserve the environment: "water is a precious asset, save it" posters, electronic signatures encouraging employees to use printers sparingly to limit their environmental impact, etc.

4.3.1.1 Environmental management

Citizen of the Planet is an initiative launched by Group founder Daniel Julien which aims to ensure that Teleperformance manages its business activities in a responsible and environmentally-friendly way.

The Social and Environmental Responsibility Committee determines the overall environmental policy and checks that the resources are appropriate for achieving the targets set. Meanwhile, the directors of each subsidiary are responsible for implementing and monitoring the environmental policy at the local level. *Citizen of the Planet* coordinators at each facility are responsible for the feedback of environmental information, which is forwarded to the head office *via* monthly reports.

Moreover, some subsidiaries have decided to formalize their efforts in this area by instigating procedures to obtain internationally recognized certification such as:

ISO 14001

Several German sites, as well as our Ashby site in the United Kingdom, have obtained ISO 14001 certification. This certification requires Teleperformance to continuously improve its environmental performance and enables the Company to remain in compliance with environmental regulations.

LEED

Several sites in Asia, Europe and Latin America comply with the most stringent environmental and sustainable development standards. Three centers in Colombia, as well as the Beijing (China), Cebu Park (Philippines) and Glasgow (Scotland) centers, have obtained LEED certification (Leadership in Energy and Environmental Design).

The LEED certification system, designed by the US Green Building Council, attributes points according to a certain number of criteria: sustainable development, water savings, efficient energy management, materials, air quality, innovative design and regional challenges. LEED certified buildings are designed to enable reductions in energy consumption, CO₂ emissions, water consumption and generation of solid waste.

French HQE label

The building in which Teleperformance France is located received the French "NF HQE" high environmental quality certification for occupied commercial buildings for its impact on the environment and its energy consumption. This means that the building is managed in compliance with environmental quality (optimized energy, water and waste management, comfort for the occupants, etc.).

4.3.1.2 Promotion of public transport

Most Group facilities are located in areas that are easily accessible by public transport. For those sites that aren't, or simply to encourage employees to avoid using their personal vehicles, contracts with private transportation companies can be implemented.

A system of regular shuttles is available for employees in our North African, Chinese, Jamaican and Italian subsidiaries, as well as in Brazil and the Philippines, where Teleperformance

has set up a system in which employees are collected by free coaches, linking the different sites and dropping off employees at convenient points (stations, downtown).

Other regions have set up a partial shuttle network for employees.

In the absence of or in addition to shuttle-buses organized by the subsidiary, some subsidiaries subsidize all or part of their employees' public transportation season tickets.

4.3.1.3 Promotion of "green" transport

Cycling to work is particularly suited to centers located in downtown areas, and several campaigns have been set up to encourage employees to prioritize using their bicycles, for example in China and France. In France, employees are refunded 50% of the costs of subscriptions to public bike rental for their journeys from home to work.

In Germany, Teleperformance's summer scheme entitled "Mit dem Rad zur Arbeit" (Bike to Work) was a resounding success in the three pilot cities: participants cycled a total of 7,875 km solely in order to travel between work and home.

4.3.1.4 Promotion of car-sharing

Car-sharing is included in the Group's recommendations regarding site layout.

It is widely encouraged *via* posters displayed in break rooms, ads on the Company intranet and on some sites by means of special reserved parking lots. After proving its effectiveness in the United States for several years, the reserved parking system has now been implemented at three sites in the United Kingdom, in Mexico and, more recently, in El Salvador.

The Brazilian subsidiary has adopted a different solution in the form of a partnership with a car-sharing website.

4.3.2 Pollution and waste management

4.3.2.1 Recycling processes specific to the business

The need to be at the cutting edge of technological innovations requires us to frequently renew our installed IT and telephone base, a key resource in this business sector.

Teleperformance is committed to recycling this equipment once it is no longer fit for professional use.

Accordingly, Teleperformance's approach to recycling obsolete equipment combines ethical and environmental concerns.

Computers

Computers no longer fit for professional use are recycled in a number of ways:

- they may be sent to specialist firms that handle sensitive materials in accordance with specific standards and charters; for example, this year the Group's main US subsidiary sent 396 used computers to a specialist recycling firm;
- they may be donated directly to nurseries, schools or community-oriented NGOs. This year, around 2,800 computers were given to schools by a number of subsidiaries (Teleperformance USA, Teleperformance Colombia, Teleperformance Nearshore, etc.);
- some subsidiaries sell them to recycling firms;

Given the sensitive data that they may contain, all of our computers are wiped clean before leaving the Company. In some locations, such as the United States, hard drives are systematically removed and destroyed.

Telephones

In the case of telephones that are no longer fit to be used in call centers:

- a third of the subsidiaries send them to firms specialized in recovering pollutants; for example, in 2015 the French subsidiary sent 6,600 telephones to recycling firms, and one of the Mexican subsidiaries sent 240;
- some subsidiaries donate them to charity (such as Colombia and Mexico in 2015);
- meanwhile, others opt for mixed solutions: telephone terminals are recycled by an authorized recycling Company whereas outdated mobile telephones are given to charitable organizations.

4.3.2.2 Paper recycling

In general, double-sided printing is applied systematically and, as much as possible, preference is given to purchasing recycled paper.

Most subsidiaries recycle paper by installing special containers for this purpose in each department. Waste paper is collected for recycling by a third party service provider.



Paper recycling is often associated with local charity schemes or schemes designed to benefit employees directly:

- in the Philippines, the proceeds from paper recycling are donated to the Kythe Foundation, a local NGO working for hospitalized children;
- in Brazil, for example, recycling is performed by an organization that prioritizes the integration of unqualified employees, and works on improving living conditions in one of the largest of Sao Paulo's slums;

- in Russia, plants to decorate the offices are purchased from the savings made through waste paper collection;
- in El Salvador, the money received is used to buy birthday cakes, etc.

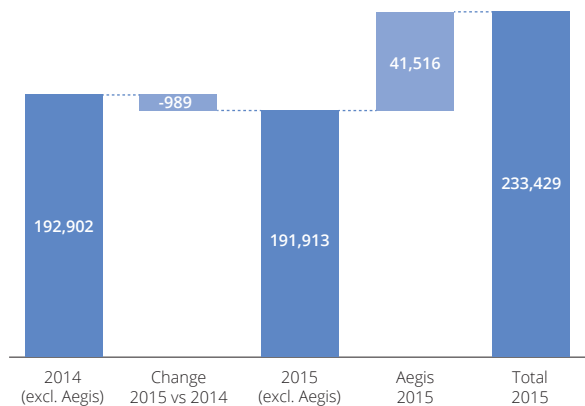
Specific actions are supplemented by various initiatives aimed at promoting global awareness, such as training the cleaning staff to sort paper for recycling or the installation in every office – even individual ones – of two waste containers, of which one is exclusively reserved for paper.

In sections 4.3.3 and 4.3.4, 2015 means the period from October 1st, 2014 to September 30th, 2015, while 2014 refers to the period from October 1st, 2013 to September 30th, 2014.

4.3.3 Sustainable use of resources

4.3.3.1 Electricity consumption

Electricity in MWh

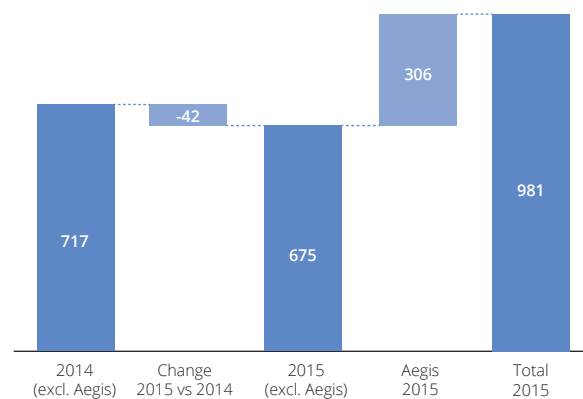


Electricity consumption in 2015 excluding Aegis USA Inc. (acquired in August 2014) amounted to 191,913,265 kWh, down 1% from 192,902,390 kWh in 2014. Including Aegis USA Inc., 2015 consumption amounted to 233,429,601 kWh. This decrease is due to a continuous improvement drive with regard to fittings (low energy bulbs, timers, motion detectors, etc.).

For the moment, although the Group does not use renewable energies as such, they form part of the energy mix consumed by the Group: a portion of the electricity supplied by current providers is derived from renewable energy (wind farms and solar power in particular), depending on the region.

4.3.3.2 Water consumption

Water in thousands of m³

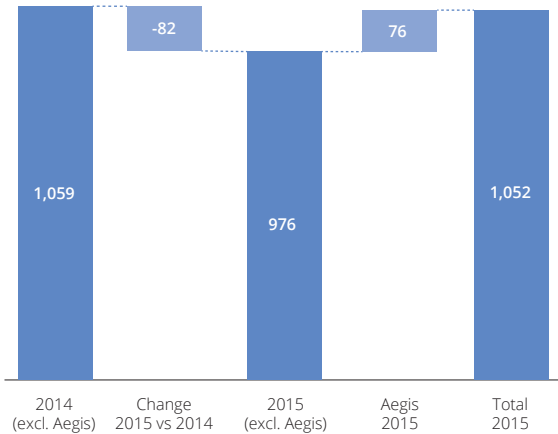


2015 water consumption excluding Aegis USA Inc. (acquired in August 2014) amounted to 675,042 m³, down 6% from 717,459 m³ in 2014. Including Aegis USA Inc., 2015 consumption came to 980,991 m³.

This reduction is mainly due to work carried out by the subsidiaries on the centers (installation of pressure reducing valves, self-closing and infrared sensor taps, rainwater recovery systems, etc.), but also to awareness drives encouraging employees to save water. These may involve permanent measures, such as posters displayed in centers, or occasional initiatives like the "Water Day" programs.

4.3.3.3 Paper consumption

Paper in tons



Paper consumption in 2015 excluding Aegis USA Inc. (acquired in August 2014) amounted to 976 tons, down 8% from 1,059 tons in 2014. Including Aegis USA Inc., 2015 paper consumption was 1,052 tons.

Several measures and initiatives undertaken by the subsidiaries have enabled them to reduce their paper consumption. These include double-sided printing, which is practiced by default as far as possible.

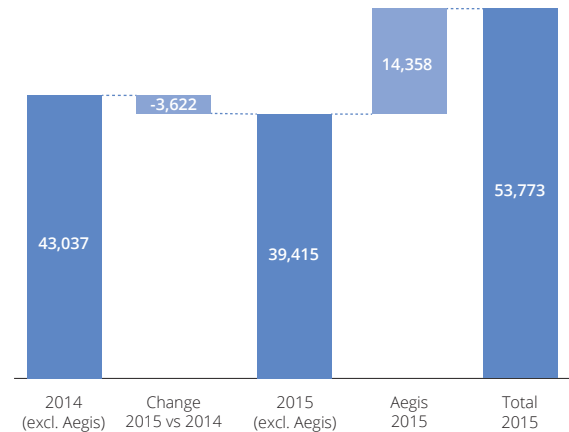
A series of global measures have been implemented worldwide, such as electronic signatures for all Group employees, in order to avoid unnecessary printing and thus minimize each employee's carbon footprint, and digital accounting records.

A number of initiatives introduced by our subsidiaries are globalized, where local legislation permits. For example, the

online payslip system introduced by the Portugal subsidiary in 2007 has been extended to the Philippines and all Group centers in Southern Europe, Scandinavia and South America. More recently, the system was introduced in several subsidiaries in Eastern Europe, Central America and the USA. In 2015, around three-quarters of Group employees were covered by the online payslip system.

4.3.3.4 Air travel

Trips thousands of km



Air travel in 2015 excluding Aegis USA Inc. (acquired in August 2014) amounted to 39,415,379 km, down 8% from 43,037,489 km in 2014. Including Aegis USA Inc., air travel in 2015 amounted to 53,772,826 km.

For several years now the Group has been encouraging the use of video-conferencing and Internet phone calls by employees wherever possible, in order to cut down on travel and CO₂ emissions.

4.3.4 Climate change

4.3.4.1 Adaptation to the consequences of climate change

Given the locations of its facilities, the Group has relatively limited exposure to climate change risks.

However, the Philippines subsidiary is located in a region potentially vulnerable to typhoons. While the main danger concerns rural areas, which are the first to experience mudslides from heavy rain, the teams at Teleperformance Philippines attend conferences and debates organized by government authorities responsible for continuity plans in the event of a disaster.

In 2014, Teleperformance Philippines forged a partnership with the public safety division of the MMDA (Metropolitan Manila Development Authority) to improve Teleperformance's capabilities in the event of a disaster. 50 security guards and facilities personnel attended the two-day Disaster Preparedness Training, which is part of Teleperformance's Business Continuity Plan (BCP). The risk of typhoons, earthquakes, fires and other man-made accidents were discussed.

Lastly, *Citizen of the Planet* initiatives organized by our Philippines subsidiary, such as tree planting and river cleanup contribute to preventing floods and mudslides.

4.3.4.2 Greenhouse gas emissions



In 2015, our total¹ measured carbon emissions were 102,520 tons with a carbon footprint per employee (CFE) of 0.68 tons

"It's our commitment to minimize negative environmental impacts by acting in a sustainable manner to ensure future generations have the ability to meet their own needs. Citizen of the Planet (COTP) is a global corporate initiative aimed at ensuring Teleperformance operates in an environmentally friendly and responsible manner."

2015 Carbon Footprint in Tons

% of Total Carbon Footprint per source



Electricity
92,409
90.1%



Paper
431
0.4%



Air Travel
9,679
9.4%



Carbon Footprint
per Employee
0.68 tons

Observations:

1. Reporting period is from October 1st, 2014 – September 30th, 2015 and represents audited carbon emissions for our main subsidiaries (representing more than 75% of our workforce).
2. Electricity is the total annual consumption in kWh (kilowatt-hour) for our the main subsidiaries (representing more than 75% of our workforce).
3. Paper includes both "bond" paper and toilet paper for the same perimeter. Greece, Italy, Mexico only reported only bond paper.
4. Air Travel: the conversion factor is 0,00018 tons of CO₂ by km, it is calculated based on a web tool designed for this purpose.
5. Indirect electricity consumption emissions are calculated with the "emission factor" for each country (source IEA).
On paper we are using an estimate of 0.410 tons of CO₂ per each ton of paper consumed (source ADEME).

At constant consolidation scope (excluding Aegis, acquired in August 2014), the Group's carbon footprint amounts to 79,229 tons of CO₂ in 2015, down 1% from 80,396 tons in 2014. The carbon footprint per employee fell by 9% from 0.67 t in 2014 to 0.61t in 2015 (including an 8% increase in the headcount across the same consolidation scope).

On the other hand, if Aegis is included in the 2015 scope, Group greenhouse gas emissions amounted to 102,520 tons, giving a carbon footprint per capita of 0.68t in 2015.

This increase is due to particularly high energy consumption by two Aegis sites where obsolete HVAC systems run continuously and consume a lot of energy. Since the consolidation in 2015 of this group purchased the previous year, a plan for modernizing these outdated systems and replacing the roof units has been drawn up and is gradually being implemented. The Group expects to achieve considerable energy savings at these two sites as of next year, which should have a positive impact on Group greenhouse gas emissions.

4.3.4.3 Land use, protection of biodiversity and noise pollution

As Teleperformance's operations do not require the use of natural resources and do not cause pollution, land use and protection of biodiversity are not relevant issues for the Group.

However, Teleperformance is involved in a large number of initiatives aimed at raising global awareness amongst employees about their impact on the environment at the local level. Employees at the Albanian and Russian subsidiaries therefore participate in initiatives to clean their city, neighborhood by neighborhood, over the weekend.

Moreover, via its partnership with the Monterrey Metropolitan Water Fund (FAMM), in 2015 the Mexican subsidiary donated 300,000 pesos to a project for preserving the ecosystem of the watershed and groundwater infiltration areas.

Lastly, the business activity is by nature non-industrial and therefore does not generate noise pollution for neighbors.

4.4 Social information

4.4.1 The local, economic and social impact of our business

4.4.1.1 Impact on employment and the economy

Site location strategy

The choice of site locations primarily corresponds to an employment area approach. As the business generates a high staff turnover rate, it is crucial to have appropriate candidates nearby. This means that our facilities are mainly located in areas:

- that are easy to access *via* a large public transport network; while proximity to an airport is also a priority for the centers dedicated to offshore business;
- close to universities, as in Argentina and Portugal, which makes hiring appropriate candidates and multilingual employees easier;
- with a high unemployment rate.

Local impact

Teleperformance's local impact in terms of employment varies considerably depending on the countries and site locations.

Although it has over 8,500 workstations, the Sao Paolo subsidiary in Brazil has a low territorial impact on an urban conglomeration with over 20 million inhabitants. On the other hand, the Sao Gonçalo do Amarante center, which opened in December 2014 and employs nearly 3,000 people, is regarded as the top private sector employer in this city of nearly 90,000 inhabitants situated in north-east Brazil. Teleperformance therefore has a strong impact there.

Impact is strong as well in Vladimir (Russia) and Cherkassy (Ukraine), cities with populations of 350,000 and 285,000 respectively where Teleperformance is ranked the 5th and largest employer.

Likewise, the economic and social impact of our six subsidiaries in Tunisia, which employ over 6,000 people, is very strong: Teleperformance is regarded as the top private sector employer and, most importantly, as the foremost private sector executive employer in the governorate of Tunis.

On a lesser scale, Group operations in small and medium-sized towns and cities have a noticeable impact on the local economy: in Spain, for example, the Ponferrada center is the primary employer for the Bierzo district, which has a population of around 135,000. In Germany, Teleperformance is the second regional employer for the city of Görlitz and its 54,000 inhabitants.

4.4.1.2 Employment impact

Partnerships to promote employment

Teleperformance works in partnership with government employment agencies on a regular basis.

In Germany, Teleperformance has close cooperation ties with regional and local employment offices: a recruitment day is held on their premises at least once a month.

Teleperformance Albania is the main sponsor for the Employment Exhibition organized by the national employment office.

In Russia, a partnership was established four years ago with the labor ministry and several cooperation agreements have been signed: three days a week, Teleperformance recruitment officers visit national employment agencies to meet potential candidates. Every month, Teleperformance takes part in the trade fairs organized in these agencies.

In Turkey, Teleperformance works with the government agency for combating unemployment, which covers social security contributions, transportation costs and lunches for interns returning to work who take part in the program.

Since 2014 Teleperformance has been an active member of the Moroccan customer relation association (AMRC), which brings together the main historical outsourcers that share common ethical and social values and practices. The members of the AMRC are committed to:

- providing very attractive salary and social conditions;
- providing long-term career paths;
- making considerable investments in initial and continuous training;
- having an acute sense of social responsibility.

Links with educational institutions

There are close and regular links between Group centers and nearby educational institutions in most of the cities where Teleperformance operates, especially with higher education institutions.

Many of these partnerships aim to publicize the opportunities offered by the Company and to make hiring easier, *via* Teleperformance's active participation in a number of job forums.

However, a large number of agreements with schools and professional training centers have enabled a more in-depth collaborative process to be implemented, including twice-yearly visits to Albanian universities to explain to students the advantages of working for a large group like Teleperformance.





In Argentina, the head of Human Resources holds an annual meeting with the director of the region's three largest engineering schools.

Teleperformance Philippines has set up a partnership with around fifty universities and institutions, enabling, amongst other things, visits to Group centers, priority for recruitment to candidates from partner institutions, and internship possibilities for students.

Under its *Universities Action Plan*, Teleperformance Tunisia has organized open days, created groups tailored to students' availability and set up a partnership with the community and

NGOs in order to provide pre-employment training to those segments of the population that have difficulty finding jobs.

In addition, most of our subsidiaries receive interns or students under apprenticeship and professional qualification contracts. Teleperformance Greece, for example, signed over 40 internship agreements in 2015.

Lastly, there are a large number of social responsibility programs aimed at assisting local communities. Thus, some of our computers which are no longer fit for professional use are given to local schools.

4.4.2 Support, partnership and sponsorship initiatives

4.4.2.1 Citizen of the World

Citizen of the World (COTW), which was founded in 2006, is a charitable movement launched by Teleperformance in order to help the world's most vulnerable infants and children meet needs basic survival and ultimately reach their individual potential.

Citizen of the World subsequently extended the scope of its initiatives to a broader audience, including the victims of natural disasters throughout the world, the elderly or disabled and cancer research.

As part of the *Citizen of the World* initiative, in 2015 Teleperformance donated the equivalent of US\$5,461,112 in cash and kind, as well as 2,778 computers.

Aid for natural disaster victims

Over the past nine years, Group employees have donated 275,446 volunteer hours – including 52,947 hours in 2015 alone – to help underprivileged people or victims of natural disasters.

Accordingly, deeply affected by the floods that wreaked havoc in the north-western province of Tucuman in March 2015, employees at Teleperformance Argentina wished to respond immediately. They brought immediate assistance to victims of the Marapa river flood by providing 4,000 liters of drinking water. Working with a doctor and the local police, Teleperformance volunteers visited flood victims and made sure that the donations of food, clothing and other essential supplies were properly distributed.

In October 2015, in partnership with Feed the Children, employees at the US subsidiaries provided drinking water, food and cleaning equipment to 1,600 families affected by the floods in South Carolina.

In 2015, Teleperformance Philippines received the *Platinum Partner Award* from Philippine Red Cross Chairman Richard Gordon, in recognition for its *Citizen of the World* initiatives in aid of rehabilitation programs for victims of Typhoon Haiyan.

The Indonesian, UK and Turkish subsidiaries organized fundraising for victims of the April 2015 earthquake in Nepal.

Apart from emergency operations, the subsidiaries regularly partner local or national charity initiatives.

Aid to the elderly

On October 16th, 2015, for the *Plus de Vie* (literally, "more life") fundraising initiative for hospitalized elderly people, Teleperformance France provided six of its customerx relation centers free of charge to register donation pledges from individuals. To ensure the training and supervision of young volunteers who responded to donors on the telephone, as well as the technical organization, 120 Teleperformance France employees volunteered. This major charity campaign enabled more than €380,000 to be collected to finance a large number of projects aimed at combating pain, encouraging family reunions and improving the reception and comfort of elderly people.

The partnership with the Hôpitaux de Paris-Hôpitaux de France foundation has now been lasting for ten years. Teleperformance's employees are truly inspired by the idea of giving "more life", both during the preparation of the evening and during the ceremony itself.

Over the past few years, Teleperformance s has provided support to the *Mary Mother of Mercy Home for the Elderly* in San Pedro.

In 2015, the Colombia subsidiary pursued its *Consiente Abuelitos* program aimed at providing sanitary products to elderly persons in need.

Aid for underprivileged children

Teleperformance's commitment, in coordination with local associations and organizations, takes various forms, such as visits and activities in orphanages, pediatric hospitals, collecting donations of toys or clothes, etc.

Among the many initiatives in 2015, the subsidiaries organized or took part in:

- various campaigns for collecting food, clothing and toys to be donated to no less than 36 charity organizations in Brazil;
- the preparation and sale of meals in aid of *Save the Children* in Mexico;
- a visit to a center for mentally handicapped children in China, during which fruit and toys were handed out;
- a bottle-top collection scheme in aid of an NGO that finances wheelchairs for child victims of road accidents in Greece;
- the collection of school textbooks for underprivileged children in the Belém district of Lisbon, Portugal;
- a Christmas party organized in Morocco for employees' children, to which children from an orphanage were invited;
- last but not least, in response to the refugee crisis that has forced hundreds of thousands of people to seek exile in the hope of finding a better future for their children, the employees of Teleperformance UK provided tents, sleeping bags and baby accessories, Teleperformance staff donated children's clothing, shoes and dishes to the Red Cross and, in September, Teleperformance Hellas (Greece) collected school materials and sanitary packages to be given to young children in the refugee camps.

Actions in support of disabled people

A large number of local initiatives are organized by the subsidiaries to help disabled people. For example:

- in 2015, all of the UK subsidiaries joined the Bangor and Newry (Ulster) subsidiaries in their drive to raise funds for the Special Olympics project in Ireland; as the first sporting organization in the world dedicated to children and adults with intellectual disabilities, Special Olympics offers people with intellectual disabilities continuing opportunities to develop physical fitness, demonstrate courage, share the same determination to make progress, experience joy and to meet in a festive atmosphere. These sporting encounters also enable them to improve their self-confidence and confirm their independence with a view to better professional integration;
- the Portuguese subsidiary donates game consoles to an organization that aims to provide leisure opportunities to mentally handicapped people;

- in Germany, recyclable bottles are collected in aid of a charity that helps disabled people.

Initiatives to combat cancer

Teleperformance is also heavily involved in a number of initiatives in aid of cancer research:

- On October 30th, 2015, all TP USA locations partnered with Delete Blood Cancer Now to register employees and the community to become a Bone Marrow Donor, in an effort to bring Bone Marrow Cancer to light across the country;
- Teleperformance supported the cost of participation of employees from the Netherlands subsidiary in a race organized by Pink Ribbon International which campaigns for breast cancer awareness.

Other charitable initiatives

Other local initiatives are organized for communities in need.

For example, Teleperformance Portugal has set up a partnership with a food bank that distributes excess food from Company canteens to families in need, thus reducing food waste.

During the month of Ramadan, the Indonesian subsidiary hands out regular meals to beggars and homeless people.

Teleperformance USA and Teleperformance UK regularly organize fundraising campaigns for the war wounded.

4.4.2.2 For Fun Festival

Teleperformance's *For Fun Festival* is a global initiative that recognizes the most talented people in our Company. The aim of this competition is to create a sense of fun and to entertain *via* an international art, dance and music competition that is intended to instill pride in belonging to the Group and promote its cultural diversity.

The *For Fun Festival* is an annual event in which all employees are invited to take part. The best candidates from each country are selected from local qualifying rounds.

More than 8,500 employees from 37 countries produced 2,025 videos, in order to take part in the local qualifying rounds for the 2015 event: 1,135 of them entered the Music category, 370 entered the Art category, and 520 entered the Dance category.

Six winners were selected by a global panel of Teleperformance representatives specialized in each category, while the community panel also selected its top three videos. This panel, open to everyone *via* Facebook, enabled friends, families, colleagues and the general public to express their preference for the best performance. The video with the highest number of Facebook "likes" in each category was selected. 36,352 votes were cast on Facebook during the four-week voting period.





4.4.2.3 Teleperformance Sport Club

Teleperformance Sport Club is a global initiative that encourages employees to share enjoyable moments with their colleagues through practicing a group sport. The program is a worldwide initiative that aims to promote sport as a means for well-being and quality of life.

Employees at all subsidiaries are encouraged to practice a sport and to take part in the championships. The aim is to have fun and to entertain *via* activities that bring together employees, their families and their friends.

In 2015, the Group boasted 343 soccer teams worldwide, 96 volleyball teams, 95 basketball teams, 75 bowling teams and many other teams of sportsmen and women playing tennis, badminton and softball.

4.4.3 Subcontractors and suppliers

4.4.3.1 Subcontractors

Owing to its activity as an outsourcer, Teleperformance and its subsidiaries make very limited use of subcontractors. In any event, the Group's core business (customer relation) is never subcontracted. However, in some regions payroll operations are partly subcontracted in order to reduce costs: this solution only covers 0.37% of Group revenues.

4.4.3.2 Suppliers

Teleperformance's procurement strategy is geared towards streamlining procurement processes and the continuous improvement of the Company's procurement practices. This commitment involves a constant drive to improve understanding of the Company's procurement strategy and processes on the part of its employees, stakeholders and suppliers.

In June 2015, Teleperformance drafted a supplier policy including requirements with regard to ethical issues and anti-corruption. This policy is in line with Teleperformance's values.

Teleperformance supports and promotes practices that comply with the ten principles of the United Nations Global Compact relating to human rights, working conditions, the environment

and anti-corruption. Teleperformance's procurement strategy advocates the continuous improvement of methods used for verifying compliance with these principles when new suppliers are selected and throughout the duration of the relationship with them, through checks and controls carried out in conjunction with the periodic business reviews.

In addition to the ten United Nations principles, Teleperformance's procurement strategy also promotes the Company's own values: Integrity, Respect, Professionalism, Innovation and Commitment.

These values are fundamental for Teleperformance and underpin all of its relations with employees, consumers, stakeholders and suppliers. Teleperformance's procurement strategy aims to promote these values and ensure compliance with them at every stage of the supplier relationship through proactive communications with suppliers and by incorporating these values into the supplier selection process, the supplier's capacities and management processes.

Teleperformance mostly purchases computer hardware.

4.4.4 Fair practices

The Teleperformance Group constantly monitors the practices applied by its employees and subsidiaries to ensure that such practices are exemplary.

Thus, the Teleperformance Group continues to apply within its sphere of influence the Ten Universal Principles of the United Nations, through, in particular, the implementation of targeted policies. Its Board of Directors is considering setting up an Ethics and Conformity Committee.

Accordingly, as stated in section 4.1.2 of this report, all the Group's employees and subsidiaries are required to comply with the Ten Principles to which Teleperformance has adhered, and our Company has introduced a monitoring process in this regard.

Application of the Ten Principles of the United Nations Global Compact

Through its Chief Legal Officer, Teleperformance works to respect and implement the Code of Conduct relating to securities transactions, in accordance with the recommendations of the AMF (the French Financial Markets Authority) on the prevention of insider misconduct in listed companies, concerning members of the Board of Directors, and employees when they are shareholders.

The same applies for the anti-corruption policy, implemented in 2012, which applies to all Group employees and prohibits all types of corruption (financial, non-financial, favoritism).

In addition, all Teleperformance employees are required to apply a global ethical charter, both in their relationships with suppliers and clients.

On the environment side, Teleperformance continuously improves its policy, implemented in 2013, aiming to respect all worldwide environmental legislation.

During 2014, the Corporate Social Responsibility Committee looked at the question of equal opportunities and non-discrimination and drafted a policy which should apply from

2015 to all Group employees, throughout their professional life, from recruitment to promotion and training. This policy forms part of our UN Global Compact action plan in terms of our commitment to upholding human rights and aims at improving quality of life at work.

Lastly, and always with the aim of implementing the universal principles, Teleperformance finalized the drafting of a global policy with the aim of protecting all personal data, collected and processed during its activities.

4.4.5 Measures taken to promote consumer health and safety

The Group's business entails no risk of harm to consumers' health or physical safety.

The activity of the subsidiaries leads them to collect, process and transmit identifying personal information on all Group employees and on customers or prospects of our clients.

All such personal data is collected and processed, not only in accordance with applicable legislation, but also in compliance with a set of essential security standards applicable in all Teleperformance centers (Global Essential Security Policies or GESP), particularly with a view to preventing any risks of fraud or breaches of security standards.

Annual audits conducted by an independent auditor are aimed at verifying that the internal procedures applied at Group centers are in compliance with these essential standards.

In addition, a global Security Committee chaired by the Privacy and Chief Compliance Officer meets twice a month to analyze potential data fraud risks, monitor the proper application of the GESP and, where applicable, review any opportunities for improving current procedures. These meetings are also attended by all Group regional directors and all operational personnel qualified to speak on these matters (legal affairs and IT directors, security analysts).

In addition, on February 8th, 2016 the Group created the position of Worldwide Chief Legal and Compliance Officer, reporting directly to the Group CEO.



4.4.6 Other actions in support of human rights

The Teleperformance Group has agreed to abide by the United Nations Global Compact, confirming its adherence to a set of fundamental values, in particular Principles 1 and 2:

1. *Businesses should support and respect the protection of internationally proclaimed human rights; and*

2. *Make sure that they are not complicit in human rights abuses.*

Teleperformance ensures that these two principles are strictly applied by all of its subsidiaries in 68 countries.



4.5 Social and environmental issues and targets

Teleperformance's stakeholders include our clients, customers, employees and the shareholders who follow our business.

Since 2013, the Group has decided to adopt specific and measurable improvement targets in the area of environmental, labor and social responsibility.

The targets are adapted to the stakeholders and issues concerned.

4.5.1 Staff issues and targets

4.5.1.1 Training

The Group places particular importance on training, a core component of its operations.

In 2014, 21,408,856 training hours were provided throughout the entire Group. A target increase of 3% had been set for 2015.

→ **This goal was achieved, since 28,542,457 training hours were provided in 2015, i.e. an increase of 30%.**

4.5.1.2 Quality of life at work

■ In 2009, Teleperformance Brazil obtained a **Great Place to Work For** award for the first time ever. Teleperformance Portugal followed suit in 2010.

These two Group companies have succeeded in obtaining this award every year since then, i.e. for six and seven years in a row!

This prize has also been awarded to the subsidiaries in India in 2011 and China in 2012.

At that time, the Group stated that its goal would be for at least one company in each of the regions where Teleperformance operates to receive this prestigious award over the next three years.

In 2013, the Great Place to Work Institute awarded the *One of the Best Companies to Work For* prize, not only to our Brazil and Portugal subsidiaries, but also to those in India and Greece.

→ **The target of having a Group company recognized in each of its operating regions was therefore attained in 2013.**

In 2014, as well as Portugal and Brazil, two new Teleperformance subsidiaries were recognized: El Salvador and Mexico.

In March 2015, Teleperformance Salvador obtained the *Great Place to Work For* award.

■ In 2014, 85,215 employees replied to the **annual satisfaction survey**.

The Group was aiming for a 3% annual increase in that figure.

→ **This goal was largely exceeded in 2015, as 101,229 employees replied to this survey, i.e. an increase of 15.8%.**

4.5.1.3 Gender equality

The goal is to maintain an even overall breakdown between men and women.

In 2014, the ratio was 53.59% women to 46.41% men. It remained similar in 2015, namely 54.00% women to 46.00% men.

→ **The equality objective has therefore been maintained.**

4.5.2 Social issues and targets

4.5.2.1 Citizen of the World

The Group has set itself a target of raising US\$1 million per year until 2016.

→ **This target has been largely exceeded, since over US\$5 million in cash and in-kind donations was collected in 2015 alone.**

4.5.3 Environmental issues and targets

4.5.3.1 Carbon footprint per employee

Given that in 2015 the Group introduced a monitoring system for greenhouse gas emissions, this indicator will be regularly

monitored with a view to regularly reducing the carbon footprint per employee.

→ **The carbon footprint per employee in 2015 was 0.68t.**

4.6 Assurance report by one of the statutory auditors, appointed as independent third party, on the consolidated environmental, labor and social information presented in the management report

Year ended December 31st, 2015

To the shareholders,

In our capacity as statutory auditor of the company Teleperformance S.E. appointed independent third party, accredited by the COFRAC registered under number 3-1049 ⁽¹⁾, we hereby present to you our report on the consolidated social, environmental and societal information (hereinafter the «CSR Information») for the year ended December 31st, 2015, presented in the management report. This report has been prepared in accordance with Article L.225-102-1 of the French Commercial Code.

Responsibility of the company

The Board of directors is responsible for preparing the company's management report including CSR Information in accordance with the provisions of Article R.225-105-1 of the French Commercial Code and with the guidelines used by the company (hereinafter the «Guidelines»), summarized in the management report and available on request from the company's head office.

Independence and quality control

Our independence is defined by regulations, the French code of ethics governing the audit profession and the provisions of Article L.822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable law and regulations.

Responsibility of the statutory auditor

On the basis of our work, it is our responsibility to:

- attest that the required CSR Information is presented in the management report or, in the event that any CSR Information is not presented, that an explanation is provided

in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Statement of completeness of CSR Information);

- express limited assurance that the CSR Information, taken as a whole, is presented fairly, in all material respects, in accordance with the Guidelines (opinion on the fair presentation of the CSR Information).

Our work was performed by a team of six people between October 2015 and February 2016 and took around four weeks. We called upon our specialists in Corporate Social Responsibility to assist in carrying out our work.

We performed the procedures below in accordance with professional auditing standards applicable in France, with the decree dated May 13th, 2013 determining the manner in which the independent third party should carry out their work, and with International Standard ISAE 3000 concerning our opinion on the fair presentation of CSR Information ⁽²⁾.

1. Statement of completeness of CSR Information

Nature and scope of the work

We reviewed, on the basis of interviews with the managers of the relevant departments, the company's sustainable development strategy with respect to the social and environmental impact of its activities and its societal commitments and, where applicable, any initiatives or programmes it has implemented as a result.

We compared the CSR Information presented in the management report with the list provided in Article R.225-105-1 of the French Commercial Code.

For any consolidated information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R.225-105, paragraph 3 of the French Commercial Code.



(1) For which the scope is available on the site www.cofrac.fr

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information



We verified that the CSR Information covers the consolidated scope, i.e. the company, its subsidiaries as defined by Article L.233-1 and the entities it controls as defined by Article L.233-3 of the French Commercial Code, within the limitations set out in the methodological note presented in section 4 of Teleperformance's 2015 registration document that includes the CSR Information of the management report.

Conclusion

Based on these procedures and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. Opinion on the fairness of the CSR Information

Nature and scope of the work

We conducted about ten interviews with the people responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, with those responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, impartiality and understandability, taking into account best practice, where appropriate;
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the CSR Information and review the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information with respect to the characteristics of the company, the social and environmental impact of its activities, its sustainable development strategy and best practice.

With regard to the CSR Information that we considered to be the most important ⁽¹⁾:

- at the consolidation level, including the parent company, subsidiaries and controlled entities, we consulted documentary sources and conducted interviews to

substantiate the qualitative information (organization, policy, action), we performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and consolidation of the data. We also verified that the data was consistent by cross-checking it with other information in the management report;

- at the entity level for a representative sample of entities selected ⁽²⁾ on the basis of their activity, their contribution to the consolidated indicators, their location and risk analysis, we conducted interviews to verify that the procedures were followed correctly and to identify any undisclosed data, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents 21% of headcount, and between 29% and 32% of quantitative environmental information disclosed.

For the other consolidated CSR information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgement, were sufficient to enable us to provide limited assurance; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other limitations intrinsic to the operation of information and internal control systems, we cannot completely rule out the possibility that a material irregularity has not been detected.

Conclusion

Based on our work, we did not identify any material anomaly likely to call into question the fact that the CSR Information, taken as a whole, is presented fairly in accordance with the Guidelines.

French original signed by:

Paris La Défense,
February 24th, 2016

KPMG S.A.

Éric Junières

Partner

Anne Garans

*Partner
Climate Change and
Sustainability Services*

(1) *Social indicators: Total Headcount, and breakdown by gender and age, employees movements (hires and departures), number of training hours, number of lost time work accidents, number of disabled employees (in France) and absenteeism (agents only).*

Environmental indicators: Energy consumption, Greenhouse gas emissions (Scope 1 and 2).

Qualitative informations: Organization of social dialogue including information procedures, consultation and negotiation with the employees, territorial, economic and social impact of the activity of the company in terms of employment and regional development.

(2) *Teleperformance France, Teleperformance Philippines, FHCS Philippines.*



Comments on the financial year

5.1	Review of the Group's financial position and results	128	5.2	Review of the Company's financial position and results	132
5.1.1	Group revenue in 2015	128	5.2.1	Balance sheet	132
5.1.2	Cash flow and capital structure	130	5.2.2	Income	133
5.1.3	Key figures of the main subsidiaries	132	5.3	Trends and outlook	134
			5.3.1	Outlook	134
			5.3.2	Risks and uncertainties	134

5.1 Review of the Group's financial position and results

The accounting principles used by the Group to prepare its consolidated accounts are described in the notes to the consolidated accounts (page 143 of this Registration Document).

The preparation of financial statements in conformity with IFRS requires making estimates and assumptions which affect the amounts reported in the financial statements, especially with respect to the following items:

- depreciation and amortization rates;
- the calculation of losses on doubtful receivables;
- impairment of intangible assets and goodwill;
- the measurement of provisions and retirement benefits;

- the estimation of the financial liability connected with price adjustments on purchase commitments to minority shareholders;
- the measurement of share-based payments expense;
- provisions for contingencies and expenses;
- the measurement of intangible assets acquired as part of a business combination; and
- deferred taxation.

The estimates are based on information available at the time of preparation of the financial statements, and may be revised in a future period if circumstances change or if new information is obtained. Actual results may differ from these estimates.

5.1.1 Group revenue in 2015

5.1.1.1 Business

Group consolidated revenue came in at €3,398 million, up 23.2% on 2014 based on reported results. This growth was lifted by the €217 million positive contribution from the consolidation of Aegis USA Inc. on August 7th, 2014 and City Park Technologies (CPT) on July 1st, 2014. At constant exchange rates and consolidation the increase was 7.5%, exceeding Group targets.

Exchange rate fluctuations led to a significant €201 million increase in revenue. The most marked variations were in the US dollar and the British pound.

The Group experienced buoyant growth across its three geographical regions.

The distribution of revenue per geographical region has changed as follows:

<i>(in millions of euros)</i>	12/31/2015	12/31/2014	Change
English-speaking market & Asia-Pacific	1,688	1,209	+39.6%
Continental Europe & MEA	876	779	+12.4%
Ibero-LATAM	834	770	+8.4%
TOTAL	3,398	2,758	+23.2%

► Changes in Group revenue (%)

	Reported	Like-for-like*
2013	+3.7%	+7.9%
2014	+13.3%	+9.9%
2015	+23.2%	+7.5%

* At constant exchange rates and consolidation.

English-speaking market & Asia-Pacific region

The English-speaking market & Asia-Pacific region grew by 39.6%, mainly due to the acquisition in the United States in August 2014 and the positive currency impact. Like-for-like growth came to 4.4%.

Growth varied across the different countries comprising this region:

- in the United States, growth was hit by the repercussions of a safety incident involving one of the Group's major clients. The incident temporarily checked growth in the client's business with the Group in certain product lines. Moreover, the operational ramp-up of some new contracts signed late 2014 was delayed;
- in the Asia-Pacific region, business continues to grow at a very healthy rate in China, where the Group is supporting the development of global key accounts. The year was marked by the launch of a third center in southern China.

Ibero-LATAM

The Ibero-LATAM region recorded 7.8% growth on a like-for-like basis. Reported growth came to 8.4%, as the strengthening of the US dollar used for some transactions in Mexico more than offset the negative currency effect due mainly to the fall of the Brazilian real and Mexican, Argentine and Colombian pesos against the euro over the year.

In Brazil, despite the sluggish local economy, revenue was lifted, primarily during the second half of the year, by the ramp-up of new contracts signed with existing customers, in particular with facilities recently opened in the north of the country.

Portugal recorded the highest growth in the region, bolstered by the success of the multilingual platforms in Lisbon.

The solid performance of operations in Argentina and Colombia helped to offset the decline in business in the telecommunications sector in Mexico.

Continental Europe & MEA

Revenue in this region rose by 12.4% as reported and 12.8% like-for-like.

Growth was also positively impacted by the fast development in business at the TLScontact subsidiary, specialized in face-to-face services.

The Group is continuing to post solid business gains with global customers, particularly in the Netherlands, Eastern Europe (Russia, Poland and Romania) and Southern Europe (Greece and Egypt). The late-year start-up of the new contact center in Lithuania to serve the Scandinavian and Russian markets is promising and illustrates the further reinforcement of the Group's global footprint with new offshore solutions.

Business in mainland France was up on the previous year. This return to growth was the result of an intensive sales prospecting campaign lasting several years.

5.1.1.2 Profitability

EBITDA before non-recurring items came to €492 million, up 31.0% on 2014 and representing 14.5% of revenue, a 0.9 percentage point increase on 2014.

Current EBITA* amounted to €351 million, up 31.6% from €267 million in 2014, while the current EBITA margin came to 10.3%, up 60 bp from 9.7% in 2014, in line with the target.

The Group continued to improve its EBITA margin in 2015, mainly due to the successful integration of Aegis USA Inc., acquired in summer 2014, and growth in the European visa processing (TLScontact) business and the Group's other European operations. The improvement was also driven by a major safety drive undertaken in response to the global environment. The Group considers that this drive had a 50bp impact on the 2015 EBITA margin.

The table below shows the EBITA margin generated in each region:

Current EBITA margin* (%)	2015	2014	2013
English-speaking market & Asia-Pacific region	10.1	11.2	10.0
Ibero-LATAM	12.6	10.8	11.8
Continental Europe & MEA	5.0	2.2	1.8
TOTAL (INCLUDING HOLDING COMPANIES)	10.3	9.7	9.3

* EBIT before amortization of intangible assets on acquisitions and non-recurring items.



The English-speaking market & Asia-Pacific region saw its current EBITA margin, dip to 10.1% (€170 million) from 11.2% in 2014, resulting notably from security costs and slower-than-expected ramp up of certain domestic contracts.

The Ibero-LATAM region delivered a high current EBITA margin, up from 2014 at 12.6%. Current EBITA came to €105 million, versus €83 million the year before, mainly due to the excellent performance in Brazil.

With a current EBITA of €43 million, *i.e.* a 5.0% margin considerably higher than last year's 2.2%, the Continental Europe & MEA region remained on the steady upward trend in profitability observed for the past four years. 2015 results were boosted in particular by the ramp-up of the TLScontact business and an improved performance in the French market.

Reported EBIT amounted to €308 million, up from €237 million the previous year. EBIT is stated after amortization of intangible assets on acquisitions in an amount of €23 million, up from the

previous year due to the acquisition of Aegis USA Inc., and after the following non-recurring expenses:

- €17 million in accounting expenses on the performance share plans set up in 2013;
- €3 million in other non-recurring expenses.

Net financial expense amounted to €27 million, versus €19 million in 2014.

Income tax expense came to €78 million, corresponding to an effective tax rate of 27.7%, versus 30.5% in the previous year.

After €3 million in minority interests, net profit attributable to shareholders came to €200 million for the year, up 33.3% from the €150 million reported in 2014. Diluted earnings per share rose by 31.7% year-on-year to €3.45.

The Board of Directors will recommend that shareholders at the annual general meeting on April 28th, 2016 approve an increase in the 2015 dividend to €1.20 per share from the €0.92 paid in respect of 2014. This would correspond to a payout ratio of 35%, unchanged from the prior year.

5.1.2 Cash flow and capital structure

Consolidated financial structure as of December 31st, 2015

► Long-term capital

As of December 31 st (in millions of euros)	2015	2014	2013
Shareholders' equity	1,765	1,600	1,396
Non-current financial liabilities	469	425	21
Total non-current capital	2,234	2,025	1,417

► Short-term capital

As of December 31 st (in millions of euros)	2015	2014	2013
Current financial liabilities	151	214	56
Cash and cash equivalents	257	216	164
Cash surplus, net of current financial liabilities	106	2	108

► Source and amount of cash flow

As of December 31 st (in millions of euros)	2015	2014	2013
Internally generated funds from operations	400	321	239
Change in working capital requirements	-9	-116	-46
Cash flow from operating activities	391	205	193
Investment and capital expenditure	-174	-631	-135
Proceeds from disposals	12	3	3
Cash flow from investing activities	-162	-628	-132
Change in equity interest in controlled companies	-5	-7	-11
Dividends paid/purchases of treasury stock	-58	-46	-16
Interest expense	-17	-5	-3
Net change in financial liabilities	-57	563	-21
Cash flow from financing activities	-137	505	-51
CHANGE IN CASH AND CASH EQUIVALENTS	92	82	10

Cash flow before net financial expenses and after tax amounted to €400 million, versus €321 million in 2014.

Consolidated working capital requirement outflow was €9 million over the year versus an outflow of €116 million in 2014. The Group regularly monitored its working capital requirement very closely throughout the year. The increase in requirements was lower than the increase in revenue as a result of working capital control measures implemented during the year, which succeeded in shaving one day off average trade receivables days sales outstanding (DSO).

Net capital expenditure edged up to €172 million from €157 million in the previous year. However, capital expenditure as a percentage of revenue fell considerably, from 5.7% to 5.0%. These investments were primarily committed to create or expand contact centers serving key markets in the Group's three regions.

Consolidated net free cash flow for the year amounted to €219 million compared with €48 million in 2014. This marked improvement is due to the increase in revenue and profits combined with tight control of cash outflows.

After the payment of €53 million in dividends and the €17 million interest expense, net debt stood at €363 million at December 31st, 2015, a sharp improvement from €423 million the previous year.

The Group benefits from a very sound financial structure, with a debt-to-equity ratio of 21%. Likewise, the net debt to EBITDA ratio fell significantly from 1.1 in 2014 to 0.7 in 2015.

The Group's financial strength allowed it to finalize arrangements for its €300 million line of credit with its banking partners in mid-February 2016, making provisions for extended maturity and improved financial terms.



5.1.3 Key figures of the main subsidiaries

The key figures of the subsidiaries whose revenue exceeded 10% of the Group's consolidated revenue are presented below:

Selected financial data	Teleperformance USA (in thousands of US dollars)
Non-current assets	892,753
Current assets	516,834
Total assets	1,409,587
Shareholders' equity	324,322
Non-current liabilities	812,319
Current liabilities	272,946
Total equity and liabilities	1,409,587
Revenue	949,823
NET PROFIT	41,107

5.2 Review of the Company's financial position and results

Pursuant to a resolution of the general meeting on May 7th, 2015, Teleperformance SA was converted into a European company (SE) during the 2015 financial year.

5.2.1 Balance sheet

5.2.1.1 Investment and capital expenditure

Teleperformance did not acquire or dispose of any material investments in subsidiaries and affiliates in 2015. However, the Company subscribed to capital increases totaling €19.5 million carried out by its subsidiaries in Italy, Spain and Colombia.

While no material capital expenditure was incurred for purchasing tangible or intangible assets, the Company sold for €1.2 million the fixed assets it had acquired in order to set up a computer data center in Germany.

5.2.1.2 Loans to subsidiaries

As part of the financial management of its subsidiaries, Teleperformance granted loans totaling €146 million to a

number of subsidiaries during the 2015 financial year. The principal loans were as follows:

- US\$119 million (€109 million) to Teleperformance USA;
- €22 million to Luxembourg Contact Centers;
- €10.4 million to German subsidiary Teleperformance Support Services;
- CAD 9 million (€6.4 million) to Teleperformance Canada; and
- €5 million to Teleperformance Germany.

5.2.1.3 Shareholders' equity

Share capital at December 31st, 2015 consisted of 57,201,690 shares with a par value of €2.50 each.

5.2.1.4 Financing arrangements

The Company has a €300 million syndicated credit line. Drawdowns under the credit line may be made in euros or US\$ and are repayable at maturity. By mid-February, the credit line was extended till February 2021.

At December 31st, 2015, €90 million had been drawn down under the facility, compared with €185 million at December 31st, 2014.

The Company has taken out a US\$165 million loan with Crédit Agricole, maturing in July 2017.

Lastly, on December 9th, 2014 the Company issued a US private placement (USPP) for a total amount of US\$325 million divided into two tranches: a US\$160 million 7-year tranche (A) with a coupon of 3.64%, and a US\$165 million 10-year tranche (B) with a coupon of 3.98%. Both tranches are repayable at maturity.

As of December 31st, 2015 the Company was in compliance with all applicable financial ratios.

5.2.1.5 Cash

As of December 31st, 2015, the Company held net negative cash including cash pooling current accounts of €66.1 million compared to negative cash of €62.7 million at December 31st, 2014, as set out in the cash flow statement.

(in thousands of euros)

	12/31/2015	12/31/2014
Bank loans and overdrafts	-1,783	-470
Marketable securities	16,630	5,111
Cash at bank	125,591	76,272
Cash pooling current accounts	-206,505	-143,629
NET CAHS	-66,067	-62,716

5.2.1.6 Maturity of trade payables

Pursuant to Article D.441-4 of the French Commercial Code, the table below summarizes the breakdown of trade payables by due date as of December 31st, 2015.

Supplier	Due in 1 month	Overdue + 0 to 30 days	Overdue + 30 to 60 days	Overdue + 60 to 90 days	Overdue + 90 to 120 days	Overdue + 120 days	Total
2015							
Intra-group		16	933				949
Third party	309					50	359
TOTAL	1,651	33	676	12		62	1,308
2014							
Intra-group	1,232	9	676	11			1,928
Third party	419	24		1		62	506
TOTAL	1,651	33	676	12		62	2,434

5.2.2 Income

5.2.2.1 Business

The Company carries out a holding activity vis-à-vis its subsidiaries and also performs management, control, support and advisory functions for Group companies, receiving fees for these services. Teleperformance also collects a brand royalty charged to all of its subsidiaries.

Total revenue amounted to €67.5 million versus €57.4 million in 2014, an increase of €10.1 million.

2015 gross operating profit amounted to €37.4 million, versus €17.7 million in 2014.

5.2.2.2 Financial result

2015 net financial income amounted to €104.0 million, versus €44.0 million in 2014, and breaks down as follows:

	2015	2014
Dividends	96.2	43.2
Net interest income	13.3	6.5
Net write-offs	-4.1	-3.8
Foreign exchange gains and losses	5.9	5.1
Provisions against subsidiaries	-7.3	-7.0
TOTAL	104.0	44.0

The amounts recorded under "Provisions against subsidiaries" mainly relate to impairment booked against the shares of the Spanish subsidiary amounting to €8.5 million in 2015 and €7 million in 2014.

In 2014 and 2015, the Company wrote off receivables amounting to €3.8 million and €3.7 million against its subsidiary Teleperformance France in respect of the brand royalty and services rendered.

5.2.2.3 Net profit

Underlying earnings before tax came in at a profit of €141.4 million compared to a profit of €61.7 million in 2014.

After a 2015 income tax expense of €22.1 million (€12.4 million in 2014), 2015 resulted in a net profit of €120.0 million against a 2014 net profit of €49.5 million.

5.2.2.4 Tax result

The tax group formed by Teleperformance and its French subsidiaries made a tax profit of €43.0 million in 2015. Tax losses brought forward at December 31st, 2015 stood at €21.3 million.

The Company also has a carry-back receivable amounting to €7.0 million, refundable by May 15th, 2016 at the latest.

In accordance with the provisions of article 223 quarter of the French general tax code, it is stipulated that the overall amount of costs and expenses falling under the Article 39-4 of the French Tax Code amounts to €19,465 for the financial year ended December 31st, 2015. These costs and expenses represent an income tax amount of €7,937.

5.3 Trends and outlook

5.3.1 Outlook

In 2016 the Teleperformance Group will continue its value creation and balanced growth strategy. The Group expects revenue to grow by 5-7% at constant exchange rates and consolidation (like-for-like), thus outperforming forecast market growth, a current EBITA margin of at least 10.3% of revenue and a strong cash flow generation.

5.3.2 Risks and uncertainties

The Group's business is subject to market risks (sensitivity to economic and financial factors), as well as to the political and geopolitical uncertainties related to its global footprint. A detailed description of these risks is provided in section 1.6. *Risk Factors* of this Registration Document.



Consolidated financial statements

6.1	Consolidated statement of financial position	136	6.5	Consolidated statement of changes in equity	139
6.2	Consolidated statement of income	137	6.6	Notes to the consolidated financial statements	140
6.3	Consolidated statement of comprehensive income	137	6.7	Statutory auditors' report on the consolidated financial statements	177
6.4	Consolidated statement of cash flows	138			

6.1 Consolidated statement of financial position

<i>(in millions of euros)</i>	<i>Notes</i>	12/31/2015	12/31/2014
ASSETS			
Non-current assets			
Goodwill	D	1,123	1,019
Other intangible assets	C.2	281	323
Property, plant and equipment	C.1	428	391
Financial assets	G.2	34	43
Deferred tax assets	E.2	36	41
Total non-current assets		1,902	1,817
Current assets			
Current income tax receivable		36	37
Accounts receivable – Trade	C.3	754	693
Other current assets	C.3	107	113
Other financial assets	G.2	43	51
Cash and cash equivalents	G.4	257	216
Total current assets		1,197	1,110
TOTAL ASSETS		3,099	2,927

<i>(in millions of euros)</i>	<i>Notes</i>	12/31/2015	12/31/2014
EQUITY AND LIABILITIES			
Equity			
Share capital	F.1	143	143
Share premium		575	575
Translation reserve		69	32
Other reserves		971	845
Equity attributable to owners of the Company		1,758	1,595
Non-controlling interests		7	5
Total shareholder's equity		1,765	1,600
Non-current liabilities			
Provisions	I.2	10	10
Financial liabilities	G.4	469	425
Deferred tax liabilities	E.2	110	125
Total non-current liabilities		589	560
Current liabilities			
Provisions	I.2	70	43
Current income tax		46	49
Accounts payable – Trade	C.9	117	123
Other current liabilities	C.9	361	338
Other financial liabilities	G.4	151	214
Total current liabilities		745	767
TOTAL EQUITY AND LIABILITIES		3,099	2,927

6.2 Consolidated statement of income

<i>(in millions of euros)</i>	<i>Notes</i>	2015	2014
Revenues	<i>C.10</i>	3,398	2,758
Other revenues	<i>C.10</i>	6	7
Personnel		-2,269	-1,883
External expenses	<i>C.11</i>	-626	-493
Taxes other than income taxes		-17	-14
Depreciation and amortization		-141	-109
Amortization of intangible assets acquired as part of a business combination		-23	-15
Share-based payments	<i>C.4</i>	-17	-7
Other operating income and expenses	<i>C.12</i>	-3	-7
Operating profit		308	237
Income from cash and cash equivalents		1	2
Interest on financial liabilities		-23	-14
Net financing costs	<i>G.3</i>	-22	-12
Other financial income and expenses	<i>G.3</i>	-5	-7
Financial result		-27	-19
Profit before taxes		281	218
Income tax	<i>E.1</i>	-78	-66
Net profit		203	152
Net profit – Group share		200	150
Net profit attributable to non-controlling interests		3	2
Earnings per share <i>(in euros)</i>	<i>F.3</i>	3.51	2.62
Diluted earnings per share <i>(in euros)</i>	<i>F.3</i>	3.45	2.62



6.3 Consolidated statement of comprehensive income

<i>(in millions of euros)</i>	2015	2014
NET PROFIT	203	152
May not be reclassified to profit or loss in a subsequent period		
May be reclassified to profit or loss in a subsequent period		
Net gains (losses) on foreign exchange hedges (before tax)	0	-8
Income tax on net gains (losses) on foreign exchange hedges	0	3
Translation differences	37	97
Other recognized income and expenses	37	92
TOTAL COMPREHENSIVE INCOME	240	244
Group share	237	242
Attributable to non-controlling interests	3	2

6.4 Consolidated statement of cash flows

<i>(in millions of euros)</i>	<i>Notes</i>	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit – Group share		200	150
Net profit attributable to non-controlling interests		3	2
Income tax expense		78	66
Net financial interest expense		17	6
Non-cash items of income and expense	H.1	183	150
Income tax paid	H.2	-81	-53
Internally generated funds from operations		400	321
Change in working capital requirements	H.3	-9	-116
Net cash flow from operating activities		391	205
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of intangible assets and property, plant and equipment		-174	-160
Loans made			-1
Proceeds from disposals of intangible assets and property, plant and equipment		2	3
Loans repaid		10	1
Acquisition of subsidiaries			-471
Net cash flow from investing activities		-162	-628
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisition net of disposal of treasury shares		-5	
Change in ownership interest in controlled entities		-5	-7
Dividends paid to parent company shareholders		-53	-46
Financial interest paid/received*		-17	-5
Increase in financial liabilities		749	918
Repayment of financial liabilities		-806	-355
Net cash flow from financing activities		-137	505
Change in cash and cash equivalents		92	82
<i>Effect of exchange rates on cash held</i>		-52	-28
Net cash at January 1st	H.5	214	160
Net cash at December 31st	H.5	254	214

* Due to the volume of financial interest paid by the Group following the acquisition of Aegis USA Inc., this line item is now classified in cash flows from financing activities. The comparative amounts for 2014 have also been reclassified.

6.5 Consolidated statement of changes in equity

(in millions of euros)	Attributable to owners of the Company							Total
	Share capital	Share premium	Translation reserve	Retained earnings	Impact of financial hedging instruments	Equity attributable to owners of the Company	Non-controlling interests	
AT DECEMBER 31ST, 2013	143	576	-65	740	-2	1,392	4	1,396
Translation differences from foreign operations			97			97		97
Net profit				150		150	2	152
Net loss on cash flow hedges (after tax)					-5	-5		-5
TOTAL RECOGNIZED INCOME AND EXPENSES	0	0	97	150	-5	242	2	244
Reduction in share capital		-1				-1		-1
Fair value of incentive plan share awards				7		7		7
Treasury shares				1		1		1
Dividends (€0.80 per share)				-46		-46	-1	-47
AT DECEMBER 31ST, 2014	143	575	32	852	-7	1,595	5	1,600
Translation differences from foreign operations			37			37		37
Net profit				200		200	3	203
Net loss on cash flow hedges (after tax)						0		0
TOTAL RECOGNIZED INCOME AND EXPENSES	0	0	37	200	0	237	3	240
Operations on non-controlling interests				-32		-32	-1	-33
Fair value of incentive plan share awards				16		16		16
Treasury shares				-5		-5		-5
Dividends (€0.92 per share)				-53		-53		-53
AT DECEMBER 31ST, 2015	143	575	69	978	-7	1,758	7	1,765

Translation differences from converting the financial statements of foreign subsidiaries before January 1st, 2004 were reclassified as reserves in accordance with the option available under IFRS 1 on transition to IFRS.



6.6 Notes to the consolidated financial statements

(in millions of euros)

CONTENTS OF THE NOTES TO THE CONSOLIDATED COMPANY FINANCIAL STATEMENTS

A. Principal accounting policies, judgements and estimates	141	F. Equity and earnings per share	157
Note A.1 Reporting entity	141	Note F.1 Share capital	157
Note A.2 Basis of preparation	141	Note F.2 Treasury shares	157
Note A.3 Impairment	142	Note F.3 Earnings per share	157
Note A.4 Determination of fair values	142		
Note A.5 Glossary	142	G. Financial assets and financial liabilities	158
B. Scope of consolidation	143	Note G.1 Accounting policies and methods	158
Note B.1 Accounting policies and methods	143	Note G.2 Financial assets	159
Note B.2 Change in consolidation scope	144	Note G.3 Financial result	159
C. Operational activity	145	Note G.4 Financial liabilities	160
Note C.1 Property, plant and equipment	145	Note G.5 Foreign exchange hedging operations	162
Note C.2 Other intangible assets	146	Note G.6 Carrying amount and fair value of financial assets and financial liabilities by category	164
Note C.3 Accounts receivable – Trade and Other current assets	148	Note G.7 Financial risk management	165
Note C.4 Share-based payments	149	Note G.8 Exposure to exchange risk from translation of the financial statements of foreign subsidiaries on consolidation	167
Note C.5 Short-term employee benefits	149	Note G.9 Foreign currency exchange rates	168
Note C.6 Employee termination payments	149		
Note C.7 Employee benefits – Defined contribution plans	150	H. Cash flows	169
Note C.8 Other long-term employee benefits	150	Note H.1 Non-cash items of income and expense	169
Note C.9 Accounts payable – Trade and Other current liabilities	150	Note H.2 Income tax paid	169
Note C.10 Income	150	Note H.3 Change in working capital requirements	169
Note C.11 External expenses	151	Note H.4 Explanation of the change in net debt	169
Note C.12 Other operating income and expenses	151	Note H.5 Analysis of cash and cash equivalents presented in the consolidated statement of cash flows	169
Note C.13 Segment reporting	152		
D. Goodwill	153	I. Provisions, litigation, commitments and other contractual obligations	170
Note D.1 Accounting policies and methods	153	Note I.1 Accounting principles and methods	170
Note D.2 Change in goodwill	153	Note I.2 Change in provisions	170
Note D.3 Determination of the principal CGUs and groups of CGUs	153	Note I.3 Post-employment benefits: defined benefit plans	171
Note D.4 Determination of the recoverable amount of CGUs	154	Note I.4 Guarantees and other contractual obligations	172
Note D.5 Sensitivity analysis	155	Note I.5 Litigation	173
E. Income tax	155	J. Related party disclosures	173
Note E.1 Income tax expense	155	Note J.1 Description of transactions between Group companies	173
Note E.2 Deferred tax	156	Note J.2 Related party transactions	173
		Note J.3 Remuneration of company officers (Executive Committee – Comex)	173
		K. Events after the reporting date	173
		L. Scope of consolidation	174

Highlights of 2015

There were no significant events during 2015.

A. Principal accounting policies, judgements and estimates

NOTE A.1 Reporting entity

Teleperformance ("the Company") is a company domiciled in France.

The Company's consolidated financial statements for the year ended December 31st, 2015 include the Company and its subsidiaries, together referred to as "the Group".

The financial statements were approved by the Board of Directors on February 24th, 2016, and will be submitted to the shareholders' meeting to be held on April 28th, 2016.

All financial information presented in euro has been rounded to the nearest million.

NOTE A.2 Basis of preparation

The consolidated financial statements for the year ended December 31st, 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as of the reporting date, and comply with the presentation requirements of revised IAS 1 as amended.

The following standards, amendments and interpretations:

- IFRIC 21 on levies;
 - annual improvements to IFRSs 2011-2013 Cycle;
- did not have a significant impact on the consolidated financial statements.

The Group has elected not to anticipate the application of the following standards and amendments prior to their date of application:

- annual improvements to IFRSs 2010-2012 Cycle;
- amendments to IAS 19 on employee contributions.

These standards and amendments are required to be applied from January 1st, 2016.

The Group does not expect that their adoption will have a significant impact on the financial statements.

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended December 31st, 2014, with the exception of the new standards, amendments and interpretations set out above.

The financial statements are prepared on the historical cost basis except for the following assets and liabilities measured at fair value: derivative financial instruments, financial instruments held for trading, financial instruments classified as available for sale.

Non-current assets and disposal groups held for sale are stated at the lower of carrying value and fair value less costs to sell.

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements.

Estimates

The preparation of financial statements in conformity with IFRS requires making estimates and assumptions which affect the amounts reported in the financial statements, especially with respect to the following items:

- the depreciation and amortization rates;
- the calculation of losses on doubtful receivables;
- impairment of intangible assets and goodwill;
- the measurement of provisions and retirement benefits;
- the estimation of the financial liability connected with earn-out on purchase to minority shareholders;
- the measurement of share-based payments expense;
- provisions for risks and expenses;
- the measurement of intangible assets acquired as part of a business combination;
- deferred taxation.

The estimates are based on information available at the time of preparation of the financial statements, and may be revised, in a future period, if circumstances change, or if new information is available. Actual results may differ from these estimates.



NOTE A.3 Impairment

Non-financial assets

Non-financial assets of the Group (non-current assets) are reviewed at each reporting date to determine the amounts of any impairment losses that should be recognized.

Financial assets

A financial asset is considered to be impaired if there is objective evidence that one or more events have had a negative effect on the asset's estimated future cash flows.

The impairment loss of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate of financial assets.

An impairment test is performed individually on each significant financial asset. Other assets are tested in groups with similar credit risks.

Impairment losses are recognized in the statement of income.

NOTE A.4 Determination of fair values

Certain accounting policies and disclosures require determining the fair value of financial and non-financial assets and liabilities. Additional information about assumptions used in determining fair value is disclosed, where necessary, in the specific notes for the asset or liability involved. In general, fair values for significant asset and liability categories are determined as follows:

Property, plant and equipment

The fair value of property, plant and equipment that is recognized following a business combination, principally buildings, is based on market value. The market value of a building is the estimated amount which would be obtained from the sale of the asset under normal conditions between a buyer and a seller at the measurement date.

Intangible assets

The fair value of brand names acquired during a business combination is based on the discounted present value of estimated royalties avoided through the acquisition of the brand name.

The fair value of customer relationships acquired during a business combination is based on the multi-period excess earnings method, under which the asset is measured at the amount of estimated cash flows net of a reasonable return allocated to other assets.

Accounts receivable – Trade and Other current assets

The fair value of Accounts receivable – Trade and Other current assets is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

Derivatives

The fair value of forward currency contracts is based on their quoted market price when available. If no quoted market price is available, the fair value is estimated by discounting to the present value the difference between the contractual forward price and the current forward price on the residual term of the contract, by using an interest rate based on the money market.

The fair value of interest rate swaps is based on estimations provided by the banks and corresponds to the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, taking into account current interest rates and counterparty risk.

Non-derivative financial liabilities

The fair value, which is determined for disclosure purposes, is based on the present value of future cash flows generated by principal and interest repayments, discounted at the market interest rate at the reporting date.

For finance lease agreements, the market interest rate is determined from similar lease agreements.

Share-based payments

The fair value of incentive plan shares awarded to employees is measured using principally the market price of the share at the grant date, the expected dividends and the post-vesting retention period. The service and performance conditions necessary for vesting are not considered when determining fair value, as these are not market conditions.

NOTE A.5 Glossary

EBITA or current EBITA (Earnings Before Interest, Taxes and Amortization): Operating profit before amortization of intangible assets acquired as part of a business combination, goodwill impairment charges and non-recurring items.

ROCE: rate of Return On Capital Employed calculated using the NOPAT/Capital Employed formula.

NOPAT: operating profit excluding non-recurring items times the effective rate of taxation.

Capital Employed: the total of goodwill, intangible assets and property, plant and equipment, and items of working capital.

Non-recurring items: principally comprises restructuring costs, incentive share award plan expense, costs of closure of subsidiary companies, transaction costs for the acquisition of companies, and all other expenses that are unusual by reason of their nature or amount.

B. Scope of consolidation

NOTE B.1 Accounting policies and methods

B.1.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when it is exposed, or has the rights, to variable returns from its involvement with an entity and has the ability to affect those returns through its power over it.

In assessing control, potential voting rights that presently are exercisable or convertible are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates

The Company holds no entity in which the Group has significant influence, but not control, over the financial and operating policies.

Transactions eliminated in the consolidated financial statements

Balances, any unrealized gains and losses, and income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

B.1.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into euros at the foreign exchange rate at that date. Foreign exchange differences arising on translation are recognized as income or expenses. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the exchange rate at the date the fair value was determined.

Financial statements of foreign operations

The functional currency of a foreign operation outside the euro zone is in general its local currency except in certain cases where most of its financial flows are realized with reference to another currency.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into euros using the exchange rate at the reporting date.

The income and expenses of foreign operations are translated into euros using the average foreign exchange rate of the period, unless the exchange rate has fluctuated significantly. Foreign exchange differences resulting from translations are recognized in the translation reserve, as a separate equity component.

The Company has no foreign operations in any country defined by the IASB as a hyperinflationary economy.

Net investment in foreign operations

Foreign exchange differences arising from the translation of a net investment in foreign operations and of related hedges are recognized in the translation reserve. They are recognized in profit or loss on disposal of the foreign operations.

B.1.3 Business combinations

Following changes to IFRS 3 and IAS 27 in 2008, the Group modified its accounting for business combinations and purchases of and purchase commitments on non-controlling interests for acquisitions after December 31st, 2009.

Since January 1st, 2010, the Group has applied revised IFRS 3 prospectively. A business combination may therefore be recognized, at the election of the Group, according to either of the following two options set out in IFRS 3R:

- measurement of non-controlling interests as the proportionate interest in identifiable assets and liabilities;
- measurement of non-controlling interests at fair value (the full goodwill method).

The Group has elected to measure non-controlling interests as the proportionate interest in identifiable assets and liabilities for its acquisitions made since 2010.

Should the Group give a put option to minority shareholders at the time that control is transferred, a financial liability is recognized for the current value of the commitment, with an equivalent reduction in equity. Subsequent changes in fair value of the liability are recognized directly in equity.

Since 2010, transaction costs, other than those concerning the issue of debt or equity that the Group incurs in connection with a business combination, are expensed as incurred.



NOTE B.2 Change in consolidation scope

The Group made no acquisition or disposal during 2015.

Accounting for the acquisition in August 2014 of Aegis USA Inc. was finalized during the first half of 2015. The carrying amounts of customer relationships and the related deferred tax liability are now definitive, at \$244.6 million and \$91.7 million, respectively.

The acquisition price has been adjusted and finalized, as anticipated in the 2014 year-end financial statements, at the amount of \$605.0 million.

The fair values of the assets and liabilities acquired as of the date of acquisition are set out in the following schedule:

<i>(in millions of US dollars)</i>	Fair values at 08/07/2014
Non-current assets	
Intangible assets	248
Property, plant and equipment	60
Other non-current assets	5
Total non-current assets	313
Current assets	
Accounts receivable – Trade	51
Other current assets	16
Net asset warranty	36
Cash and cash equivalents	26
Total current assets	129
TOTAL ASSETS	442
Non-current liabilities	
Deferred tax liabilities	83
Total non-current liabilities	83
Current liabilities	
Accounts payable – Trade	9
Contingent liabilities	55
Other current liabilities	86
Total current liabilities	150
TOTAL LIABILITIES	233
NET ASSETS, ACQUIRED 100%	209
ACQUISITION PRICE	605
GOODWILL	396

The contribution of Aegis USA Inc. to 2015 Group results is as follows:

<i>(in millions of US dollars)</i>	2015
Revenues	397
Operating profit*	50
Net profit*	34

* Before amortization of intangible assets acquired as part of a business combination.

C. Operational activity

NOTE C.1 Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see accounting policy, note A.3 *Impairment*).

Cost includes the asset's directly attributable acquisition costs.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.

Any other lease agreement is an operating lease. Such leased assets are not recognized in the Group's statement of financial position.

The Company has no real estate held under a finance lease agreement.

Subsequent expenditure

The Group recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such

an item when that cost is incurred, if it is probable that the future economic benefits of the item will flow to the Group and the cost of the item can be measured reliably.

All costs of routine repairs and maintenance are recognized in the statement of income as an expense when incurred.

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment, from the time it is ready for use. Improvements made to buildings held on an operating lease are depreciated over the shorter of the lease period and the useful life.

The estimated useful lives are as follows:

Buildings	20-25 years
Office and IT equipment	3-5 years
Other	3-10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period.

Land is not depreciated.

Property, plant and equipment is analyzed as follows:

Cost	Land & buildings	Telephone and IT equipment	Other	In progress	Total
AT DECEMBER 31ST, 2013	257	387	158	8	810
Change in consolidation scope*	20	12	3	2	37
Transfer	-2	4	5	-8	-1
Increase	44	55	29	15	143
Decrease	-10	-38	-11	-1	-60
Translation differences	19	28	10	1	58
AT DECEMBER 31ST, 2014	328	448	194	17	987
Change in consolidation scope*	13	20	18		51
Transfer	29		2	-31	0
Increase	39	58	28	26	151
Decrease	-9	-59	-27		-95
Translation differences	2	6	-4		4
AT DECEMBER 31ST, 2015	402	473	211	12	1,098



Accumulated depreciation and impairment losses	Land & buildings	Telephone and IT equipment	Other	In progress	Total
AT DECEMBER 31ST, 2013	-130	-298	-95		-523
Transfer	4		-3		1
Expense	-28	-48	-19		-95
Decrease	10	37	10		57
Translation differences	-9	-20	-7		-36
AT DECEMBER 31ST, 2014	-153	-329	-114		-596
Change in consolidation scope*	-2	-20	-18		-40
Expense	-43	-57	-24		-124
Decrease	9	59	26		94
Translation differences	-3	-4	3		-4
AT DECEMBER 31ST, 2015	-192	-351	-127		-670

Carrying amount	Land & buildings	Telephone and IT equipment	Other	In progress	Total
At December 31st, 2013	127	89	63	8	287
At December 31st, 2014	175	119	80	17	391
AT DECEMBER 31ST, 2015	210	122	84	12	428

* The line item "Change in consolidation scope" relates to the acquisition of Aegis USA Inc. in 2014; the carrying amounts of its assets and liabilities on acquisition were subject to adjustment in the first half of 2015.

"Other" comprises principally office equipment and furniture, and motor vehicles. No impairment loss has been recorded on these assets.

The Group relies only to a minor extent on finance lease financing and, in consequence, the disclosure of the amount of non-current assets held under finance leases is not significant.

NOTE C.2 Other intangible assets

These mainly include:

- brand names and customer relationships measured and recognized as part of a business combination;
- software acquired by the Group with a finite useful life, which is recognized at cost less accumulated depreciation and impairment losses (see accounting policy, note A.3 *Impairment*).

Expenditure relating to internally generated brands is expensed when incurred.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits of the specific asset. All other costs are expensed as incurred.

Amortization

Amortization is charged to the statement of income on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Other intangible assets are amortized from the date on which they are available for use. The estimated useful lives are as follows:

Software	3-5 years
Licenses	10 years
Brand names	3-10 years
Customer relationships	9-15 years

Other intangible assets are analyzed as follows:

Gross	Software	Intangible assets acquired as part of a business combination	Other	Total
AT DECEMBER 31ST, 2013	115	95	3	213
Change in consolidation scope	3	226		229
Transfer	-4		-1	-5
Increase	19		1	20
Decrease				0
Translation differences	5	28		33
AT DECEMBER 31ST, 2014	138	349	3	490
Change in consolidation scope		-51		-51
Transfer	1			1
Increase	18			18
Decrease	-2		-1	-3
Translation differences	2	33		35
AT DECEMBER 31ST, 2015	157	331	2	490

Accumulated amortization and impairment	Software	Intangible assets acquired as part of a business combination	Other	Total
AT DECEMBER 31ST, 2013	-90	-43	-2	-135
Transfer	4	1		5
Expense	-14	-15		-29
Decrease				0
Translation differences	-4	-4		-8
AT DECEMBER 31ST, 2014	-104	-61	-2	-167
Transfer	-1	2		1
Expense	-17	-23		-40
Decrease	2		1	3
Translation differences	-2	-4		-6
AT DECEMBER 31ST, 2015	-122	-86	-1	-209

Carrying amount	Software	Intangible assets acquired as part of a business combination	Other	Total
At December 31st, 2013	25	52	1	78
At December 31st, 2014	34	288	1	323
AT DECEMBER 31ST, 2015	35	245	1	281

At December 31st, 2015, intangible assets acquired as part of a business combination related to brand names, for €0.8 million, and customer relationships, for €244.3 million, of which

€203.7 million is related to the acquisition of Aegis USA Inc. (see note B.2 *Change in consolidation scope*).

NOTE C.3 Accounts receivable – Trade and Other current assets

Accounts receivable – Trade and Other current assets are initially recognized at fair value, then at amortized cost less any impairment losses.

	12/31/2015			12/31/2014
	Gross	Write-downs	Net	Net
Accounts receivable – Trade	764	-10	754	693
Other receivables	32	-10	22	31
Taxation recoverable	41		41	40
Advances and receivables on non-current assets	6		6	3
Prepaid expenses	38		38	39
TOTAL	881	-20	861	806

► Accounts receivable – Trade is analyzed by geographical region as follows:

	12/31/2015	12/31/2014
English-speaking & APAC	410	378
Ibero-LATAM	150	138
Continental Europe & MEA	194	177
Holdings	0	0
TOTAL	754	693

► The payment schedule of Accounts receivable – Trade is as follows:

	12/31/2015	12/31/2014
Not yet due	579	526
Overdue < 30 days	115	73
Overdue < 60 days	28	39
Overdue < 90 days	8	26
Overdue < 120 days	17	20
Overdue > 120 days	7	9
TOTAL	754	693

Factoring arrangements

Under a factoring agreement in place, receivables are sold without recourse, subject to the following principal conditions:

- that they comply with the eligibility conditions set out in the agreement;
- that they are not subject to reasonable dispute by the customer; and
- that in the event of non-payment by the customer, the Group will respect the procedures set out in the insurance policy.

The Group and a number of its subsidiaries use factoring arrangements which comply with criteria for derecognition. The outstanding amounts totaled €32.2 million and €17.8 million at December 31st, 2015 and 2014, respectively.

Under the agreement, the Group retains the credit control and receipt functions in respect of the sold receivables on behalf of the factor.

NOTE C.4 Share-based payments

The Group has implemented plans, which were in effect during 2015, under which incentive shares are allocated free of charge to Group employees and company officers.

The fair value of the incentive plan shares, measured on the grant date by an independent actuary, is recognized as personnel expense over the vesting period with a corresponding increase in equity.

The amount recognized as an expense is adjusted at each reporting date to reflect the actual number of incentive plan shares that are expected to vest, so that, when vesting occurs, total expense and equity instruments correspond to the actual number of shares vesting in the Group personnel and company officers.

The features of the two plans are as follows:

	07/30/2013 plan	02/25/2014 plan
Date of Board meeting allocating the awards	07/30/2013	02/25/2014
Vesting period	07/31/2013 to 07/30/2016	02/26/2014 to 02/25/2017
Grant date	08/02/2013	02/25/2014
Number of share awards*	1,140,000	22,500
Number of canceled shares	-191,000	
Number of outstanding share awards at December 31 st , 2015	949,000	22,500
Fair value of each share award at the grant date	€33.37	€40.80
* Including for company officers	300,000	0

Vesting of the free share awards is conditional on the beneficiaries remaining with the Group until at least the end of the vesting period and on meeting certain performance conditions relating to the financial years from 2013 to 2015 in respect of the July 30th, 2013 plan, and from 2014 to 2016 in respect of the February 25th, 2014 plan

Incentive plan shares

The Board of Directors' meetings on July 30th, 2013 and February 25th, 2014 approved free awards of a total of 862,500 incentive plan shares to Group personnel under the authorization given at the shareholders' general meeting of May 30th, 2013, limited to a maximum of 2% of the share capital of the Company at that date. The earlier Board meeting also approved the setting-up of a long-term incentive plan for company officers, with the free award of 300,000 shares. The two plans have identical conditions for vesting.

The performance conditions have been met for the July 30th, 2013 plan and it is therefore considered that all outstanding awards as of December 31st, 2015 will vest. An expense amounting to €16.7 million was recognized in 2015 (2014: €7.0 million).

**NOTE C.5 Short-term employee benefits**

Liabilities for short-term benefits are measured on an undiscounted basis and recognized when the corresponding service is rendered.

A provision is recognized for the amount the Group expects to pay under short-term cash-settled profit-sharing and bonus

schemes if the Group has a present legal or constructive obligation to make such payments as a result of past services by an employee and if the obligation can be reliably estimated.

NOTE C.6 Employee termination payments

Termination payments are recognized as expenses when the Group is committed, with no realistic possibility of withdrawal, to a formal detailed plan to lay off employees before their normal retirement date. Termination payments for voluntary

redundancies are recognized if the Group has offered an incentive to encourage voluntary redundancies, if it is probable that such an offer will be accepted and if the number of individuals accepting the offer can be reliably estimated.

NOTE C.7 Employee benefits – Defined contribution plans

Obligations for contributions to defined contribution plans are recognized as an expense as incurred.

Such expenses totaled €8.2 million in 2015 compared with €7.8 million in 2014.

NOTE C.8 Other long-term employee benefits

The only long-term employee benefits of the Group are the post-employment benefits that are described in note I.3 *Post-employment benefits: defined benefit plans*.

NOTE C.9 Accounts payable – Trade and Other current liabilities

Accounts payable – Trade and Other current liabilities are recognized initially at fair value, and subsequently at amortized cost.

	12/31/2015	12/31/2014
Accounts payable – Trade	117	123
Other payables	125	121
Taxes payable	57	56
Accrued expenses	127	109
Other operating liabilities	52	52
TOTAL	478	461

Other operating liabilities at December 31st, 2015 include the negative fair values of derivative financial instruments entered into for the purpose of hedging foreign currency exposures, for €23.5 million, compared with € 22.1 million at the end of 2014.

NOTE C.10 Income**Revenues**

Revenues from services rendered are measured at the fair value of the consideration received or receivable taking into account trade rebates and other discounts granted by the Group.

In general, consideration is in the form of cash or cash equivalents, and income arising in the course of ordinary activities is determined as the amount of cash or cash equivalents received or receivable.

These revenues are recognized in the statement of income in proportion to the stage of completion of the transaction at the reporting date. When contract billings are based on time spent, revenues are estimated using the actual billable time.

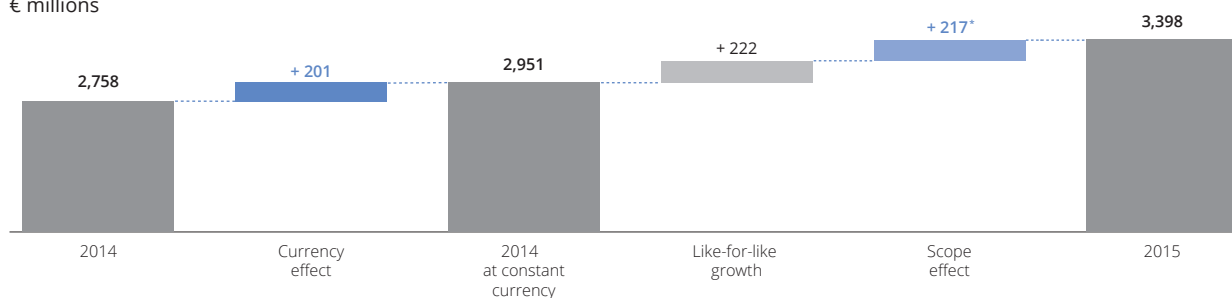
When contract billings are based on call volumes handled, or the number of workstations or staff allocated, revenues are estimated using billable volumes.

For certain contracts, our service is rendered through the sale of our customers' products (e.g. insurance, bank cards.). The related revenues are recognized only when definitively acquired.

Revenues subject to quantitative targets are recognized only when these have been met.

Revenues subject to qualitative targets are recognized only when the customer has agreed that they have been met.

€ millions



* Relates to Aegis USA Inc. and City Park Technologies which were acquired in the second half of 2014.

Group revenues amounted to €3,398.0 million in 2015, representing an increase (on the basis of published figures) of 23.2% compared to 2014.

At constant scope and exchange rates, the increase was 7.5%.

Other revenues

"Other revenues" mainly consist of government grants that are recognized in the statement of financial position under "Other receivables" when there is reasonable assurance that they will be received and that the Group will comply with the conditions attached to them. Grants that compensate the Group for costs incurred are recognized in the statement of income in the period in which the expenses are incurred. Grants that cover all or part of the cost of an asset are recognized in the statement of income over the useful life of the asset.

Following the introduction in 2012 of the French tax credit for competitiveness and employment (*Crédit d'impôt pour la compétitivité et l'emploi* - CICE), the Group opted to recognize it under "Other revenues".

In 2015, grants amounted to €6.6 million compared with €7.5 million in 2014, including €3.0 million for the CICE (2014: €3.4 million).

NOTE C.11 External expenses

These consist mainly of property rents and charges, telecommunications, other rentals, travel and entertainment, and fees.

The Group rarely owns its call centers and finance lease agreements are therefore a little-used form of financing. Most call centers are held on operating leases, and the related commitments are disclosed in note I.4 *Guarantees and other contractual obligations*.

Operating leases

Payments made under operating leases are recognized in the statement of income on a straight-line basis over the term of the lease agreement. Any lease incentives received (such as temporary rent holidays) are also recognized in income over the same period.

	2015	2014
Property rents and charges	188	153
Telecommunication	93	76
Hire and maintenance of equipment	62	52
Fees	32	26
Travel and entertainment	37	37
Consumable supplies	13	11
Staff recruitment	30	20
Office cleaning and security	41	30
Operating expenses	51	40
Other	79	48
TOTAL	626	493

6

NOTE C.12 Other operating income and expenses

This line item includes income and expenses that are unusual in terms of their rarity or amount. It mainly includes capital gains and losses on disposal of intangible assets and property, plant

and equipment, certain restructuring and termination costs, significant litigation, acquisition transaction and closure costs of subsidiaries, etc.

	2015	2014
Other operating income	0	0
Other operating expenses	-3	-7
TOTAL	-3	-7

Other operating expenses include in particular the transaction costs relating to the acquisitions of Aegis USA Inc. and CPT in 2014 (€3.6 million) and 2015 (€0.7 million), and other non-recurring costs.

NOTE C.13 Segment reporting

An operating segment is a component of an entity:

- which engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with other components of the same entity;
- whose operating results are reviewed regularly by the entity's chief operating decision maker in order to allocate resources and assess its performance; and
- for which discrete financial information is available.

Segments may be aggregated when they have similar economic characteristics.

The Group's activity, as monitored by its Chief Executive Officer, is divided into three principal management regions:

- the English-speaking & Asia-Pacific region, which includes the businesses in the following countries: Canada, USA, United Kingdom, South Africa, China, Indonesia, India, Philippines, Singapore, Jamaica and Guyana;
- the Ibero-LATAM region, which includes the businesses in the following countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Mexico, Spain and Portugal;
- the Continental Europe & MEA region, which includes the businesses in the EMEA region, with the exception of the United Kingdom, Spain and Portugal, although it includes the TLS and GN Research sub-groups.

Sales between the Group's geographical segments are negligible and are made at arm's length conditions.

Segment information is set out below.

Inter-segment operations are not significant and are not identified separately.

2015	English-speaking & APAC	Ibero- LATAM	Continental Europe & MEA	Holdings	TOTAL
Revenues	1,688	834	876		3,398
Operating profit	150	101	43	14	308
Capital expenditure	89	37	48		174
Depreciation and amortization	90	40	34	1	165

2014	English-speaking & APAC	Ibero- LATAM	Continental Europe & MEA	Holdings	TOTAL
Revenues	1,209	770	779		2,758
Operating profit	121	77	17	22	237
Capital expenditure	59	48	52	1	160
Depreciation and amortization	54	40	29	1	124

D. Goodwill

NOTE D.1 Accounting policies and methods

In a business combination, goodwill is calculated as disclosed in note B.1.3 *Business combinations*.

Impairment

The recoverable amount of goodwill is estimated at each reporting date. Goodwill is measured at cost less accumulated impairment losses. It is allocated to cash-generating units (CGUs) or groups of cash-generating units, and is not subject to amortization but is tested for impairment at least annually.

An impairment loss is recognized whenever the carrying amount of an asset or its CGU or group of CGUs exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss recognized in respect of a CGU (or group of CGUs) is allocated to a reduction in the carrying amount of assets in the CGU (or group of CGUs) in the following order:

- goodwill, then;
- other intangible assets and property, plant and equipment, proportionate to their carrying amounts.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows net of tax are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Discount rates are post-tax rates applied to cash flows after tax, and result in the determination of recoverable amounts identical to those that would have been obtained using pre-tax rates to cash flows excluding tax.

The Group determines its discount rates by taking into account the average risk-free rates with a maturity of between 20 and 30 years observed over 12 months, the market risk premium, and Teleperformance's average weekly beta over 2 years (given the absence of comparable enterprises). The risk-free rate and the risk premium are specific to each geographical area with similar characteristics.

An impairment loss in respect of goodwill may not be reversed.

NOTE D.2 Change in goodwill

Changes in goodwill in 2014 and 2015 are set out below:

Goodwill	Gross	Accumulated impairment losses	Net
At December 31st, 2013	698	-24	674
Change in consolidation scope*	276		276
Translation differences	69		69
At December 31st, 2014	1,043	-24	1,019
Change in consolidation scope*	40		40
Translation differences	63	1	64
AT DECEMBER 31ST, 2015	1,146	-23	1,123

* The line item «Change in consolidation scope» relates to the acquisition of Aegis USA Inc. in 2014; the carrying amounts of its assets and liabilities on acquisition were subject to adjustment in the first half of 2015.

NOTE D.3 Determination of the principal CGUs and groups of CGUs

Subsidiaries are grouped together to form a CGU in the following cases:

- there are significant inter-relationships formed by the existence of the same customers with common cash flows;
- existence of close ties of certain subsidiaries with their offshore production units;
- presence in the same geographical region, with a similar economic context and common management.

At December 31st, 2015, the principal CGUs were determined to be as follows:

North America CGU

This CGU is formed by the contact center subsidiaries located in the USA and Canada, and the offshore subsidiaries in India, the Philippines, Jamaica and Guyana.

During 2015, the Group has finalized the integration of the companies of Aegis USA Inc., acquired in 2014, with the North America CGU businesses, into which the FHCS CGU (ex Aegis) has been merged. Goodwill allocated to this CGU amounted to €676 million at December 31st, 2015.



Nearshore CGU

This CGU is formed by the contact center subsidiaries located in Mexico, Costa Rica, El Salvador and the Dominican Republic.

Central Europe CGU

This CGU is formed by the businesses of companies situated in Germany, Switzerland and the Netherlands.

United Kingdom CGU

This CGU is formed by the business in the United Kingdom and the offshore subsidiary in South Africa.

It includes goodwill of €15.4 million recognized through the acquisition of City Park Technologies in July 2014.

French-speaking Market (FSM) CGU

This CGU is formed by the French subsidiaries with contact center businesses and the production subsidiaries in Tunisia and Morocco. These companies were brought together in 2008 under common management and a single brand name. The effect of the French CICE tax credit was included in the determination of the recoverable amount of the CGU, for €51.6 million. Even without this, the recoverable amount of the CGU would have been higher, by €9.0 million, than the carrying amount of the CGU's net assets, and no impairment charge would have resulted.

Other CGU

The entities in Other CGU represent individually less than 2.7% of total goodwill.

The following schedule sets out the allocation of goodwill to the principal CGUs. Goodwill was tested for impairment by the Group at December 31st, 2015.

	Goodwill				Discount rate	
	12/31/2015	incl. impairment	12/31/2014	incl. impairment	2015	2014
North America & FHCS	676	16	575	16	8.1%	7.6%
Nearshore	125	0	123	0	10.6%	11.0%
Central Europe	94	0	93	0	6.5%	6.5%
United Kingdom	82	0	77	0	7.8%	7.6%
FSM	53	0	53	0	7.1%	6.9%
Other	93	7	98	8		
TOTAL	1,123	23	1,019	24		

NOTE D.4 Determination of the recoverable amount of CGUs

The recoverable value of CGUs is represented by the value in use.

The Group has not used any other measurement methods, for example that of fair value less costs to sell.

Recoverable amounts are determined by geographical region, calculated on the basis of the present value of estimated cash flow forecasts for the next five years. The cash flows of the first year are based on the following year's budget, approved by Group management. The cash flows of the following two years are based on forecasts prepared by CGU managements, approved by Group management, on the basis of their knowledge of the business sector, future growth possibilities, and the risk profile. The terminal values calculated after five years assume perpetual future growth equal to inflation. Cash flows are discounted using the weighted average cost of capital of each geographical region.

Reasonableness checks are made to ensure that the WACC is consistent with the ROCE (see note A.6 *Glossary*).

An impairment loss is recognized when the recoverable amount of a CGU, determined as set out above, is less than its carrying amount.

The recoverable amounts of the principal CGUs having carrying amounts which could be sensitive in this respect at December 31st, 2015 are as follows:

	Recoverable amount 2015
North America	1,530
Nearshore	602
Central Europe	180
FSM	124

NOTE D.5 Sensitivity analysis

When the above test results in a recoverable amount approximately equal to the carrying amount of the CGU, sensitivity analyses are performed with respect to the discount rates selected and to the profitability rates used in the calculation of the terminal values.

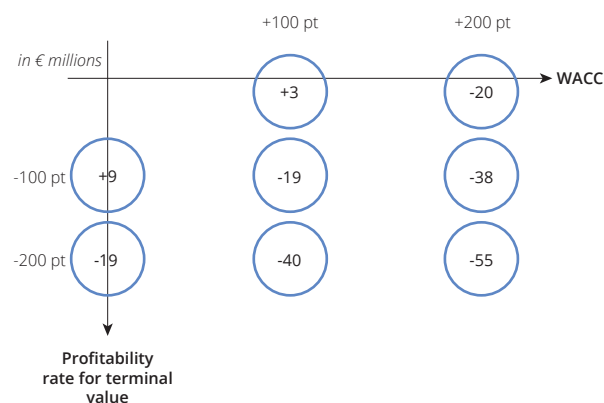
In 2015, the Central Europe CGU, with a carrying amount of goodwill of €94 million, was the subject of additional analyses although its recoverable amount had exceeded the carrying amount of its net assets by €36 million.

The profitability rate used in the calculation of the terminal value for the Central Europe CGU reflects the past experience for this CGU and appears reasonable in the light of the Group's forecasts as of the reporting date.

The following chart shows the impact of increases of 100 and 200 basis points in the discount rate combined with a reduction of 100 and 200 basis points in the profitability rate used to calculate the terminal value for this CGU.

The amounts in the chart show the difference between the CGU's recoverable and carrying amounts, limited to the carrying amount of its goodwill. A negative amount therefore indicates a potential impairment loss.

Central Europe sensitivity analysis



E. Income tax

NOTE E.1 Income tax expense

Income tax expense reported in the income statement comprises current and deferred tax except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

The French levy on the added value of companies (CVAE) and certain foreign taxes such as the Italian IRAP come within the scope of IAS 12 and are therefore recognized as a tax expense.

As a result, current tax comprises:

- the expected amount of tax payable on the taxable income of the period (determined using tax rates that have been enacted or substantively enacted at the reporting date);
- any adjustment of the amount of tax payable in respect of previous years;
- CVAE, IRAP, etc.

Income tax expense recognized in 2015 amounts to €77.8 million, compared with €66.5 million in 2014, and is analyzed as follows:

	2015	2014
Consolidated net profit	203	152
Current tax expense	79	77
Deferred tax expense (credit)	-1	-11
Profit before tax	281	218
Standard rate of tax in France	38.00%	34.43%
Expected tax expense	-107	-75
CVAE	-2	-3
IRES/IRAP	-1	-2
Tax on dividends	-2	-1
Effect of foreign jurisdictions' tax rates	34	18
Other permanent differences, other items	4	-8
Change in unrecognized deferred tax assets	-4	5
TOTAL	-78	-66

NOTE E.2 Deferred tax

Deferred tax is calculated and recognized using the liability method, providing for all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured using the tax rate that is expected to apply in the period when the asset is realized and the liability settled, according to tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are netted by tax entity for presentation in the statement of financial position.

A deferred tax asset is recognized only to the extent that it is likely that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

	Deferred tax assets	Deferred tax liabilities	Net	including assets from tax losses
AT DECEMBER 31ST, 2013	31	37	-6	21
Change in consolidation scope	5	85	-80	
Recognized in profit or loss	12	2	10	
Recognized in equity	3		3	
Translation differences	1	12	-11	
Offset of assets and liabilities	-11	-11	0	
AT DECEMBER 31ST, 2014	41	125	-84	20
Change in consolidation scope	7	-15	22	
Recognized in profit or loss	4	3	1	
Translation differences	-2	11	-13	
Offset of assets and liabilities	-14	-14	0	
AT DECEMBER 31ST, 2015	36	110	-74	15

Deferred tax liabilities related to intangible assets recognized as part of a business combination amounted to €89.3 million at December 31st, 2015 (€105.8 million at December 31st, 2014), following the acquisition of Aegis USA Inc.

Deferred tax assets amounted to €36.2 million at December 31st, 2015 (€41.3 million at December 31st, 2014) including amounts relating to tax losses carried forward of €14.9 million.

Deferred tax assets of €14.2 million at December 31st, 2015 (€17.6 million at December 31st, 2014) relating to tax losses carried forward were not recognized as their recovery was not considered probable.

The Group has tax losses of approximately €98 million, of which €85 million have no expiry date.

F. Equity and earnings per share

NOTE F.1 Share capital

Share capital at December 31st, 2015 amounted to €143,004,225 consisting of 57,201,690 shares, with a nominal value of €2.50 each, fully paid-up.

	12/31/2015	12/31/2014
Number of shares issued and fully paid up	57,201,690	57,201,690
including treasury shares of	146,247	62,461
Dividend distributions in respect of the financial year*	68.6**	52.6
Dividend per share (in euros)	1.20**	0.92

* Based on the number of shares in issue at December 31st.

** As proposed to the shareholders' meeting on April 28th, 2016.

The Company made no changes to its share capital during 2015.

NOTE F.2 Treasury shares

Treasury shares are shown as a deduction from total equity. On disposal, the proceeds, net of transaction costs and income tax, are recognized in equity.

At December 31st, 2015, the Group held 146,247 treasury shares, of which 19,000 were acquired under the liquidity contract and 127,247 were acquired to satisfy the requirements of the incentive share plans, for a total of €1.5 million and €5.6 million, respectively. These carrying amounts are shown as deductions from equity.

NOTE F.3 Earnings per share

The Group reports both basic and diluted earnings per ordinary share. Basic earnings per share is calculated by dividing the net profit attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares.

Diluted earnings per share is determined by adjusting the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding by the effects of all potentially diluting ordinary shares. These include convertible bonds, stock options and incentive share awards granted to employees when the required performance conditions have been met at the end of the financial year.

	2015	2014
Net profit – Group share	200	150
Weighted average number of shares used to calculate basic earnings per share	57,111,038	57,160,583
Dilutive effect of performance shares	857,176	0
Weighted average number of shares used to calculate diluted earnings per share	57,968,214	57,160,583
Basic earnings per share (in euros)	3.51	2.62
Diluted earnings per share (in euros)	3.45	2.62

The effect of the incentive share award plans put in place in 2013 has been included in the calculation of 2015 diluted earnings per share as the required performance conditions were met at the end of the financial year.

► Weighted average number of shares used to calculate basic and diluted earnings per share

	2015	2014
Ordinary shares in issue at January 1 st	57,201,690	57,260,190
less: treasury shares held	-90,652	-99,607
TOTAL	57,111,038	57,160,583



G. Financial assets and financial liabilities

NOTE G.1 Accounting policies and methods

G.1.1 Financial assets

Current and non-current financial assets comprise the following:

- loans and receivables measured at amortized cost: this category principally includes advances to staff and guarantee deposits paid mainly in the context of commercial property leases. On initial recognition, these loans and receivables are stated at fair value plus directly attributable costs; at each reporting date, these assets are measured at amortized cost;
- derivative financial instruments used to hedge exposure to foreign exchange and interest rate risks, measured at fair value at each reporting date;
- net asset warranties obtained as part of an acquisition: when the warranty relates to a specific asset or liability of the target entity at the date of a business combination, it is recognized separately from goodwill and is measured using the same method as the item being warranted.

G.1.2 Financial liabilities

Non-current financial liabilities include loan transactions with banks or other financial institutions and liabilities to certain minority interests.

Current financial liabilities comprise similar transactions as those described above but with settlement expected within one year.

Borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost, with any difference between cost and redemption value being recognized in profit or loss over the period of the borrowings on an effective interest rate basis.

Debt issuance costs are initially recorded as a reduction of the corresponding loan, and subsequently taken into account in calculating the effective interest rate and recognized in the income statement over the period of the loan.

G.1.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, demand deposits and investments in mutual funds made with a short-term objective, measured at fair value, with changes in fair value recognized in the statement of income.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows, but are classified in the statement of financial position as "Other current financial liabilities".

G.1.4 Financial income and expenses

Financial income comprises interest receivable on funds invested, dividend income, fair value increases in financial assets at fair value through profit or loss and foreign exchange gains.

Profits on hedging instruments covering revenues are recognized in operating profit. Interest income is recognized in profit or loss as it accrues, using the effective interest rate method. Dividends are recognized as soon as the Group acquires the right to receive the payment, *i.e.*, in the case of listed shares, on the ex-dividend date.

Financial expenses comprise interest payable on borrowings, the effect of the unwinding of discounted provisions, foreign exchange losses, decreases in fair value of financial assets at fair value through profit or loss, and impairment losses recognized in respect of financial assets.

All costs related to borrowings are recognized in profit or loss using the effective interest rate method.

G.1.5 Derivative financial instruments

The Group uses derivative financial instruments to reduce its exposure to foreign exchange and interest rate risks arising from its activities. From time to time, the Group may use derivative financial instruments, contracted with high-grade financial institutions to reduce counterparty risk.

Financial instruments used to hedge the fair value of financial borrowings are recognized as financial liabilities.

Financial instruments used to hedge other transactions are recognized as other current or non-current assets and liabilities, depending on their maturity and accounting classification. They are measured at fair value at the date of transaction. Changes in the fair value of the instruments are recognized in profit or loss, except for cash flow hedges.

The Group applies hedge accounting when the hedging relationship has been identified, formalized and documented from its inception, and that it has been shown to be effective.

The accounting treatment of these financial instruments depends on the category into which they fall:

- cash flow hedges: the effective portion is recognized through equity. The amounts recognized in equity are reclassified to profit or loss when the hedged items affect profit or loss, either in operating profit when they concern the cover of a commercial transaction or in financial result when they cover a financial operation.
- fair value hedges: they are recognized in financial result.

NOTE G.2 Financial assets

	Current	Non-current	Total 12/31/2015	Total 12/31/2014
Loans	3		3	13
Derivative financial instruments	3		3	4
Guarantee deposits	7	34	41	50
Indemnification asset	31		31	29
Carrying amount	43	34	77	94
Write-downs	-1		-1	-2
GROSS FINANCIAL ASSETS	44	34	78	96

The indemnification asset of €30.7 million (US\$33.4 million) relates to the acquisition of Aegis USA Inc. in 2014 (see note I.2 *Change in provisions*).

NOTE G.3 Financial result

	2015	2014
Income from cash and cash equivalents	1	2
Interest expense	-18	-8
Bank commissions	-5	-6
Financing costs	-23	-14
Net financing costs	-22	-12
Foreign exchange gains	32	11
Foreign exchange losses	-37	-19
Other		1
Other financial income (expenses)	-5	-7
FINANCIAL RESULT	-27	-19

NOTE G.4 Financial liabilities

As of December 31st, 2015, the Group has the following principal sources of financing:

- a US private placement (USPP) of US\$325 million with nine major financial institutions, comprising a 7-year tranche A of \$160 million at a fixed interest rate of 3.64% and a 10-year tranche B of \$165 million at a fixed interest rate of 3.98%. Both tranches are repayable *in fine*;
- a loan of US\$165 million maturing in July 2017;

- a multi-currency syndicated facility of €300 million, put in place in June 2012, maturing in February 2019, drawn down to the extent of €90 million at December 31st, 2015 (€185 million at December 31st, 2014). Due to hedging using a "Cross Currency Interest Swap", this liability is now equivalent to an amount of US\$115 million.

The available balance on the multi-currency syndicated facility (€, US\$) at December 31st, 2015 was €210 million.

Net financial indebtedness: Schedule of debt maturities:

	Total 2015	Current	Non-current*	Total 2014	Current	Non-current
Loans from financial institutions and the USPP	547	94	453	602	196	406
Bank advances	3	3		2	2	
Finance lease liabilities	2	1	1	2	1	1
Other borrowings and financial liabilities	2	2		5	4	1
Cross Currency Interest Swap on loan	20	20		11	11	
Due to minority shareholders	46	31	15	17	0	17
Total financial liabilities	620	151	469	639	214	425
Marketable securities	20	20		7	7	
Cash and bank	237	237		209	209	
Total cash and cash equivalents	257	257		216	216	
NET DEBT	363	-106	469	423	-2	425

* Due after 5 years: €298 million.

The Group relies only to a minor extent on finance lease financing and, in consequence, the amount of its finance lease liabilities is not significant (€2.3 million at December 31st, 2015 and 2014).

The amounts due to minority shareholders concern the estimated residual amount owing in respect of 2013 share purchases.

As the subsidiaries concerned have performed strongly, the liability has increased from €17 million at the end of 2014 to €46 million at December 31st, 2015.

Loans from financial institutions and the "USPP"

► Schedule of loans by principal currency and type of interest rate

	Total	€	USD	CLP	TRY	COP	MAD	Other
TYPE OF INTEREST RATE								
■ fixed	304		298	1	1		2	2
■ floating	243	90	152			1		
TOTAL 2015	547	90	450	1	1	1	2	2

	Total	€	USD	CAD	TRY	COP	ARS	Other
TYPE OF INTEREST RATE								
■ fixed	272		266		1		3	2
■ floating	330	185	136	6		3		
TOTAL 2014	602	185	402	6	1	3	3	2

► Schedule of loans by category

	31/12/2015	Available	Total facility	12/31/2015 in local currency	Interest rate	Maturity	Financial covenant
CREDIT LINE							
Teleperformance SE	90	210	300	90	€ USD Euribor +1.18% Libor +1.50%	2019.02	yes
MMCC Solutions Canada		6		9	CAD Bank's prime rate +1%		yes
Teleperformance Xian	1	0	1	5	CNY 4.70%	2016.02	non
Total	91	216	301				
SECURED BANK LOANS							
Teleperformance SE	152			165	USD Libor \$ +1.10%	2017.07	yes
Teleperformance SE (USPP)	146			160	USD 3.64%	2021.12	yes
Teleperformance SE (USPP)	152			165	USD 3.98%	2024.12	yes
Citytech	1			1	USD 5.68%	2017.03	no
				3	ARS 9.90%	2016.10	no
TLScontakt Maroc	2			26	MAD 6.25%	2016.11	no
Total	453						
UNSECURED BANK LOANS							
Teleperformance Chili	1			1,134	CLP 6.48% to 7.8%	2016.12	no
Teledatos	1			1,907	COP DTF +0.70% to 4.25%	2016.02	no
Metis	1			2	TRY 1.03% to 1.08%	2016.09	no
Total	3						
TOTAL	547	216	301				

Covenants

Our principal financial liabilities are subject to financial covenants, which were all respected as of December 31st, 2015.

The syndicated facility of €300 million and the bank loan of US\$165 million are subject to the following ratios:

- consolidated net debt/Total equity < 0.7;
- consolidated net debt/EBITDA < 2.

The US private placing of US\$325 million is subject to the following ratios:

- consolidated net debt/Total equity < 0.7;
- consolidated net debt/EBITDA < 2.5.

Interest rate risk

The Group has an exposure to interest rate risks on its financial liabilities and its short-term liquid investments. A large part of its net debt bears interest at a fixed rate. The following schedule identifies the amounts subject to interest rate risk:

Net debt	12/31/2015	Fixed rate	Subject to interest rate risk	12/31/2014	Fixed rate	Subject to interest rate risk
Total financial liabilities	620	350	270	639	289	350
Cash and cash equivalents	-257		-257	-216		-216
NET DEBT	363	350	13	423	289	134

The sensitivity of the cost of net debt to interest rate risk is very small. A change of 100 basis points in the interest rate would have had an impact of only €0.1 million in 2015 and of €1.3 million in 2014.



NOTE G.5 Foreign exchange hedging operations

Revenues and operating expenses of Group companies may be denominated in a currency other than the functional currency. In order to reduce its exposure to exchange rate risk, hedge contracts have been entered into, principally between the following currencies:

- the US dollar and the Mexican peso;
- the US dollar and the Colombian peso;
- the Philippine peso and the US dollar;
- the Colombian peso, the Turkish lira, the Tunisian dinar and the euro.

The policy of the Group is cover its highly probable forecast transactions denominated in foreign currency, usually up to 12 months ahead. The Group uses forward exchange contracts and plain vanilla foreign exchange options.

In addition, currency hedges are in place to cover the exchange risk between currencies managed within the cash pool and the euro (in particular the US dollar and the Mexican peso) as well as certain loans between Teleperformance SE and its subsidiaries.

The principal derivative financial instruments in place at the year-end are as follows:

Derivative financial instruments <i>(in millions)</i>	Notional amount in currency	Notional amount in euros at 12/31/2015	Fair value in euros at 12/31/2015	In equity	In 2015 profit or loss
HEDGE OF FORECAST 2015 USD/MXN TRANSACTIONS					
Forward USD sales	37	34	-5		-5
HEDGE OF FORECAST 2016 USD/MXN TRANSACTIONS					
Put & call USD – options	9	8	-1	-1	0
Forward USD sales	17	16	-1	-1	0
Sale of USD options*	7	6	0		0
HEDGE OF FORECAST 2016 MXN/USD TRANSACTIONS					
Put & call MXN – options	196	10	0	0	0
Forward MXN purchases	483	26	-2	-3	1
Sale of MXN options*	133	7	0	0	0
HEDGE OF FORECAST 2015 USD/PHP TRANSACTIONS					
Forward PHP purchases	2,288	45	-1	0	-1
HEDGE OF FORECAST 2016 USD/PHP TRANSACTIONS					
Put & call PHP – options	3,150	62	-1	-1	0
Forward PHP purchases	5,250	103	-1	-2	1
Sale of PHP options*	2,200	43	0	0	0
HEDGE OF FORWARD 2016 COP/EUR TRANSACTIONS					
Forward € sales	18	18	0	0	0
HEDGE OF FORWARD 2016 COP/USD TRANSACTIONS					
Forward USD sales	20	18	-3	-3	0
HEDGE OF FORECAST 2016 USD/INR TRANSACTIONS					
Put & call USD – options	3	3	0	0	0
Forward USD sales	8	7	0	0	0
Sale of USD options*	2	2	0	0	0
HEDGE OF FORECAST 2016 EUR/TND TRANSACTIONS					
Forward TND purchases	58	26	-1	0	-1
CROSS CURRENCY INTEREST SWAP EUR/USD					
	115	106	-20	0	-20
HEDGE OF INTRA-GROUP LOANS					
■ in GBP	33	45	-1	0	-1
■ in USD	143	131	0	0	0
■ in PHP	3,931	78	-2	0	-2
CASH POOL HEDGES					
■ in MXN	1,870	99	-4	0	-4
■ in USD	25	23	1	0	1

* Not eligible for hedge accounting.

Derivative financial instruments <i>(in millions)</i>	Notional amount in currency	Notional amount in euros at 12/31/2014	Fair value in euros at 12/31/2014	In equity	In 2014 profit or loss
HEDGE OF FORECAST 2014 USD/MXN TRANSACTIONS					
Forward USD sales	30	25	-2		-2
HEDGE OF FORECAST 2014 USD/PHP TRANSACTIONS					
Forecast PHP purchases	1,637	30	0		0
HEDGE OF FORECAST 2014 AUD/USD TRANSACTIONS					
Forward AUD sales	21	14	1		1
Forward AUD purchases*	3	2	0		0
HEDGE OF FORECAST 2015 USD/PHP TRANSACTIONS					
Put & call PHP – options	3,225	59	0	0	0
Forecast PHP purchases	8,551	157	-2	-2	0
Sale of PHP options*	2,475	45	0		0
Purchase of PHP options*	1,350	25	0		0
HEDGE OF FORECAST 2015 USD/MXN TRANSACTIONS					
Put & call USD- options	45	37	-2	-2	
Forward USD sales	57	47	-4	-4	0
Sale of USD options*	25	21	-1		-1
HEDGE OF FORECAST 2015 COP/EUR TRANSACTIONS					
Forward € sales	7	7	-1	-1	0
HEDGE OF FORECAST 2015 COP/USD TRANSACTIONS					
Forward USD sales	12	10	-2	-2	0
HEDGE OF FORECAST 2015 EUR/TND TRANSACTIONS					
Forward TND purchases	64	28	0	0	0
HEDGE OF INTRA-GROUP LOANS					
■ in GBP	30	39	-1		-1
■ in USD	10	8	-1		-1
CASH POOL HEDGES					
■ in MXN	1,420	79	-1		-1
■ in USD	115	95	1		1
CROSS CURRENCY INTEREST SWAP EUR/USD	145	119	-11		-11

* Not eligible for hedge accounting.

At December 31st, 2015, the fair value of derivative financial instruments amounted to -€40.6 million (December 31st, 2014: -€29.1 million) of which €2.9 million is presented in Other financial assets, €23.5 million in Other current liabilities and €20.0 million in Other financial liabilities.

Counterparty credit risk (Credit value adjustment – CVA) and own credit risk (Debt value adjustment – DVA) are taken account of in the fair values of hedging instruments, but the amounts are not significant.

NOTE G.6 Carrying amount and fair value of financial assets and financial liabilities by category

The fair value hierarchy is made up of three levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (*i.e.* as prices) or indirectly (*i.e.* derived from prices);
- Level 3: unobservable inputs for the asset or liability.

The following schedules show the carrying amounts of assets and liabilities and their fair values, by level of hierarchy:

	Accounting category				Fair value				
	Financial instruments at fair value through profit or loss	Derivative financial instruments	Loans and receivables	Financial liabilities at amortized cost	Total	Lev 1	Lev 2	Lev 3	Total
12/31/2015									
FINANCIAL INSTRUMENTS: ASSETS									
I – Financial assets at fair value	20	3	0	0	23	20	3	0	23
Exchange rate hedging instruments		3			3		3		3
Marketable securities	20				20	20			20
II – Financial assets at amortized cost	0	0	1,172	0	1,172	237	935	0	1,172
Loans			2		2		2		2
Guarantee deposits			41		41		41		41
Net asset warranty			31		31		31		31
Accounts receivable – Trade			754		754		754		754
Other assets			107		107		107		107
Cash and bank			237		237	237			237
FINANCIAL INSTRUMENTS: LIABILITIES									
I – Financial liabilities at fair value	0	44	0	0	44	0	44	0	44
Cross Currency Interest Swap on loan		20			20		20		20
Exchange rate hedging instruments		24			24		24		24
II – Financial instruments at amortized cost	0	0	3	1,005	1,008	3	1,005	0	1,008
Loans from financial institutions and the USPP				547	547		547		547
Finance lease liabilities				2	2		2		2
Other borrowings and financial liabilities				2	2		2		2
Bank overdrafts and advances			3		3	3			3
Accounts payable – Trade				117	117		117		117
Other liabilities				337	337		337		337

12/31/2014	Accounting category				Fair value				
	Financial instruments at fair value through profit or loss	Derivative financial instruments	Loans and receivables	Financial liabilities at amortized cost	Total	Lev 1	Lev 2	Lev 3	Total
FINANCIAL INSTRUMENTS: ASSETS									
I – Financial assets at fair value	7	4	0	0	11	7	4	0	11
Exchange rate hedging instruments		4			4		4		4
Marketable securities	7				7	7			7
II – Financial assets at amortized cost	0	0	1,104	0	1,104	209	895	0	1,104
Loans			10		10		10		10
Guarantee deposits			50		50		50		50
Net asset warranty			29		29		29		29
Accounts receivable – Trade			693		693		693		693
Other assets			113		113		113		113
Cash and bank			209		209	209			209
FINANCIAL INSTRUMENTS: LIABILITIES									
I – Financial liabilities at fair value	0	33	0	0	33	0	33	0	33
Cross Currency Interest Swap on loan		11			11		11		11
Exchange rate hedging instruments		22			22		22		22
II – Financial instruments at amortized cost	0	0	2	1,048	1,050	2	1,048	0	1,050
Loans from financial institutions and the USPP				602	602		602		602
Finance lease liabilities				2	2		2		2
Other borrowings and financial liabilities				5	5		5		5
Bank overdrafts and advances			2		2	2			2
Accounts payable – Trade				123	123		123		123
Other liabilities				316	316		316		316

There were no transfers between the different levels of fair value for assets and liabilities measured using this method.

Liabilities to minority shareholders amounting to €46.0 million at December 31st, 2015 (€17.2 million at December 31st, 2014) are measured using the terms of each acquisition contract.

NOTE G.7 Financial risk management

The Group has an exposure to the following risks:

- credit risk;
- liquidity risk;
- market risk;
- equity risk.

Set out below is information on the Group's exposure to each of the above risks, its objectives, policy and procedures for measuring and managing risk, as well as its share capital and equity management.

Quantitative disclosures appear elsewhere in the consolidated financial statements.

The Board of Directors defines and oversees the Group's risk management framework. Monitoring, measuring and overseeing financial risk is the responsibility of the Group's Finance Department, for the Group and each of the Group companies.

The objective of the Group's risk management policy is to identify and analyze the risks that the Group faces, to set appropriate risk limits and controls, and to manage the risks and ensure that the limits defined are respected. The policy and the risk management systems are reviewed regularly so as to respond to changes in the market and in the Group's activities. Through its training and management rules and procedures, the Group aims to develop a rigorous and constructive control environment in which every employee has a clear understanding of his or her role and duties.

The Internal Audit Department performs both periodic and *ad hoc* reviews of risk management controls and procedures, reporting to the Audit Committee.

All strategic decisions relating to the hedging policy for financial risks are the responsibility of the Group's Finance Department.

G.7.1 Credit risk

Credit risk is the Group's risk of financial loss in the event that a customer or counterparty to a financial instrument fails to meet his contractual obligations. This risk primarily concerns customer receivables and short-term investments.

Customer and other receivables

The Group's exposure to credit risk is mainly influenced by the individual characteristics of its customers. Sales to the principal customer of the Group account for 5.7% of Group revenues. In addition, sales to telecommunications customers and Internet access providers represent a total of 23.1% of Group revenues. No country accounts for over 10% of customer receivables with the exception of the United States and the United Kingdom which represent approximately 40% and 11%, respectively, of total customer receivables as of December 31st, 2015.

Credit risk is continuously monitored by the Group's Finance Department, through monthly reports and quarterly Executive Committee meetings.

The Group does not require specific credit guarantees for its customer and other receivables.

The Group determines the level of its impairment losses by estimating losses incurred on customer and other receivables.

Guarantees

The Group provides contract performance guarantees at the request of some customers. The guarantees provided are disclosed in note I.4 *Commitments and other contractual obligations*.

G.7.2 Liquidity risk

Liquidity risk is the risk that the Group would experience difficulty in repaying its liabilities at the due date.

The policy of the Group in respect of its financing is to maintain at all times sufficient liquidity to finance Group assets, short-term cash requirements, and its development, both in terms of amount and duration, and at the lowest possible cost.

Over recent years, the Group has implemented a centralized cash management policy when in conformity with local legislation applying to its subsidiaries. Cash pool member companies represent approximately 71% of Group revenues.

In those countries where cash-pooling is not permitted, short-term cash management is provided by subsidiaries' operational management which generally has access to short-term bank facilities, plus, in some cases, confirmed credit line facilities from the parent company.

All medium- and long-term financing is authorized and overseen by the Group's Finance Department.

The Group obtains its financing in the form of loans and credit lines from high-grade financial institutions, with maturities ranging from 2017 through 2024 as disclosed in note G.4 *Financial liabilities*.

The outstanding balance available on the multi-currency (€, US\$) syndicated facility as of December 31st, 2015 amounted to €210 million.

Net debt at December 31st, 2015 was €362.7 million, compared with €422.7 million at the end of 2014.

At December 31st, 2015 cash balances included a net amount of €2.6 million held by the subsidiary in Argentina, a country that has implemented regulations restricting the transfer of funds to other countries.

Given the maturity of our borrowings and the Group's capacity to generate free cash flow, liquidity risk is considered to be very low.

Additional disclosures relating to liquidity risk are set out in note G.4 *Financial liabilities*.

G.7.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and the cost of equity instruments, will affect the Group's results or the value of its financial instruments. The objective of managing market risk is to manage and control the market risk exposure, keeping it within acceptable limits, while optimizing returns.

Foreign exchange risk

The Group is exposed in particular to foreign exchange risk on revenues denominated in a currency, generally the US dollar, which is not the functional currency of the Group company concerned.

The Group hedges this risk mainly in respect of rate changes between the Mexican, Philippine and Colombian pesos and the US dollar. Additional disclosures on these hedging operations are given in note G.5 *Currency hedging operations*.

The Group is also exposed to exchange risk on loans denominated in currencies other than the euro or the functional currencies of Group entities.

Group policy is as follows:

- the Group hedges loans made to subsidiaries with loans or advances in the same currency and with the same maturities, or with foreign exchange contracts;
- the principal bank loans of Group companies are denominated in the functional currency of the borrower;
- interest due on borrowings is denominated in the same currency as the cash flows generated by the underlying operations of the Group, primarily the euro, the US dollar and the £ sterling. This provides an economic hedge without resorting to the use of derivatives.

Finally, the Group is exposed to foreign exchange risk when translating foreign subsidiaries' financial statements for consolidation purposes.

The translation effect on the consolidated revenues of the Group is disclosed in note G.8 *Exposure to exchange risk from translation of foreign subsidiaries' financial statements on consolidation* which shows the breakdown of revenues by currency over the last two years.

The impact of changing foreign exchange rates on the Group's revenues, profit before tax and net profit – Group share is disclosed in note G.8 *Exposure to exchange risk from translation of foreign subsidiaries' financial statements on consolidation*.

Interest rate risk

See note G.4 *Financial liabilities*.

G.7.4 Equity risk

The Group limits its exposure to equity risk by investing available cash reserves in short-term liquid investments, certificates of deposit, and in low risk financial instruments such as mutual funds, while choosing high-grade financial institutions and avoiding significant concentration. Group management does not expect any counterparty to default.

Short-term liquid investments at December 31st, 2015 amounted to €19.8 million, principally represented by money market funds classified as "euro monetary" by the French stock exchange regulator, the AMF.

Share capital and equity management

The Group's policy on share capital and equity management is to maintain a strong equity base so as to keep the confidence of investors, creditors and the market, and to support future business development. The Group therefore pays close attention to its net indebtedness and the debt/equity ratio.

The gearing ratio is determined as follows:

	12/31/2015	12/31/2014
Net debt	363	423
Equity	1,765	1,600
Gearing ratio	0.21	0.26

From time to time, the Group may buy back its own shares on the market. Oddo Corporate Finance has acted on its behalf under a liquidity agreement since January 8th, 2007. The agreement complies with the Code of Conduct established by the AFEI (French Association of Investment Firms) as approved by the AMF. The amount of funds committed to this arrangement is €1.5 million. The number of treasury shares held at the end of the year is set out in note F.1 *Share Capital*.

NOTE G.8 Exposure to exchange risk from translation of the financial statements of foreign subsidiaries on consolidation

The analysis of Group revenues by principal currency in 2015 and 2014 is set out in the following schedule:

Revenues	2015		2014	
	Amount	%	Amount	%
Euro	771	22.7%	699	25.3%
US dollar	1,508	44.4%	1,071	38.8%
Brazilian real	190	5.6%	191	6.9%
Mexican peso	87	2.6%	95	3.4%
£ sterling	315	9.3%	263	9.5%
Colombian peso	96	2.8%	98	3.6%
Argentine peso	60	1.8%	46	1.7%
Other	371	10.9%	295	10.7%
TOTAL	3,398	100%	2,758	100%

Sensitivity of profit before tax and equity to a change of 1% in the exchange rate of the euro against other currencies

The Group estimates that an increase or decrease of 1% in the exchange rate of the euro against other currencies would have impacted 2015 profit before tax and equity by approximately €2.2 million and €17.5 million, respectively.

Effect of changes in exchange rates

The effect of changes in exchange rates on statement of income line items is as follows:

	2015	2014 at 2015 rates	2014
Revenues	3,398	2,959	2,758
Operating profit	308	262	237
Financial result	-27	-19	-19
NET PROFIT	203	170	152
Net profit – Group share	200	168	150

At December 31st, 2015, the Group's exposure to exchange risk may be summarized as follows:

	12/31/2015				12/31/2014			
	Assets	Liabilities	Net position before hedging	Net position after hedging	Assets	Liabilities	Net position before hedging	Net position after hedging
Euro	677	797	-120	-141	602	799	-197	-210
USD	1,488	278	1,210	1,202	1,445	267	1,178	1,165
BRL	87	22	65	65	102	24	78	78
MXN	120	10	110	103	121	15	106	105
GBP	213	41	172	171	192	47	145	145
COP	75	12	63	63	85	16	69	69
PHP	135	41	94	89	121	41	80	77
Other	302	90	212	213	259	89	170	171
TOTAL	3,097	1,291	1,806	1,765	2,927	1,298	1,629	1,600

NOTE G.9 Foreign currency exchange rates

Principal currencies	Country	Average 2015 rate	Closing rate at 12/31/2015	Average 2014 rate	Closing rate at 12/31/2014
EUROPE					
£ sterling	United Kingdom	0.73	0.73	0.81	0.78
AMERICAS AND ASIA					
Brazilian real	Brazil	3.68	4.31	3.12	3.22
Colombian peso	Colombia	3,045.00	3,442.00	2,655.00	2,889.00
US dollar	United States	1.11	1.09	1.33	1.21
Mexican peso	Mexico	17.59	18.92	17.66	17.87
Philippines peso	Philippines	50.49	51.00	59.00	54.44

H. Cash flows

NOTE H.1 Non-cash items of income and expense

	2015	2014
Depreciation and amortization	165	124
Increase in provisions, net of releases	4	3
Unrealized gains and losses on financial instruments	-2	16
Share-based payments	16	7
TOTAL	183	150

NOTE H.2 Income tax paid

The amount of tax paid in 2015 was higher than in 2014, by €27.8 million.

The amount of income tax paid in 2014 included the effect of the receipt of a French tax carry-back asset of €10.7 million. Excluding this effect, the increase in 2015 is due mainly to the increase in Group results.

NOTE H.3 Change in working capital requirements

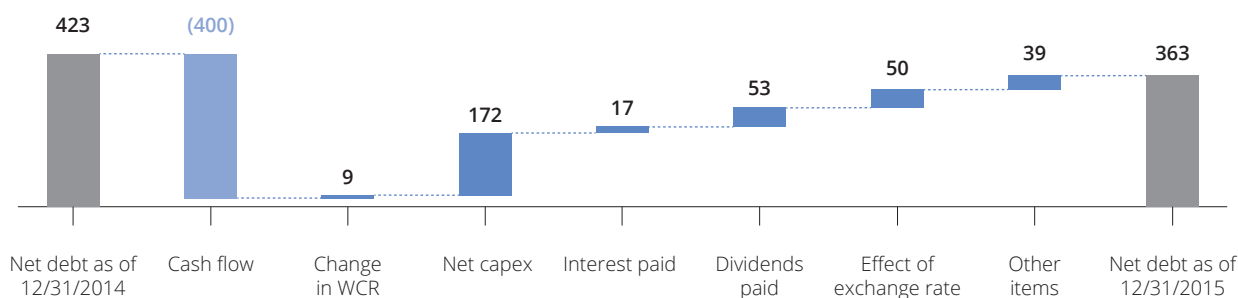
	2015	2014
Accounts receivable – Trade	-37	-117
Accounts payable – Trade	-2	12
Other	30	-11
TOTAL	-9	-116

The increase in Accounts receivable – Trade in 2015 is due to the increase in the level of activity, although this was mitigated by a significant improvement in our credit control management.

A significant part of the increase in Accounts receivable – Trade in 2014 was due to the termination of the factoring program which Aegis USA Inc. used until its acquisition by the Group, which represented an impact of over €50 million.

NOTE H.4 Explanation of the change in net debt

€ millions



NOTE H.5 Analysis of cash and cash equivalents presented in the consolidated statement of cash flows

	Total 2015	Total 2014
Bank overdrafts and advances	-3	-2
Marketable securities	20	7
Cash and bank	237	209
CASH AND CASH EQUIVALENTS	254	214

I. Provisions, litigation, commitments and other contractual obligations

NOTE I.1 Accounting principles and methods

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation resulting from a past event, the obligation can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount of the provision represents management's best estimate of the outflow required, and is discounted when the time value effect is significant.

Provisions relating to post-employment benefits, in particular defined benefit plans which represent most of the Group's provisions for future expenses, are recognized as follows:

The net obligation of the Group is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for services rendered as of the reporting date. This amount is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating to the terms of the Group's obligations. The obligations are measured using the projected unit credit method.

Actuarial gains and losses are recognized as "Other recognized income and expenses" in comprehensive income.

NOTE I.2 Change in provisions

	12/31/2014	Increases	Releases		Translation differences	Other	12/31/2015
			utilized	unutilized			
NON-CURRENT							
Retirement benefits	10	2		-1		-1	10
Other expenses	0						0
Total	10	2	0	-1	0	-1	10
CURRENT							
Risks	42	13	-3	-4	2	18	68
Other expenses	1	1					2
Total	43	14	-3	-4	2	18	70
TOTAL	53	16	-3	-5	2	17	80

	12/31/2013	Increases	Releases		Translation differences	Other	12/31/2014
			utilized	unutilized			
NON-CURRENT							
Retirement benefits	8	2					10
Other expenses	1					-1	0
Total	9	2	0	0	0	-1	10
CURRENT							
Risks	12	33	-2	-2	2	-1	42
Other expenses	2	1	-2				1
Total	14	34	-4	-2	2	-1	43
TOTAL	23	36	-4	-2	2	-2	53

Provisions for risks at December 31st, 2015 include a contingent liability of €48.6 million (US\$52.9 million), in respect of risks identified during the Aegis USA Inc. acquisition process in 2014, including tax risks of €30.7 million. An equivalent asset of €30.7 million has been recognized, as these are covered by a contractual net asset warranty.

Provisions for risks also include other risks in a total amount of € 19.1 million, of which € 8.8 million relates to personnel-related risks, principally concerning lawsuits with former employees, particularly in Argentina and France.

As legal proceedings are ongoing for most of these disputes, their settlement date is uncertain.

In respect of the fraud that occurred in 2014 at certain of our call centers concerning one specific customer, there have been no developments during 2015 that call into question the position taken by the Group as of December 31st, 2014. Taking into consideration the available legal analyses and the extent of insurance coverage, management is confident that it can resolve this dispute without significant financial loss. No provision has been recognized in the Group's consolidated financial statements as of December 31st, 2015.

NOTE 1.3 Post-employment benefits: defined benefit plans

These principally concern:

- the lump-sum payments made to employees on their retirement under the provisions of French national wage agreements and labor law;
- defined benefit pension plans in Norway, Greece, the Philippines, El Salvador and certain Mexican entities.

Commitments related to the lump-sum benefits in France are measured with the following actuarial assumptions:

	2015	2014
Discount rate	2.0%	1.6%
Rate of annual increase in remuneration	2.5%	2.5%
Rate of employer social charges	42%/45%	42%/45%

The other commitments are individually not significant and are measured by actuaries taking into account local conditions.

► **Change in the actuarial liability in 2015 and 2014:**

	France	Other countries	Total
At December 31st, 2013	5	3	8
In 2014 profit or loss	1	1	2
In other comprehensive income			0
At December 31st, 2014	6	4	10
In 2015 profit or loss	1		1
In other comprehensive income	-1		-1
At December 31st, 2015	6	4	10

The liability at December 31st, 2015 presented as "Other countries" principally concerns our subsidiaries in the Philippines, Greece and El Salvador, for amounts of €1.1 million, €1.0 million and €0.8 million, respectively.

The amount of the liability in the statement of financial position, representing the benefit obligation less the fair value of plan assets was:

- €4.6 million at December 31st, 2011;
- €5.4 million at December 31st, 2012;
- €7.8 million at December 31st, 2013;
- €9.8 million at December 31st, 2014;
- €9.8 million at December 31st, 2015.



► **Analysis of plan assets**

	12/31/2015	12/31/2014
Actuarial liability	13	13
Equities	6.1%	7.2%
Alternative investments	4.0%	4.0%
Bonds	13.6%	15.3%
Money market	25.2%	23.5%
Held to maturity bonds	33.9%	32.6%
Real estate	14.7%	14.2%
Other	2.6%	3.3%
Plan assets	3	3
Provision on Statement of financial position	10	10

There are no amounts in respect of company officers in the provision for retirement benefits.

NOTE 1.4 Guarantees and other contractual obligations

Guarantee commitments

Teleperformance SE has given a performance guarantee to a customer, Research In Motion (RIM), in respect of a commercial contract effective from December 21st, 2011, entered into with a number of Group subsidiaries. The maximum amount covered by the guarantee is the greater of (i) €15 million and (ii) the total amount of sums paid or payable by RIM to the subsidiaries concerned during the 12-month period prior to the loss event. This ceiling does not apply should the loss be caused by infringement of RIM's intellectual property rights, death or injury, damage to property, or breach of confidentiality. The guarantee will stay in force until all obligations of the subsidiaries have been extinguished.

Teleperformance SE has issued a performance guarantee in July 2013 to Apple Inc. relating to the obligations of certain subsidiaries undertaken in respect of a commercial contract. The guarantee was given for the duration of the commercial contract. The maximum amount covered by the guarantee is the greater of (i) US\$60 million and (ii) the total amount of sums paid by Apple to the subsidiaries concerned during the calendar year preceding the date of the loss event.

Teleperformance SE has given a performance guarantee in November 2013 to the Secretary of State for the Home Department of the United Kingdom covering the duration of a commercial contract entered into with a Group subsidiary. The maximum amount covered by the guarantee is £60 million.

In November 2014, Teleperformance SE issued a comfort letter in favor of Klarna, a partner with which Teleperformance EMEA, a subsidiary of Teleperformance SE, had entered into a commercial contract covering services to be supplied by

Teleperformance SE subsidiaries in Sweden, Finland, Denmark, Germany, the Netherlands and the United Kingdom.

Teleperformance SE has issued a performance guarantee to Barclays Bank PLC with respect to the obligations of its subsidiary Teleperformance Portugal under a commercial contract. The guarantee was signed in 2014 and will remain in force for the duration of the contract.

Net asset warranties received in connection with the acquisition of shareholdings

The agreements entered into for the acquisitions of Aegis USA Inc. and City Park Technologies contain net asset warranties intended to indemnify the acquirer against any prior existing liabilities that were not disclosed at the time of the acquisitions.

The duration of each commitment is generally between 18 months and three years from the date of completion of the share purchase agreements, except for tax-related liabilities for which the duration of the commitments corresponds to the date of prescription of each potential liability.

These commitments are guaranteed by either:

- amounts held by a bank in escrow, to be released in full after three years in the absence of any request for indemnification; or
- a first demand guarantee issued by a high-grade bank, expiring after 18 months in the absence of any request for indemnification.

Assets secured against financial liabilities

Assets pledged as collateral for borrowings represent an amount of €1.6 million at the end of 2015.

Maturity of contractual obligations recognized in the statement of financial position

	Total at 12/31/2015	Under 6 months	6-12 months	Total 2016	2017-2020	After
Loans from financial institutions	547	93*	1	94	155	298
Bank overdrafts and advances	3	3		3		
Finance lease liabilities	2	1		1	1	
Other borrowings and financial liabilities	22	22		22		
Purchase of minority shareholdings	46	31		31	15	

* Including €90 million drawn down on the revolving credit line of €300 million maturing on February 3rd, 2019.

	Total at 12/31/2014	Under 6 months	6-12 months	Total 2015	2016-2019	After
Loans from financial institutions	602	195*	1	196	138	268
Bank overdrafts and advances	2	2		2		
Finance lease liabilities	2		1	1	1	
Other borrowings and financial liabilities	16	15		15	1	
Purchase of minority shareholdings	17			0	17	

* Including €90 million drawn down on the revolving credit line of €300 million maturing on February 3rd, 2019.

Maturity of contractual obligations not recognized in the statement of financial position

	Total at 12/31/2015	Under 6 months	6-12 months	Total 2016	2017-2020	After
Operating leases	523	68	63	131	322	70

	Total at 12/31/2014	Under 6 months	6-12 months	Total 2015	2016-2019	After
Operating leases	424	54	52	106	249	69

NOTE I.5 Litigation

As a result of the normal course of business, Teleperformance and its subsidiaries are party to a number of judicial, administrative or arbitration proceedings. The risk of loss from

such proceedings is provided for when the loss is probable and can be reliably quantified. Amounts provided at December 31st, 2015 total €28.5 million.

J. Related party disclosures

NOTE J.1 Description of transactions between Group companies

Brand name royalties and technical assistance fees are paid to the parent company by the subsidiaries. Loans are made to

certain subsidiaries, cash-pooling arrangements are in force, and dividends are paid up to the parent company by subsidiaries.

NOTE J.2 Related party transactions

There are no other transactions with related parties that are significant and/or entered into at conditions that are not at arm's length.

NOTE J.3 Remuneration of company officers (Executive Committee – Comex)

Remuneration of company officers in respect of the 2015 and 2014 financial years is summarized as follows:

Remuneration	2015	2014
Short-term benefits	14	13
Post-employment benefits	0	0
Contract termination payments	0	1
TOTAL	14	14

During 2012, a Group subsidiary made a loan of US\$5 million to a company officer of the Group, at arm's length conditions. The balance of the loan amounted to US\$1.0 million at December 31st, 2015 and is repayable in 2016 at the latest.

The Group has obtained non-compete agreements from its principal senior management personnel. In respect of the two company officers concerned, the commitments are for the following terms:

- for Mr. Julien, up to two to three years provided that he respects a nine-month notice period, for which commitment he is entitled to receive an amount representing up to 2 ½ to 3 years' remuneration;
- for Mr. Salles Vasques, of two years, for which commitment he is entitled to receive an amount representing two years' remuneration.

K. Events after the reporting date

None.

L. Scope of consolidation

Consolidated companies		% interest	% control
Parent company:	Teleperformance	100	100
CONTACT CENTERS			
Continental Europe & MEA			
Albania	CC Albania Sh.p.K	100	100
	Albania Marketing Services Sh.p.K	67	100
	Service 800 Albania Sh.p.K	100	100
Germany	Teleperformance Support Services GmbH	100	100
	Teleperformance Germany S.a.r.l & Co.KG	100	100
	Teleperformance Germany At Home Solutions GmbH	100	100
	GN Research Germany GmbH	67	100
Belgium	Société Européenne de Télémaking	100	100
	Techmar Europe	100	100
Denmark	Teleperformance Denmark	100	100
Egypt	Service 800 Egypt	96	96
Finland	Teleperformance Finland OY	100	100
France	Teleperformance France	100	100
	GN Research France SAS	67	100
	Teleperformance Europe Middle East and Africa	100	100
	Teleperformance Intermédiation	100	100
Greece	Ypiresia 800	100	100
	Direct Response Service SA	100	100
	Mantel SA	100	100
	Customer Value Management	100	100
Italy	In & Out S.p.A.	100	100
	GN Research S.p.A.	67	100
Lebanon	Teleperformance Lebanon S.A.L	100	100
Lithuania	UAB «Teleperformance LT»	100	100
Luxembourg	GN Research SA	67	67
	Teleperformance Germany Sarl	100	100
Morocco	Société anonyme marocaine d'assistance client	100	100
Norway	Teleperformance Norge	100	100
Netherlands	PerfectCall BV	100	100
	PerfectCall Financial Services BV	100	100
Poland	Teleperformance Polska Spółka z ograniczoną odpowiedzialnością	100	100
	TPG Katowice Spolka Z Ograniczona Odpowiedzialnoscia	100	100
Czech Republic	Lion Teleservices CZ, a.s	100	100
Romania	The Customer Management Company SRL	100	100
	S 800 Customer Service Provider SRL	100	100
Russia	Direct Star Ltd.	100	100
Sweden	Teleperformance Nordic AB	100	100
Slovakia	Lion Teleservices SK, spol. s r.o.	85	85
Switzerland	SCMG AG	100	100
Tunisia	Société Tunisienne de Télémaking	100	100
	Société Méditerranéenne de Téléservices	100	100
Turkey	Metis Bilgisayar	100	100
Ukraine	KCU Ltd	100	100

Consolidated companies		% interest	% control
TLScontact			
	TLS Group SA	100	100
	Beijing TLScontact Business Consulting Co Ltd	100	100
	TeleContact Ltd	100	100
	SARL TLScontact	100	100
	TLScotact France	100	100
	TLScotact Algérie SAS	100	100
	TLScotact Ltd (Hong Kong)	100	100
	PT. TLScotact Indonesia	99	99
	TLScotact Lebanon SARL	100	100
	TLScotact Maroc SARL	100	100
	TLScotact (Mau) Ltd	100	100
	Društvo sa ograničenom odgovornošću «TLScotact » d.o.o. Podgorica	100	100
	TLScotact (UK) Ltd	100	100
	TLScotact International Co (Thailand) Ltd	100	100
	TLScotact Enterprises Co (Thailand) Ltd	100	100
	Teleperformance Contact Ltd	100	100
	TLScotact Egypt	100	100
	TLScotact Tunisie SARL	100	100
	Société Tunisienne d'assistance et de services SARL	100	100
	TLScotact Philippines Corporation	100	100
	TLScotact South Africa (PTY) Ltd	100	100
	TLScotact (RU)	100	100
	TLScotact Danismanlik HVTLS	100	100
	TLScotact Ukraine Ltd Liability Company	100	100
	TLScotact doo Beograd-Stari Grad	100	100
	TLScotact Kazakhstan Ltd	100	100
	TLScotact AM Ltd Liability Company	100	100
	TLScotact Georgia LLC	100	100
	Bel TLScotact Private unitary enterprise of rendering of services	100	100
	TLScotact Ltd	100	100
	TLScotact Azerbaijan LLC	100	100
	TLScotact Deutschland GmbH	100	100
	TLScotact (Ireland) Ltd	100	100
	Application Facilitation Services Ltd	100	100
	TLScotact Albania	100	100
	TLScotact Italia S.R.L	100	100
	TLScotact Espana SL	100	100
	TLScotact Processing Services Ltd	100	100
	TLScotact (SL) Ltd	100	100
	TLScotact (Tanzania) Ltd	100	100
	TLScotact Ltd Liability Company	100	100
	TLScotact Switzerland GmbH	100	100
	TLScotact Vietnam Company Ltd	100	100
English-speaking & Asia-Pacific			
Australia	Teleperformance Australia Pty Ltd	100	100
South Africa	Teleperformance South Africa Trading (PTY) Ltd	100	100
Canada	MMCC Solutions Canada Company	100	100
	AllianceOne Ltd	100	100
	Nova Information Technologies Ltd	100	100
China	North Asia United CRM Technologies (Beijing), Ltd	85	100
	Beijing Interactive CRM Technology Service Ltd	85	100

Consolidated companies		% interest	% control
	North Asia United CRM Technologies (Xian), Ltd	85	100
	Nanning North Asia United CRM Technologies Co., Ltd	85	100
Guyana	Guyana call Center Inc.	100	100
Hong Kong	Hong Kong Asia CRM Ltd	85	85
India	CRM Services India Private Ltd	100	100
Indonesia	P.T. Telemarketing Indonesia	100	100
Jamaica	Outsourcing Management International	100	100
Philippines	Telephilippines Inc.	100	100
	TPPH – FHCS, Inc.	100	100
	TPPH-CRM Inc.	100	100
United Kingdom	Teleperformance Holdings Ltd	100	100
	Teleperformance Ltd	100	100
	City Park Technologies Ltd	100	100
	MM Group Ireland Ltd	100	100
Singapore	Telemarketing Asia (Singapore) PTE Ltd	100	100
USA	Teleperformance USA Inc.	100	100
	Americall Group Inc.	100	100
	Merkafon Management Corp.	100	100
	Teleperformance Delaware Inc.	100	100
	AllianceOne Inc.	100	100
	AllianceOne Receivables Management Inc.	100	100
	TP USA FHCS Inc.	100	100
Ibero-LATAM			
Argentina	Citytech SA	100	100
Brazil	Teleperformance CRM SA	100	100
	Sao Paulo Contact Center Ltda	100	100
Chile	Teleperformance Chile	100	100
Colombia	Teleperformance Colombia SAS	100	100
Costa Rica	Costa Rica Contact Center S.A	94	94
	Teleperformance Costa Rica S.R.L	100	100
Spain	Teleperformance Espana SAU	100	100
	CEE Iberphone SL	100	100
	Fonomerk SL	100	100
	twenty4Help Knowledge Service Espana S.L.U	100	100
	Teleperformance Mediacion de Agencia de Seguros	100	100
	Teleperformance Servicios Auxiliares S.L.U.	100	100
Mexico	TP Nearshore, S. DE R.L. de C.V.	100	100
	Merkafon de Mexico, S.A. DE C.V.	100	100
	Sistemas de Localizacion, S.A. DE C.V.	100	100
	Impulsora Corporativa Internacional, S.A. DE C.V.	100	100
	Provedora de Personal Especializado, S.A. DE C.V.	100	100
	Servicios Hispanic Teleservices, S.C.	100	100
	Hispanic Teleservices de Guadalajara, S.A. DE C.V.	100	100
	Merkafon International Ltd	100	100
	Hispanic Teleservices Corporation	100	100
Portugal	Teleperformance Portugal SA	100	100
El Salvador	Compania Salvadorena de Teleservices	100	100
OTHER			
Luxembourg	Luxembourg Contact Center S.A.R.L	100	100
Netherlands	Dutch Contact Centers BV	100	100
USA	Teleperformance Group Inc.	100	100

All Group companies are fully consolidated.

6.7 Statutory auditors' report on the consolidated financial statements

For the year ended December 31st, 2015

To the shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31st, 2015, on:

- the audit of the accompanying consolidated financial statements of Teleperformance SE;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31st, 2015 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

At each reporting date, the company tests the carrying amount of goodwill to determine whether it is impaired, and also assesses other non-current assets to determine whether there is any indication of impairment, as described in note D. "Goodwill" of the consolidated financial statements. We have examined how the impairment testing is performed, and assessed the cash flow forecasts and assumptions used. We have also verified that the disclosures in note D. "Goodwill" is appropriate.

As disclosed in note A2. "Basis of preparation", these estimates are based on assumptions that by their nature are uncertain, and actual amounts may differ significantly from the forecast information used.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine
February 24th, 2016
The statutory auditors

KPMG Audit IS
Éric Junières
Partner

Deloitte & associés
Philippe Battisti
Partner







Parent company financial statements

7.1	Balance sheet	180	7.5	Schedule of subsidiaries and investments	200
7.2	Income statement	181	7.6	Five-year summary	202
7.3	Cash flow statement	182	7.7	Statutory auditors' report on the financial statements	203
7.4	Notes to the parent company financial statements	183			



7.1 Balance sheet

Assets (in thousands of euros)	Notes	2015			2014
		Cost	Acc. depn., amort. and provisions	Net	Net
Intangible fixed assets	2	3,640	3,566	74	174
Tangible fixed assets	2	4,845	3,225	1,620	2,872
Financial fixed assets					
Investments in subsidiaries and affiliates	3.1	1,192,727	232,759	959,968	947,376
Receivables from subsidiaries and affiliates	3.2	765,691	1,309	764,382	653,564
Other		31		31	31
Total financial fixed assets		1,958,449	234,068	1,724,381	1,600,971
Total fixed assets		1,966,934	240,859	1,726,075	1,604,017
Current assets					
Accounts receivable - Trade	6	15,436	1,247	14,189	16,492
Other receivables	6, 7	89,138	3,880	85,258	82,777
Marketable securities	4	21,820		21,820	9,251
Cash and bank	5	125,591		125,591	76,272
Prepaid expenses	6	99		99	141
Total current assets		252,084	5,127	246,957	184,933
Unrealized exchange losses	12	64,003		64,003	17,477
TOTAL ASSETS		2,283,021	245,986	2,037,035	1,806,427

Liabilities (in thousands of euros)	Notes	2015		2014
Share capital	8	143,004		143,004
Issue, merger and contribution premiums		575,727		575,727
Legal reserve		14,315		14,315
Other reserves		88,331		91,362
Retained earnings		61		101
Net income for the period		120,002		49,493
Total shareholders' equity	8	941,440		874,002
Provisions for contingencies and expenses	9	4,911		2,470
Liabilities				
Financial liabilities	10	932,273		821,677
Accounts payable - Trade	11	7,302		6,345
Tax, personnel and social security liabilities	11	3,122		3,608
Other liabilities	11	82,553		78,486
Total liabilities*		1,025,250		910,116
Unrealized exchange gains	12	65,434		19,839
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,037,035		1,806,427
* Amount due in more than one year		597,361		469,235

7.2 Income statement

<i>(in thousands of euros)</i>	<i>Notes</i>	2015	2014
Revenues	15	67,520	57,397
Release of depreciation, amortization and provisions		122	349
Other income		161	46
Total operating income		67,803	57,792
Purchases and external expenses		21,827	28,971
Taxes other than income taxes		1,317	1,129
Wages and social charges		6,189	8,222
Depreciation, amortization and increase in provisions		373	912
Other expenses		690	871
Total operating expenses		30,396	40,105
Net income from operations		37,407	17,687
Net income from investments in subsidiaries and affiliates		96,248	43,213
Interest income from loans		34,330	13,759
Other interest and related income		158,266	85,752
Release of provisions and transferred expenses		3,835	293
Total financial income*		292,679	143,017
Amortization and increase in provisions		11,359	7,449
Interest and related expenses		177,309	91,583
Total financial expenses**		188,668	99,032
Net financial income	16	104,011	43,985
Profit on ordinary activities before income taxes		141,418	61,672
Net amount of:			
■ Capital gains on disposal of fixed assets		23	
■ Other non-operating income and expenses		644	205
Exceptional result	17	667	205
Income taxes	18.2	22,083	12,384
NET INCOME		120,002	49,493
* Including income from group companies		131,563	56,970
** Including expenses from group companies		16,993	13,528





7.3 Cash flow statement

<i>(in thousands of euros)</i>	<i>Notes</i>	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		120,002	49,493
Depreciation, amortization and impairment losses on fixed assets		342	594
Change in other provisions		7,433	7,325
Capital gains and losses on disposal of fixed assets and shareholdings		943	-200
Internally generated funds from operations		128,720	57,212
Change in working capital requirements		1,881	9,510
Net cash from operations		130,601	66,722
Cash flows from investing activities			
Acquisition of fixed assets			
Tangible and intangible fixed assets		-197	-924
Investments in subsidiaries and affiliates		-408	-13
Loans		-145,961	-556,095
Disposal of fixed assets			
Tangible and intangible fixed assets		1,195	
Repayment of loans		83,945	20,948
Net cash used in investing activities		-61,426	-536,084
Cash flows from financing activities			
Disposal (acquisition) of treasury shares		-487	12
Dividends paid		-52,569	-45,709
Repayment of financial liabilities		-791,093	-594,684
Increase in financial liabilities		771,623	1,121,142
Net cash from (used in) financing activities		-72,526	480,761
Change in cash and cash equivalents		-3,351	11,399
Cash and cash equivalents at beginning of period	5	-62,716	-74,115
Cash and cash equivalents at end of period	5	-66,067	-62,716

7.4 Notes to the parent company financial statements

INDEX OF NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Note 1	Accounting principles, rules and methods	184	Note 11	Maturity of liabilities	192
Note 1.1	Investments in subsidiaries and affiliates.....	184	Note 12	Unrealized exchange gains and losses on assets and liabilities denominated in foreign currencies	192
Note 1.2	Receivables from subsidiaries and affiliates..	184	Note 13	Exposure of the Company to interest rate risks	192
Note 1.3	Interest and exchange risk management.....	185	Note 14	Exposure of the Company to exchange risks	193
Note 1.4	Centralized cash management.....	185	Note 15	Revenues	193
Note 1.5	Incentive share award plan.....	185	Note 16	Financial result	194
Note 2	Tangible and intangible fixed assets	186	Note 17	Exceptional result	194
Note 2.1	Cost.....	186	Note 18	Income taxes	194
Note 2.2	Accumulated depreciation, amortization and impairment losses.....	186	Note 18.1	French tax group	194
Note 2.3	Expected useful lives.....	186	Note 18.2	Analysis of 2015 income tax expense.....	195
Note 3	Financial fixed assets	187	Note 18.3	Unrecognized deferred tax assets and liabilities at December 31 st , 2015.....	195
Note 3.1	Investments in subsidiaries and affiliates – change in gross amount	187	Note 19	Commitments	196
Note 3.2	Receivables from subsidiaries and affiliates..	188	Note 19.1	Guarantees.....	196
Note 4	Marketable securities	189	Note 19.2	Warranty commitments	196
Note 5	Analysis of cash and cash equivalents presented in the cash flow statement	189	Note 19.3	Hedging instruments.....	197
Note 6	Maturity of receivables	189	Note 19.4	Other commitments	198
Note 7	Impairment losses on assets (excluding financial fixed assets)	190	Note 20	Workforce	198
Note 8	Change in shareholders' equity	190	Note 21	Remuneration of company officers	198
Note 9	Provisions for contingencies and expenses	190	Note 22	Balances and transactions with group companies	199
Note 9.1	Employee retirement benefits	190	Note 23	Related parties	199
Note 10	Financial liabilities	191			
Note 10.1	Loans from financial institutions.....	191			
Note 10.2	Other loans and financial liabilities.....	191			





Note 1 Accounting principles, rules and methods

The parent company financial statements are based on information available at the time of preparation and are presented in compliance with the principles and methods of the revised general chart of accounts in force since October 16th, 2014 and of CRC regulation No. 2014-03, in compliance with the principles of matching and prudence, and using the going concern basis.

Recognition of assets and liabilities, and income and expenses in the financial statements is made on the basis of historical costs.

NOTE 1.1 Investments in subsidiaries and affiliates

Investments in subsidiaries and affiliates are recognized at acquisition cost, including transaction costs.

Teleperformance carries out impairment tests of its investments in subsidiaries and affiliates at each reporting date. The recoverable amount of investments in subsidiaries and affiliates is represented by their value in use. This is determined on the basis of the Company's share of equity in each investment, adjusted using discounted estimated future cash flows. The cash flows of the first year are based on the budget approved by group management. For the following two years, cash flows are based on forecasts prepared by the management of each subsidiary on the basis of their knowledge of the business sector, future growth possibilities, and the risk profile. The terminal values calculated after five years assume perpetual future growth equal to inflation.

Cash flows are discounted using the weighted average cost of capital of the geographical zone in which the subsidiary is based.

The estimates are based on information available at the time of preparation of the financial statements, and may be revised in a future period if circumstances change or if new information is available.

The 2015 impairment review has resulted in an additional impairment provision of €8.5 million on the shareholding in the subsidiary Teleperformance Spain and the release of a provision on Teleperformance EMEA.

For the impairment test of the shareholding in Teleperformance France, the effect of the new French "competitiveness" tax credit was included in the determination of the recoverable amount, for €51.6 million.

The discount rates applied are specific to each geographical zone:

United Kingdom	7.8%
Central Europe	6.5%
France	7.1%
North America	8.1%
Nearshore	10.6%

Increases and decreases in provisions for impairment losses of investments in subsidiaries and affiliates are included in the financial result, except for any reversals on the disposal of shares, which are included in the exceptional result.

NOTE 1.2 Receivables from subsidiaries and affiliates

Loans made to group companies are presented under the heading "Receivables from subsidiaries and affiliates" within financial fixed assets. When denominated in a currency other than the euro, they are translated to euro at closing rates. When

loans are hedged, any exchange gains and losses arising from differences between the closing rate and the rate of the hedge instrument are recognized in "Other receivables", for €0.7 million, and "Other financial liabilities", for €21.9 million.

NOTE 1.3 Interest and exchange risk management

The group uses financial instruments, contracted with a number of financial institutions of good standing, to manage its exposure to interest and exchange risks. These financial instruments comprise principally currency swaps for hedging purposes, forward currency sales and purchases, and exchange options for hedging purposes.

In 2014, a Cross Currency Interest Swap was set up to convert a €108 million draw-down under the syndicated credit facility to an amount equivalent to US\$145 million, as the Company has granted a loan denominated in US dollars.

Receivables and liabilities denominated in currencies other than the euro are measured at closing rates, except when hedged, in which case they are measured at the rate in the hedge contract.

Unrealized exchange gains and losses are shown separately on the balance sheet. Unrealized exchange losses are provided for, unless offset by unrealized gains arising from an overall net exchange position.

NOTE 1.4 Centralized cash management

Advances from Teleperformance to its subsidiaries relating to the cash pool are presented in "Other receivables", while amounts lent to it are shown in *Other loans and financial liabilities*.

NOTE 1.5 Incentive share award plan

The Board of Directors' meeting held on July 30th, 2013 approved an incentive share award plan covering a total of 840,000 shares for 126 beneficiaries, in terms of the authorization given by the shareholders' meeting of May 30th, 2013. The vesting period is three years, ending July 30th, 2016, and beneficiaries are required to remain with the Company until that date. The plan includes

conditions relating to group performance indicators covering 2013–2015 financial years, which have all been met.

Teleperformance changed its corporate status during 2015, and is now a "European company" (*société européenne* – SE), in accordance with a resolution of the shareholders' meeting held on May 7th, 2015.





Note 2 Tangible and intangible fixed assets

(in thousands of euros)	2015			2014		
	Cost	Accumulated depreciation, amortization and impairment losses	Net	Cost	Accumulated depreciation, amortization and impairment losses	Net
Intangible fixed assets	3,640	3,566	74	3,640	3,466	174
Tangible fixed assets	4,845	3,225	1,620	7,312	4,440	2,872
▪ Land	305		305	305		305
▪ Buildings	3,645	2,646	999	3,630	2,503	1,127
▪ Other	895	579	316	3,377	1,937	1,440
TOTAL	8,485	6,791	1,694	10,952	7,906	3,046

NOTE 2.1 Cost

(in thousands of euros)	At 01/01/2015	Increases	Decreases	At 12/31/2015
Intangible fixed assets	3,640			3,640
Tangible fixed assets	7,312	162	2,629	4,845
▪ Land	305			305
▪ Buildings	3,630	15		3,645
▪ Other	3,377	147	2,629	895
TOTAL	10,952	162	2,629	8,485

NOTE 2.2 Accumulated depreciation, amortization and impairment losses

(in thousands of euros)	At 01/01/2015	Increases	Decreases	At 12/31/2015
Intangible fixed assets	3,466	100		3,566
Tangible fixed assets	4,440	242	1,457	3,225
▪ Land				0
▪ Buildings	2,503	143		2,646
▪ Other	1,937	99	1,457	579
TOTAL	7,906	342	1,457	6,791

NOTE 2.3 Expected useful lives

All tangible and intangible fixed assets are depreciated or amortized on a straight-line basis, based on their category and the expected useful life in the business:

	Expected useful life
INTANGIBLE FIXED ASSETS	
▪ Software	3-5 years
TANGIBLE FIXED ASSETS	
▪ Buildings*	15-25 years
▪ Building improvements	8-10 years
▪ IT equipment	3-5 years
▪ Other	5-10 years
▪ Miscellaneous improvements	5-10 years
▪ Automobiles	5 years
▪ Office furniture	10 years

* According to the nature of the building and the type of component.

Note 3 Financial fixed assets

► Gross amount

<i>(in thousands of euros)</i>	At 01/01/2015	Increases	Decreases	At 12/31/2015
Investments in subsidiaries and affiliates	1,173,106	19,908	287	1,192,727
Receivables from subsidiaries and affiliates	657,075	259,063	150,447	765,691
Other	31			31
TOTAL	1,830,212	278,971	150,734	1,958,449

► Accumulated impairment losses

<i>(in thousands of euros)</i>	At 01/01/2015	Increases	Decreases	At 12/31/2015
Investments in subsidiaries and affiliates	225,729	8,500	1,470	232,759
Receivables from subsidiaries and affiliates	3,512		2,203	1,309
Other				0
TOTAL	229,241	8,500	3,673	234,068

NOTE 3.1 Investments in subsidiaries and affiliates – change in gross amount

GROSS AMOUNT AT JANUARY 1ST, 2015	1,173,106
Acquisitions, price adjustments and subscriptions to share capital increases:	19,908
▪ Acquisition of shares in Lion Teleservices (Czech Republic)	408
▪ Share capital increase in In & Out Spa (Italy)	7,000
▪ Share capital increase in Teleperformance Spain	3,500
▪ Share capital increase in Teleperformance Colombia	9,000
Disposals and share capital reductions:	287
▪ Liquidation of Teleperformance Austria	287
GROSS AMOUNT AT DECEMBER 31ST, 2015	1,192,727



**NOTE 3.2 Receivables from subsidiaries and affiliates**

Teleperformance has made a number of loans to its subsidiaries during 2015 in relation to their cash management, in a total amount of €146 million, principally to:

- Teleperformance USA, of US\$119 million (€109 million);
- Luxembourg Contact Centers, of €22 million;
- Teleperformance Support Services (Germany), of €10.4 million;
- Teleperformance Canada, of CAD9 million, (€6.4 million);
- Teleperformance Germany, of €5 million.

<i>(in thousands of euros)</i>	At 01/01/2015	Increases	Decreases	At 12/31/2015	Amount due after one year
Fonmerk	329			329	329
Luxembourg Contact Centers	22,939	22,354	14,991	30,302	
Teleperformance Holdings Ltd	18,092	1,492	1,658	17,926	14,034
IMC Korea	980			980	980
Service 800 Egypt	7,711	5,080	413	12,378	6,613
Service 800 Romania	3,198	569	738	3,029	
In & Out	16,524	10,015	17,024	9,515	
Teleperformance Austria	1,203		1,203	0	
Teleperformance Colombia	6,121		6,121	0	
Teledatos (Colombia)	3,061		3,061	0	
Teleperformance Finland	1,223	600	1,223	600	
TLS Luxembourg	23,757	3,576	11,904	15,429	
Teleperformance USA	535,802	190,615	60,043	666,374	601,962
Teleperformance Germany		5,000	5,000		
Teleperformance Support Services		10,400	10,400		
Techmar (Belgium)	1,047		1,047	0	
GN Research Italy	862	12	12	862	
Teleperformance Spain	5,190		5,190	0	
Teleperformance Norway		814	814	0	
Teleperformance Lithuania		402		402	400
Teleperformance Germany Sarl	5,062	106	5,168	0	
Teleperformance Canada		6,385	410	5,975	
UCC (Ukraine)	523	22	545	0	
Metis	1,777	1,621	1,808	1,590	
Teleperformance Nordik	1,674		1,674	0	
TOTAL	657,075	259,063	150,447	765,691	624,318
Including interest		6,347	5,268		
Including exchange differences		106,755	61,234		

Note 4 Marketable securities

Marketable securities amounted to €21.8 million.

They comprised €16.6 million in money market and mutual funds with a market value of the same amount as of December 31st, 2015 and option premiums of €2.9 million relating to the centralized management of operational exchange risks (option premiums received of the same amount are shown in liabilities).

At December 31st, 2015, the Company also owned 73,461 own shares with a carrying value of €2.3 million, as follows:

- 54,461 shares acquired for a total of €0.8 million at an average unit price of €15.3236 to enable the Company to meet the future vesting of shares under incentive plan share awards;
- 19,000 treasury shares held at December 31st, 2015 under a liquidity agreement. Related purchases and sales in 2015 are set out in the following schedule:

Number of treasury shares held at January 1 st , 2015	8,000
Number of shares bought in 2015 under the buy-back program commencing May 7 th , 2014	69,275
Number of shares sold in 2015 under the buy-back program commencing May 7 th , 2014	72,628
Number of shares bought in 2015 under the buy-back program commencing May 7 th , 2015	845,717
Number of shares sold in 2015 under the buy-back program commencing May 7 th , 2015	831,364
Number of treasury shares held at December 31 st , 2015	19,000
Carrying value of treasury shares held at December 31 st , 2015	1,455,807.62

Note 5 Analysis of cash and cash equivalents presented in the cash flow statement

<i>(in thousands of euros)</i>	Total 2015	Total 2014
■ Bank advances	-1,783	-470
■ Marketable securities*	16,630	5,111
■ Cash and bank	125,591	76,272
■ Current accounts: cash pooling	-206,505	-143,629
■ Cash and cash equivalents at end of period	-66,067	-62,716

* Excluding treasury shares and the related provision.

Note 6 Maturity of receivables

<i>(in thousands of euros)</i>	Gross amount at 12/31/2015	Due under 1 year	Due between 1 and 5 years	Due after 5 years
Fixed assets				
■ Receivables from subsidiaries and affiliates	765,691	141,373	327,835	296,483
■ Other financial assets	31		31	
Current assets				
■ Accounts receivable -Trade	15,436	14,189	1,247	
<i>including doubtful receivables of: 1,247</i>				
<i>including accrued invoices of: 30</i>				
■ Current accounts: cash pooling	80,387	80,387		
■ Other operating receivables	7,809	4,859	2,950	
<i>including accrued income of: 726</i>				
■ Miscellaneous receivables	942		942	
■ Prepaid expenses	99	99		
TOTAL	870,395	240,907	333,005	296,483





Note 7 Impairment losses on assets (excluding financial fixed assets)

<i>(in thousands of euros)</i>	At 01/01/2015	Increases	Decreases	At 12/31/2015
Accounts receivable - Trade	1,369		122	1,247
Subsidiaries' current accounts	2,938			2,938
Miscellaneous receivables	942			942
TOTAL	5,249	0	122	5,127

Note 8 Change in shareholders' equity

<i>(in thousands of euros)</i>	Total
At January 1st, 2015	874,002
■ Dividends paid (from 2014 retained earnings)	-52,625
■ Cancellation of dividends due on treasury shares	61
■ 2015 net income	120,002
AT DECEMBER 31st, 2015	941,440

The share capital at December 31st, 2015 amounted to €143,004,225, comprising 57,260,190 shares of €2.50 nominal value each.

Note 9 Provisions for contingencies and expenses

<i>(in thousands of euros)</i>	At 01/01/2015	Increases	Decreases		At 12/31/2015
			A	B	
Unrealized foreign exchange losses	449	2,859	449		2,859
Employee retirement benefits	1,187	31			1,218
Own shares allocated to incentive share award plans	834				834
TOTAL	2,470	2,890	449	0	4,911

A Release utilized.

B Release not utilized.

NOTE 9.1 Employee retirement benefits

Commitments for payment of retirement and post-employment benefits arising from labor agreements and legal requirements are classified as provisions for contingencies and expenses, and have been measured using the projected unit credit method, under the following actuarial assumptions:

Discount rate	2.03%*
Annual rate of increase in salaries	2.5%
Rate of social charges	45%

* iBoxx € Corporates AA 10+ rate at December 31st, 2015 (source: Markit.com).

Actuarial differences are recognized immediately in the income statement.

Change in the provision for retirement benefits

At the beginning of the year	1,187
+ service cost	147
+ interest	19
+ actuarial gains and losses	-135
<i>including changes in assumptions</i>	-93
<i>including new participants</i>	2
<i>including withdrawals in the year</i>	-44
AT THE END OF THE YEAR	1,218

Note 10 Financial liabilities

Certain loans are subject to covenants in the form of financial ratios as disclosed in the notes to the consolidated financial statements.

At December 31st, 2015, the Company was in compliance with all of these financial ratios.

The Company has a syndicated credit facility of €300 million which matures in February 2019.

Draw-downs under the facility may be made either in euros or in US\$, and are repayable *in fine*.

At December 31st, 2015, an amount of €90 million had been drawn down under the facility, compared with €185 million at December 31st, 2014.

The Company has also obtained a loan of US\$165 million from Crédit Agricole which matures in July 2017.

On December 9th, 2014, the Company negotiated a US private placement with nine major financial institutions in a total amount of US\$325 million comprising: a seven-year tranche A at a fixed rate of 3.64%, for US\$160 million, and a ten-year tranche B at a fixed rate of 3.98%, for US\$165 million. Both tranches are repayable *in fine*.

NOTE 10.1 Loans from financial institutions

(in thousands of euros)

	At 12/31/2015	At 12/31/2014
LOANS FROM FINANCIAL INSTITUTIONS		
■ Syndicated credit facility	90,000	185,000
■ Bank loan	151,557	135,903
■ US private placement, 7-year tranche A	146,965	131,785
■ US private placement, 10-year tranche B	151,557	135,903
■ Accrued loan interest	1,200	1,207
■ Bank overdrafts and advances	1,783	470
TOTAL	543,062	590,268

NOTE 10.2 Other loans and financial liabilities

(in thousands of euros)

	At 12/31/2015	At 12/31/2014
OTHER LOANS AND FINANCIAL LIABILITIES		
■ Current accounts: cash pooling	286,892	214,208
■ Loans from subsidiaries*	74,456	1,041
■ Accrued loan interest	2,044	0
■ Fair value of financial instruments	25,712	16,060
■ Other	107	100
TOTAL	389,211	231,409

* Teleperformance has obtained two loans from its Philippine subsidiaries, in a total amount of PHP3,758,937,000, representing €73.7 million.





Note 11 Maturity of liabilities

<i>(in thousands of euros)</i>	At 12/31/2015	Due under 1 year	Due between 1 and 5 years	Due after 5 years
FINANCIAL LIABILITIES				
■ Loans from financial institutions	543,062	92,984	151,557	298,521
■ Loans and other financial liabilities	389,211	315,398	107	73,706
Sub-total, financial liabilities	932,273	408,382	151,664	372,227
Accounts payable - Trade ⁽¹⁾	7,302	7,302		
Tax, personnel and social security	3,122	3,122		
Amounts due on financial fixed assets	20,000		20,000	
Other liabilities ⁽²⁾⁽³⁾	62,553	9,083	53,470	
TOTAL	1,025,250	427,889	225,134	372,227
<i>(1) Including accrued invoices.</i>	5,994	5,994		
<i>(2) Including accrued expenses.</i>	600	600		
<i>(3) Including income taxes saved on subsidiaries' tax losses utilized.</i>	60,027	5,326	54,701	

Note 12 Unrealized exchange gains and losses on assets and liabilities denominated in foreign currencies

<i>(in thousands of euros)</i>	Unrealized exchange losses	Unrealized exchange gains	Net	Provision for unrealized exchange losses
NET OVERALL FOREIGN EXCHANGE POSITION				
Loans to subsidiaries	61,144			
Loans from financial institutions		61,144		
Sub-total	61,144	61,144	0	0
OTHER RECEIVABLES AND LIABILITIES				
Loans to subsidiaries		4,091		
Loans from financial institutions	2,751			2,751
Accounts receivable - Trade	106	180		106
Accounts payable - Trade	2	19		2
TOTAL	64,003	65,434	0	2,859

Note 13 Exposure of the Company to interest rate risks

The Company's exposure to interest rate risks at December 31st, 2015 is summarized as follows:

<i>(in thousands of euros)</i>	Gross amount	Due under 1 year	Due between 1 and 5 years	Due after 5 years
FINANCIAL ASSETS				
■ Group loans and advances	765,691	218,530	200,160	347,001
■ Current accounts: cash pooling	80,387	80,387		
Total financial assets, including:	846,078	298,917	200,160	347,001
■ At a fixed rate				
■ At a floating rate*	846,078	298,917	200,160	347,001
FINANCIAL LIABILITIES				
■ Loans from financial institutions	543,062	92,984	151,557	298,521
■ Loans and other financial liabilities	389,211	315,398	107	73,706
Total financial liabilities, including:	932,273	408,382	151,664	372,227
■ Without an interest rate	30,846	30,739	107	
■ At a fixed rate	298,521			298,521
■ At a floating rate*	602,906	377,643	151,557	73,706

* Floating rates are based on EURIBOR, LIBOR US\$ or LIBOR £ (with maturities between three months and one year), and the Central Bank of the Philippines' rate applying to long-term loans.

Note 14 Exposure of the Company to exchange risks

The Company's exposure to exchange risks at December 31st, 2015 is summarized as follows:

<i>(in thousands)</i>	Currency amounts at 12/31/2015	Less: hedged loans	Exchange risk exposure
GROUP LOANS AND ADVANCES			
US dollars	733,556	712,000	21,556
Swiss francs	2,240	2,240	0
Pound sterling	23,200	23,200	0
Canadian dollars	9,000	9,000	0
Turkish lira	5,000	5,000	0

<i>(in thousands)</i>	Currency amounts at 12/31/2015	Less: hedged loans	Exchange risk exposure
LOANS FROM FINANCIAL INSTITUTIONS			
US dollars	490,000	465,000	25,000
LOANS FROM SUBSIDIARIES			
Philippine pesos	3,758,937	3,758,937	0

Note 15 Revenues

<i>(in thousands of euros)</i>	2015		2014	
	France	Rest of the World	France	Rest of the World
■ Royalties and management fees	3,077	63,892	3,155	52,141
■ Rents and rental charges	462		471	
■ Other	27	62	117	1,513
TOTAL	3,566	63,954	3,743	53,654

As the parent company of the Group, the activity of Teleperformance SE is that of a holding company in respect of its subsidiaries; it also provides management, supervisory, assistance and advisory functions for group companies, in

return for which it receives management fees. Teleperformance also receives brand royalties which are charged to all group subsidiaries.



Note 16 Financial result

(in thousands of euros)	2015			2014
	Income	Expense	Net	Net
Dividends	96,248		96,248	43,213
Provisions on shareholdings	1,183	8,500	-7,317	-7,000
Other impairment provisions	2,203		2,203	
Financial debt waiver*		6,365	-6,365	-3,786
Provisions for unrealized exchange losses	449	2,859	-2,410	-156
Foreign exchange gains and losses	156,400	148,098	8,302	5,249
Interest on short-term investments	36,189	22,846	13,343	6,457
Disposal of marketable securities	7		7	8
TOTAL	292,679	188,668	104,011	43,985

* In 2015, the Company waived a receivable due from its subsidiary Teleperformance France in respect of brand royalties and 2015 management services. The Company has also written off the receivables due by its subsidiary Teleperformance Austria which has been put into liquidation.

Note 17 Exceptional result

(in thousands of euros)	2015			2014
	Income	Expense	Net	Net
Capital operations	2,137	1,885	252	
■ Tangible and intangible fixed assets	1,195	1,172	23	-
■ Financial fixed assets		287	-287	-
■ Other	942	426	516	139
Revenue operations	128	0	128	5
Depreciation, amortization and increase in provisions (net of releases)	287		287	61
TOTAL	2,552	1,885	667	205

Note 18 Income taxes

NOTE 18.1 French tax group

The companies in the 2015 French tax group are as follows:

- Teleperformance;
- Teleperformance EMEA;
- Teleperformance intermédiation;
- Teleperformance France.

With effect from January 1st, 2013, the tax savings for the Group resulting from the utilization of tax losses of members under the French tax group mechanism are immediately transferred by Teleperformance to the relevant loss-making subsidiaries. Prior tax savings outstanding of €43.7 million will also be transferred back in the event of a subsidiary exiting the tax group or utilizing the tax losses itself.

NOTE 18.2 Analysis of 2015 income tax expense

		Income taxes					
		Restatements					
(in thousands of euros)	Pre-tax income	Theoretical expense	Fiscal adjustments	Effect of tax group	Other items (dividend taxes, tax assessments)	Actual expense	Net income
Profit on ordinary activities	141,418	56,408	-32,998	-3,147	1,676	21,939	119,479
■ Standard rate (38%)	148,448	56,408	-32,998	-3,147	1,676	21,939	126,509
■ Long-term rate (0%)	-7,030					0	-7,030
Exceptional result	667	144	0	0	0	144	523
■ Standard rate (38%)	380	144				144	236
■ Long-term rate (0%)	287					0	287
TOTAL	142,085	56,552	-32,998	-3,147	1,676	22,083	120,002

The French group tax result showed a profit of €43 million in 2015, before offsetting tax losses brought forward of €22 million. Tax losses available to offset future French group taxable income amounted to €21.3 million at December 31st, 2015.

The Company has recognized a receivable of €7 million in respect of certain tax losses carried back, which will be recovered at the latest by May 15th, 2016.

NOTE 18.3 Unrecognized deferred tax assets and liabilities at December 31st, 2015

Type <i>(in thousands of euros)</i>	At beginning of year		Change		At end of year	
	Asset	Liability	Asset	Liability	Asset	Liability
CHANGES IN UNRECOGNIZED DEFERRED TAX ASSETS AND LIABILITIES						
I. Certain or potential timing differences						
1 - Items not currently deductible						
1.1 - Deductible in the following year						
■ Unrealized exchange gains	1,068		1,630	1,068	1,630	
■ Other	215		1,124	215	1,124	
1.2 - Deductible in subsequent years						
■ Retirement benefits	451		463	451	463	
2 - Income not currently taxed						
■ Unrealized exchange losses		171	171	1,086		1,086
TOTAL	1,734	171	3,388	2,820	3,217	1,086
NET INCREASE IN UNRECOGNIZED DEFERRED TAX ASSETS, NET OF LIABILITIES			568			
II. Other potential deductions						
1 - Tax losses carried forward	43,332			21,987	21,345	
III. Tax group effect						
1 - Tax savings to be transferred back to subsidiaries		9,349	9,349	5,326		5,326





Note 19 Commitments

NOTE 19.1 Guarantees

► In favor of private or public organizations

In respect of commitments of French subsidiaries	Total	Relating to subsidiaries	Maturity
UBS real estate KMBH (Teleperformance France)	398	398	03/07/2020
Cuvier Montreuil (GN Research France)	211	211	03/31/2019
Commerz Real investment Gesellschaft mbh (Teleperformance SE)	568	568	09/30/2020
TOTAL	1,177	1,177	

► In favor of financial institutions:

In respect of commitments of foreign subsidiaries	Beneficiary banks	Total	Relating to subsidiaries	Maturity
Citytech Argentina	HSBC	1,353	1,353	08/19/2016
Citytech Argentina	HSBC	1,317	1,317	01/31/2016
Beijing TLScontact Consulting	BNP Paribas China Beijing Branch	1,558	1,558	04/12/2016
Teleperformance Chile	HSBC Chile	2,710	2,710	07/22/2016
Teleperformance Chile	Citi Bank Banco de Chile	899	899	12/31/2016
Service 800 Egypt	CA Egypt	2,756	2,756	05/15/2016
North Asia United CRM Technologies Ltd	HSBC China Beijing Branch	2,833	2,833	07/22/2016
Metis Bilgisayar Sistemleri	HSBC Turkey	1,313	1,313	08/25/2017
Metis Bilgisayar Sistemleri	HSBC Turkey	2,296	2,296	02/23/2019
Teleperformance Colombia	Citi Bank Colombia	8,726	8,726	12/31/2016
TOTAL		25,761	25,761	

NOTE 19.2 Warranty commitments

Teleperformance SE has given a performance guarantee to a customer, Research In Motion (RIM), in respect of a commercial contract effective from December 23rd, 2011 entered into with a number of group subsidiaries. The maximum amount covered by the guarantee is the greater of (i) €15 million and (ii) the total amount of sums paid or payable by RIM to the subsidiaries concerned during the 12-month period prior to the loss event. This ceiling does not apply should the loss be caused by infringement of RIM's intellectual property rights, death or injury, damage to property, or breach of confidentiality. The guarantee will stay in force until all obligations of the subsidiaries have been extinguished.

Teleperformance SE has issued a performance guarantee in July 2013 to Apple Inc. relating to the obligations of certain subsidiaries undertaken in respect of a commercial contract. The guarantee was given for the duration of the commercial contract. The maximum amount covered by the guarantee is the greater of (i) US\$60 million and (ii) the total amount of sums paid by Apple to the subsidiaries concerned during the calendar year preceding the date of the loss event.

Teleperformance SE has given a performance guarantee in November 2013 to the Secretary of State for the Home Department of the United Kingdom covering the duration of a commercial contract entered into with a group subsidiary. The maximum amount covered by the guarantee is £ 60 million.

Teleperformance SE has issued a performance guarantee to Barclays Bank PLC with respect to the obligations of its subsidiary Teleperformance Portugal under a commercial contract. The guarantee was signed in February 2014 and will remain in force for the duration of the contract.

In November 2014, Teleperformance SE issued a comfort letter in favor of Klarna, a partner with which Teleperformance EMEA, a subsidiary of Teleperformance SE, had entered into a commercial contract covering services to be supplied by Teleperformance SE subsidiaries in Sweden, Finland, Denmark, Germany, the Netherlands and the United Kingdom.

Finally, Teleperformance SE has given comfort letters to a number of banks to guarantee commitments of its subsidiaries located in Colombia, Italy, Spain, Germany, Tunisia, Morocco and England in a total amount of €28.3 million.

NOTE 19.3 Hedging instruments

	Commitments received			Commitments given
Derivative financial instruments <i>(in thousands of euros)</i>	Notional amount in foreign currency	Notional amount in euros at 12/31/2015	Fair value in euros at 12/31/2015	
HEDGE OF FORECAST US\$/MXN 2016 TRANSACTIONS				
Put & Call US\$ - options	9,000	8,264	-591	Teleperformance has granted an internal foreign exchange hedge to its Mexican subsidiaries amounting to US\$42,000,000 at a fixed exchange rate of 16. Its fair value is -MXN68,363,000 at December 31 st , 2015.
Forward US\$ sales	17,000	15,611	-1,180	
Sale of US\$ - options	7,000	6,428	-172	
HEDGE OF FORECAST MXN/US\$ 2016 TRANSACTIONS				
Put & Call MXN - options	195,530	10,337	-413	Teleperformance has granted an internal foreign exchange hedge to its American subsidiaries amounting to MXN1,088,000,000 at a fixed exchange rate of 16. Its fair value is -US\$6,371,000 at December 31 st , 2015.
Forward MXN sales	482,838	25,527	-2,040	
Sale of MXN - options*	132,615	7,011	-362	
HEDGE OF FORECAST US\$/PHP 2016 TRANSACTIONS				
Put & Call PHP - options	3,150,000	61,765	-950	Teleperformance has granted an internal foreign exchange hedge to its subsidiary Teleperformance USA amounting to PHP14,847,250,000 at a fixed exchange rate of 45.68. Its fair value is -US\$13,109,000 at December 31 st , 2015.
Forward PHP purchases	5,250,000	102,941	-1,344	
Sale of PHP - options*	2,200,000	43,137	-27	
HEDGE OF FORECAST US\$/INR 2016 TRANSACTIONS				
Put & Call US\$ - options	3,000	2,755	43	NA
Forward US\$ sales	8,000	7,346	130	
Sale of US\$ - options*	2,500	2,296	25	
HEDGE OF FORECAST US\$/PHP 2015 TRANSACTIONS				
Forward PHP purchases	2,288,000	44,863	-1,157	Teleperformance has granted an internal foreign exchange hedge to its subsidiary Teleperformance USA amounting to PHP2,288,037,000 at a fixed exchange rate of 44. Its fair value is -US\$3,196,000 at December 31 st , 2015.
HEDGE OF FORECAST US\$/MXN 2015 TRANSACTIONS				
Forward US\$ sales	37,100	34,068	-4,702	Teleperformance has granted an internal foreign exchange hedge to its Mexican subsidiaries amounting to US\$37,100,000 at a fixed exchange rate of 13.30. Its fair value is -MXN151,934,000 at December 31 st , 2015.
CROSS CURRENCY INTEREST SWAP EUR/USD	115,000	105,601	-20,019	
HEDGE OF INTRA-GROUP LOANS				
■ in GBP	33,207	45,241	-1,256	
■ in US\$	143,209	131,505	62	
■ in PHP	3,930,908	77,880	-1,799	
CASH POOLING HEDGES				
■ In MXN	1,870,000	98,863	-3,728	
■ In US\$	25,000	22,957	1,023	

* Not eligible for hedge accounting.

In accordance with agreements signed with its subsidiaries, Teleperformance:

- is committed to pay back 50% of profit margins on the foreign exchange contracts, defined as the difference between the actual results made on the external and internal contracts; the fair value of these commitments at December 31st, 2015 was:

- MXN15,820,000 for the hedging of forecast MXN/US\$ transactions,
- US\$5,291,000 for the hedging of forecast PHP/US\$ transactions;
- and will support any losses unless caused by errors made by subsidiaries in estimating underlying exposures.





NOTE 19.4 Other commitments

The French individual rights to training program (DIF) has been superseded from January 2015 by the introduction of the individual training account (CPF). The outstanding entitlement of 3,498 hours existing under the DIF as of December 31st,

2014 may be utilized until December 31st, 2020. During 2015, 30 training hours were utilized.

The outstanding commitment in respect of the CPF amounted to 1,044 hours at the end of 2015.

Note 20 Workforce

At December 31st, 2015, the Company's workforce consisted of 46 persons, representing 41 managers and 5 other employees. The change during the year was as follows:

Employment categories	At December 31 st , 2014	Change	At December 31 st , 2015
Other	6	-1	5
Managers	41		41
TOTAL	47	-1	46

Note 21 Remuneration of company officers

The total amount of all types of remuneration paid in 2015 amounted to €187,000 compared with €85,000 in 2014.

The amount of directors' fees paid to directors in 2015 in respect of the 2014 financial year amounted to €531,000 compared with €232,000 paid in 2014.

Note 22 Balances and transactions with group companies

Balance sheet <i>(in thousands of euros)</i>	Net amount at 12/31/2015
ASSETS	
■ Investments in subsidiaries and affiliates	959,968
■ Receivables from subsidiaries and affiliates	764,382
■ Accounts receivable - Trade	14,664
■ Other receivables	80,705
LIABILITIES	
■ Financial liabilities	389,211
■ Accounts payable - Trade	705
■ Other liabilities	78,796

Income statement <i>(in thousands of euros)</i>	Net amount in 2015
INCOME	
■ Net income from investments in subsidiaries and affiliates	96,248
■ Other financial income	35,315
■ Release of provisions	2,203
EXPENSES	
■ Financial expenses	5,442
■ Increase in provisions	8,500

Note 23 Related parties

As all relevant transactions were entered into at arms' length conditions, no further information is disclosed with respect to related parties.





7.5 Schedule of subsidiaries and investments

(in thousands of euros)	Gross amount of share-holding	Carrying value of share-holding	Dividends received	Loans and advances	Commitments given	% Holding
I DETAILED INFORMATION						
Subsidiaries with the gross amount of its shareholding exceeding 1% of the parent company's share capital						
A. Subsidiaries (more than 50% owned by the Company)						
Teleperformance intermédiation 21-25 rue Balzac - 75008 Paris	6,647	2,847				100
Teleperformance Europe, Middle-East and Africa 21-25 rue Balzac - 75008 Paris	9,609	3,433				100
Teleperformance France 12-14 rue Sarah Bernhardt - 92600 Asnières-sur-Seine	319,276	121,276				100
Compania Salvadorena de Teleservices S.A. de C.V Edificio Plaza Olímpica Avenida Olímpica y Pasaje 3 Segundo Nivel San Salvador - El Salvador	6,000	6,000	9,907			100
Luxembourg Contact Centers S. de. L. 32 rue Jean-Pierre Brasseur L-1258 Luxembourg	72,696	72,696		30,256		100
Teleperformance Holdings Limited Spectrum House, Bond Street BS1 3LG Bristol, United Kingdom	88,626	88,626		17,440		100
SPCC - Sao Paulo Contact Center Ltda Prédio 25, Espaço 01, Mezanino, Sala A Lapa, CEP 05069 - 010 Sao Paulo Brazil	62,365	62,365	5,991			100
Teleperformance Spain S.A.U. Avenida de Burgos 8A - 28036 Madrid, Spain	29,780	7,280				100
Teleperformance Belgium (in liquidation) Brussels - Belgium	2,152	2		2,938		100
YPIRESIA 800 Teleperformance Thisseos 330 - 17675 Kallithea - Greece	5,572	5,572	6,000			100
Teleperformance Portugal SA Parque das Nações, Lais dos argonautas Lote 2.34.01, 1990 - 011 Lisbon - Portugal	7,754	7,754	6,175			95
Teleperformance Nordic AB St Eriksgatan 115 - 11385 Stockholm - Sweden	6,586	6,586				100
Telemarketing Asia (Singapore) Pte Ltd 29 Tai Seng Avenue, 534119 Singapore	3,221	3,221	595			100
In & Out S.p.A. Via Di Priscilla 101 - 00199 Rome - Italy	40,905	40,905		9,500		100
Teleperformance Colombia S.A.S. Calle 70 A 4 41 - Bogota DC - Colombia	72,058	72,058				100
Citytech S.A 1 Bouchard 680, piso 10 - Buenos Aires - Argentina	7,517	7,517				88
Teleperformance Group Inc. 1601 Washington Av. Suite 400 - Miami Beach FL 33139 - USA	449,972	449,972	62,322			100
B. Shareholdings (10-50% of the share capital held by the Company): none						
II CUMULATIVE INFORMATION						
A. Subsidiaries not set out in section I						
a) French subsidiaries (in total)	none					
b) Foreign subsidiaries (in total)	1,987	1,853		341		
B. Shareholdings not set out in section I: none						

(in thousands of local currency)

	Local currency	2015 share capital	Total 2015 equity excluding share capital	2015 statutory net income	2015 revenues
I DETAILED INFORMATION					
Subsidiaries with the gross amount of its shareholding exceeding 1% of the parent company's share capital					
A. Subsidiaries (more than 50% owned by the Company)					
Teleperformance intermédiation 21-25 rue Balzac - 75008 Paris	EUR	3,750	-646	-5	468
Teleperformance Europe, Middle-East and Africa 21-25 rue Balzac - 75008 Paris	EUR	2,500	930	611	85,562
Teleperformance France 12-14 rue Sarah Bernhardt - 92600 Asnières-sur-Seine	EUR	85,736	-48,278	-9,663	176,259
Compania Salvadorena de Teleservices S.A. de C.V Edificio Plaza Olímpica Avenida Olímpica y Pasaje 3 Segundo Nivel San Salvador - El Salvador	US\$	12	35,067	13,140	65,288
Luxembourg Contact Centers S. de. L. 32 rue Jean-Pierre Brasseur L-1258 Luxembourg	EUR	70,500	123,362	18,410	
Teleperformance Holdings Limited Spectrum House, Bond Street BS1 3LG Bristol - United Kingdom	GBP	45,750	4,108	-604	
SPCC - Sao Paulo Contact Center Ltda Prédio 25, Espaço 01, Mezanino, Sala A Lapa, CEP 05069 - 010 Sao Paulo - Brazil	BRL	156,500	97,331	45,898	
Teleperformance Spain S.A.U. Avenida de Burgos 8A - 28036 Madrid - Spain	EUR	8,751	-2,608	-3,020	60,734
Teleperformance Belgium (in liquidation) Brussels - Belgium					
YPIRESIA 800 Teleperformance Thisseos 330 - 17675 Kallithea - Greece	EUR	2,100	27,333	13,250	98,877
Teleperformance Portugal SA Parque das Nações, Lais dos argonautas Lote 2.34.01, 1990 - 011 Lisbon - Portugal	EUR	885	25,562	9,479	101,139
Teleperformance Nordic AB St Eriksgatan 115 - 11385 Stockholm - Sweden	SEK	277	170,497	18,138	496,797
Telemarketing Asia (Singapore) Pte Ltd 29 Tai Seng Avenue, 534119 Singapore	SGD	4,000	2,950	1,919	12,569
In & Out S.p.A. Via Di Priscilla 101 - 00199 Rome - Italy	EUR	2,828	1,427	-5,069	87,206
Teleperformance Colombia S.A.S. Calle 70 A 4 41 - Bogota DC - Colombia	MCOP	134,265	153,722	15,954	291,400
Citytech S.A 1 Bouchard 680, piso 10 - Buenos Aires - Argentina	ARS	8,220	89,429	28,757	615,287
Teleperformance Group Inc. 1601 Washington Av. Suite 400 - Miami Beach FL 33139 - USA	US\$	328	593,419	53,033	

B. Shareholdings (10-50% of the share capital held by the Company): none**II CUMULATIVE INFORMATION****A. Subsidiaries not set out in section I: none**

a) French subsidiaries (in total)

b) Foreign subsidiaries (in total)

B. Shareholdings not set out in section I: none

Exchange rate at 12/30/2015 : ARS 14,0484 - BRL 4.3117 - MCOP 3.442 - GBP 0.73395 - SEK 9.1895 - SGD 1.5417 - US\$ 1.0887
Average 2015 exchange rate : ARS 10.2689 - BRL 3.6842 - MCOP 3.04483 - GBP 0.7264 - SEK 9.3541 - SGD 1.5244 - US\$ 1.1098





7.6 Five-year summary

(en euros)	2011	2012	2013	2014	2015
I SHARE CAPITAL AT THE END OF THE YEAR					
Share capital	141,495,120	141,495,120	143,150,475	143,004,225	143,004,225
Number of shares issued	56,598,048	56,598,048	57,260,190	57,201,690	57,201,690
Maximal number of potential shares					
- by exercise of subscription rights					
- by allocation of incentive plan shares			781,539		
II SELECTED INCOME STATEMENT INFORMATION					
REVENUES, excluding VAT	44,461,497	46,919,577	51,408,682	57,397,383	67,520,049
Net income (loss) excluding income taxes, depreciation and amortization, and provisions	34,802,526	46,166,929	60,480,524	69,534,471	149,573,842
Income taxes	7,452,630	5,215,513	7,886,077	12,383,835	22,083,024
Net income (loss) after income taxes, depreciation and amortization, and provisions	- 50,245,530	34,174,466	34,942,177	49,492,955	120,002,281
Dividends distributed	25,483,580	38,486,672	45,808,152	52,625,554	68,642,028
III SELECTED INFORMATION PER SHARE					
Net income (loss) excluding depreciation and amortization, and provisions	0.48	0.72	0.92	1.00	2.23
Net income (loss) after income taxes, depreciation and amortization, and provisions	- 0.89	0.60	0.61	0.87	2.10
Dividends distributed	0.46	0.68	0.80	0.92	1.20 **
IV STAFF					
Number of salaried staff	41	43	47	47	46
Total remuneration *	13,346,576	12,864,321	7,062,140	5,780,319	4,291,841
Amount of employee fringe benefits (social security, staff benefits)	1,788,837	1,628,851	3,238,602	2,441,474	1,902,873

* Included in 2011 the €7.8 million provision recorded in «waged and salaries» concerning the treasury shares meant to meet allocations under the incentive share plan

** To be proposed to the AGM to be held on April, 28th 2016

7.7 Statutory auditors' report on the financial statements

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures. This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the Year ended December 31st, 2015

To the shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31st, 2015, on:

- the audit of the accompanying financial statements of Teleperformance SE,
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31st, 2015 and of the results of its operations for the year then ended in accordance with the French accounting principles.

II. Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matter:

Note 1.1 to the financial statements, *Investments in subsidiaries and affiliates*, discloses the accounting principles relating to the measurement of impairment losses on investments in subsidiaries and affiliates. Our procedures consisted in assessing the data and assumptions on which such estimates rely, reviewing the company's calculations, comparing prior years' accounting estimates with the corresponding actual data and examining management's approval procedures for these estimates. We have assessed the reasonableness of these estimates on these bases. We remind you that these estimates are based on forecasts that by their nature are uncertain and that actual amounts may be significantly different.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.





III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code relating to remuneration and benefits received by the

directors and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statement, and, where applicable, with information obtained by your Company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report

Paris La Défense and Neuilly-sur-Seine
February 24th, 2016
The statutory auditors

KPMG Audit IS
Éric Junières
Partner

Deloitte & associés
Philippe Battisti
Partner



8

Additional information

8.1 Person responsible for the Registration Document 206

Statement by the person responsible
for the Registration Document 206

8.2 Statutory auditors 207

8.2.1 Statutory auditors 207

8.2.2 Auditors' fees 207

8.3 Cross-reference table of the Registration Document 208

8.4 Cross-reference table to the annual financial report 210

8.5 Cross-reference table to the management report 211

8.6 Cross-reference table on environmental, labor and social information 213

8.7 General observations 215



8.1 *Person responsible for the Registration Document*

Statement by the person responsible for the Registration Document

"I hereby certify, after having taken all reasonable measures to this effect, that the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and makes no omission likely to affect its import.

I certify, to the best of my knowledge, that the accounts have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities and financial position and profit or loss of the Company and all the undertakings included in the consolidation, and that the management report contained in section 8.5, pages 211 and 212 of this Registration Document presents a fair review of the development and performance of the business and financial position of the Company and all the undertakings included in the consolidation as well as a description of the main risks and uncertainties to which they are exposed.

I have obtained a completion letter from the auditors stating that they have audited the information contained in this Registration Document about the financial position and accounts and that they have read this document in its entirety."

February 26th, 2016

Paulo César Salles Vasques
Chief Executive Officer

8.2 Statutory auditors

8.2.1 Statutory auditors

Primary auditors	Alternate auditors	First appointment date	Date of expiry of current term of office
KPMG Audit IS 3 cours du Triangle 92939 Paris La Défense Cedex - France Tel: +33 1 55 68 68 68	KPMG Audit ID 3 cours du Triangle 92939 Paris La Défense Cedex France	5/31/2011	2017 shareholders' meeting
Deloitte & Associés 185 avenue Charles de Gaulle 92524 Neuilly-sur-Seine - France Tel: +33 1 40 88 28 00	BEAS 7/9 villa Houssay 92524 Neuilly-sur-Seine Cedex France	5/31/2011	2017 shareholders' meeting

8.2.2 Auditors' fees

In respect of the 2014 and 2015 financial years, the auditors and members of their networks received the following fees (in thousands of euros and excluding taxes):

	KPMG				Deloitte			
	Amount		%		Amount		%	
	2015	2014	2015	2014	2015	2014	2015	2014
AUDIT:								
Audit, certification, review of the Company and consolidated accounts								
■ issuer (parent company)	385	347	12%	20%	270	235	19%	21%
■ consolidated subsidiaries	1,151	1,014	36%	58%	985	722	70%	66%
Other procedures and services directly related to the auditors' engagement								
■ issuer (parent company)	37	26	1%	1%	4	-	0%	-
■ consolidated subsidiaries	1,652 ⁽¹⁾	243	51%	14%	149 ⁽²⁾	128	11%	-
Sub-total I	3,225	1,630	100%	94%	1,408	1,085	100%	99%
OTHER SERVICES, IF ANY:								
■ legal, employment, tax	2	86	0%	5%	-	13	0%	1%
■ other	4	18	0%	1%	-	-	0%	0%
Sub-total II	6	104	0%	6%	-	13	0%	1%
TOTAL	3,231	1,734	100%	100%	1,408	1,098	100%	100%

(1) This amount mainly includes services provided in connection with audit of internal central procedures, in particular, in connection with security and compliance..

(2) This amount mainly relates to tax compliance missions and documentation.

Furthermore, the Group uses Grant Thornton to audit certain subsidiaries. In 2015, audit fees totaling €990,000 were paid to Grant Thornton (compared to €947,000 in 2014).



8.3 Cross-reference table of the Registration Document

► Pursuant to the provisions of the No. 809/2004 European Regulation

		Pages	Section
1/	Persons responsible		
1.1.	Identity	206	8.1
1.2.	Statement	206	8.1
2/	Statutory auditors		
2.1.	Identity	207	8.2
2.2.	Potential Change		n/a
3/	Selected financial Information		
3.1.	Historical financial information	8	1.1
3.2.	Financial information for interim periods		n/a
4/	Risk Factors	22	1.6
5/	Information about the issuer		
5.1.	History and development of the Company	9	1.2
5.2.	Main investments	19 ; 132	1.3.4.2 ; 5.2.1.1
6/	Business overview		
6.1.	Principal activities	11	1.3
6.2.	Principal markets	11	1.3
6.3.	Exceptional events		n/a
6.4.	Dependence of the issuer	25	1.6.2.3
6.5.	Competitive position	16	1.3.2.2
7/	Organizational structure		
7.1.	Brief description of the Group	21	1.5
7.2.	List of the significant subsidiaries	174 ; 200	6.6 ; 7.5
8/	Property, plants and equipment		
8.1.	Material tangible assets	20	1.4
8.2.	Environmental issues	114	4.3
9/	Operating and financial review		
9.1.	Financial position	128 ; 132	5.1 ; 5.2
9.2.	Net income from operations	128 ; 132	5.1 ; 5.2
10/	Cash flow and capital structure		
10.1.	Issuer's capital resources	130 ; 135 ; 179	5.1.2 ; 6 ; 7
10.2.	Cash flows	130 ; 138 ; 182	5.1.2 ; 6.4 ; 7.3
10.3.	Information on the borrowing requirements and funding structure of the issuer	133 ; 160 ; 191	5.2.1.4 ; 6.6 ; 7.4
10.4.	Restrictions on the use of capital resources	22	1.6.1
10.5.	Anticipated sources of funds		n/a
11/	Research and development, patents and licenses		n/a

		Pages	Section
12/	Trend information		
12.1.	Most significant recent trends since the end of the last fiscal year	134	5.3
12.2.	Events likely to significantly influence trends	134	5.3
13/	Profit forecasts or estimates		n/a
14/	Administrative, executive management and supervisory bodies		
14.1.	Information concerning members	50 ; 63	3.1.2; 3.2
14.2.	Conflicts of interests	59	3.1.1.4
15/	Remuneration and benefits		
15.1.	Remuneration and benefits in kind	82	3.5
15.2.	Provisions for retirement obligations	87	3.5.2.3
16/	Functioning of the Board and management		
16.1.	Expiration date of the terms of offices	51	3.1.1.1
16.2.	Services agreements relating to members of the administrative, executive or supervisory bodies	60 ; 87	3.1.1.5 ; 3.5.2.3
16.3.	Information about the audit and remuneration Committees	69	3.3.1.3
16.4.	Compliance to the applicable corporate governance regime	64	3.3.1.1
17/	Employees		
17.1.	Number of salaried personnel	104	4.2.1
17.2.	Shareholdings and stock-options	37 ; 42	2.2.5.2 ; 2.3.1.3
17.3.	Arrangement involving the employees' participation to the share capital	105	4.2.3
18/	Major shareholders		
18.1.	Shareholding of the issuer	41	2.3.1
18.2.	Existence of different voting rights	31	2.1.2.3
18.3.	Direct or indirect control of the issuer	41	2.3
18.4.	Agreements whose implementation could lead to a change of control	42	2.3.3
19/	Related-party transactions	173	6.6
20/	Financial information concerning the issuer's assets and liabilities, financial position and profits and losses		
20.1.	Historical financial information	135 ; 179	6; 7
20.2.	Pro forma financial information		n/a
20.3.	Financial statements	135 ; 179	6; 7
20.4.	Auditing of historical annual financial information	177 ; 203	6.7 ; 7.7
20.5.	Date of latest financial information (December 31 st , 2015)	135 ; 179	6; 7
20.6.	Interim and other financial information		n/a
20.7.	Dividend policy	45	2.5
20.8.	Legal and arbitration proceedings	28	1.7
20.9.	Significant change in the issuers' financial or commercial position		n/a
21/	Additional information		
21.1.	Share capital (€)	33	2.2
21.2.	Incorporation documents and articles of association	30	2.1.2
22/	Material contracts		n/a
23/	Third-party information and statements by experts and declarations of any interests		
23.1.	Declarations by expert		n/a
23.2.	Statement		n/a
24/	Documents available to the public	30	2.1.1
25/	Information on holdings	200	7.5



8.4 *Cross-reference table to the annual financial report*

► Under Article L.451-1-2 of the French Monetary and Financial Code

	Pages	Section
1/ Management report <i>(see details in 8.5)</i>		
Analysis of the evolution of revenues	127	5
Analysis of the results	127	5
Analysis of the financial position	127	5
Key indicators of financial and non financial nature	97 ; 135 ; 179	4; 6; 7
Indicators on the use of financial instruments	158	6
Major risk factors and uncertainties	22 ; 134	1.6; 5.3.2
Table of the capital increases delegations	34	2.2.3; 2.2.4
Factors liable to have an impact in the event of a public offering	72	3.3.1.8
Share buyback programs of the Company	34	2.2.4
2/ Consolidated financial statements	135	6
3/ Parent company financial statements	179	7
4/ Statutory auditors' report on the Company's financial statements and the consolidated financial statements	177 ; 203	6.7; 7.7
5/ Auditors' fees	207	8.2.2
6/ Statements of the person responsible for the annual financial report	206	8.1

8.5 Cross-reference table to the management report

Applicable provisions	Comments on the financial year	Section
French Commercial Code L.225-100, L.225-100-2, L.232-1, L.233-6 and L.233-26	Objective and comprehensive analysis of the development of the Company's and Group's business, earnings and financial position	5
French Commercial Code L.225-100 and L.225-100-2	Non-financial KPIs specifically relevant to the Company's business activity	4
French Commercial Code L.233-6	Significant new shareholdings acquired during the year in companies with registered offices located in France	1.3.4.2
French Commercial Code L.232-1 and L.233-26	Major events occurring between the balance sheet date and the date of preparation of the report	6.6
French Commercial Code L.232-1 and L.233-26	Foreseeable changes in the Company's and the Group's position	5.3
French Commercial Code R.225-102	Progress achieved, difficulties encountered, future perspectives	5.3
French Commercial Code L.233-6 and R.225-102	Activity of subsidiaries and shareholding by branch of activity	1.3
French General Tax Code 243 bis	Dividends distributed in respect of the last three financial years and amounts of distributed income eligible for the 40% tax rebate in respect of the same periods	2.5.2
French General Tax Code 223 quater	Amount of non tax deductible expenses and charges	5.2.2.4
French Monetary and Financial Code L. 511-6	Amount of intercompany loans	6.6
Applicable provisions	Group presentation information	
French Commercial Code L.225-100 and L.225-100-2	Description of the main risks and uncertainties to which the Company is exposed	1.6; 1.7
French Commercial Code L.225-100 and L.225-100-2	Use of financial instruments by the Company: financial risk management objectives and policy	1.6.1
French Commercial Code L.225-100 and L.225-100-2	Corporate exposure to price, credit, liquidity and cash flow risk	1.6.1
French Commercial Code L.225-102-1, L.225-102-2 and R.225-104	Social and environmental impact of the Company's activity (including "Seveso" sites); societal commitment promoting the fight against discrimination, as well as promoting diversity, sustainable development and circular economy	4
French Commercial Code L.225-102-2	Information on dangerous activities	n/a
French Commercial Code L.232-1	Research and development activities	n/a
Applicable provisions	Information related to corporate governance	
French Commercial Code R.225-102	Choice on one of the methods of exercising the general management in case of modification	3.1 ; 3.2
French Commercial Code L.225-102-1	List of all offices held and duties performed by each director in all companies during the financial year	3.1.1
French Commercial Code L.225-102-1	Total remuneration and benefits of any kind awarded to each director during the financial year	3.5
French Commercial Code L.225-102-1	Commitments of any kind made by the Company in favor of its executive directors related to remuneration, payments or benefits due or liable to be due upon the assumption, termination or alteration of these responsibilities or at a later date	3.5.2.3



Applicable provisions	Comments on the financial year	Section
French Commercial Code L.225-184	Options granted, subscribed to or purchased during the year by executive officers and by the first ten non-executive officers of the Company, and options granted to all employee beneficiaries by category	n/a
French Commercial Code L.225-185	Terms and conditions pertaining to the exercise of options by executive officers and directors and lock-in conditions	n/a
French Commercial Code L.225-197-1	Lock-in conditions pertaining to performance shares allotted to executive officers and directors	2.2.5.3; 3.5.2.4
French Monetary and Financial Code L.621-18-2	Transactions on Company shares performed by directors and related persons	3.6.4
Applicable provisions	Information on the Company and share capital	
French Commercial Code L.233-13	Notice of shareholding of more than 10% of share capital in another company, alienation of cross shareholdings	n/a
French Commercial Code L.225-211	Breakdown of treasury share sales and purchases during the year	2.2.4.4
French Commercial Code R.228-90	Adjustments, if any, for securities giving access to the capital in the event of share repurchases or financial transactions	n/a
French Commercial Code L.225-100	Table summarizing currently valid authorizations given by the shareholders' meetings to the Board of Directors in respect of capital increases	2.2.3
French Commercial Code L.225-102	Statement of employee participation in the share capital as of the balance sheet date and proportion of share capital represented by shares held by employees under the Company savings scheme and by current and former employees within company mutual funds	2.3.1.3
French Commercial Code L.464-2	Injunctions or financial penalties for practices contrary to anti-trust legislation	n/a
Applicable provisions	Information relating to the financial statements	
French Commercial Code R.225-102	Five-year summary of the company's results	7.6
French Commercial Code R.225-102	Subsidiaries earnings	7.5
Applicable provisions	Other information	
French Commercial Code L.225-100-3	Factors liable to have an impact in the event of a public offering	3.3.1.8
French Commercial Code L.225-102-1	Relevant agreements, concluded directly or by a third-party, between, on the one hand, and depending on the situation, the chief executive officer, one of the deputy chief executive officers, one of the directors or one of the shareholders holding over 10% of voting rights and, on the other hand, another company who, directly or indirectly, holds more than half the share capital (unless it is an agreement on current transactions and signed under normal conditions)	3.7
French Commercial Code L.233-13	Identity of direct or indirect holders of one twentieth, one tenth, three twentieths, one fifth, one quarter, one third, one half, two thirds, eighteen twentieths, nineteen twentieths of the share capital or the voting rights to shareholders' meetings	2.3
French Commercial Code L.233-13	Companies controlled and share of the capital of the Company they hold	2.2.4.3
French Commercial Code L.441-6 and D.441-4	Payment terms	5.2.1.6
Applicable provisions	Documents attached	
French Commercial Code L.225-37	Report of the Chairman of the Board of Directors	3.3

8.6 Cross-reference table on environmental, labor and social information

► Pursuant to Decree No. 2012-557 of April 24th, 2012 on the implementation of Article 225 of Act No. 2010-788 of July 12th, 2010 and Article 12 of Act No. 2012-387 of March 22nd, 2012

	Pages	Section
STAFF INFORMATION		
Workforce		
Total workforce (breakdown by gender and geographic region)	104	4.2.1
Hiring (permanent and fixed-term contracts, any hiring problems encountered)	104	4.2.2
Dismissals (grounds, re-assignment measures, rehiring, support plans)	104	4.2.2
Remuneration (changes, social security charges, profit-sharing and incentive plans, employee savings plan)	105	4.2.3
Work organization		
Organization of working hours (working hours for full-time and part-time employees, overtime, outsourced workforce)	105	4.2.4.1
Absenteeism (grounds)	105	4.2.4.3
Labor relations		
Social dialog organization (rules and procedures for employee notification, consultation and negotiation)	106	4.2.5
Overview of collective agreements	106	4.2.5
Health, safety and security		
Health, safety and security conditions at work	108	4.2.6
Agreements signed with trade unions and staff representatives regarding health, safety and security at work	108	4.2.6
Frequency and severity rates of industrial accidents and record of occupational illnesses	108	4.2.6
Promotion of and compliance with ILO fundamental conventions		
Compliance with the freedom of association principle and the right to collective bargaining	100	4.1.3
Elimination of discrimination in respect of employment and occupation	100	4.1.3
Elimination of forced or compulsory labour	100	4.1.3
Effective abolition of child labour	100	4.1.3
Training		
Training policies implemented	111	4.2.7
Total hours of training	111	4.2.7
Specific occupational training programs for employees	111	4.2.7
Equal treatment		
Measures taken in favor of equality between men and women	112	4.2.8.1
Measures taken in favor of employment and integration of disabled workers	112	4.2.8.2
Anti-discrimination policy	113	4.2.8.4



	Pages	Section
ENVIRONMENTAL INFORMATION		
Global environmental policy		
Company organization and assessment and certification procedures	114	4.3.1
Employee training and awareness measures regarding environmental protection	114	4.3.1
Resources assigned to the prevention of environmental risk and pollution		n/a
Amount of provisions and guarantees for environmental risks		n/a
Pollution and waste management		
Prevention, reduction or compensation measures regarding atmospheric, aqueous and terrestrial pollution seriously affecting the environment		n/a
Prevention of waste generation, waste recycling and elimination	115	4.3.2
Noise pollution	118	4.3.4.3
Measures implemented with regard to all other forms of pollution inherent to a specific activity		n/a
Sustainable use of resources		
Water consumption and supply in view of local restrictions	116	4.3.3.2
Raw materials consumption and measures implemented to improve consumption efficiency	116	4.3.3
Energy consumption, measures implemented to improve energy efficiency and use of renewable energies	116	4.3.3
Land use	118	4.3.4.3
Climate change		
Greenhouse gas emissions	118	4.3.4.2
Adaptation to the consequences of climate change	117	4.3.4.1
Protection of biodiversity		
Measures implemented to preserve or promote biodiversity	118	4.3.4.3
SOCIAL INFORMATION		
The local, economic and social impact of our business		
Impact of the Company's activity on employment and regional development	119	4.4.1
Impact of the Company's activity on local and neighboring communities	119	4.4.1
Stakeholder relations		
Conditions of discussions with stakeholders (professional inclusion associations, teaching establishments, environmental protection associations, consumer and local residents' associations)	119	4.4.1
Partnership and sponsorship activities	120	4.4.2
Subcontractors and suppliers		
Integration of social and environmental factors in the procurement strategy	122	4.4.3
Importance of subcontracting and integration of CSR in relationships with suppliers and subcontractors	122	4.4.3
Fair practices		
Anti-corruption measures	122	4.4.4
Measures implemented in relation to consumer health, safety and security	123	4.4.5
Other action in support of human rights	123	4.4.6
Social commitments in favor of circular economy	104 ; 114	4.2 ; 4.3

8.7 General observations

In this Registration Document, unless stipulated to the contrary, the terms “Company” and “Teleperformance” refer to Teleperformance SE and the term “Group” refers to the Company and its subsidiaries and shareholdings.

This Registration Document contains information on the Group's objectives and forecasts, in particular in the section 5.3 *Trends and Outlook*.

This information is occasionally referred to using the future or conditional tense and prospective terms such as “think”, “aim”, “expect”, “intend”, “should”, “strive”, “estimate”, “believe”, “wish”, “may/might”, etc. Such information is based on data, assumptions and estimates which the Company believes to be reasonable. It is subject to change or amendment owing to uncertainties notably relating to the risks inherent in any business as well as the political, economic, financial and regulatory environment and competition. Moreover, some of the risks described in section 1.6 *Risk Factors* should they materialize, may affect the Group's business and our ability to achieve our objectives and forecasts.

The prospective statements, objectives and forecasts contained in this Registration Document could be affected by known and unknown risks, uncertainties or other factors that might result in the Group's future results, performance and achievements differing significantly from the objectives and forecasts made or suggested herein. These factors could include changes to the economic and business environment and regulations as well as the factors set out in section 1.6 *Risk Factors*.

The Company makes no commitment and gives no warranty as to the realization of the objectives and forecasts set out in this Registration Document.

Investors are asked to pay close attention to each of the risk factors described in section 1.6 of the present document prior to making an investment decision. Our business, situation or financial results or our objectives and forecasts may be negatively impacted should some or all of these risks materialize. Furthermore, other risks that have not yet been identified or which we consider to be of little significance may also have a negative impact and investors could lose some or all of their investment.





Teleperformance

Transforming Passion into Excellence

Teleperformance SE

European Company (*Societas Europaea*)

with a share capital of €143,004,225

RCS number 301 292 702 Paris

21/25 rue Balzac - 75008 Paris - France

Tel.: +33 1 53 83 59 00

For more information:

www.teleperformance.com

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